MATCO FOODS

# ANNUAL REPORT

Reaching New Heights

## 2025

# Table of Content

# Our **Legacy**

Since its foundation in 1964 by Syed Sarfaraz Ali Ghori as Muhammad Ali Trading Company, Matco Foods has built its journey on innovation, integrity, and growth. What began with supplying and commissioning rice plants and equipment has gradually transformed into a diversified food enterprise known for consistent quality and forward-looking strategy. Early on, Matco embraced international benchmarks, earning organic certifications under the US National Organic Program (USDA-NOP) and EU standards via the Control Union, and in 2012 becoming an investee of the International Finance Corporation (IFC), reinforcing its commitment to global best practices in governance, sustainability, and performance.

Over the years, Matco has broadened its core rice business into several value-added domains. It expanded beyond rice milling into rice glucose and rice protein production, introduced a corn starch business, and developed a consumer convenience range under its Falak Foods division offering seasonings, masalas, dessert mixes, and other ready-to-use food items. These diversifications reflect Matco's strategy to respond to evolving consumer preferences and international market trends, while preserving the legacy of excellence established at its inception.

Throughout these decades, Matco has remained rooted in its founding values: strong relationships with farmers, investment in product and process innovation, maintaining traceable and sustainable sourcing, and ensuring that each new line of business–whether ingredients like glucose and starch or convenience foods like masalas and seasonings–upholds the same standards of quality, ethical practice, and global competitiveness that have defined its legacy.

# **Business** Profile

Matco Foods Limited is a dynamic and comprehensive agro-processor and food products company, proudly holding a leading position in South Asia. We are committed to delivering a diverse portfolio of high-quality offerings – from convenient packaged goods for consumers to essential ingredients serving critical industries such as pharmaceuticals and confectionery.

Our product range is anchored by premium Basmati rice, complemented by value-added derivatives including rice glucose, rice protein, rice maltodextrin, and dextrose monohydrate. Expanding beyond rice-based expertise, we also provide a complete line of corn starches and corn-based animal nutrition products. In addition, we offer a wide variety of culinary and convenience food items, such as recipe mixes, seasonings, salts, spices, specialty flours, cooking mixes, pastes, and desserts – all crafted to meet the evolving tastes of domestic and international consumers, while bringing greater convenience, quality, and flavor to everyday cooking.

With over 60 years of experience in the rice industry, Matco Foods is recognized as the largest Basmati rice exporter from Pakistan and ranks among the top 100 exporters nationwide. Our global footprint extends to more than 150 corporate customers across 65 countries. The Company's flagship brand, Falak, is a trusted household name in the rice, condiments, and spices categories, enjoying wide international availability. Complementing this, we also export high-quality private-label brands to the same global network.

Our robust operational infrastructure underpins this leadership, comprising five advanced rice processing and milling facilities – including vertically integrated paddy drying, storage, husking, and processing units in Sadhoke, Punjab, and Karachi, Sindh – along with two specialized rice syrup plants in Karachi producing organic rice syrup and rice protein, and a dextrose monohydrate plant.

In line with our strategic growth initiatives, 2022 marked a pivotal year of diversification. We commissioned a state-of-the-art corn plant, utilizing best-in-class technology and expertise sourced from Asia, the USA, and Europe. Building on this foundation, Matco Foods is in the process of establishing its Corn Division, which will focus on delivering a comprehensive range of starches and corn-based animal nutrition products, leveraging our proven expertise in grain procurement, handling, and processing.

That same year, we also initiated the Falak Food Division, aimed at broadening our consumer reach. Dedicated to introducing innovative new products under the trusted Falak brand and backed by dynamic marketing strategies, this division will enable Matco Foods to adapt swiftly to evolving consumer preferences and global food trends.

At Matco Foods, our unwavering commitment to quality, safety, and hygiene is reflected in our strong infrastructure and strict compliance systems. Our dedicated laboratories and quality control units, staffed by highly qualified professionals, include Wet Labs, Instrumentation Labs, and Microbiology Labs, ensuring rigorous testing of intermediate, in-process, and final products.

We take pride in our enduring legacy of delivering superior-quality products and bespoke solutions that consistently meet the needs of our valued customers worldwide.

# Vision

To become a leading global supplier of quality ingredients and consumer food products that offer convenience.

# Mission

To provide premium quality products globally to customers; to be innovative, customer-oriented and create strong partnerships with suppliers; to continuously invest in our staff - the biggest asset of the company; and to create long-term value for all stakeholders - shareholders, staff, customers, suppliers, and the wider community.

# Corporate **Information**

### BOARD OF DIRECTORS

| | |
|---|---|
| Mr. Jawed Ali Ghori | Chairman |
| Mr. Khalid Sarfaraz Ghori | Chief Executive Officer |
| Mr. Faizan Ali Ghori, CFA | Executive Director |
| Mr. Safwan Khalid Ghori | Executive Director |
| Mrs. Faryal Murtaza | Non-executive Director |
| Syed Kamran Rashid | Independent Director |
| Mr. Abdul Samad Khan | Independent Director |
| Ms. Umme Habibah | Independent Director |
| Mr. Mohammad Mohsin | Independent Director |

### AUDIT COMMITTEE

| | |
|---|---|
| Syed Kamran Rashid | Chairman |
| Mr. Abdul Samad Khan | Member |
| Mr. Mohammad Mohsin | Member |

### HUMAN RESOURCE & REMUNERATION COMMITTEE

| | |
|---|---|
| Ms. Umme Habibah | Chairman |
| Mr. Jawed Ali Ghori | Member |
| Mr. Khalid Sarfaraz Ghori | Member |
| Mr. Faizan Ali Ghori, CFA | Member |
| Mrs. Faryal Murtaza | Member |

### CHIEF FINANCIAL OFFICER
Mr. Muhammad Aamir Farooqui, FCMA

### COMPANY SECRETARY
Mr. Muhammad Noman Ansari, FCMA

### HEAD OF INTERNAL AUDIT
Mr. Shiraz Anwar, CIA

### LEGAL ADVISOR
Muhammad Javaid Akhter
A-55/56, Federal 'B' Area, Karachi, Pakistan

### AUDITORS
Grant Thornton Anjum Rahman
Grant Thornton Anjum Rahman (GTAR)
1st and 3rd Floor, Modern Motors House,
Beaumont Road, Karachi, Pakistan
Tel (Office): +92 (21) 3567 2951-6
Fax: +92 (21) 3568 8834
Website: www.gtpak.com

### SHARE REGISTRAR
CDC Share Registrar Services Limited
CDC House 99-B, Block B, S. M. C. H. S.,
Main Shahra-e-Faisal, Karachi - 74400
Tel: (92)) 0800-23275
Fax: (92-21) 34326053
URL: www.cdcsrsl.com
Email info@cdcsrsl.com


## BANKERS

Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
PAIR Investment Company Limited
Pak Brunei Investment Company Limited
Pak Oman Investment Company Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited

## COMPANY LOCATIONS

### REGISTERED OFFICE

B-1/A, S. I. T. E., Phase 1,
Superhighway Industrial Area,
Karachi -75340, Pakistan
Phone: +9221-36411661,+9221-36411662,
+9221-36411663, +92301-8250969, +92321-2422902
Fax: +92 (21) 3632 0509

### DHA OFFICE

Plot # 8C, Shahbaz Commercial,
3rd and 4th Floor, Lane 2,
Phase-VI, DHA, Karachi, Pakistan

### FAISALABAD OFFICE

**Corn Starch Division:**

Plot 87, Block-K, WAPDA City, Faisalabad, Pakistan

### RICE PLANT- KARACHI

A-15-16, S. I. T. E., Phase 1,
Superhighway Industrial Area, Karachi, Pakistan
A-21, S. I. T. E., Phase 1,
Superhighway Industrial Area, Karachi, Pakistan

### RICE GLUCOSE PLANT - KARACHI

G-205, Gadap Road, S. I. T. E.,
Superhighway Industrial Area, Karachi, Pakistan

### RICE PLANT- SADHOKE

50 KM, Main G. T. Road, Sadhoke,
Tehsil Kamoke, District Gujranwala, Pakistan

### CORN STARCH PLANT - FAISALABAD

Plot # 53, Allama Iqbal Industrial City,
SEZ, Faisalabad, Pakistan

### WEBSITE

www.matcofoods.com

### EMAIL

contact@matcofoods.com


FALAK®
پرانا چاول
PURANA CHAAWAL
BIRYANI PERFECT
FALAK®
EXTREME
BASMATI RICE
Premium Quality
NET WT.
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# Profile of **Directors**

**MR. JAWED ALI GHORI**

Mr. Jawed Ali Ghori completed his Diploma in Associate Engineering in 1968, followed by a B.Sc. in Economics and Political Science from the University of Karachi in 1971. After graduation, he joined the family business, Matco Engineering, where he successfully executed several government and semi-government projects. Notable among these were the Greater Hyderabad Water Project (1981), Faisalabad Development Authority Water Project (1984), Chitral Water Project (1989), and major assignments with OGDC and Attock Oil. He also played a key role in various telecommunication and SCADA projects for Sui Southern Gas Company (SSGC) and Sui Northern Gas Pipelines Limited (SNGPL).

In the rice sector, Mr. Jawed Ali Ghori's contributions began with the supply of four rice plants to the Rice Export Corporation of Pakistan at Pipri, Sindh, in 1978. Later, in 1985, he delivered and commissioned an automatic parboiled rice plant with a capacity of 10 metric tons per hour on a turnkey basis for P.N.P Rice Mills in Dhaunkal, Punjab. As part of the expansion of the Dhaunkal project in 1988, he also oversaw the supply and installation of six color sorters for the parboiled plant.

With the opening of Basmati rice exports to the private sector in Pakistan, Mr. Jawed Ali Ghori envisioned establishing a state-of-the-art rice processing facility to raise industry standards. This vision led to the founding of Matco Rice Processing in 1990, laying the foundation of today's Matco Foods Limited.

Currently serving as the Managing Director of Matco Foods Limited, Mr. Jawed Ali Ghori brings over four decades of experience in rice processing, industrial development, and international rice exports. His professional journey has taken him across the globe, where he has procured rice machinery and technologies from countries including China, Germany, Great Britain, India, Japan, Korea, Thailand, and the United States.

**MR. KHALID SARFARAZ GHORI**

Mr. Khalid Ghori graduated from the University of Karachi in 1981 and began his articleship with the Institute of Chartered Accountants of Pakistan (ICAP) in Karachi. However, the rapid expansion of the family business required his immediate involvement, and in 1984, he took charge of the turnkey Dhaunkal projects, overseeing the testing and operation of a parboiled rice plant. From 1986 to 1989, he managed Jawed Rice Mills in Larkana. When Matco Rice Processing was established in Karachi in 1990, he played an instrumental role from the drawing board stage to fabrication, installation, and successful operations.

In 1995, Mr. Khalid Ghori spearheaded the establishment of Matco Unit 2, which expanded the Company's capacity through in-house design and system engineering. The unit incorporated advanced Japanese, Thai, and Chinese technologies. To enhance crop quality and strengthen the rice supply chain, he also launched a pioneering Rice Cultivating Monitoring Program and established Matco's research and control office in Lahore, working closely with growers across Punjab.

With over three decades of experience in rice procurement and processing, Mr. Khalid Sarfaraz Ghori is widely regarded as the "Guru of rice buyers in Pakistan." His deep expertise in assessing the quality of agri-products, combined with his hands-on approach to procurement and production, has strengthened Matco's leadership in the rice industry. He has also built an extensive farmer network, linking them directly to Matco's supply chain–helping farmers secure fair prices by bypassing intermediaries while ensuring the company meets its procurement and quality targets.

**MR. FAIZAN ALI GHORI**

Mr. Faizan Ali Ghori joined Matco Foods Limited in 2006 with overall responsibility for the Accounts and Finance Departments and for managing the Company's liaison with financial institutions. He spearheaded Matco's backward integration paddy project at Sadhoke, District Gujranwala, and successfully attracted the first foreign direct investment (FDI) by the International Finance Corporation (IFC), a member of the World Bank Group, in Pakistan's agriculture sector through its investment in Matco.

Prior to joining Matco, Mr. Faizan Ali Ghori worked with Bank of America in London as an Analyst within the Corporate Finance and Mergers & Acquisitions Investment Banking Division, covering the European Energy & Power Sector.

He graduated Cum Laude from New York University's Leonard N. Stern School of Business, earning a Bachelor of Science degree with a double major in Finance and Accounting. He also holds a Master of Science degree in Finance and Accounting with Merit from the London School of Economics and Political Science (LSE). Mr. Faizan Ali Ghori is a CFA charterholder and a certified director, accredited by Risk Metrics Group USA, having completed the Director Education Program conducted by the Pakistan Institute of Corporate Governance.

**MR. SAFWAN KHALID GHORI**

Mr. Safwan Ghori joined Matco Foods Limited in 2017 and currently leads the Rice Glucose Division (RGD). He played a key role in Matco's Initial Public Offering (IPO) and has recently spearheaded a major expansion project that successfully tripled the production capacity of RGD.

Before joining Matco, Mr. Safwan Khalid Ghori worked at Citigroup in New York as an Analyst in the Hedge Fund Risk Division, servicing Prime Brokerage clients. He graduated Cum Laude from New York University's Leonard N. Stern School of Business, earning a Bachelor of Science degree with a double major in Finance and Accounting. He is also a CFA charterholder.

**SYED KAMRAN RASHID**

Syed Kamran Rashid is a graduate of the University of Karachi and has been associated with EFU General Insurance Company Limited since 1989. Throughout his career, he has served the Company in a variety of key roles, contributing to its growth and success. He currently holds the position of Executive Director.

**MR. ABDUL SAMAD KHAN**

Mr. Abdul Samad Khan has been serving as the Chief Executive Officer of AGVEN (Pvt) Limited since July 2015, a company engaged in the import, manufacturing, and marketing of fertilizer products under its own brand in Pakistan. He began his career with Engro Corporation in 1988 after completing his MBA from the Institute of Business Administration (IBA), Karachi. During his long tenure at Engro, he held several leadership positions and was serving as the CEO of Engro Eximp (Pvt) Limited when he left the Company in December 2014.

Mr. Abdul Samad Khan brings with him extensive knowledge and experience in agricultural inputs and agri-processing industries in Pakistan, spanning fertilizers, seeds, dairy, and rice sectors. He also successfully completed the Director's Training Program conducted by the Pakistan Institute of Corporate Governance in 2014.

**MRS. FARYAL MURTAZA**

Faryal Murtaza holds both a BBA and an MBA from the Institute of Business Administration (IBA), Karachi. She joined Matco Foods Limited, where she served until 2017. During her tenure, she successfully launched the Company's flagship brand, "FALAK," in Pakistan, pioneering the branded rice segment in the local market. She played a key role in building the brand's visibility, with a strong emphasis on television and multi-media marketing campaigns. Before joining Matco, Faryal gained professional experience through assignments at British Petroleum, Colgate-Palmolive, and American Express.

**MS. UMME HABIBAH**

Umme Habibah is a seasoned Human Resources specialist with over 15 years of experience spanning both core and strategic areas of Human Resource Management. She is currently serving as the Head of Learning, Talent, and Culture at METRO Pakistan (Private) Limited, a subsidiary of the German retail group. Previously, she held senior leadership roles as Head of Human Resources at Lotte Kolson Pakistan and as Director of People and Organization at Novo Nordisk Pharma (Private) Limited.

She holds a master's degree in human resources from the University of Karachi and has also been associated with Walmart and Unilever Pakistan Limited in various capacities within the Human Resources function.

**MR. MOHAMMAD MOHSIN SULEMAN**

Mr. Mohammad Mohsin holds a bachelor's degree in commerce from the University of Karachi, having studied at the Government College of Commerce & Economics, Karachi, and graduated in 1998. He began his career with Standard Chartered Bank before moving to California, USA, where he pursued business courses at California State University, Northridge. Upon his return to Pakistan, he entered the construction and real estate sector, where he has been managing his company, Mayar Properties. In addition to developing and dealing in properties, he also has experience in commodity trading to and from Pakistan.


FALAK®
TASTE KA PUNCH
FALAK®
CHILI
CRUNCH

# Making an Impact

Our Year in Review

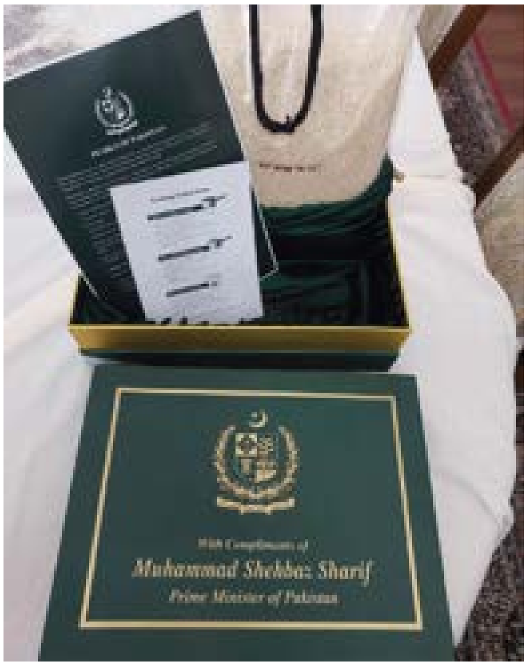
2025

# **PLANT EXPANSION:** PKR 750 MILLION FINANCING AGREEMENT WITH BANK ALFALAH

Matco Foods Limited has secured a PKR 750 million, three-year financing agreement with Bank Alfalah to expand our corn starch business. This investment will increase our production capacity from 200 to 300 tons per day, enabling us to meet the growing market demand. Bank Alfalah also has the option to convert its financing into equity shares in Matco's new subsidiary, underscoring the potential for long-term growth in Pakistan's agribusiness sector. A big thank you to Bank Alfalah, FIEDMC, and the Special Investment Facilitation Council for their continued support in driving industrial growth in Pakistan.

# **BASMATI RICE DIPLOMACY PROJECT:** RECOGNIZED BY THE PRIME MINISTER OF PAKISTAN

Matco Foods is honored to be recognized for our pivotal role in the Prime Minister of Pakistan's Basmati Rice Diplomacy Initiative. Through this project, we have successfully supplied premium-quality Basmati rice to 28 countries, promoting Pakistan's agricultural produce globally. We are grateful to the Trade Development Authority of Pakistan for this recognition and are excited to continue delivering superior-quality Basmati rice and other products to international markets.

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FALAK
MEAT TENDERIZER
TENDER DELICIOUSNESS
FALAK
CHAAT MASALA
SPICY SEASONING
FALAK
FRIES MASALA
FRIES SEASONING
TWIST KARO!
SHAKE KARO!
ENJOY KARO!

# **MATCO FOODS AT NATURAL** PRODUCTS EXPO WEST 2025

Matco Foods participated in the Natural Products Expo West 2025 in Anaheim, California! We proudly presented our offerings, including FALAK Rice, FALAK Masalas, FALAK Brown Rice, Corn Starches, and more, at Booth No. 1481 from March 5-7, 2025. The event provided an excellent platform to connect with industry leaders and explore the latest innovations in natural food products.


# **MATCO FOODS AT FOOD** AG MANUFACTURING 2025

Matco Foods showcased our top-quality products at Food AG Manufacturing 2025 at the Expo Center Lahore! We had the opportunity to meet industry professionals and highlight innovations in food manufacturing. We appreciate all the visitors who stopped by and look forward to continuing our mission of delivering superior ingredients and sustainable food solutions.

# FALAK

# NOW AVAILABLE RECIPE MIXES!

# MATCO FOODS AT GULFOOD 2025 : THE WORLD'S BIGGEST ANNUAL F&B EVENT

Matco Foods proudly participated in Gulfood 2025, the world's largest annual food and beverage event, held at the Dubai World Trade Centre. We had the opportunity to showcase our finest products at Zaabeel Hall 6, Booth Z6-H40 from February 17-21, 2025. Visitors experienced the quality, innovation, and heritage that define our products, including FALAK Rice, FALAK Extreme Rice, Organic Brown and White Rice, FALAK Masalas, Seasonings, Pink Salt, and more. We are grateful to all those who visited us and helped make this event a success. We look forward to continuing our journey of offering high-quality, sustainable food solutions globally.

FALAK®

# NOW AVAILABLE
# PANI PURI

# **FALAK FRIES MASALA WINS** SUPERIOR TASTE AWARD


We are very pleased to share that FALAK Fries Masala has received the prestigious Superior Taste Award by the International Taste Institute in Brussels. Judged by a panel of 200 expert chefs,including Michelin-starred culinary masters, this award reflects the highest global standards in taste and quality. Receiving a star from such a renowned institute is a remarkable achievement and a proud moment for all of us. This recognition highlights the exceptional flavour and superior quality that we consistently strive to deliver in every FALAK product. We remain committed to crafting products that not only delight taste buds but also inspire culinary creativity.

# **FALAK CHICAGO STORE** MERCHANDISING ACTIVITY

We are pleased to share the success of our recent FALAK Store Merchandising Activity in Chicago, designed to further solidify our brand's presence in the U.S. market. This strategic initiative focused on elevating the in-store experience, with well-curated product displays and optimized shelf placement to enhance FALAK's visibility and accessibility to consumers.

# FALAK®

*Perfect For*

## LENTILS, VEGETABLES, RICE & PASTA !

# **MATCO AT KDSP CARNIVAL :** A DAY OF HEARTFELT CONNECTIONS

Reliving the joy and smiles! Matco Foods proudly participated in the KDSP (Karachi Down Syndrome Program) Carnival, a heart-warming event dedicated to celebrating children with Down syndrome and their families. The day was filled with love, laughter, and unforgettable moments as our team connected with the community through engaging activities and shared experiences. We also showcased Falak's trusted product range, spreading joy and flavour to everyone who visited our booth.


# **FALAK AT FOOD FESTIVALS:** ENGAGING WITH FOOD LOVERS ACROSS PAKISTAN

FALAK had the privilege of participating in some of the most exciting and dynamic food festivals and events across Pakistan. From Karachi Eat to Hum Masala and Pindi Fest, our brand delighted attendees with our premium-quality products, including FALAK Rice, Masalas, and more. At Karachi Eat, we showcased the rich flavors of our diverse range, while Hum Masala allowed us to connect with food enthusiasts looking for authentic spices and seasonings. Pindi Fest provided another opportunity to introduce our premium offerings, drawing in food lovers from all walks of life.


FALAK
CRISPY
PANI PURI
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# FALAK PURANA CHAAWAL CAMPAIGN WON EFFIE AWARD 2025

FALAK Purana Chaawal campaign has achieved a remarkable milestone by winning the prestigious Effie Award 2025 in the Food category–one of the highest honours in marketing excellence. This heartfelt campaign, rooted in tradition, emotion, and storytelling, resonated deeply with audiences across Pakistan. Congratulations to our Marketing Team, Leadership, and all cross-functional contributors who brought this powerful idea to life and turned it into an award-winning success.


# SCRATCH & WIN PRIZE DISTRIBUTION CEREMONY

We are thrilled to host the FALAK Scratch & Win Prize Distribution Ceremony, where our lucky winners received exciting gifts – bikes, mobile phones, smart watches, and more! This campaign celebrated loyalty and joy, highlighting the strong bond we share with our valued FALAK family. Leadership, and all cross-functional contributors who brought this powerful idea to life and turned it into an award-winning success.


FALAK®
The Taste You Trust !
Biryani
Perfect
بریانی پرفیکٹ
FALAK®
EXTREME
BASMATI RICE
فلک ایکسٹریم
Premium
Quality
Aromatic
Extra Long
Grain
Steamed
Rice
Perfect For
Biryani

# FALAK MARKETING CAMPAIGN
## REACHES 24M+ VIEWS

FALAK Marketing campaign made waves this season, reaching an incredible 24 million views across social media platforms–a true testament to the emotional connection and cultural relevance of our message. Complementing the digital reach, the campaign was further amplified through nationwide bus branding, showcasing vibrant visuals of FALAK Recipe Mixes across major cities.


# FALAK RECIPE MIXES : AUTHENTIC FLAVOURS, NOW IN STORES


We're excited to announce the launch of FALAK Recipe Mixes, our latest innovation crafted to bring authentic, traditional flavors to your kitchen with ease. From Karachi Biryani to Punjabi Pulao, White Karahi, and more, these mixes make cooking simpler while preserving the rich taste of home. Now available at over 700 stores nationwide, FALAK Recipe Mixes have also gained strong retail visibility through gondola branding and in-store displays across key outlets–boosting brand recognition and engaging consumers right at the point of purchase.


INDULGE IN FREE
AROMA THERAPY WITH
FALAK
JASMINE
FRAGRANT RICE
FROM THE ROYAL
KINGDOM OF THAILAND!
FALAK®
JASMINE
FRAGRANT RICE
ดอกมะลิข้าวหอม
100% Jasmine rice
1kg e

# **INTRODUCING** FALAK CHILI CRUNCH

We're excited to unveil FALAK Chili Crunch – our newest flavour-packed innovation that brings the perfect crunch and kick to every meal. Whether it's drizzled on noodles, spooned over rice, or added to your favourite snack, Chili Crunch is your go-to condiment for elevating everyday dishes with fiery flavour. Now available online: falakrice.com/products/chili-crunch-150g


# **COTHM INSTITUTES'S VISIT TO MATCO** FOR INDUSTRY EXPOSURE

As part of our knowledge-sharing and industry engagement efforts, COTHM Institute visited Matco Foods' Head Office in Karachi for an interactive learning session with our team. The visit provided valuable exposure to our product development process, quality standards, and innovation pipeline.

This initiative reflects our commitment to nurturing future culinary professionals while staying connected to emerging talent and fresh perspectives.

# **MATCO FOODS** X BYKEA

Matco Foods is proud to partner with Bykea to provide safe and reliable transportation for our female staff. This initiative reflects our strong commitment to empowering women and supporting their professional growth by removing mobility barriers.


# **MATCO FOODS X** JUBILEE INSURANCE

Matco Foods has signed an MoU with Jubilee General Insurance to strengthen the health, safety,and financial security of our people. This partnership reflects our belief that employee well-being drives sustainable growth. It provides our teams with peace of mind and future protection.

# **FINANCIAL EMPOWERMENT** WITH ABHI

Matco Foods has partnered with Abhi (YC S21) to introduce Earned Wage Access (EWA), enabling our employees to access part of their salary anytime. This initiative promotes flexibility, dignity, and financial control. At Matco, we remain committed to empowering our people's well-being.

# **S.O.A.R. WORKSHOPS EMPOWER** TEAMS ACROSS KARACHI & FAISALABAD

At Matco Foods, we are committed to nurturing a culture of purposeful leadership and team excellence. In line with this vision, we recently organized the S.O.A.R. – Leadership & Team Effectiveness Workshop for our internal teams at both our Head Office in Karachi and our Corn Division in Faisalabad. Facilitated by Zain Goplani and the dynamic team at Zest Experience, the two-day workshops delivered impactful sessions on self-discovery, collaboration, and visionary leadership.

# BARENTZ SHOWCASES INNOVATION AT IFTECH 2025

We're proud to share that Barentz, part of our global family, participated in IFTECH 2025 at Expo Centre, Lahore, from 29–31 May. Showcasing its diverse specialty ingredients portfolio. Barentz demonstrated its commitment to innovation, expertise, and industry collaboration–living its promise of "Always a better solution."

# FALAK AT THE SAUDI FOOD SHOW 2025

Matco Foods proudly showcased its FALAK product range at The Saudi Food Show 2025 in Riyadh, reaffirming our commitment to quality, tradition, and innovation on a global stage. Represented by CEO Mr. Khalid Sarfaraz Ghori, Directors Mr. Safwan Ghori and Ms. Falak Ghori,the event showcased our premium offerings, including packed rice, seasoning, and recipe mixes. We also engaged with KSA-based influencers, who visited our stall and appreciated the variety and quality of our products.

# **FALAK AT MY KARACHI** OASIS OF HARMONY EXHIBITION

We are delighted to share that FALAK proudly participated in the My Karachi Oasis of Harmony Exhibition. Our stall attracted a vibrant crowd, where visitors explored our wide range of premium products, including Falak Rice, Spices, Salt, and Recipe Mixes. The event was a wonderful opportunity to connect directly with our valued consumers, showcase our commitment to "The Taste You Trust", and strengthen our presence in the local market. We received an overwhelming response and appreciation for our authentic flavours and innovative offerings.

# Chairman's **Review Report**

It is my privilege to present the Chairman's Review Report for the financial year ended June 30, 2025, in compliance with Section 192 of the Companies Act, 2017, highlighting the Company's performance and the Board of Directors' role in guiding management to effectively fulfill its responsibilities in the best interest of stakeholders.

FY 2024–25 witnessed early signs of macroeconomic stability, with easing inflation, lower policy rates, and gradual improvement in consumer sentiment, though overall demand remained under pressure. Despite a modest decline in sales, your Company delivered a significant turnaround through effective cost optimization, improved margins, and reduced financial charges, resulting in a return to profitability with net earnings of PKR 415 million compared to a loss in the previous year.

During the year, the Board approved the carving out of two divisions of the Company – the Corn Starch Division and Falak Foods Division – into wholly owned subsidiaries, Matco Corn Products (Private) Limited and Falak Foods (Private) Limited, through a scheme of arrangement and transfer of business. This restructuring is expected to support the long-term growth and expansion objectives of each business, as the separation will enable focused strategies, operational stability, and greater opportunities to thrive in their respective markets, ultimately enhancing value for shareholders.

The Board of Directors of Matco Foods Limited comprises nine (9) members, elected at the Annual General Meeting held on October 24, 2024, for a three-year term in accordance with Section 159 of the Companies Act, 2017. Collectively, the directors bring extensive experience and diverse expertise, fostering a robust and effective decision-making process that has been instrumental in steering the Company's strategic direction.

During the year, the Board, through its committees – including the Audit Committee and the Human Resource & Remuneration Committee – operated with independence, diligence, and strict adherence to their Terms of Reference. The Board remained actively engaged in the strategic planning process, ensuring that corporate objectives were consistently aligned with the Company's Vision, Mission, and Values. It continued to exercise effective oversight on governance, policy formulation, financial discipline, and operational performance, while maintaining a strong focus on sustainable long-term value creation for stakeholders.

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board carried out its annual evaluation to assess its overall performance and effectiveness. For the financial year ended June 30, 2025, the performance of the Board and its committees has been rated as satisfactory, with continuous improvement identified as an area of focus. The evaluation, based on a comprehensive set of criteria, covered strategic direction, policy oversight, monitoring of business performance, fiscal stewardship, governance framework, and the quality of engagement between the Board and management.

The Board convened with sufficient frequency during the year, supported by well-structured agendas and the timely circulation of comprehensive meeting materials. Independent and non-executive directors played an active role in all significant deliberations, ensuring that decisions were made in the best interests of the Company and its stakeholders.

The Board extends its appreciation to the Company's employees, valued customers, business partners, financial institutions, shareholders, and regulators for their continued trust and support in enabling Matco Foods Limited to deliver on its commitments.

**Jawed Ali Ghori**
Chairman
Karachi: September 12, 2025

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِيْمِ

# Directors' **Report**

By the Grace of ALLAH (SWT) and on behalf of the Board of Directors (BOD), I am pleased to present the Annual Report of Matco Foods Limited for the year ended June 30th, 2025, along with the audited Financial Statements and Auditors' Report thereon.

## Financial Statement:

| | Unconsolidated | | Consolidated | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| | --------Rupees-------- | | --------Rupees-------- | |
| Sales - net | **26,654,376,270** | 27,695,667,805 | **26,670,728,433** | 27,705,171,773 |
| Cost of sales | **(23,308,052,386)** | (24,524,645,802) | **(23,308,090,931)** | (24,524,645,802) |
| **Gross Profit** | **3,346,323,884** | 3,171,022,003 | **3,362,637,502** | 3,180,525,971 |
| Selling and distribution expenses | **(529,596,131)** | (590,691,407) | **(559,833,630)** | (603,352,830) |
| Administrative expenses | **(817,341,017)** | (681,528,249) | **(854,015,040)** | (708,750,049) |
| | **(1,346,937,148)** | (1,272,219,656) | **(1,413,848,670)** | (1,312,102,879) |
| **Operating profit** | **1,999,386,736** | 1,898,802,347 | **1,948,788,832** | 1,868,423,092 |
| Finance cost | **(1,854,110,081)** | (2,243,877,030) | **(1,854,993,235)** | (2,244,155,913) |
| Other income | **90,058,387** | 86,370,402 | **90,069,155** | 86,374,911 |
| Share of profit/(loss) from associated company | **-** | - | **45,455,629** | 8,504,933 |
| Exchange gain - net | **289,168,393** | 190,389,508 | **289,168,393** | 190,389,508 |
| Provision for workers' welfare fund | **(9,803,803)** | - | **(9,803,803)** | - |
| Provision for workers' profit participation fund | **(24,509,506)** | - | **(24,509,506)** | - |
| **Profit/(Loss) Before Levies and Income Tax** | **490,190,126** | (68,314,773) | **484,175,465** | (90,463,469) |
| Levies - Final and Minimum Tax | **(196,270,343)** | (258,998,630) | **(196,270,343)** | (258,998,630) |
| Taxation | **119,977,531** | 64,847,527 | **126,946,393** | 64,847,527 |
| **Profit/(Loss) for the Year** | **413,897,314** | (262,465,876) | **414,851,515** | (284,614,572) |
| **Earnings Per Share - Basic and Diluted** | **3.38** | (2.14) | **3.39** | (2.33) |

## OPERATING RESULTS:

During the year ended June 30, 2025, the Company recorded net sales of PKR 26.65 billion compared to PKR 27.70 billion in the previous year, reflecting a marginal decline of 4%. In contrast, sales volumes increased by 12%, as compared to last year. This divergence indicates that revenue pressure stemmed mainly from reduced prices and changes in sales mix.

Basmati exports, the largest revenue contributor, remained stable in volume terms at around 41,000 MT; however, sales value declined by 12%. This decrease was mainly due to a reduction in the average export price of Basmati, which fell from USD 1,237 per MT in the previous year to USD 1,089 per MT during the year under review. The downward pressure on prices was largely driven by India's relaxation of export restrictions, which increased supply in international markets. On the domestic front, Basmati sales grew by 8% in volume, though revenue registered a marginal decline of 3%, reflecting stable demand but limited pricing flexibility.

Conversely, value-added and diversified product lines continued to gain momentum. Falak Foods grew by 30% in exports and 57% in local sales, while rice glucose (local) rose by 29% with a strong 32% increase in volumes. Corn starch showed notable growth, with exports rising by 81% and local sales by 4%. Other products, such as maltodextrin and dextrose monohydrate, also contributed positively, supported by both local and export markets.

A positive contribution to the gross profit came from the Company's cost of sales, which declined to PKR 23.31 billion from PKR 24.52 billion in the previous year. This improvement was driven by reduced raw material consumption (falling from PKR 21.04 billion to PKR 18.68 billion), the result of the Company's effective procurement strategy and enhanced inventory management, enabling more informed buying decisions and optimized stock valuations. Energy costs also declined to PKR 855.7 million from PKR 926.8 million, reflecting better resource utilization and the positive effect of our solar-energy initiatives. On the other hand, depreciation rose significantly to PKR 598.3 million from PKR 379.1 million, primarily due to revaluation of fixed assets, resulting in higher incremental depreciation. Overall, gross profit improved to PKR 3.35 billion from PKR 3.17 billion, strengthening gross margins to 12.6% from 11.5%.

Selling and distribution expenses reduced to PKR 529.6 million from PKR 590.7 million, mainly due to lower travelling, sales promotion, and export charges, partially offset by higher depreciation and insurance. The decrease demonstrates the Company's effective cost optimization in marketing and distribution functions despite inflationary pressures.

Administrative expenses increased to PKR 817.3 million compared to PKR 681.5 million in the previous year. The rise was largely driven by higher salaries and benefits, increased depreciation, medical expenses, and software maintenance. This increase reflects both inflationary impacts and continued investment in organizational capabilities to support growth and diversification.

The Company reported an operating profit of PKR 1.99 billion compared to PKR 1.90 billion last year, reflecting operational efficiency and cost management. Finance costs declined significantly to PKR 1.85 billion from PKR 2.24 billion, reflecting a substantial reduction in interest. Since mid-2024, the benchmark policy rate has been lowered from about 22% to 11%, which has eased the cost of borrowing. Other income and exchange gains provided additional support, amounting to PKR 90.1 million and PKR 289.2 million, respectively.

As a result of these disciplined efforts, the Company transformed its financial position and returned to profitability. It achieved a profit before levies and taxation of PKR 490.2 million, in contrast to a loss of PKR 68.3 million in the prior year. After levies and taxation, the net profit for the year amounted to PKR 413.9 million, compared with a net loss of PKR 262.5 million last year. This performance is reflected in earnings per share, which improved to PKR 3.38, reversing last year's loss per share of PKR 2.14.

## PRINCIPAL RISKS AND UNCERTAINTIES

Matco Foods operates in a dynamic environment influenced by climatic, economic, regulatory, and geopolitical factors. The Company remains committed to identifying potential risks early, implementing effective mitigation strategies, and maintaining the flexibility needed to adapt to changing conditions while safeguarding long term growth.

### Climate and Agricultural Supply Chain

Recent flooding events have underscored the growing impact of climate variability on agricultural supply chains. Such conditions can affect the availability and quality of premium Basmati rice sourced from key regions in Pakistan and India, and may also create short term procurement and logistical challenges. Matco Foods actively manages these risks through alternative sourcing arrangements, supply chain adjustments, and close coordination with suppliers and partners to ensure continuity and resilience.

### Macroeconomic and Currency Factors

Pakistan's foreign exchange reserves have shown improvement, supported by policy measures and international cooperation. Nonetheless, external debt obligations and currency fluctuations require ongoing attention, as movements in the Pakistani rupee can influence both domestic purchasing power and export competitiveness. Inflationary pressures, particularly in food products following recent floods, have been contained in recent months, with August 2025 food inflation slowing to 2.2% in urban areas and 1.5% in rural areas. The medium term inflation target of 5–7% remains achievable. The Company closely monitors macroeconomic indicators and currency trends, incorporating flexibility into financial planning to mitigate potential impacts and capture emerging opportunities.

### Regulatory, Political, and Environmental Considerations

The business environment continues to evolve under the influence of regulatory reforms, political developments, and environmental priorities. Changes introduced through the Finance Act 2025 have adjusted taxation and compliance frameworks, requiring operational and strategic adaptation. Political dynamics and regional factors can, at times, affect supply chain efficiency and market sentiment. Environmental considerations, including climate change and Pakistan's vulnerability to weather related events, are increasingly central to strategic decision making. Matco Foods integrates environmental risk management into its operations, aligning with sustainability objectives while maintaining efficiency and quality.

### Geopolitical and Trade Route Disruptions

Developments in key maritime corridors, particularly in the Red Sea region, have added complexity to global trade flows. Security concerns and vessel rerouting have led to longer transit times and higher shipping costs for exporters worldwide. While these factors may influence delivery timelines to certain markets, Matco Foods has diversified its logistics channels, strengthened export planning, and engaged closely with partners to minimize potential disruptions.

## BRIEF ON RICE GLUCOSE DIVISION

The Rice Glucose Division has demonstrated resilience throughout the current financial year, navigating significant inflationary pressures that impacted raw material costs. Despite these challenges, which carried over from the latter half of the previous year, the division maintained its strong market presence across both local and export segments. Looking ahead, a promising development emerged in the final quarter with a substantial decrease in raw material prices. This positive shift is expected to significantly bolster production efficiency and contribute to improved financial performance and enhanced profitability for the division in the upcoming year, setting a positive trajectory for future growth.

## BRIEF ON CORN STARCH DIVISION

The Corn Starch Division has delivered an exceptional performance in the 2025 financial year, surpassing the impressive growth achieved in the previous year. Export sales surged to PKR 1,192 million, up from PKR 659 million in 2024, reflecting significant global market penetration. Local sales also experienced substantial growth, with main Products reaching PKR 4,336 million (from PKR 4,448 million in 2024), indicating a slight shift within the local main product mix. By-products and Others increased significantly to PKR 1,253 million from PKR 864 million in 2024. Overall, Gross Sales expanded from PKR 5,971 million in 2024 to a robust PKR 6,781 million in 2025.

This substantial top-line growth translated directly into a commendable improvement in profitability. Despite increases in operational expenditure, the division significantly improved its Gross Profit to PKR 558 million in 2025 from PKR 279 million in 2024.

Most notably, Operating Profit rose sharply, from PKR 87 million in 2024 to a remarkable PKR 315 million in 2025. This exceptional growth in operating profit reflects efficient cost management relative to the immense scale of revenue generation and demonstrates effective operational leverage.

The division's proactive approach to sustainability and cost reduction, particularly through investments in solar energy to mitigate electricity costs, further complements its strong financial performance. While the full financial impact of these energy initiatives will be realized over time, they are expected to enhance efficiency and profitability, reinforcing the division's position as a key growth driver and a model of sustainable operations for the company.

## BRIEF ON FALAK FOODS DIVISION

Falak Foods Products delivered a strong and profitable performance in the 2025 financial year, continuing the positive momentum from 2024. Export sales grew to PKR 130 million, up from PKR 100 million in the previous year, reflecting sustained international demand. Local sales of Main Products also showed significant growth, reaching PKR 520 million compared to PKR 330 million in 2024, driving overall Gross Sales to PKR 649 million, up from PKR 430 million.

After accounting for sales discounts, returns, taxes, freight, and clearing and forwarding costs, Net Sales stood at PKR 541 million, compared to PKR 365 million in 2024. While the Cost of Sales increased to PKR 431 million, the division maintained a healthy Gross Profit of PKR 109 million, up from PKR 92 million.

Selling and Distribution Expenses and Administrative Expenses saw moderate increases to PKR 11 million and PKR 10 million, respectively. Despite these rises, Operating Profit strengthened to PKR 89 million, up from PKR 75 million in 2024, highlighting effective cost management and operational efficiency.

Overall, the division's performance underscores its resilience, strategic focus, and ability to deliver sustainable value, reinforcing its role as an important contributor to the company's profitability.

## BRIEF ON BARENTZ PAKISTAN (PRIVATE) LIMITED

We are pleased to report on the exceptional performance of our associated entity, Barentz Pakistan (Pvt.) Limited. The company has demonstrated remarkable growth and a significant enhancement in profitability, underscoring the success of its strategic initiatives.

For the year ended December 31, 2024, Barentz Pakistan recorded an audited net profit of Rs. 37.552 million, a substantial increase from the Rs. 9.820 million profit reported for the year 2023. This represents a year-on-year growth of over 282%, a testament to the company's robust operational execution.

This strong positive momentum has accelerated into the current fiscal year. For the first six months of its calendar year 2025, the company has posted an impressive unaudited profit after tax of Rs. 62.608 million. It is noteworthy that this half-year profit already surpasses the entire full-year profit of 2024 by a significant margin, signaling a powerful trajectory for the year ahead.

The company's success is driven by its strategic focus on achieving deeper market penetration and enhancing its product base. By effectively serving a diverse range of industries–from dairy and beverages to processed meats and confectionery–Barentz Pakistan has solidified its market position and created a strong foundation for sustainable growth. The Board is confident in Barentz Pakistan's continued ability to deliver value and contribute positively to our consolidated financial results.

**COMPOSITION OF THE BOARD**

The board consists of 7 male and 2 female directors with the following composition:

| | |
|---|---|
| Independent directors | 4 |
| Non-executive directors | 2 |
| Executive directors | 3 |
| **Total number of directors** | **9** |

The above directors have been elected in the Annual General Meeting, which was held on October 24, 2024, for three (3) years starting from October 31, 2024.

## REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

The Company's remuneration policy is designed to attract, motivate, and retain highly qualified and experienced individuals to the Board. It is structured to be fair, transparent, and aligned with the best practices of corporate governance.

The remuneration for Board members is determined and approved by the Board of Directors. In adherence to the principles of good governance and to avoid any conflict of interest, no director participates in deliberations or voting concerning their own compensation. This practice ensures objectivity and is in full compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The compensation for Non-Executive Directors is limited exclusively to fees for their attendance at Board and Committee meetings. They do not receive any other form of salary, performance-based incentives, or benefits. This structure reinforces their independence by aligning their compensation with their governance role and responsibilities, rather than the Company's short-term performance.

Our policies are regularly reviewed and benchmarked against industry standards to ensure they remain competitive and appropriate for the caliber of leadership required to guide the Company.

## REMUNERATION PACKAGE OF CHIEF EXECUTIVE AND EXECUTIVE DIRECTORS

The remuneration package of the Chief Executive and other directors is disclosed in note 43 of the financial statements.

## MEETINGS OF THE BOARD AND ATTENDANCE

During the year under review, five (05) Board meetings were held and attendance by each director is given below:

| Member's Name | Attendance |
|---|---|
| **Mr. Jawed Ali Ghori – Chairman** | **4** |
| **Mr. Khalid Sarfaraz Ghori** | **5** |
| **Mr. Faizan Ali Ghori** | **4** |
| **Mr. Safwan Khalid Ghori** | **4** |
| **Mr. Syed Kamran Rashid** | **5** |
| **Mr. Abdul Samad Khan** | **2** |
| **Mrs. Faryal Murtaza** | **4** |
| **Ms. Umme Habibah** | **4** |
| **Mr. Mohammad Mohsin** | **5** |

Leave of absence was granted to directors who could not attend some of the Board meetings.

## BOARD AUDIT COMMITTEE

During the year under review, four (04) Board Audit Committee meetings were held, and attendance by each member is given below.

| Member's Name | Attendance |
|---|---|
| **Mr. Syed Kamran Rashid – Chairman** | **4** |
| **Mr. Abdul Samad Khan** | **2** |
| **Mr. Mohammad Mohsin** | **4** |

## HUMAN RESOURCE AND REMUNERATION COMMITTEE

During the year under review, one (01) Human Resource and Remuneration Committee meeting was held and attendance by each member is given below:

| Member's Name | Attendance |
|---|---|
| **Ms. Umme Habibah – Chairman** | **1** |
| **Mr. Jawed Ali Ghori** | **1** |
| **Mr. Khalid Sarfaraz Ghori** | **1** |
| **Mrs. Faryal Murtaza** | **1** |
| **Mr. Faizan Ali Ghori** | **1** |

## DIRECTORS' TRAINING PROGRAMS

The Board of Directors is committed to upholding the highest standards of corporate governance and ensuring its members are equipped with the necessary knowledge and skills to effectively discharge their duties. In line with this commitment, we are pleased to affirm that all Directors of the Company have successfully completed the required Directors' Training Program.

This certification ensures that every member of the Board possesses a comprehensive understanding of their powers, responsibilities, and fiduciary duties as stipulated under the Companies Act, 2017, and the regulatory framework of the Pakistan Stock Exchange (PSX). This continuous professional development empowers our Board to provide robust oversight and strategic direction, ensuring full compliance and effective governance.

## DIRECTORS' PERFORMANCE EVALUATION

The Board of Directors is committed to ensuring its own effectiveness and upholding the highest standards of corporate governance. To this end, the Board has implemented a formal and effective mechanism to conduct a periodic evaluation of its performance on a self-assessment basis.

This structured review process allows the Board to introspectively assess its collective performance, the functioning of its committees, and its overall contribution to the Company's strategic direction. The outcomes of this evaluation are instrumental in identifying areas for improvement and ensuring the Board continues to provide valuable guidance to management. This commitment to self-assessment is a cornerstone of our framework for robust and effective corporate governance.

## APPOINTMENT OF AUDITORS

The present Auditors, M/s Grant Thornton Anjum Rahman, Chartered Accountants, are set to retire this year. As recommended by the Audit Committee, the Board of Directors has proposed the re-appointment of M/s Grant Thornton

Anjum Rahman as auditors of the Company for the year ending June 30, 2026, subject to approval by the shareholders on a fee mutually agreed upon.

## PATTERN OF SHAREHOLDING

The Pattern of Shareholding of the Company as at June 30, 2025, is annexed to this report for the information of the members.

In this regard, it is confirmed that no trading of the Company's shares was conducted by the Directors, executives, their spouses, and minor children during the year under review, other than the transactions (if any) that are duly reflected in the said Pattern of Shareholding and in this report.

For the purpose of this disclosure, the term "Executives" includes the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary, and other executives as defined by the Board of Directors.

## HEALTH, SAFETY, AND ENVIRONMENT

The health and safety of our people and the stewardship of our environment are fundamental to our business operations. The Company has established a robust framework of systems and processes designed to meet stringent international standards and align with industry best practices.

We enforce strict adherence to these safety protocols across our entire workforce, including employees and contractors, without exception. Our commitment extends to fostering a secure and healthy work environment through the promotion of sustainable workplace practices. A cornerstone of this strategy is our comprehensive safety program, which utilizes proactive measures such as regular safety gap analyses. This allows us to systematically identify and mitigate potential hazards, ensuring the well-being of our workforce and reinforcing a culture of safety and productivity.

## SUSTAINABLE BUSINESS STRATEGIES

Environmental stewardship is a core component of our business strategy. We are pleased to report significant progress in minimizing our ecological impact through a multi-pronged approach focused on clean energy and resource circularity.

A cornerstone of our sustainability agenda this year was the strategic transition to solar-powered energy sources, which materially reduces our carbon footprint. In addition to our investment in renewable energy, we have simultaneously enhanced our operational efficiency. We have implemented a waste heat recovery system, which captures heat emitted by our boilers for steam generation, thereby reducing energy waste and improving thermal efficiency.

Furthermore, we have embraced circular economy principles by transitioning to rice husk, a renewable agricultural byproduct, to fuel our boilers. This practice not only diverts waste from landfills but also decreases our reliance on conventional fuels. These integrated initiatives underscore our unwavering commitment to environmental responsibility and represent meaningful steps towards building a cleaner, more resilient, and sustainable business for the future.

## CORPORATE SOCIAL RESPONSIBILITY

At Matco Foods Limited, our commitment to social and environmental progress is a cornerstone of our corporate identity and a key driver of our long-term strategy. We are dedicated to building meaningful connections with our communities and stakeholders through impactful initiatives focused on education, healthcare, sustainable agriculture, and inclusion.

### Empowering Communities through Education and Healthcare

We believe that access to quality education and healthcare forms the bedrock of a prosperous society. Our efforts in these areas are channelled through strategic partnerships and direct support.

- Philanthropic Contributions and Education: We are proud of our significant philanthropic contributions, which include a donation of PKR 17.21 million to the Ghori Trust. The Trust is dedicated to making quality education accessible across Pakistan, primarily through its strategic partnership with The Citizens Foundation (TCF), a leading non-profit organization that educates underprivileged children. A tangible outcome of this support is the TCF Ghori Campus in Taiser Town, Karachi, which provides education to over 200 students and is sustained through the Trust's funding.
- Healthcare and Community Awareness: In October 2024, Matco Foods and the Ghori Trust partnered with Pink Ribbon Pakistan by signing an MoU to advance breast cancer awareness. We contributed Rs. 1.5 million to support screening services and facilitate awareness sessions at our company locations in Karachi, Faisalabad, and Gujranwala, reinforcing our commitment to community health and well-being.

## Sustainable Agriculture and Farmer Livelihoods

Our core business is intrinsically linked to the prosperity of agricultural communities. We are committed to fostering a sustainable and equitable supply chain.

- Kissan Dost Program: Launched in 2012, this flagship program supports over 600 farmers near our Sadhoke processing facility. It is designed to improve the basmati rice supply chain by enhancing farmers' production capabilities and lowering their costs. A key achievement of this program is the establishment of full traceability, which empowers farmers to bypass exploitative middlemen and engage directly with us. After years of dedicated effort, this program has achieved EU Organic Certification, enabling us to supply certified Organic Basmati Rice to global customers while ensuring fair returns for our farming partners.
- Empowering Women in Agriculture: Recognizing the vital role of women in our nation's food system, we collaborated with Oxfam on the GRAISEA Project. This initiative engaged 25 grower organizations, supporting 2,500 farmers and farm workers, of whom 60% were women. The program focused on training female farmers in sustainable rice farming, providing access to safer, eco-friendly methods, creating leadership opportunities, and boosting their economic independence.

## Fostering Inclusion and Diversity

We are committed to building an inclusive society where everyone has the opportunity to thrive.

- Partnership with NOWPDP: We are proud to sponsor the Culinary Teaching Program at the Center of Excellence for Disability Inclusion (CEDI), an initiative by NOWPDP. This state-of-the-art facility empowers persons with disabilities through skill development. Our support helps equip differently-abled individuals with professional culinary skills, enabling them to build confidence, achieve independence, and secure dignified livelihoods.

These strategic initiatives are not ancillary to our business; they are integral to it. They reflect our core values and our unwavering optimism for a future where corporate success and societal progress go hand in hand. We remain steadfast in our commitment to driving positive and lasting impact.

## INTERNAL FINANCIAL CONTROLS

The Board of Directors acknowledges its ultimate responsibility for establishing and maintaining an effective framework of internal financial controls for the Company. This framework is designed to provide reasonable assurance regarding the reliability of financial reporting, the safeguarding of company assets, and compliance with applicable laws and regulations.

The Board has conducted a thorough review of the Company's internal control systems. This review is informed by ongoing discussions with senior management and by reports from both the internal and external auditors.

Based on this comprehensive oversight, the Directors are satisfied that a robust system of internal financial controls has been implemented and is operating effectively to ensure the integrity and efficiency of the Company's financial operations.

## GENDER DIVERSITY

At Matco Foods Limited, we consider gender diversity and inclusion a strategic imperative, fundamental to our long-term success and resilience. We recognize that a diverse workforce, representing a wide spectrum of perspectives and experiences, drives superior decision-making, fosters innovation, and enhances our competitiveness in a globalized economy.

An equality-based culture is not merely a social goal; it is a catalyst for growth. We are dedicated to cultivating a safe, inclusive, and respectful workplace where all employees feel valued and empowered. To this end, the Company's policies are built on the principle of providing equal opportunities to all genders at every level. This commitment is unwavering and is integral to achieving the positive and productive outcomes that propel our business forward.

## RISK MANAGEMENT

The Board of Directors is ultimately responsible for the Company's risk management framework and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. This responsibility is executed through a clear governance structure and a dynamic Enterprise Risk Management (ERM) system.

### Governance and Oversight

- The Board of Directors holds ultimate responsibility for overseeing the risk management framework and monitoring the Company's exposure to potential risks.
- The Board Audit Committee provides dedicated oversight, ensuring the ERM methodology adopted by the Board is effectively implemented and maintained across the organization.
- Senior Management is tasked with the day-to-day identification, evaluation, and management of risks within their respective functional areas, operating under the Board's supervision.

### Risk Management Process

The Company employs a proactive ERM framework that enables it to identify and manage threats while seizing strategic opportunities. The process is continuous and involves:

1. Identification and Assessment: Systematically identifying, assessing, and evaluating risks that could impact the business.

2. Mitigation: When a significant risk is identified, timely and effective mitigation measures are implemented. These strategies include upgrading Standard Operating Procedures (SOPs), process re-engineering, and a commitment to continuous operational improvement.

3. Monitoring and Review: The effectiveness of mitigation actions is closely monitored, and the overall risk landscape is regularly reviewed to ensure the Company's resilience.

This structured approach to risk management empowers the Company to navigate uncertainty with confidence and protect shareholder value.

## COMPLIANCE WITH CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in its Listing Regulations, relevant for the year ended June 30, 2025, have been adopted by the Company and have been duly complied with. A statement to this effect is annexed to the report.

In compliance with the provisions of the Code, the Board members are pleased to place the following statement on record:

- The financial statements prepared by the management of the Company present its state of affairs fairly, the results of its operations, cash flows, and changes in equity.

- The Company has maintained proper books of accounts.
- 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 the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts about the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- Summary of key operational and financial data for the last six years annexed in this annual report.
- Information about taxes and levies is given in the notes to and forming part of financial statements.
- There is no likelihood of any delayed payments or default in respect of all loans availed by the Company.

## CORPORATE RESTRUCTURING AND STRATEGIC GROWTH

During the year under review, Matco Foods Limited embarked on a significant corporate restructuring initiative, aimed at strengthening its business model, enhancing operational focus, and creating distinct platforms for accelerated growth. The Company initiated the process of carving out its two divisions, Corn Starch Division and Falak Foods Products Division, separate wholly owned subsidiaries, namely Matco Corn Products (Private) Limited (MCPPL) and Falak Foods (Private) Limited (FFPL). This restructuring is aligned with Matco's long-term strategic vision for growth, efficiency, and value creation.

### Matco Corn Products (Private) Limited (MCPPL)

MCPPL was incorporated in May 2025 to house all business activities, assets, and liabilities of the Corn Starch Division of Matco Foods Limited. The transfer is being executed under a Scheme of Arrangement prepared in accordance with Sections 279 to 283 and 285(8) of the Companies Act, 2017, and filed with the Honourable High Court of Sindh at Karachi.

The Scheme remains subject to requisite approvals from shareholders, creditors, and regulators, as well as the sanction of the High Court of Sindh at Karachi. Any modifications prescribed by the Court or regulators will also be incorporated. To this end, a special resolution was passed in the Extraordinary General Meeting of shareholders held on June 27, 2025, in Karachi, under the orders of the High Court.

As part of its growth strategy, Matco Foods Limited has entered into a financing agreement of PKR 750 million with Bank Alfalah, one of Pakistan's premier financial institutions. Under this agreement, Bank Alfalah also holds the option to convert its financing into ordinary share equity of MCPPL, subject to regulatory approvals. This strategic partnership is designed to enhance MCPPL's corn starch production capabilities in line with rising market demand.

The investment will be directed towards the expansion of Matco's state-of-the-art corn starch facility located in Allama Iqbal Industrial City, Special Economic Zone (SEZ), Faisalabad. Operational since August 2022, this facility has played a pivotal role in supplying high-quality corn starch to both domestic and international customers. With the support of this financing, production capacity will be expanded from 200 tons per day (tpd) to 300 tpd grind, while part of the funds will also be allocated for repayment of short-term loans.

The Scheme of Arrangement is currently in process and will be concluded in accordance with legal requirements in the near future.

### Falak Foods (Private) Limited (FFPL)

During the year, the name of Matco Marketing (Private) Limited was changed to Falak Foods (Private) Limited (FFPL) to serve as the dedicated entity for the Falak Foods Products Division. The transfer of business activities, along with assets and liabilities, will be carried out through a Business Transfer Agreement (BTA) between Matco Foods Limited and FFPL. Given the relatively smaller size of this division, the BTA route provides a simple and efficient mechanism for restructuring.

The BTA process is currently underway and will be completed once all legal and commercial prerequisites are met.

**Strategic Rationale**

These restructuring initiatives are a cornerstone of Matco's growth strategy. By establishing separate legal entities for each division, the Company aims to enhance operational focus and accountability, improve efficiency and resource allocation, and create distinct growth platforms tailored to the needs of each business line.

This forward-looking approach will allow Matco Foods Limited to unlock greater value for shareholders, strengthen its competitive position, and achieve sustainable long-term growth across its diversified portfolio.

## INDUSTRY OUTLOOK

During the fiscal year 2024–25, Pakistan benefited from a strong harvest, which supported export activity across various rice categories. Basmati rice exports increased by 4% in volume, rising from 774,000 MT in 2023–24 to 809,000 MT in 2024–25, reflecting robust global demand for the country's premium rice. However, the export value of Basmati rice declined by 5%, from $877 million to $831 million, indicating a lower average price per unit. Exports of other rice varieties decreased by 5% in volume, from 5,253,000 MT to 5,009,000 MT, while the corresponding export value fell more sharply by 17%, from $3,054 million to $2,522 million. Consequently, overall rice export volumes declined by 3%, with total export earnings dropping by 15% to $3,353 million. In summary, while Pakistan successfully exported a larger quantity of premium Basmati rice, challenging price dynamics and weaker performance in the non-Basmati segment led to a decline in total rice export earnings.

India's decision to lift its non-Basmati white rice export ban in September 2024 has intensified global competition, eroding the temporary advantage Pakistan previously enjoyed. In response, Pakistan has successfully adopted a quality-focused strategy for premium markets such as the EU and UK, which has supported the strong performance of Basmati rice exports. Simultaneously, strategic efforts are underway to sustain Pakistan's market share in the non-Basmati segment, particularly in West Africa, through targeted initiatives and continued government support for the sector.

Looking ahead, the industry is well-positioned for sustainable growth by focusing on enhancing quality, diversifying export markets into new regions, and adopting environmentally responsible farming practices like water conservation and organic cultivation. These measures are expected to strengthen Pakistan's long-term competitive position in both established and emerging global markets.

## FUTURE OUTLOOK

Pakistan enters FY 2025-26 with cautious optimism, supported by policy reforms, investment facilitation measures, and a gradually improving external environment. Economic growth is projected at 4.2%, driven by fiscal consolidation, improved revenues, and stability in key sectors such as agriculture. Per capita income has risen to approximately US$1,824, while stronger foreign exchange reserves and a broadening tax base have strengthened macroeconomic fundamentals. These improvements have led global rating agencies–including Moody's, S&P Global, and Fitch–to upgrade Pakistan's sovereign outlook to "stable," reflecting successful implementation of IMF-backed reforms and improved fiscal discipline.

Key positive drivers include rising remittances, new trade agreements–particularly with the United States–and increased external demand, all of which are expected to support export growth. Importantly, the relative stability of the foreign exchange market has eased pressure on the rupee, providing exporters with greater predictability in managing foreign currency inflows. This stability is expected to strengthen business confidence, enhance competitiveness, and create a more favourable environment for planning in export-oriented industries such as rice.

Nonetheless, the economy continues to face structural challenges. Inflationary pressures remain elevated, fiscal tightening persists, and the country must manage external debt repayments of nearly US$25.9 billion in FY 2025-26. The devastating floods of 2025 have further compounded these challenges, causing widespread agricultural losses in Punjab and surrounding regions, damaging critical crops such as rice, sugarcane, cotton, and maize. The floods are expected to reduce GDP growth, weaken the trade balance, and intensify food inflation, while infrastructure damage will require significant reconstruction spending.

For the rice sector, these conditions present both risks and opportunities. Short-term supply disruptions may constrain export volumes, but Pakistan's strategic focus on premium basmati rice for quality-driven markets in the EU and UK offers resilience. At the same time, government support and industry-led efficiency initiatives are helping to retain presence in traditional non-basmati markets, particularly in West Africa. Importantly, the more stable exchange rate environment and stronger reserves provide Matco Foods Limited with greater certainty in managing foreign inflows, which supports both profitability and long-term sustainability.

Matco Foods Limited remains committed to strengthening its resilience amid climate challenges, foreign exchange volatility, and macroeconomic headwinds. The Company's diversification into value-added segments such as rice glucose, corn starch, and maltodextrin has reinforced sustainable growth, while a major restructuring through the creation of Matco Corn Products (Private) Limited and Falak Foods (Private) Limited will enhance operational focus and competitiveness.

With disciplined cost management, product diversification, and a more stable exchange rate environment, Matco has delivered a profitable turnaround. Looking ahead, the Company will continue to prioritize operational efficiency, sustainability, and risk management, positioning itself to navigate near-term challenges and capitalize on long-term opportunities for stakeholders' value creation.

## RETIREMENT FUND

During the year, the Company discontinued its unapproved gratuity scheme, effective June 30, 2025. The gratuity plan provided benefits based on years of service and last drawn salary. Following the freeze, no further benefits will accrue under this scheme. Obligations up to the freeze date were measured through an actuarial valuation using the Projected Unit Credit Method, and accordingly, the Company has recognized a provision of Rs. 44 million in respect of this liability. Related service and interest costs have been charged to profit or loss, while remeasurement gains and losses are recorded in other comprehensive income.

With effect from July 1, 2025, the Company has introduced a Provident Fund, a defined contribution plan for its permanent employees. Under this scheme, both the Company and employees contribute 8.33% of basic salary. The Company's obligation is limited to its share of contributions, which are recognized as an expense in the period of service. Unpaid contributions are recognized as liabilities, while any prepaid amounts are recorded as assets where recoverable.

## RELATED PARTY TRANSACTIONS

The details of all related party transactions have been provided in the notes to the financial statements.

## TRADING IN SHARES OF THE COMPANY

The following trade in the shares of the Company was carried out by the Directors, Executives, and Related Parties:

| Director/Related Party | Number of Shares | Nature of Transaction |
|---|---|---|
| Mr. Faizan Ali Ghori | 20,000 | Buy |

## ACKNOWLEDGEMENT

The Directors express their sincere appreciation to the Company's management and employees for their dedication, professionalism, and hard work during the year. Their commitment has been central to sustaining the Company's progress and resilience in a challenging environment.

On behalf of the Board, we also extend our gratitude to our valued customers, distributors, stockists, dealers, and banking partners for their trust and confidence. Their continued support and engagement remain vital as we collectively pursue the Company's growth and long-term success.

For and on behalf of the Board of Directors.

**Khalid Sarfaraz Ghori**
Chief Executive / Director

**Faizan Ali Ghori**
Director

Karachi: September 12, 2025

# Gender Pay Gap Statement Under Circular 10 of 2024

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

1. Mean Gender Pay Gap:  31.25
2. Median Gender Pay Gap: 79.08

**Khalid Sarfaraz Ghori**
Cheif Executive / Director

Karachi: September 12, 2025

# KEY OPERATING AND FINANCIAL DATA FOR SIX YEAR FROM 2020 to 2025
# FINANCIAL SUMMARY

| | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|---|---|
| | -----------------------------------------------Rupees----------------------------------------------- | | | | | |
| **EQUITY AND LIABILITIES** | | | | | | |
| **Share capital and reserves** | | | | | | |
| Authorised capital | **2,000,000,000** | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 |
| Issued, subscribed and paid up share capital | **1,224,006,980** | 1,224,006,980 | 1,224,006,980 | 1,224,006,980 | 1,224,006,980 | 1,224,006,980 |
| Capital reserve | **680,467,220** | 680,467,220 | 680,467,220 | 680,467,220 | 680,467,220 | 680,467,220 |
| Unappropriated profit | **3,474,859,001** | 2,888,861,750 | 3,171,666,606 | 2,723,394,977 | 2,287,144,791 | 2,241,380,358 |
| | **5,379,333,201** | 4,793,335,950 | 5,076,140,806 | 4,627,869,177 | 4,191,618,991 | 4,145,854,558 |
| Surplus on revaluation of property, plant and equipment - net of tax | **5,023,576,249** | 5,194,285,910 | 2,408,823,880 | 2,433,901,302 | 2,459,499,494 | 2,622,193,143 |
| Unrealized loss on revaluation on investment at fair value through OCI | **-** | - | (818,735) | (3,390,337.00) | - | - |
| **Total shareholders' equity** | **10,402,909,450** | 9,987,621,860 | 7,484,145,951 | 7,058,380,142 | 6,651,118,485 | 6,768,047,701 |
| **Non-current liabilities** | | | | | | |
| Long-term finances-secured | **1,117,426,558** | 1,475,635,466 | 1,756,572,205 | 1,582,432,193 | 492,910,736 | 396,447,541 |
| Lease liabilities | **298,193,413** | 172,253,368 | 180,641,166 | 175,602,488 | 126,630,601 | 120,977,441 |
| Deferred liabilities | **800,313,891** | 980,817,481 | 308,763,797 | 251,713,331 | 221,515,463 | 205,636,300 |
| Deferred grant | - | - | - | - | 952,280 | 2,317,051 |
| Deferred income | - | - | - | - | - | - |
| **Total non-current liabilities** | **2,215,933,862** | 2,628,706,315 | 2,245,977,168 | 2,009,748,012 | 842,009,080 | 725,378,333 |
| **Current liabilities** | | | | | | |
| Trade and other payables | **2,915,485,238** | 2,375,995,644 | 1,848,557,183 | 671,152,778 | 519,888,056 | 1,015,172,075 |
| Advance from customers - secured | **386,343,891** | 430,489,596 | 297,506,811 | 22,612,550 | 35,747,606 | 51,979,051 |
| Accrued mark-up | **268,460,997** | 560,017,210 | 368,363,511 | 120,739,263 | 57,877,929 | 56,305,363 |
| Due to related party | **2,085,652** | 6,563,777 | 6,807,598 | 10,555,958 | 7,865,756 | 6,970,908 |
| Short-term borrowings-secured | **13,330,527,469** | 11,123,990,753 | 8,416,681,873 | 6,979,644,808 | 5,533,005,240 | 5,115,897,038 |
| Current portion of deferred grant | **-** | - | - | 1,561,352 | 6,176,233 | 3,807,127 |
| Current portion of long term finances-secured | **354,834,825** | 359,121,960 | 323,293,242 | 172,857,144 | 175,076,206 | 57,673,116 |
| Current portion of lease liabilities | **84,940,254** | 38,071,886 | 36,287,024 | 27,634,388 | 23,644,793 | 21,497,206 |
| Unpaid dividend | **933,712** | 28,495,996 | 19,286,277 | 783,668 | 787,654 | 13,555,468 |
| Taxation-net | **-** | - | - | 5,131,962 | - | - |
| **Total current liabilities** | **17,343,612,038** | 14,922,746,822 | 11,316,783,519 | 8,012,673,871 | 6,360,069,473 | 6,342,857,352 |
| **Total liabilities** | **19,559,545,900** | 17,551,453,137 | 13,562,760,687 | 10,022,421,883 | 7,202,078,553 | 7,068,235,685 |
| **Contingencies and commitments** | | | | | | |
| **Total equity and liabilities** | **29,962,455,350** | 27,539,074,997 | 21,046,906,638 | 17,080,802,025 | 13,853,197,038 | 13,836,283,386 |
| **Non-current assets** | | | | | | |
| Property, plant and equipment | **10,983,120,404** | 11,419,860,903 | 7,741,823,327 | 6,569,614,069 | 4,907,931,000 | 4,938,035,706 |
| Right-of-use assets | **380,601,893** | 239,635,175 | 243,532,862 | 235,566,923 | 171,532,871 | 159,940,356 |
| Intangible assets | **-** | - | - | - | - | - |
| Long-term deposits | **20,708,550** | 19,708,550 | 17,476,970 | 16,759,174 | 16,322,284 | 12,578,078 |
| Long-term investments | **55,682,707** | 55,582,707 | 65,309,617 | 62,738,015 | 55,582,707 | 55,582,707 |
| **Total non-current assets** | **11,440,113,554** | 11,734,787,335 | 8,068,142,776 | 6,884,678,181 | 5,151,368,862 | 5,166,136,847 |
| **Current assets** | | | | | | |
| Stores, spares and loose tools | **325,001,757** | 277,847,378 | 105,323,099 | 86,091,117 | 70,444,301 | 45,022,530 |
| Stock in trade | **13,668,047,066** | 11,613,570,893 | 9,574,431,337 | 7,662,053,984 | 7,171,280,359 | 6,642,523,350 |
| Trade debts | **1,957,416,609** | 2,334,768,358 | 2,194,183,664 | 1,818,339,385 | 1,041,124,344 | 1,334,500,510 |
| Loans and advances | **1,756,068,798** | 1,009,946,411 | 514,850,992 | 155,031,810 | 103,660,064 | 118,619,714 |
| Trade deposits and short term prepayments | **31,392,456** | 27,920,651 | 15,042,533 | 10,683,047 | 10,130,679 | 8,164,088 |
| Short-term investment | **1,200,000** | 1,200,000 | 4,222,323 | 4,254,742 | 1,579,910 | 1,463,440 |
| Sales tax refundable | **25,000,000** | 25,000,000 | 64,935,578 | 105,056,731 | 123,598,158 | 166,389,331 |
| Due from related parties | **38,421,807** | 50,326,380 | 81,821,177 | 51,046,611 | 43,366,395 | 5,304,871 |
| Taxation - net | **366,351,330** | 106,288,895 | 64,956,818 | - | 31,683,482 | 51,068,680 |
| Cash and bank balances | **353,441,973** | 357,418,696 | 358,996,341 | 303,566,417 | 104,960,484 | 297,090,025 |
| **Total current assets** | **18,522,341,796** | 15,804,287,662 | 12,978,763,862 | 10,196,123,844 | 8,701,828,176 | 8,670,146,539 |
| **Total assets** | **29,962,455,350** | 27,539,074,997 | 21,046,906,638 | 17,080,802,025 | 13,853,197,038 | 13,836,283,386 |

# FINANCIAL SUMMARY

| | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|---|---|
| | | | Rupees | | | |
| Sales - net | **26,654,376,270** | 27,695,667,805 | 19,985,401,101 | 12,375,920,766 | 10,556,620,789 | 11,289,961,893 |
| Cost of sales | **(23,308,052,386)** | (24,524,645,802) | (17,532,145,553) | (11,056,103,781) | (9,909,427,766) | (10,273,971,964) |
| **GROSS PROFIT** | **3,346,323,884** | 3,171,022,003 | 2,453,255,548 | 1,319,816,985 | 647,193,023 | 1,015,989,929 |
| Selling and distribution expenses | **(529,596,131)** | (590,691,407) | (355,178,974) | (229,279,801) | (185,997,143) | (207,020,855) |
| Administrative expenses | **(817,341,017)** | (681,528,249) | (564,506,396) | (356,460,731) | (309,688,284) | (271,369,378) |
| | **(1,346,937,148)** | (1,272,219,656) | (919,685,370) | (585,740,532) | (495,685,427) | (478,390,233) |
| **OPERATING PROFIT** | **1,999,386,736** | 1,898,802,347 | 1,533,570,178 | 734,076,453 | 151,507,596 | 537,599,696 |
| Finance cost | **(1,854,110,081)** | (2,243,877,030) | (1,182,362,299) | (387,872,994) | (272,830,931) | (350,287,990) |
| Other income | **90,058,387** | 86,370,402 | 53,694,455 | 19,789,701 | 77,029,758 | 56,513,137 |
| Exchange gain - net | **289,168,393** | 190,389,508 | 412,369,039 | 202,334,249 | 65,215,796 | 14,015,389 |
| Provision for worker's welfare fund | **(9,803,803)** | - | (15,276,100) | (10,622,942) | (391,070) | (7,113,214) |
| Provision for worker's profit participation fund | **(24,509,506)** | - | (38,190,251) | (26,557,356) | (977,674) | (12,218,347) |
| **PROFIT BEFORE TAX** | **490,190,126** | (68,314,773) | 763,805,022 | 531,147,111 | 19,553,475 | 238,508,671 |
| Income tax expense | **(76,292,812)** | (194,151,103) | (208,187,001) | (108,731,143) | (80,420,184) | (86,580,493) |
| **(LOSS)/PROFIT FOR THE YEAR** | **413,897,314** | (262,465,876) | 555,618,021 | 422,415,968 | (60,866,709) | 151,928,178 |
| **BASIC EARNINGS/(LOSS) PER SHARE** | **3.38** | (2.14) | 4.54 | 3.45 | (0.50) | 1.24 |

# RATIO ANALYSIS

| Profitability and Operating Ratios | UoM | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|---|---|---|
| Gross profit | Percent | **12.55%** | 11.45% | 12.28% | 10.66% | 6.13% | 9.00% |
| Net profit to sales | Percent | **1.55%** | -0.95% | 2.78% | 3.41% | -0.58% | 1.35% |
| EBITDA margins to sales | Percent | **9.44%** | 8.72% | 9.88% | 8.01% | 3.89% | 6.99% |
| Operating leverage | Percent | **9.44%** | 8.72% | 9.88% | 8.01% | 3.89% | 6.99% |
| Return on equity | Percent | **3.98%** | -2.63% | 7.42% | 5.98% | -0.92% | 2.24% |
| Return on capital employed | Percent | **15.84%** | 15.05% | 15.76% | 8.09% | 2.02% | 7.17% |

| Liquidity ratios | UoM | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|---|---|---|
| Current ratio | Times | **1.07** | 1.06 | 1.15 | 1.27 | 1.37 | 1.37 |
| Quick / Acid test ratio | Times | **0.13** | 0.18 | 0.23 | 0.26 | 0.18 | 0.26 |
| Cash to current liabilities | Times | **0.02** | 0.02 | 0.03 | 0.04 | 0.02 | 0.05 |
| Cash flows from operations to sales (Operating cash flow / Net sales) | Percent | **-6%** | -6% | 0% | -3% | -5% | -4% |

| Activity / Turnover Ratios | UoM | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|---|---|---|
| Inventory turnover | Times | **1.80** | 2.27 | 2.01 | 1.48 | 1.42 | 1.72 |
| No. of days in inventory | Days | **202.78** | 160.79 | 181.59 | 246.62 | 257.04 | 212.21 |
| Debtors turnover | Times | **12.42** | 12.23 | 9.96 | 8.66 | 8.89 | 9.92 |
| No. of days in receivables | Days | **29.39** | 29.84 | 36.65 | 42.15 | 41.06 | 36.79 |
| Creditors turnover | Times | **8.81** | 11.61 | 13.92 | 18.57 | 12.91 | 16.27 |
| No. of days in payables | Days | **41.43** | 31.44 | 26.22 | 19.66 | 28.27 | 22.43 |
| Total assets turnover | Times | **0.89** | 1.01 | 0.95 | 0.72 | 0.76 | 0.82 |
| Fixed assets turnover | Times | **2.43** | 2.43 | 2.58 | 1.88 | 2.15 | 2.29 |
| Operating cycle | Days | **232.17** | 190.64 | 218.24 | 288.77 | 298.10 | 249.00 |

| Investment / Market Ratios | UoM | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|---|---|---|
| Earning per share | Rs. | **3.38** | (2.14) | 4.54 | 3.45 | (0.50) | 1.24 |
| Cash dividend per share | Rs. | **-** | - | 1.50 | - | 0.45 | 0.70 |
| Dividend | Percent | **0%** | 0% | 15.00% | 0% | 4.50% | 7.00% |
| Market value per share as at June 30 | Rs. | **49.10** | 27.07 | 27.23 | 24.92 | 41.05 | 19.06 |
| Price earning (Market value per share / EPS) | Times | **14.53** | (12.65) | 6.00 | 7.22 | (82.10) | 15.37 |
| Price to book ratio | Times | **0.58** | 0.33 | 0.45 | 0.43 | 0.76 | 0.34 |
| Dividend yield | Percent | **0%** | 0% | 5.51% | 0% | 1.10% | 3.67% |
| Dividend payout | Percent | **-** | - | 0.33 | - | (0.90) | 0.56 |
| Dividend cover | Times | **-** | - | 3.03 | - | (1.11) | 1.77 |
| Bonus shares issued | Rs. | **-** | - | - | - | - | - |
| Bonus per share | Percent | **-** | - | - | - | - | - |
| Break-up value per share without surplus on revaluation of property, plant and equipment | Rs. | **43.95** | 39.16 | 41.46 | 37.78 | 34.25 | 33.87 |
| Break-up value per share with surplus on revaluation of property, plant and equipment | Rs. | **84.99** | 81.60 | 61.14 | 57.67 | 54.34 | 55.29 |

| Capital Structure Ratios | UoM | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---|---|---|---|---|---|---|
| Financial leverage | Times | **1.88** | 1.76 | 1.81 | 1.42 | 1.08 | 1.04 |
| Debt to equity | Percent | **20 : 80** | 23 : 77 | 26 : 74 | 24 : 76 | 14 : 86 | 11 : 89 |
| Interest cover | Times | **1.08** | 0.85 | 1.30 | 1.89 | 0.56 | 1.53 |

# VERTICAL ANALYSIS

| Statement of Financial Position | 2024-25 Rs. | % | 2023-24 Rs. | % | 2022-23 Rs. | % | 2021-22 Rs. | % | 2020-21 Rs. | % | 2019-20 Rs. | % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Property, Plant & Equipment | **10,983,120,404** | **37%** | 11,419,860,903 | 41% | 7,741,823,327 | 37% | 6,569,614,069 | 38% | 4,907,931,000 | 35% | 4,938,035,706 | 36% |
| Right-of-use assets | **380,601,893** | **1%** | 239,635,175 | 1% | 243,532,862 | 1% | 235,566,923 | 1% | 171,532,871 | 1% | 159,940,356 | 1% |
| Other Non-Current Assets | **76,391,257** | **0%** | 75,291,257 | 0% | 82,786,587 | 0% | 79,497,189 | 0% | 71,904,991 | 1% | 68,160,785 | 0% |
| Current Assets | **18,522,341,796** | **62%** | 15,804,287,662 | 57% | 12,978,763,862 | 62% | 10,196,123,844 | 60% | 8,701,828,176 | 63% | 8,670,146,539 | 63% |
| **Total Assets** | **29,962,455,350** | **100%** | 27,539,074,997 | 100% | 21,046,906,638 | 100% | 17,080,802,025 | 100% | 13,853,197,038 | 100% | 13,836,283,386 | 100% |
| Shareholders' Equity | **10,402,909,450** | **35%** | 9,987,621,860 | 36% | 7,484,145,951 | 36% | 7,058,380,142 | 41% | 6,651,118,485 | 48% | 6,768,047,701 | 49% |
| Non-Current Liabilities | **2,215,933,862** | **7%** | 2,628,706,315 | 10% | 2,245,977,168 | 11% | 2,009,748,012 | 12% | 842,009,080 | 6% | 725,378,333 | 5% |
| Current Liabilities | **17,343,612,038** | **58%** | 14,922,746,822 | 54% | 11,316,783,519 | 54% | 8,012,673,871 | 47% | 6,360,069,473 | 46% | 6,342,857,352 | 46% |
| **Total Equity & Liabilities** | **29,962,455,350** | **100%** | 27,539,074,997 | 100% | 21,046,906,638 | 100% | 17,080,802,025 | 100% | 13,853,197,038 | 100% | 13,836,283,386 | 100% |

| Statement of Comprehensive Income | 2024-25 Rs. | % | 2023-24 Rs. | % | 2022-23 Rs. | % | 2021-22 Rs. | % | 2020-21 Rs. | % | 2019-20 Rs. | % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Net Sales | **26,654,376,270** | **100%** | 27,695,667,805 | 100% | 19,985,401,101 | 100% | 12,375,920,766 | 100% | 10,556,620,789 | 100% | 11,289,961,893 | 100% |
| Cost of Sales | **23,308,052,386** | **-87%** | 24,524,645,802 | -89% | 17,532,145,553 | -88% | 11,056,103,781 | -89% | 9,909,427,766 | -94% | 10,273,971,964 | -91% |
| Gross Profit | **3,346,323,884** | **13%** | 3,171,022,003 | 11% | 2,453,255,548 | 12% | 1,319,816,985 | 11% | 647,193,023 | 6% | 1,015,989,929 | 9% |
| Operating Profit | **1,999,386,736** | **8%** | 1,898,802,347 | 7% | 1,533,570,178 | 8% | 734,076,453 | 6% | 151,507,596 | 1% | 537,599,696 | 5% |
| Profit Before Taxation | **490,190,126** | **2%** | (68,314,773) | 0% | 763,805,022 | 4% | 531,147,111 | 4% | 19,553,475 | 0% | 238,508,671 | 2% |
| Profit for the year | **413,897,314** | **2%** | (262,465,876) | -1% | 555,618,021 | 3% | 422,415,968 | 3% | (60,866,709) | -1% | 151,928,178 | 1% |

# HORIZONTAL ANALYSIS

| Statement of Financial Position | 2024-25 Rs. | % | 2023-24 Rs. | % | 2022-23 Rs. | % | 2021-22 Rs. | % | 2020-21 Rs. | % | 2019-20 Rs. | % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Property, Plant & Equipment | **10,983,120,404** | **-4%** | 11,419,860,903 | 48% | 7,741,823,327 | 18% | 6,569,614,069 | 34% | 4,907,931,000 | -1% | 4,938,035,706 | 88% |
| Right-of-use assets | **380,601,893** | **59%** | 239,635,175 | -2% | 243,532,862 | 3% | 235,566,923 | 37% | 171,532,871 | 7% | 159,940,356 | 92% |
| Other Non-Current Assets | **76,391,257** | **1%** | 75,291,257 | -9% | 82,786,587 | 4% | 79,497,189 | 11% | 71,904,991 | 5% | 68,160,785 | 66% |
| Current Assets | **18,522,341,796** | **17%** | 15,804,287,662 | 22% | 12,978,763,862 | 27% | 10,196,123,844 | 17% | 8,701,828,176 | 0% | 8,670,146,539 | 27% |
| **Total Assets** | **29,962,455,350** | **9%** | 27,539,074,997 | 31% | 21,046,906,638 | 23% | 17,080,802,025 | 23% | 13,853,197,038 | 0% | 13,836,283,386 | 45% |
| Shareholders' Equity | **10,402,909,450** | **4%** | 9,987,621,860 | 33% | 7,484,145,951 | 6% | 7,058,380,142 | 6% | 6,651,118,485 | -2% | 6,768,047,701 | 50% |
| Non-Current Liabilities | **2,215,933,862** | **-16%** | 2,628,706,315 | 17% | 2,245,977,168 | 12% | 2,009,748,012 | 139% | 842,009,080 | 16% | 725,378,333 | 59% |
| Current Liabilities | **17,343,612,038** | **16%** | 14,922,746,822 | 32% | 11,316,783,519 | 41% | 8,012,673,871 | 26% | 6,360,069,473 | 0% | 6,342,857,352 | 38% |
| **Total Equity & Liabilities** | **29,962,455,350** | **9%** | 27,539,074,997 | 31% | 21,046,906,638 | 23% | 17,080,802,025 | 23% | 13,853,197,038 | 0% | 13,836,283,386 | 45% |

| Statement of Comprehensive Income | 2024-25 Rs. | % | 2023-24 Rs. | % | 2022-23 Rs. | % | 2021-22 Rs. | % | 2020-21 Rs. | % | 2019-20 Rs. | % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Net Sales | **26,654,376,270** | **-4%** | 27,695,667,805 | 39% | 19,985,401,101 | 61% | 12,375,920,766 | 17% | 10,556,620,789 | -6% | 11,289,961,893 | 44% |
| Cost of Sales | **23,308,052,386** | **-5%** | 24,524,645,802 | 40% | 17,532,145,553 | 59% | 11,056,103,781 | 12% | 9,909,427,766 | -4% | 10,273,971,964 | 48% |
| Gross Profit | **3,346,323,884** | **6%** | 3,171,022,003 | 29% | 2,453,255,548 | 86% | 1,319,816,985 | 104% | 647,193,023 | -36% | 1,015,989,929 | 11% |
| Operating Profit | **1,999,386,736** | **5%** | 1,898,802,347 | 24% | 1,533,570,178 | 109% | 734,076,453 | 385% | 151,507,596 | -72% | 537,599,696 | 6% |
| Profit Before Taxation | **490,190,126** | **-818%** | (68,314,773) | -109% | 763,805,022 | 44% | 531,147,111 | 2616% | 19,553,475 | -92% | 238,508,671 | -48% |
| Profit for the year | **413,897,314** | **-258%** | (262,465,876) | -147% | 555,618,021 | 32% | 422,415,968 | -794% | (60,866,709) | -140% | 151,928,178 | -63% |

# Pattern of Shareholding
as at June 30, 2025

| S.No. | Folio # | Name of shareholder | Number of shares | Percentage |
|---|---|---|---|---|
| **Directors, Chief Executive Officer and their spouse(s) and minor children** | | | | |
| 1 | 03277-80043 | Mr. Jawed Ali Ghori | 24,020,821 | 19.62 |
| 2 | 03277-80045 | Mr. Khalid Sarfaraz Ghori | 24,031,271 | 19.63 |
| 3 | 03277-80034 | Mr. Faizan Ali Ghori | 1,199,450 | 0.98 |
| 4 | 03277-80048 | Mrs. Nuzhat Khalid Ghori | 448,875 | 0.37 |
| 5 | 03277-80052 | Mrs. Naheed Jawed | 448,875 | 0.37 |
| 6 | 03277-88198 | Mr. Murtaza Mahfooz Talib | 336,821 | 0.28 |
| 7 | 01826-107011 | Mr. Safwan Khalid Ghori | 211,750 | 0.17 |
| 8 | 10629-221492 | Ms. Umme Habibah | 2,500 | 0.00 |
| 9 | 03277-89894 | Mr. Mohammad Mohsin | 500 | 0.00 |
| 10 | 03277-99607 | Mrs. Faryal Murtaza | 500 | 0.00 |
| 11 | 10629-114697 | M. Abdul Samad Khan | 500 | 0.00 |
| 12 | 07054-5627 | Syed Kamran Rashid | 100 | 0.00 |
| | | **12** | **50,701,963** | **41.42** |
| Associated companies, undertakings and related parties | | | | |
| 1 | 00547-8404 | International Finance Corporation | 18,360,109 | 15.00 |
| 2 | 03277-80047 | Mrs. Sadaf Tariq | 24,480,146 | 20.00 |
| | | **2** | **42,840,255** | **35.00** |
| **NIT and ICP** | | | | |
| 1 | 12120-28 | CDC - Trustee NIT-Equity Market Opportunity Fund | 159,663 | 0.13 |
| | | **1** | **159,663** | **0.13** |
| **Banks Development Financial Institutions, Non-Banking Financial Institutions** | | **0** | **-** | **-** |
| **Insurance Companies** | | **0** | **-** | **-** |
| **Modarabas and Mutual Funds** | | | | |
| 1 | 05959-27 | CDC - Trustee Atlas Stock Market Fund | 4,827 | 0.00 |
| | | **1** | **4,827** | **0.00** |
| **General Public Foreign** | | **9** | **2,786** | **0.00** |
| **Foreign Companies** | | **0** | **-** | **-** |
| **Others** | | **18** | **4,213,432** | **3.44** |
| **General Public Local** | | **1440** | **24,477,772** | **20.00** |
| **Total** | | **1483** | **122,400,698** | **100** |

## Pattern of Shareholding
as at June 30, 2025

| # Of Shareholders | Shareholdings' Slab | | | Total Shares Held |
|---|---|---|---|---|
| 543 | 1 | to | 100 | 10,506 |
| 131 | 101 | to | 500 | 45,298 |
| 380 | 501 | to | 1000 | 229,026 |
| 265 | 1,001 | to | 5000 | 527,348 |
| 50 | 5,001 | to | 10000 | 392,502 |
| 29 | 10,001 | to | 15000 | 349,850 |
| 8 | 15,001 | to | 20000 | 152,625 |
| 8 | 20,001 | to | 25000 | 186,736 |
| 6 | 25,001 | to | 30000 | 175,183 |
| 1 | 30,001 | to | 35000 | 33,000 |
| 6 | 35,001 | to | 40000 | 229,537 |
| 2 | 40,001 | to | 45000 | 84,103 |
| 5 | 45,001 | to | 50000 | 245,925 |
| 2 | 50,001 | to | 55000 | 106,000 |
| 2 | 55,001 | to | 60000 | 119,238 |
| 1 | 70,001 | to | 75000 | 74,500 |
| 1 | 75,001 | to | 80000 | 77,000 |
| 1 | 80,001 | to | 85000 | 84,500 |
| 2 | 85,001 | to | 90000 | 174,079 |
| 2 | 90,001 | to | 95000 | 186,548 |
| 2 | 95,001 | to | 100000 | 200,000 |
| 2 | 100,001 | to | 105000 | 205,705 |
| 1 | 105,001 | to | 110000 | 107,233 |
| 1 | 120,001 | to | 125000 | 123,971 |
| 1 | 125,001 | to | 130000 | 130,000 |
| 1 | 135,001 | to | 140000 | 138,500 |
| 1 | 140,001 | to | 145000 | 145,000 |
| 2 | 145,001 | to | 150000 | 300,000 |
| 2 | 155,001 | to | 160000 | 317,663 |
| 1 | 195,001 | to | 200000 | 200,000 |
| 1 | 210,001 | to | 215000 | 211,750 |
| 1 | 260,001 | to | 265000 | 264,900 |
| 1 | 275,001 | to | 280000 | 278,000 |
| 1 | 285,001 | to | 290000 | 287,000 |
| 1 | 295,001 | to | 300000 | 300,000 |
| 1 | 335,001 | to | 340000 | 336,821 |
| 1 | 350,001 | to | 355000 | 354,342 |
| 1 | 395,001 | to | 400000 | 400,000 |
| 3 | 445,001 | to | 450000 | 1,345,750 |
| 1 | 495,001 | to | 500000 | 500,000 |
| 1 | 545,001 | to | 550000 | 550,000 |
| 1 | 565,001 | to | 570000 | 566,500 |
| 1 | 570,001 | to | 575000 | 573,500 |
| 1 | 1,195,001 | to | 1200000 | 1,199,450 |
| 1 | 1,295,001 | to | 1300000 | 1,295,079 |
| 1 | 2,105,001 | to | 2110000 | 2,107,984 |
| 1 | 4,770,001 | to | 4775000 | 4,773,295 |
| 1 | 10,810,001 | to | 10815000 | 10,812,404 |
| 1 | 18,360,001 | to | 18365000 | 18,360,109 |
| 1 | 24,020,001 | to | 24025000 | 24,020,821 |
| 1 | 24,030,001 | to | 24035000 | 24,031,271 |
| 1 | 24,480,001 | to | 24485000 | 24,480,146 |
| **1483** | | | | **122,400,698** |

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

**Name of Company: MATCO FOODS LIMITED**

**Year Ended: June 30, 2025**

The Company has complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors is nine as per the following:
   - **a.** Male: 7
   - **b.** Female: 2
2. The composition of the Board is as follows:

| Category | Names |
|---|---|
| a) Independent Directors | Syed Kamran Rashid<br>Mr. Abdul Samad Khan<br>Ms. Umme Habibah |
| b) Other Non-executive Directors | Mr. Mohammad Mohsin<br>Mr. Jawed Ali Ghori<br>Mrs. Faryal Murtaza |
| c) Executive Directors | Mr. Khalid Sarfaraz Ghori<br>Mr. Faizan Ali Ghori<br>Mr. Safwan Khalid Ghori |
| d) Female Directors | Ms. Umme Habibah<br>Mrs. Faryal Murtaza |

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by

the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording, and circulating minutes of meetings of the Board.

8. The Board of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.

9. The Board remained fully compliant with the provision with regard to their directors' training program.

10. The Board has approved the 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 the approval of the Board.

12. The Board has formed the following Committees that are required under the Code. The Committees comprise of members as given below:

| | |
|---|---|
| **Audit Committee** | Syed Kamran Rashid – Chairman<br>Mr. Abdul Samad Khan<br>Mr. Mohammad Mohsin |
| **HR and Remuneration Committee** | Ms. Umme Habibah – Chairman<br>Mr. Jawed Ali Ghori<br>Mr. Khalid Sarfaraz Ghori<br>Mrs. Faryal Murtaza<br>Mr. Faizan Ali Ghori |

   a. Risk Management Committee: (No separate committee formed, as its issues are deliberated in Board meetings)

   b. Nomination Committee (No separate committee formed, as its issues are deliberated in Board meetings)

13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committees for compliance.

14. The frequency of meetings of the committees were as per following:

   a. Audit Committee – 04 Quarterly Meetings

   b. HR and Remuneration Committee – 01 Annual Meeting

15. The Board has set up an effective internal audit function. The Head of Internal Audit is considered suitably qualified and experienced for the purpose and is 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 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. To address sustainability risk and opportunities, the board has assigned the responsibilities to an existing board committee (i.e. Audit Committee). The committee shall provide governance and oversight in relation to the company's initiatives on environmental, social, and governance matters and ensure compliance with relevant laws pertaining to it.

19. We confirm that all other requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

**Jawed Ali Ghori**
Chairman

**Khalid Sarfaraz Ghori**
Chief Executive /Director

Karachi: September 12, 2025

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# INDEPENDENT AUDITOR'S REVIEW REPORT

**Grant Thornton Anjum Rahman**
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

**T** +92 21 35672951-56

## To the members of Matco Foods 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 Matco Foods Limited (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

Chartered Accountants

Karachi
Dated: September 26, 2025

UDIN: CR202510093VBlP283Dn

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# INDEPENDENT AUDITOR'S REPORT
## To the members of Matco Foods Limited

**Grant Thornton Anjum Rahman**
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

**T** +92 21 35672951-56

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

### Opinion

We have audited the annexed unconsolidated financial statements of **Matco Foods 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 a summary of material accounting policies 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, 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 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 income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Unconsolidated 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.

Following are the Key audit matter:

| S. No. | Key audit matter | How the matter was addressed in our audit |
|---|---|---|
| 1. | **Valuation of Stock in Trade**<br><br>As at June 30, 2025, the Company held stock in trade amounting to Rs. 13,668 million as disclosed in note 23 of accompanying unconsolidated financial statements. The stock in trade account for 73.79% of the total current assets. The value of stock is based on the purchase price using weighted average method. Therefore, the Company is exposed to the risk of valuation of stock in trade as a result of volatility in prices.<br><br>The Company is required to measure its stock in trade at the lower of cost and net realizable value (NRV). There is an element of judgement involved relating to the valuation, which is required for the estimation of the NRV and allowance for slow-moving and obsolete stock in trades. Such estimation is made after taking into consideration factors such as movement in prices, current and expected future market demands and pricing competitions.<br><br>This was the key audit mater because of its materiality and significance in terms of judgments involved in estimating the NRV of underlying inventories. | As part of our audit, we have performed the following audit procedures:<br><br>• Attended the stock counts at locations to observe the stock count process and evaluate the condition of stock in trade.<br><br>• Tested the valuation method used by the management in valuation of stock in trade.<br><br>• Inspected on sample basis specific purchases with underlying supporting documents.<br><br>• Evaluated the appropriateness of the basis and processes used by management in determining the net realizable value of stock in trade.<br><br>• Performed testing on sample of items to assess the NRV of the inventories held and evaluating the adequacy of provision for slow moving and obsolete stock.<br><br>• Evaluated the adequacy of the disclosures on stock in trade in the unconsolidated financial statements. |

**Information other than the Unconsolidated 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 financial statements and our auditor's report 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.

**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.

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

**Auditor's Responsibilities for the Audit of the Unconsolidated 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.

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

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

The engagement partner on the audit resulting in this independent auditor's report is **Khurram Jameel.**

Grant Thornton Anjum Rahman

Chartered Accountants

Karachi
Date: September 26, 2025

UDIN: AR202510093vuYSMTfnJ

# MATCO FOODS LIMITED
# UNCONSOLIDATED STATEMENTS

# MATCO FOODS LIMITED
# UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
# AS AT JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **EQUITY AND LIABILITIES** | | | |
| **Share capital and reserves** | | | |
| Authorized share capital | 6.1 | **2,000,000,000** | 2,000,000,000 |
| Issued, subscribed and paid up share capital | 6.2 | **1,224,006,980** | 1,224,006,980 |
| Capital reserve | 7 | **680,467,220** | 680,467,220 |
| Unappropriated profit | | **3,474,859,001** | 2,888,861,750 |
| Surplus on revaluation of property, plant and equipment - net of tax | 8 | **5,023,576,249** | 5,194,285,910 |
| **Total shareholders' equity** | | **10,402,909,450** | 9,987,621,860 |
| **Non-current liabilities** | | | |
| Long-term finances-secured | 9 | **1,117,426,558** | 1,475,635,466 |
| Lease liabilities | 10 | **298,193,413** | 172,253,368 |
| Deferred liabilities | 11 | **800,313,891** | 980,817,481 |
| **Total non-current liabilities** | | **2,215,933,862** | 2,628,706,315 |
| **Current liabilities** | | | |
| Trade and other payables | 12 | **2,915,485,238** | 2,375,995,644 |
| Advance from customers - secured | | **386,343,891** | 430,489,596 |
| Accrued mark-up | 13 | **268,460,997** | 560,017,210 |
| Due to related party | 14 | **2,085,652** | 6,563,777 |
| Short-term borrowings-secured | 15 | **13,330,527,469** | 11,123,990,753 |
| Current portion of long term finances-secured | 9 | **354,834,825** | 359,121,960 |
| Current portion of lease liabilities | 10 | **84,940,254** | 38,071,886 |
| Unpaid dividend | 16 | **933,712** | 28,495,996 |
| **Total current liabilities** | | **17,343,612,038** | 14,922,746,822 |
| **Total liabilities** | | **19,559,545,900** | 17,551,453,137 |
| **Contingencies and commitments** | 17 | | |
| **Total equity and liabilities** | | **29,962,455,350** | 27,539,074,997 |

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

| Khalid Sarfaraz Ghori<br>Chief Executive Officer | M. Aamir Farooqui<br>Chief Financial Officer | Faizan Ali Ghori<br>Director |
|---|---|---|

## MATCO FOODS LIMITED
## UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 18 | **10,983,120,404** | 11,419,860,903 |
| Right-of-use assets | 19 | **380,601,893** | 239,635,175 |
| Intangible assets | 20 | **-** | - |
| Long-term deposits | | **20,708,550** | 19,708,550 |
| Long-term investments | 21 | **55,682,707** | 55,582,707 |
| **Total non-current assets** | | **11,440,113,554** | 11,734,787,335 |
| **Current assets** | | | |
| Stores, spares and loose tools | 22 | **325,001,757** | 277,847,378 |
| Stock in trade | 23 | **13,668,047,066** | 11,613,570,893 |
| Trade debts | 24 | **1,957,416,609** | 2,334,768,358 |
| Loans and advances | 25 | **1,756,068,798** | 1,009,946,411 |
| Trade deposits and short term prepayments | 26 | **31,392,456** | 27,920,651 |
| Short-term investment | 27 | **1,200,000** | 1,200,000 |
| Sales tax refundable | 28 | **25,000,000** | 25,000,000 |
| Due from related parties | 29 | **38,421,807** | 50,326,380 |
| Taxation and levies - net | 30 | **366,351,330** | 106,288,895 |
| Cash and bank balances | 31 | **353,441,973** | 357,418,696 |
| **Total current assets** | | **18,522,341,796** | 15,804,287,662 |
| **Total assets** | | **29,962,455,350** | 27,539,074,997 |

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

| Khalid Sarfaraz Ghori<br>Chief Executive Officer | M. Aamir Farooqui<br>Chief Financial Officer | Faizan Ali Ghori<br>Director |
|---|---|---|

# MATCO FOODS LIMITED
# UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
# FOR THE YEAR ENDED JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| Sales - net | 32 | **26,654,376,270** | 27,695,667,805 |
| Cost of sales | 34 | **(23,308,052,386)** | (24,524,645,802) |
| **GROSS PROFIT** | | **3,346,323,884** | 3,171,022,003 |
| Selling and distribution expenses | 35 | **(529,596,131)** | (590,691,407) |
| Administrative expenses | 36 | **(817,341,017)** | (681,528,249) |
| | | **(1,346,937,148)** | (1,272,219,656) |
| **Operating profit** | | **1,999,386,736** | 1,898,802,347 |
| Finance cost | 37 | **(1,854,110,081)** | (2,243,877,030) |
| Other income | 38 | **90,058,387** | 86,370,402 |
| Exchange gain - net | 39 | **289,168,393** | 190,389,508 |
| Provision for workers' welfare fund | 12.1 | **(9,803,803)** | - |
| Provision for workers' profit participation fund | 12.2 | **(24,509,506)** | - |
| **PROFIT/(LOSS) BEFORE LEVIES AND INCOME TAX** | | **490,190,126** | (68,314,773) |
| Levies - Final and Minimum Tax | 40 | **(196,270,343)** | (258,998,630) |
| Taxation | 40 | **119,977,531** | 64,847,527 |
| **PROFIT/(LOSS) FOR THE YEAR** | | **413,897,314** | (262,465,876) |
| **EARNINGS PER SHARE - BASIC AND DILUTED** | 45 | **3.38** | (2.14) |

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

| Khalid Sarfaraz Ghori | M. Aamir Farooqui | Faizan Ali Ghori |
|---|---|---|
| Chief Executive Officer | Chief Financial Officer | Director |

**MATCO FOODS LIMITED**
**UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE YEAR ENDED JUNE 30, 2025**

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **PROFIT/(LOSS) FOR THE YEAR** | | **413,897,314** | (262,465,876) |
| **OTHER COMPREHENSIVE INCOME** | | | |
| ***Items that may be reclassified subsequently to the unconsolidated statement of profit or loss*** | | - | - |
| ***Items that will not to be reclassified subsequently to the unconsolidated statement of profit or loss*** | | | |
| - Remeasurement of defined benefits obligation | 11.2.5 | **1,390,276** | 17,947,901 |
| - Surplus on revaluation of fixed assets - net of deferred tax | | **-** | 2,804,381,253 |
| - Unrealized gain on revaluation of investment at fair value through OCI during the year | | **-** | 4,812,980 |
| Other comprehensive income | | **1,390,276** | 2,827,142,134 |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | | **415,287,590** | 2,564,676,258 |

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

| | | |
|---|---|---|
| Khalid Sarfaraz Ghori | M. Aamir Farooqui | Faizan Ali Ghori |
| Chief Executive Officer | Chief Financial Officer | Director |

# MATCO FOODS LIMITED
# UNCONSOLIDATED STATEMENT OF CASH FLOWS
# FOR THE YEAR ENDED JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Profit before levies and income tax | | **490,190,126** | (68,314,773) |
| **Adjustments for:** | | | |
| Depreciation | 18.1 | **747,898,001** | 473,929,712 |
| Depreciation on right of use assets | 19 | **59,005,008** | 42,715,540 |
| Exchange gain - net | | **(278,386,233)** | (186,336,842) |
| Provision for slow moving stock | | **3,886,895** | 898,075 |
| Finance cost | | **1,870,995,041** | 2,265,810,924 |
| Provision for staff gratuity | 11.2.7 | **44,001,585** | 95,436,914 |
| Gain on disposal of property, plant and equipment | | **(35,861,143)** | 14,282 |
| | | **2,411,539,154** | 2,692,468,605 |
| | | **2,901,729,280** | 2,624,153,832 |
| **Changes in working capital** | | | |
| **(Increase)/decrease in current assets** | | | |
| Stores, spares and loose tools | | **(47,154,379)** | (172,524,279) |
| Stock-in-trade | | **(2,058,363,068)** | (2,040,037,631) |
| Trade debts - considered good | | **666,520,142** | 49,804,814 |
| Loans and advances | | **(746,122,387)** | (495,095,419) |
| Trade deposits and prepayments | | **(3,471,805)** | (12,878,118) |
| Short-term investment | | **-** | 3,022,323 |
| Sales tax refundable | | **-** | 39,935,578 |
| Due from related parties | | **11,904,573** | 31,494,797 |
| | | **(2,176,686,924)** | (2,596,277,935) |
| **Increase/(decrease) in current liabilities** | | | |
| Trade and other payables | | **539,489,594** | 527,438,461 |
| Due to related party | | **(4,478,125)** | (243,821) |
| Advances from customers | | **(44,145,705)** | 132,982,785 |
| | | **490,865,764** | 660,177,425 |
| **Cash generated from operations** | | **1,215,908,120** | 688,053,322 |
| Finance cost paid | | **(2,162,551,254)** | (2,074,157,225) |
| Income taxes and levies paid | | **(405,826,958)** | (243,594,159) |
| Gratuity paid | | **(153,643,190)** | (21,728,011) |
| **Net cash used in operating activities** | | **(1,506,113,282)** | (1,651,426,073) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Fixed capital expenditure including capital work in progress | | **(468,941,343)** | (731,459,066) |
| Proceeds from disposal of property, plant and equipment | | **240,252,500** | 90,000 |
| Proceeds from sales of investment in shares | | **-** | 14,542,631 |
| Long term investment | | **(100,000)** | - |
| Long-term deposits | | **(1,000,000)** | (2,231,580) |
| **Net cash used in investing activities** | | **(229,788,843)** | (719,058,015) |
| Balance carried forward | | **(1,735,902,125)** | (2,370,484,088) |

# MATCO FOODS LIMITED
# UNCONSOLIDATED STATEMENT OF CASH FLOWS
# FOR THE YEAR ENDED JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| Balance brought forward | | **(1,735,902,125)** | (2,370,484,088) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Long-term finances - net | | **(362,496,043)** | (245,108,021) |
| Lease liabilities paid during the year | | **(73,770,827)** | (37,251,120) |
| Dividend paid | | **(27,562,284)** | (51,990,630) |
| Short-term borrowings - net | | **2,206,536,716** | 2,707,308,880 |
| **Net cash generated from financing activities** | | **1,742,707,562** | 2,372,959,109 |
| **Net change in cash and cash equivalents during the year** | | **6,805,437** | 2,475,021 |
| **Cash and cash equivalents as at the beginning of year** | | **357,418,696** | 358,996,341 |
| Effects of exchange rate changes on cash and cash equivalents | | **(10,782,160)** | (4,052,666) |
| **Cash and cash equivalents as at the end of year** | 31 | **353,441,973** | 357,418,696 |

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

| Khalid Sarfaraz Ghori | M. Aamir Farooqui | Faizan Ali Ghori |
|---|---|---|
| Chief Executive Officer | Chief Financial Officer | Director |

**MATCO FOODS LIMITED**
**UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE YEAR ENDED JUNE 30, 2025**

| | Issued, subscribed and paid up share capital | Capital reserve | Unappropriated profit | Surplus on revaluation of property, plant and equipment -net of tax | Unrealized (loss) / gain on revaluation of investment at fair value to OCI | Total |
|---|---|---|---|---|---|---|
| | | Share premium reserve | | | | |
| | ---------- | ---------- | ---------- | Rupees | ---------- | ---------- |
| **Balance as at July 01, 2023** | 1,224,006,980 | 680,467,220 | 3,171,666,606 | 2,408,823,880 | (818,735) | 7,484,145,951 |
| **Total comprehensive income for the year** | | | | | | |
| Profit for the year | - | - | (262,465,876) | - | - | (262,465,876) |
| Other comprehensive income | - | - | 17,947,901 | 2,804,381,253 | 4,812,980 | 2,827,142,134 |
| Total comprehensive (loss)/income | - | - | (244,517,975) | 2,804,381,253 | 4,812,980 | 2,564,676,258 |
| Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax | - | - | 18,919,223 | (18,919,223) | - | - |
| Realized gain transferred to equity on disposal of shares | - | - | 3,994,245 | - | (3,994,245) | - |
| **Transactions with owners** | | | | | | |
| Dividend paid during the year | - | - | (61,200,349) | - | - | (61,200,349) |
| **Balance as on June 30, 2024** | 1,224,006,980 | 680,467,220 | 2,888,861,750 | 5,194,285,910 | - | 9,987,621,860 |
| **Balance as on July 01, 2024** | **1,224,006,980** | **680,467,220** | **2,888,861,750** | **5,194,285,910** | **-** | **9,987,621,860** |
| Total comprehensive income for the year | | | | | | |
| Profit for the year | **-** | **-** | **413,897,314** | **-** | **-** | **413,897,314** |
| Other comprehensive income | **-** | **-** | **1,390,276** | **-** | **-** | **1,390,276** |
| Total comprehensive income | **-** | **-** | **415,287,590** | **-** | **-** | **415,287,590** |
| Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax | **-** | **-** | **170,085,908** | **(170,085,908)** | **-** | **-** |
| Transferred from surplus on revaluation of property, plant and equipment on account of disposal net of tax | **-** | **-** | **623,753** | **(623,753)** | **-** | **-** |
| **Balance as on June 30, 2025** | **1,224,006,980** | **680,467,220** | **3,474,859,001** | **5,023,576,249** | **-** | **10,402,909,450** |

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

| Khalid Sarfaraz Ghori<br>Chief Executive Officer | M. Aamir Farooqui<br>Chief Financial Officer | Faizan Ali Ghori<br>Director |
|---|---|---|

## MATCO FOODS LIMITED
## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
## FOR THE YEAR ENDED JUNE 30, 2025

### 1 STATUS AND NATURE OF BUSINESS

Matco Foods Limited, ('the Company') was incorporated on April 14, 1990 in Karachi as a private limited company under the repealed Companies Ordinance, 1984 (Now: Companies Act, 2017). The Company was listed on Pakistan Stock Exchange Limited on February 13, 2018. The principal activity of the Company is to carry out the business of processing and export of rice, rice glucose, rice protein and pink salt, masala and kheer. The registered office of the Company is situated at B-1/A, S.I.T.E.-II Phase 1, Super Highway Industrial Area, Karachi; whereas the factories of the Company are situated at (i) Plot A-15 & 16, SITE-II, Super highway Karachi; (ii) A-21, SITE-II, Super highway Karachi; (iii) G-205, SITE-II, Super highway Karachi; (iv) 50 KM G.T Road, Sadhoke, Tehsil Kamonki, District Gujranwala and Plot No. 53, Allama Iqbal Industrial City, Faisalabad.

The Company has 100% ownership in JKT General Trading FZE (subsidiary) a United Arab Emirates based company which is situated at P.O.Box 123347, Sharjah - U.A.E, and registered with Government of Sharjah. The business of the subsidiary is purchasing and selling of processed rice.

The Company has 99.99% ownership in Falak Foods (Private) Limited previously known as Matco Marketing (Private) Limited (subsidiary) which was incorporated on June 16, 2016 with authorized and paid-up share capital of Rs. 10,000,000 and Rs. 7,500,000 respectively. The subsidiary is situated at B-1/A, S.I.T.E. Phase 1, Super Highway Industrial Area, Karachi. However, no business activity has been carried out by the subsidiary since its incorporation.

The Company has 99.99% ownership in Matco Corn Products (Private) Limited (subsidiary) which was incorporated on May 07, 2025 with authorized and paid-up share capital of Rs. 1,500,000,000 and Rs. 100,000 respectively. The subsidiary is situated at Plot No. 8-C (3rd and 4th Floor), Shahbaz Lane No. 2, Phase VI, DHA, Karachi. The principal line of business of the company shall be to produce, store, and process corn and other agricultural products to create value-added products for Human Nutrition Ingredients (HNI), Animal Nutrition Ingredients (ANI), and general industrial purposes.

These are the separate financial statements of the Company in which investments in subsidiaries and joint venture are stated at cost less impairment losses, if any.

### 2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

During the year, the Board of Directors of Matco Foods Limited through circular resolution passed on May 23, 2025 has approved the segregation of its Corn Starch Division into a separate legal entity, Matco Corn Products (Private) Limited, a wholly owned subsidiary of the Company. In this regard, the Company has filed a Scheme of Arrangement under the Companies Act, 2017 before the Honorable High Court of Sindh for approval.

During the year, the Company capitalized the 1.5MW solar plant at its corn starch facility located at Plot No. 53, Allama Iqbal Industrial City SEZ, Faisalabad, amounting to Rs. 120.86 million, by transferring it from Capital Work in Progress.

### 3 BASIS OF PREPARATION

#### 3.1 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 Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017; and

- Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan asnotified under Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the required of IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed in preparation of these unconsolidated financial statements.

**3.3 Basis of measurement**

These unconsolidated financial statements have been prepared under the historical cost convention except as stated otherwise in these unconsolidated financial statements.

**3.4 Functional and presentation currency**

These unconsolidated financial statements are presented in Pakistani Rupees which is the Company's functional currency and presentation currency.

**3.5 Standard, Amendments and Interpretations to Approved Accounting Standards**

**3.5.1 Standards, amendments and interpretations to the published standards that may be relevant to the Company and adopted in the current year**

There were certain amendments to accounting and reporting standards which became effective for the Company for the current year. However, these are considered not to be relevant or to have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated financial statements.

**3.5.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Company**

There are certain amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the Company's unconsolidated financial statements and operations and, therefore, have not been disclosed in these unconsolidated financial statements.

**3.5.3 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)**

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

**4 CRITICAL ASSUMPTIONS AND ESTIMATES**

The preparation of these unconsolidated financial statements in conformity with approved financial reporting framework requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are 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.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the unconsolidated financial statements are as follows:

| | Note |
|---|---|
| (a) useful lives of property, plant and equipment | 5.1 |
| (b) useful lives of right-of-use assets | 5.2 |
| (c) impairment of financial assets | 5.5 |
| (d) staff retirement plan | 5.9 |
| (e) income taxes | 5.13 |
| (f) contingencies | 5.17 |
| (g) provisions | 5.22 |
| (h) impairment of non-financial asset | 5.24 |

## 5 MATERIAL ACCOUNTING POLICIES

The principal accounting policies have been applied on consistent basis. These policies have been adopted in the preparation of these unconsolidated financial statements are as follows:

### 5.1 Property, plant and equipment

Items of property, plant and equipment other than land, factory buildings, plant and machinery and generators are measured at cost less accumulated depreciation and impairment loss (if any).

Land, factory buildings, plant and machinery and generators are measured at the revalued amount less accumulated depreciation and impairment loss (if any).

**Revaluation model**

Any revaluation increase arising on the revaluation of land, factory buildings, plant and machinery and generators is recognised in statement of other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of property, plant and equipment - net of tax", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in unconsolidated statement of profit or loss, in which case the increase is credited to statement of profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation is charged to unconsolidated statement of profit or loss to the extent that it exceeds the balance, if any, held in the Surplus on revaluation of property, plant and equipment relating to a previous revaluation of that asset. The Surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit. Impairment losses if any are recorded on the basis as defined in note 5.23.

**Depreciation**

Depreciation is charged so as to write off the cost or revalued amount of assets (other than land and capital work in progress) over their estimated useful lives, using the diminishing balance method at rates specified in note 18.1 to the unconsolidated financial statements. Depreciation on addition is charged from the day an asset is available for use up to the day prior to its disposal.

Gains and losses on disposal of assets are taken to the unconsolidated statement of profit or loss, and related surplus on revaluation of property and plant is transferred directly to retained earnings / unappropriated profits.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The Company's estimate of residual value of property, plant and equipment as at June 30, 2024 did not require any adjustment.

**Capital work-in-progress**

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost also includes applicable borrowing cost. These are transferred to specific assets as and when assets are available for use.

### 5.2 Right-of-use assets and related liabilities

After the commencement date, the Company measures the right-of-use asset applying a cost model whereby the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability.

The right-of-use asset is depreciated on straight line basis in case of Go down and written down value method in case of vehicles, from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option in which case the right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset. The estimated useful lives of assets are determined on the same basis as that for owned assets. The right-of-use asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

### 5.3 Intangible assets

Intangible assets having definite useful life are stated at cost less accumulated amortization and impairment losses (if any). However, Intangible assets having indefinite life are stated at cost less impairment losses (if any). Impairment losses (if any) are recorded on the basis as defined in note 5.23.

Subsequent cost is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

Amortization is charged to the unconsolidated statement of profit or loss on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Amortization on additions to intangible assets are charged from the month in which an asset is acquired or capitalized while no amortization is charged in the month in which the asset is disposed of.

All intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Where the carrying amount of an asset exceeds its estimated recoverable amount it is written down immediately to its recoverable amount. The carrying amount of other intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists than the assets recoverable amount is estimated. The recoverable amount is the greater of its value in use and fair value less cost to sell.

Useful lives of intangibles assets are reviewed at each reporting date and unadjusted if the impact on amortization is material.

**5.4 Investments**

**5.4.1 Investment in subsidiary, joint venture and associated companies**

Investment in subsidiary, joint venture and associated companies is initially recognized and carried 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 recognized 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 recognized in unconsolidated statement of profit or loss.

**5.4.2 Other investments**

All regular way purchases / sales of investment are recognized on the trade date, i.e., the date the Company commits to purchase / sell the investments. Regular way purchases or sales of investment require delivery of securities within the time frame generally established by regulation or convention in the market place.

**5.5 IFRS 9 - Financial Instruments - initial recognition and subsequent measurement**

**Initial recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortized cost as the case may be.

**Classification of financial assets**

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss (FVTPL)

- at fair value through other comprehensive income (FVTOCI), or

- at amortized cost.

The Company determines the classifications of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

**Classification of financial liabilities**

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss (FVTPL), or

- at amortized cost

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instrument held for trading or derivatives) or the Company has opted to measure them at FVTPL.

**Subsequent measurement**

**i) Financial assets at FVTOCI**

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value being recognized in unconsolidated statement of other comprehensive income.

**ii) Financial assets and liabilities at amortized cost**

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

**iii) Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the unconsolidated statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in the unconsolidated statement of profit or loss in the period in which they arise.

Where the management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognised in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

**Impairment of financial assets**

The Company recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost and FVTOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determine to have low credit risk at the reporting date, in which case twelve months' ECL is recorded. The following were either determined to have low or there was no credit risk since initial recognition and at the reporting date:

- bank balances;

- due from related parties;

- deposits; and

- loan and advances

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve months ECLs are portion of ECL that result from default events that are possible within twelve months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash short falls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in entirety or a portion thereof.

**Derecognition**

**i) Financial assets**

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable is recognised in unconsolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to unconsolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to unconsolidated statement of profit or loss, but is transferred to unconsolidated statement of changes in equity.

**ii) Financial liabilities**

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in unconsolidated statement of profit or loss account. The Company's financial liabilities include long term finances, trade and other payables, accrued mark-up and short term borrowing.

**5.6 Derivative financial instruments**

Derivative financial instruments are initially recognized at fair value on the dates on which the derivative contracts are entered into and are subsequently re-measured at fair value using appropriate valuation techniques. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative instruments is taken to the unconsolidated statement of profit or loss.

**5.7 Stores, spares and loose tools**

These are valued at the cost less allowance for obsolete and slow moving items. Items in transit are valued at invoice value plus other charges incurred thereon, up to the reporting date.

**5.8 Stock-in-trade**

These are valued at lower of cost and net realizable value less impairment loss, if any. Raw material is valued at moving weighted average cost, packing material is valued at cost, work in process is valued at manufacturing cost and finished goods is valued at cost allocated on sales value of finish and by-product for each job completion or net realizable value (NRV) whichever is lower.

The Company reviews the carrying amount of stock-in-trade on an on-going basis and as appropriate, inventory is written down to its net realisable value or provision is made for obsolescence if there is any change in usage pattern and physical form of related inventory.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

**5.9 Staff retirement benefits - Defined benefit plan**

The Company operated an unapproved gratuity scheme for its employees completing the eligibility period of service as defined under the plan. The scheme provided for a graduated scale of benefits dependent on the length of service of an employee on the terminal date, subject to the completion of a minimum qualifying period of service. Gratuity was based on employees' last drawn gross salary.

Effective June 30, 2025, the Company froze its gratuity scheme, and no further benefits will accrue beyond this date. Obligations up to the freeze date, measured through actuarial valuation using the Projected Unit Credit Method, are recognized in the unconsolidated statement of financial position. Related service and interest costs have been charged to profit or loss, while remeasurement gains and losses are recorded in other comprehensive income.

**5.10 Staff retirement benefits - Defined contribution plan**

From July 1, 2025, the Company will operate a defined contribution plan for permanent employees at 8.33% of basic salaray, with equal contributions by the Company and employees. The Company’s obligation is limited to its contributions, recognized as expense when employees render service. Unpaid contributions are recorded as liabilities, while prepaid amounts are recognized as assets where recoverable.

**5.11 Trade debts**

These are measured at original invoice amount less an estimate made for allowance for expected credit loss based on the probability of default at reporting period. Bad debts are written off when identified.

**5.12 Cash and cash equivalents**

Cash and cash equivalents are carried in the unconsolidated statement of financial position at cost. For the purpose of statement cash flows, cash and cash equivalents consist of cash in hand, balances with banks, purpose of statement cash flows, cash and cash equivalents consist of cash in hand, balances with banks, highly liquid short-term investments that are convertible to known amounts of cash and are subject to insignificant risk of change in value.

**5.13 Taxation**

**Current**

The charge for current tax is based on taxable income at current rates of taxation after taking into account tax credits, rebates and exemptions available, if any, or in accordance with the final tax regime, where applicable, of the Income Tax Ordinance, 2001 (the Ordinance) or the minimum tax under section 113 of the Ordinance or Alternate Corporate Tax (ACT) under section 113C of the said Ordinance, whichever is higher. Further, levies are accounted for as an operating expense in accordance with the requirement of IFRIC - 21. Any excess over the amount designated as a levy is then recognized as current tax expense in accordance with IAS-12.

**Deferred**

Deferred tax is recognized using the unconsolidated statement of financial position liability method on all temporary differences between the carrying amount of the assets and liabilities and their tax bases. Deferred tax liabilities are recognized for all major taxable temporary differences.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the year when the asset is utilized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the reporting date.

**5.14 Borrowings and their costs**

All borrowings are recorded at the proceeds received net of transaction cost. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to unconsolidated statement of profit or loss in the period in which these are incurred.

**5.15 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i. Lease liabilities**

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. The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU assets when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

**ii. Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**5.16 Trade and other payables**

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in future for goods and services.

**5.17 Contingencies**

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence/non-occurrence of the uncertain future event(s).

**5.18 IFRS 15 'Revenue from Contracts with Customers'**

The Company is in the business of the manufacture and sale of goods. Revenue from contracts with customers is recognised when control of the goods is transferred to the customer and thereby the performance obligations are satisfied, at amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

The Company has concluded that based on the contractual arrangement control of goods are transferred and performance obligations are satisfied at a point in time when the goods are dispatched to the customers.

In case of export the control is transferred when the goods are shipped to the destination and Bill of Lading has been prepared, thus completing the performance obligation. Whereas in case of local sales, control is transferred when the goods are dispatched to customers from the warehouse.

**5.19 Interest income**

Interest income is recognized on a time proportion basis that takes into account the effective yield.

**5.20 Foreign currency transaction & translation**

Transactions in foreign currencies are accounted for in Pak Rupee at the rate of exchange prevailing on the date of transaction. Monetary assets and monetary liabilities in foreign currencies as at the reporting date are expressed in Rupee at rates of exchange prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences are taken to the unconsolidated statement of profit or loss.

**5.21 Off-setting of financial assets and financial liabilities**

Financial assets and financial liabilities are off-set and the net amount is reported in the unconsolidated financial statements only when the Company has a legally enforceable right to off-set the recognized amounts and the Company intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

**5.22 Provisions**

A provision is recognized in the unconsolidated statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**5.23 Operating segments**

Operating segment are reported in manner consistent with the internal reporting provided to the Chief operating decision maker. The Chief Operating Decision maker; who is responsible for allocating resources and assessing performance of the operating segments. has been identified as the Board of Directors of the Company that makes strategic decisions. Operating segments comprises of rice and allied products, corn starch products and falak foods products.

**5.24 Impairment of non-financial assets**

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated and accordingly an impairment loss is recognized in the unconsolidated statement of profit or loss for the carrying amount of the asset that exceeds its recoverable amount.

**5.25 Related party transactions**

All related party transactions are carried out by the Company on arm's length basis.

**5.26 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) for its shareholders. 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 year. 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, if any.

**5.27 Dividend**

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's unconsolidated financial statements in the period in which such dividends are approved by the Board.

## 6 SHARE CAPITAL

### 6.1 Authorized share capital

| 2025 | 2024 | | 2025 | 2024 |
|---|---|---|---|---|
| Number of shares | | | --------------Rupees------------- | |
| | | Ordinary shares of Rs. 10 (2024: Rs. 10) | | |
| **200,000,000** | 200,000,000 | | **2,000,000,000** | 2,000,000,000 |

### 6.2 Issued, subscribed and paid up share capital

| 2025 | 2024 | | 2025 | 2024 |
|---|---|---|---|---|
| Number of shares | | | --------------Rupees------------- | |
| | | Ordinary shares of Rs. 10 each: | | |
| **50,340,213** | 50,340,213 | - fully paid in cash | **503,402,130** | 503,402,130 |
| **6,002,950** | 6,002,950 | - issued for consideration other than cash | **60,029,500** | 60,029,500 |
| **66,057,535** | 66,057,535 | - issued as fully paid bonus shares | | 660,575,350 |
| **122,400,698** | 122,400,698 | | **563,431,630** | 1,224,006,980 |

**6.3** On April 30, 2008 the Company entered into an agreement to takeover the running business of Matco Marketing Company (the "Firm"), a sole proprietorship firm against the issuance of shares. The firm's capital account as per the audit conducted by M/S Rafiq & Co, Chartered Accountant was Rs. 60 million, against which shares were issued to Mr. Tariq Ghori (Late) in lieu of this takeover in accordance with the regulation 8 of Companies (Issue of Capital) Rules, 1996.

| | 2025 | 2024 |
|---|---|---|
| **6.4 Shares held by the related parties of the Company** | ---Number of shares--- | |
| **Director and their spouse** | | |
| Mr. Jawed Ali Ghori | **24,020,821** | 24,020,821 |
| Mr. Khalid Sarfaraz Ghori | **24,031,271** | 24,031,271 |
| Mr. Faizan Ali Ghori | **1,199,450** | 1,179,450 |
| Ms. Naheed Jawed | **448,875** | 448,875 |
| Ms. Nuzhat Khalid Ghori | **448,875** | 448,875 |
| Mrs. Faryal Murtaza | **500** | 500 |
| Mr. Murtaza Mahfooz Talib (Spouse of Faryal Murtaza) | **336,821** | 336,821 |
| Mr. Safwan Ghori | **211,750** | 211,750 |
| Mr. Syed Kamran Rashid | **100** | 100 |
| Mr. Abdul Samad Khan | **500** | 500 |
| Ms. Umme Habibah | **2,500** | 2,500 |
| Mr. Muhammad Mohsin | **500** | 500 |
| **Substantial shareholder** | | |
| International Finance Corporation | **18,360,109** | 18,360,109 |
| Ms. Sadaf Tariq | **24,480,146** | 24,480,146 |

### 6.5 Reconciliation of number of shares outstanding is as under:

| | 2025 | 2024 |
|---|---|---|
| Shares at the beginning of the year | **122,400,698** | 122,400,698 |
| Shares issued during the year in cash | **-** | - |
| Bonus shares issued during the year | **-** | - |
| Shares at the end of the year | **122,400,698** | 122,400,698 |

6.6 The Company has issued 15% shares to International Finance Corporation (IFC) (registered with World Bank) under an agreement with the Company. During the year 2012, the Company offered shares as fully paid right shares which were declined by the existing members and the directors issued those shares to the IFC. These shares have been issued at a price of Rs. 39.28 per share resulting in overall premium from IFC on issue of shares amounting to Rs. 341.311 million.

| | | | **2025** | 2024 |
|---|---|---|---|---|
| **7** | **CAPITAL RESERVE** | **Note** | **---Number of shares---** | |
| | Share premium | 7.1 & 7.2 | **680,467,220** | 680,467,220 |

**7.1** Premium received over and above face value of the shares issued to IFC amounting to Rs. 341 million out of which Rs. 22.9 million had been utilized under section 83 of the repealed Companies Ordinance, 1984 (now section 81 of the Companies Act, 2017) during the year ended June 30, 2014.

**7.2** Premium received over and above face value of the shares issued to general public through IPO amounting to Rs. 466.3 million out of which Rs. 45.9 million had been utilized under section 81 of the Companies Act, 2017 during the year ended June 30, 2019.

## 8 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX

This represents surplus arising on revaluation of land, buildings, plant and machinery and generators, net of deferred tax. The latest revaluation was carried by MYK Associates (Private) Limited on June 28, 2024.

| | **2025** | 2024 |
|---|---|---|
| | **------Rupees-------** | |
| Surplus on revaluation at the beginning of the year | **5,880,027,428** | 2,478,272,715 |
| Surplus on revaluation recognized during the year | **-** | 3,428,782,174 |
| Transferred to unappropriated profit in respect of disposal of property, plant and equipment | **(878,525)** | - |
| Transferred to unappropriated profit in respect of incremental depreciation charged during the year | **(239,557,617)** | (27,027,461) |
| Surplus on revaluation of operating fixed assets as at June 30 | **5,639,591,286** | 5,880,027,428 |
| Less: related deferred tax liability: | | |
| - at beginning of the year | **(685,741,518)** | (69,448,835) |
| - on surplus arising on revaluation during the year | **-** | (624,400,921) |
| - on disposed off during the year | **254,772** | - |
| - on incremental depreciation charged during the year | **69,471,709** | 8,108,238 |
| | **5,023,576,249** | 5,194,285,910 |

**8.1 Restriction on distribution**

The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

| | | | **2025** | 2024 |
|---|---|---|---|---|
| **9** | **LONG TERM FINANCES - SECURED** | **Note** | **------Rupees-------** | |
| | From banking companies and financial institution: | | | |
| | LTFF/ILTFF | 9.1 | **109,373,801** | 168,564,430 |
| | TERF/ITERF | 9.2 | **784,964,126** | 910,985,999 |
| | FFSAP | 9.3 | **145,603,387** | 187,651,714 |
| | Demand Finance | 9.4 | **432,320,069** | 567,555,283 |
| | | | **1,472,261,383** | 1,834,757,426 |
| | Current portion of long term finances - secured | | **(354,834,825)** | (359,121,960) |
| | | | **1,117,426,558** | 1,475,635,466 |

**9.1** The Company has obtained Long Term Financing/Islamic Long Term Financing Facility (LTFF/ILTFF) under SBP Schemes from various commercial banks. The effective rates of mark-up on these facilities vary from SBP rate+ 1% to 2.5% per annum (June 2024: SBP rate+ 1% to 2.5% per annum).

**9.2** The Company has obtained Temporary Economic/Islamic Temporary Economic Refinance Facility (TERF/ITERF) under SBP Schemes from various commercial banks and Islamic banks. The effective rates of mark-up on these facilities vary from SBP rate+ 1.50% to 2% per annum (June 2024: SBP+ 1.5% to 2% per annum).

**9.3** The Company has obtained Financing Facility for Storage of Agricultural Produce (FFSAP) under SBP Scheme from various financial institutions. The effective rates of mark-up on these facilities vary from SBP rate + 1.25% to 2.00% per annum (June 2024: SBP rate + 1.25% to 2.00% per annum).

9.4 The Company has obtained Demand Finance Facility (DF) from various commercial banks. The effective rates of mark-up on these facilities vary from KIBOR+ 1% to 2.25% per annum (June 2024: KIBOR+ 1% to 2.25% per annum).

**9.5** These facilities are secured by way of hypothecation charge of present/future fixed assets (land, building, plant & machinery) of the Company with 25% margin / 1st Exclusive charge over specific machinery assets.

**9.6** The maximum available amount from above mentioned facilities amounts to Rs. 915.09 million (June 2024: Rs. 552.59 million).

## 10 LEASE LIABILITIES

| | | 2025 | | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Note | Vehicle | Godown | Solar | Generator | Total | Vehicle | Godown | Generator | Total |
| | | Rupees | | | | | | | | |
| **Opening balance** | | **79,426,952** | **118,393,352** | **-** | **12,504,950** | **210,325,254** | 104,984,104 | 97,563,274 | 14,380,812 | 216,928,190 |
| Impact of adoption of IFRS-16 | | **-** | **-** | **-** | **-** | **-** | - | - | - | - |
| Reassessment of lease liability | | **-** | **32,134,740** | **-** | **-** | **32,134,740** | - | 30,648,184 | - | 30,648,184 |
| **At July 1** | | **79,426,952** | **150,528,092** | **-** | **12,504,950** | **242,459,994** | 104,984,104 | 128,211,458 | 14,380,812 | 247,576,374 |
| Additions for the period | | **97,544,500** | **-** | **116,900,000** | **-** | **214,444,500** | - | - | - | - |
| Disposal during the period | | **(1,524,545)** | **-** | **-** | **-** | **(1,524,545)** | - | - | - | - |
| Accrued interest during the period | | **22,264,593** | **16,884,960** | **11,811,075** | **1,861,420** | **52,822,048** | 21,648,470 | 21,933,894 | 3,156,179 | 46,738,543 |
| Balance | | **197,711,500** | **167,413,052** | **128,711,075** | **14,366,370** | **508,201,997** | 126,632,574 | 150,145,352 | 17,536,991 | 294,314,917 |
| Payment made during the period | | **(67,920,415)** | **(34,920,000)** | **(17,724,594)** | **(4,503,321)** | **(125,068,330)** | (47,205,622) | (31,752,000) | (5,032,041) | (83,989,663) |
| Closing Balance | | **129,791,085** | **132,493,052** | **110,986,481** | **9,863,049** | **383,133,667** | 79,426,952 | 118,393,352 | 12,504,950 | 210,325,254 |
| Current portion of lease liabilities | | **41,665,930** | **19,703,320** | **20,588,409** | **2,982,595** | **84,940,254** | 25,984,229 | 9,716,913 | 3,270,744 | 38,971,886 |
| Non-current | | **88,125,155** | **112,789,732** | **90,398,072** | **6,880,454** | **298,193,413** | 53,442,723 | 108,676,439 | 10,134,206 | 172,253,368 |

### 10.1 Maturity analysis of lease liabilities

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Upto one year | **41,665,930** | **19,703,320** | **20,588,409** | **2,982,595** | **84,940,254** | 25,984,229 | 9,716,913 | 2,370,744 | 38,071,886 |
| After one year | **88,125,155** | **112,789,732** | **90,398,072** | **6,880,454** | **298,193,413** | 53,442,723 | 108,676,439 | 10,134,206 | 172,253,368 |
| **Lease liabilities** | **129,791,085** | **132,493,052** | **110,986,481** | **9,863,049** | **383,133,667** | 79,426,952 | 118,393,352 | 12,504,950 | 210,325,254 |

### 10.2 Sale and Leaseback Transactions

It reflects the sale and leaseback liabilities included in the above lease liabilities and discloses the impact on financial statements due to the said transactions:

#### 10.2.1 Reason for sale and leaseback transactions

During the period, the Company initiated a sale and leaseback transaction to enhance its liquidity and optimize cash flow. The transaction involved the disposal of vehicles, for which liabilities had been fully settled but remained in the Company's possession, and the solar project installed in the Corn Starch division.

**10.2.2 Key terms and conditions**

The leaseback arrangement is structured under Diminishing Musharaka and Modaraba agreements, with a liability repayment period of 5 years. The financing facility for vehicles and solar, obtained from the bank, amounts to Rs. 312 million, subject to a profit rate of 3-month KIBOR + 1.5%.

**10.2.3 Disclosure of transaction and effects on financial statements**

During the period, the Company entered into a sale and leaseback transaction, whereby certain assets were sold and subsequently leased back. The transaction has been accounted for in accordance with IFRS 16 - Leases, after determining that the transfer of assets meets the definition of a sale under IFRS 15 - Revenue from Contracts with Customers.

As a result of the transaction, the Company has recognized a Right-of-Use (ROU) asset at an amount equal to the proportionate carrying value of the asset sold, adjusted for any prepaid or accrued lease payments. A gain or loss on sale has been recognized in profit or loss, reflecting only the portion of the asset's carrying amount transferred to the buyer-lessor. The remaining gain related to the retained interest in the leased asset has been deferred and will be recognized over the lease term.

The value of transaction which is included in the sale and leaseback transactions:

| | **Carrying Value** | **Sale Proceed** | **Gain/(Loss)** | **Lease Liability** |
|---|---|---|---|---|
| Vehicles | 65,313,850 | 97,544,500 | 13,377,976 | 97,544,500 |
| Solar | 120,856,770 | 116,865,000 | 13,852,640 | 116,865,000 |

| **11** | **DEFERRED LIABILITIES** | **Note** | **2025** | 2024 |
|---|---|---|---|---|
| | | | **------Rupees-------** | |
| | Deferred tax liability | 11.1 | **616,269,809** | 685,741,518 |
| | Staff gratuity scheme - unfunded | 11.2 | **184,044,082** | 295,075,963 |
| | | | **800,313,891** | 980,817,481 |

**11.1** This represent deferred tax on surplus on revaluation of property, plant and equipment. Further, the Company has deferred tax asset amounting to Rs. 90.19 million (June 2024: Rs. 22.26 million). However, the Company has not recorded deferred tax asset in of these unconsolidated financial statements.

| **11.2** | **Staff gratuity scheme - unfunded** | **Note** | **2025** | 2024 |
|---|---|---|---|---|
| | | | **------Rupees-------** | |
| | Balance at beginning of the year | | **295,075,963** | 239,314,961 |
| | Charge for the year | 11.2.7 | **44,001,585** | 95,436,914 |
| | Actuarial gains | | **(1,390,276)** | (17,947,901) |
| | Payments made during the year | | **(153,643,190)** | (21,728,011) |
| | Balance at end of the year | 11.2.3 | **184,044,082** | 295,075,963 |

**11.2.1 Staff retirement benefits - unfunded**

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 obligations in accordance with the actuarial recommendations. Details of significant assumptions used for the valuation in respect of above-mentioned schemes are as follows:

| | **2025** | 2024 |
|---|---|---|
| Discount rate - per annum | **11.75%** | 14.75% |
| Expected rate of increase in salaries - per annum | **0.00%** | 12.75% |
| Mortality rate | **SLIC (2001-05)** | SLIC (2001-05) |

| **11.2.2** | **The amounts recognized in the unconsolidated statement of financial position are as follows:** | **Note** | **2025** | 2024 |
|---|---|---|---|---|
| | | | **------Rupees-------** | |
| | Present value of defined benefit obligation | 11.2.3 | **184,044,082** | 295,075,963 |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| **11.2.3** | **Movements in the net liability recognized in the unconsolidated statement of financial position are as follows:** | | | |
| | Opening liability | | **295,075,963** | 239,314,961 |
| | Charge for the year | 11.2.4 | **44,001,585** | 95,436,914 |
| | Actuarial gains | | **(1,390,276)** | (17,947,901) |
| | Benefits paid | | **(153,643,190)** | (21,728,011) |
| | Balance at end of the year | | **184,044,082** | 295,075,963 |
| **11.2.4** | **The amounts recognized in the unconsolidated statement of profit or loss against defined benefit scheme are as follows:** | | | |
| | Current service cost | | **11,809,066** | 58,313,634 |
| | Interest cost | | **32,192,519** | 37,123,280 |
| | Charge for the year | | **44,001,585** | 95,436,914 |
| **11.2.5** | **The amounts recognized in the other comprehensive income against defined benefit scheme are as follows:** | | | |
| | Actuarial loss arising from | | | |
| | - changes in demographic assumptions | | **1,728,115** | - |
| | - changes in financial assumptions | | **(1,205,390)** | 12,469,056 |
| | - experience adjustment | | **(1,913,001)** | (30,416,957) |
| | | | **(1,390,276)** | (17,947,901) |
| **11.2.6** | **Expense chargeable to unconsolidated statement of profit or loss for the next year** | | | |
| | Current service cost | | **-** | 11,809,066 |
| | Interest cost | | **21,625,180** | 32,192,519 |
| | Charge for the year | | **21,625,180** | 44,001,585 |
| **11.2.7** | **The expense for the staff retirement benefit scheme has been allocated as follows:** | | | |
| | Cost of sales | 34.4 | **29,930,428** | 62,135,490 |
| | Selling and distribution | 35.1 | **2,312,665** | 5,942,467 |
| | Administrative expenses | 36.1 | **11,758,492** | 27,358,957 |
| | | | **44,001,585** | 95,436,914 |

**11.2.8 Sensitivity analysis of actuarial assumptions**

The sensitivity analysis is prepared using same computation model and assumptions as used to determine defined benefit obligation based on Projected Credit Unit Method. There is no change from prior year in respect of methods and assumptions used to prepare sensitivity analysis. The impact of 1% change in following variables on defined benefit obligation is as follows:

| | Increase in assumptions | Decrease in assumptions |
|---|---|---|
| | ------Rupees------- | |
| Discount rate | **175,113,781** | 193,434,082 |
| Expected salary increase | **193,429,805** | 175,111,630 |

### 11.2.9 Risks on account of defined benefit scheme

The Company faces the following risks on account of defined benefit scheme:

**Final salary risk**

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

**Discount rate fluctuation**

The defined benefit liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase defined benefit liabilities.

| 11.2.10 Maturity profile | 2025 | 2024 |
|---|---|---|
| Average duration of liability | **05 Years** | 09 Years |

| | | | 2025 | 2024 |
|---|---|---|---|---|
| **12** | **TRADE AND OTHER PAYABLES** | Note | ------Rupees------- | |
| | Creditors | | **2,687,455,790** | 2,228,581,315 |
| | Accrued liabilities | | **154,239,118** | 127,141,293 |
| | Tax deducted at source and payable to statutory authorities | | **5,677,971** | 7,800,016 |
| | Sales tax payable to statutory authorities | | **33,799,050** | 12,473,020 |
| | Workers' welfare fund | 12.1 | **9,803,803** | - |
| | Workers' profit participation fund | 12.2 | **24,509,506** | - |
| | | | **2,915,485,238** | 2,375,995,644 |
| **12.1** | **Worker's welfare fund** | | | |
| | Opening balance | | **-** | 15,276,100 |
| | Allocation for the period/year | | **9,803,803** | - |
| | Reversal of WWF | | **-** | (14,737,054) |
| | Amount paid | | **-** | (539,046) |
| | Closing balance | | **9,803,803** | - |
| **12.2** | **Worker's profit participation fund** | | | |
| | Opening balance | | **-** | 38,190,251 |
| | Allocation for the period/year | | **24,509,506** | - |
| | Amount paid | | - | (38,190,251) |
| | Closing balance | | **24,509,506** | - |
| **13** | **ACCRUED MARK-UP** | | | |
| | Mark-up on long term finances | | **33,956,031** | 39,369,552 |
| | Mark-up on short term borrowings | | **234,504,966** | 520,647,658 |
| | | | **268,460,997** | 560,017,210 |

### 14 DUE TO RELATED PARTY

This represents amount received from the Falak Foods (Private) Limited previously known as Matco Marketing (Private) Limited for the purpose of expenses to be incurred by the Company on their behalf. The maximum aggregate amount at the end of any month during the year was Rs. 6.48million (June 2024: Rs. 6.80 million).

| 15 | SHORT-TERM BORROWINGS SECURED | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| | Export re-finance | 15.1 | **7,746,988,002** | 6,021,089,048 |
| | Own resource | 15.2 | **4,975,251,407** | 4,947,573,341 |
| | FE-25 Scheme | 15.3 | **456,205,842** | 81,041,424 |
| | Foreign bills purchased/negotiated | 15.4 | **152,082,218** | 74,286,940 |
| | | | **13,330,527,469** | 11,123,990,753 |

**15.1** The Company has short term running finance facility under Export Refinance Scheme of the State Bank of Pakistan from Commercial banks and Islamic banks. The effective rates of mark-up on these facilities at SBP rate plus 1% per annum (June 2024: SBP rate plus 1% per annum).

**15.2** The Company has short term running finance facility under own resource from Commercial banks and Islamic banks. The effective rates of mark-up on these facilities vary from 3-month/6-month KIBOR plus 0.75% to 2.5% per annum (June 2024: 3-month/6-month KIBOR plus 0.75% to 2.5% per annum).

**15.3** The Company has obtained short term running finance facility under FE-25 loan scheme of the State Bank of Pakistan from commercial banks during the year. The effective rates of mark-up on these facilities is 6.5% to 10.2% per annum (June 2024: 9% to 10% per annum).

**15.4** It carries mark-up that is to be negotiated on case to case basis (June 2024: negotiated on case to case basis). This facility is secured by ranking hypothecation charge over stocks and receivables duly insured in bank's favor covering all risks with premium payment receipt.

**15.5** The facilities available from various banks amount to Rs. 13,870 million (June 2024: Rs. 12,420 million). These facilities are secured by way of hypothecation charge of all present and future cash collateral/TDR, receivable, stocks & current assets. These facilities are registered by mortgage charge of land, building, plant and machinery and all present & future fixed assets.

**15.6** As at June 30, 2025, the unavailed facilities from above borrowings amounting to Rs. 832.34 million (June 2024: Rs. 1,296.01 million).

## 16 UNPAID DIVIDEND

This represents dividends (both interim and final) that remain unpaid to shareholders who have not provided their valid Central Depository System (CDS) account number and International Bank Account Number (IBAN). The Company has already communicated with such shareholders to obtain the required information.

## 17 CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

**17.1.1** The Company has filed a civil suit No. 1061 of 2021, for declaration and permanent injunction against Sindh Industrial Trading Estates Limited (SITE). The SITE issued an impugned notice to the Company cancelling the Company's lease of plot H/162 SITE ("Subject Property) in alleged compliance of a Supreme Court order, declaring the plot in question to be an amenity plot. The Company has opposed such cancellation of its lease on the basis that the Master Plan of site shows the Subject Property to be an industrial plot. Furthermore, it is contended that the SITE has issued the impugned notice in defiance of the Company's proprietary rights in the land and such notice is illegal and in excess of their authority. The Company has a stay order in favor of the Company dated April 29, 2021 restraining the SITE from taking any coercive action in pursuance of the notice. The matter is fixed for hearing and the management of the Company believes that the matter will be decided in favor of the Company.

**17.1.2** The Company had filed the civil suit no. 1635 of 2009 for possession of land which was illegally dispossessed by the Syed Alay Sadaqain Naqvi (defendants) and to issue a permanent injunction to restrain the defendants from alienation or transferring the land. The Honorable Sindh High Court (SHC) passed an order on November 19, 2009, in which SHC has granted permanent injunction in above suit on October 17, 2018. The matter is fixed for hearing and the management of the Company believes that the matter will be decided in favor of the Company.

**17.1.3** Suit no. 2141 of 2015 has been filed against the Company for declaration, possession, damages, mesne profit and injunction before the Senior Civil Judge (west) at Karachi. The plaintiff claims to be the lawful owner of a piece of land measuring 10 acres ("Subject Land"), which also includes the land which is also subject matter of suit no. 1635 of 2009. The plaintiff has sought declaration as to the ownership and occupation of Subject Land. The Company has filed an application under Order 7 Rule 11 starting therein that the instant suit is barred by law as the plaintiff's earlier suits raising the same dispute were dismissed. On August 29, 2017, the learned Judge was pleased to allow the application of the Company and the plaintiff appeal was rejected accordingly. The Plaintiff aggrieved by the said order appealed the same matter before IVth Additional and District Judge (ADJ) bearing Appeal No. 311 of 2017 ("Appeal"). On September 12, 2018, the learned Appellate Court decided the Appeal in favor of the Plaintiff and against the Company, set aside the order dated August 29, 2017 and restored the above suit. Aggrieved by the order of ADJ in Appeal no. 311 of 2017 the Company filed appeal no 157 of 2018. The Company contended that the order passed by ADJ was bad in law as the law does not permit fresh proceedings on the same cause of action of which issue has already been adjudicated upon by the Courts and the suit 2141 of 2015 was rightly rejected by the trial court. The learned Judge after hearing the Company's submission and arguments was pleased to suspend the operation of the impugned Judgement (passed in Appeal no. 311 of 2017) via order dated December 17, 2018. The matter is fixed for hearing and the management of the Company believes that the matter will be decided in favor of the Company.

**17.1.4** The Company has filed suit no. 1378 of 2019 in SHC against Sui Southern Gas Company Limited. The case has been filed on the ground that the gas tariff/price has been increased by SSGC illegally. The case is pending before SHC and is fixed for hearing. Furthermore, the management of the Company in consultation of legal advisor is of the view that based on the merit of the case, the same will be decided in favor of the Company.

**17.1.5** The Company had filed suit no 1820 of 2020 in SHC against Sui Southern Gas Company Limited. The case has been filed on the ground that the gas tariff/price has been increased by SSGC illegally. Previously, SHC had directed the Company to pay their bills according to previous judgement by either bank guarantee or deposit cheque ready to encash to the satisfaction of the Nazir of the court and SSGC shall issue revised bills. However, SHC has concluded on February 18, 2023, that the price increase is not illegal and argument of increase in sale price does not have force. Consequent to said decision the Company has filed an appeal under SHC, The SHC via HCA No. 212 of 2023 stated, till the conclusion of the case, the Company shall deposit a cheque to the Nazir and the Nazir shall not encash the cheques, which according to the Company being the differential amount of the gas bill, which have been deposited. If the cheques expired, it will be replaced by a fresh one. Further SHC via HCA No. 220 of 2023 stated, the judgement passed on February 18, 2023 is suspended till the next date of hearing. Further the management of the Company in consultation of legal advisor is of the view that based on the merit of the case, the same will be decided in favor of the Company.

**17.1.6** The Company has filed a suit for declaration and permanent injunction against the Syed Alay Sadaqain Naqvi (defendants) for continuously interfering with the peaceful possession of the extended portion of 0.5 acres of land that was regularized in favor of the Company on February 07, 2020 by virtue of a registered deed of Addenda of lease. The Company has pleaded that the Company is the absolute and lawful owner in possession of an immovable property, name Plot. No. G-205 SITE Super Highway Phase II Karachi measuring 4.5 acres by virtue of lease deed dated November 10, 2008 executed by Sindh Industrial Trading Estate Limited. The Company intends to utilize the 0.5 acres of land that was regularized recently in favor of the Company however, the defendants is interfering with the possession of the property. The Company has asked the SHC to declare that the defendant is wrongfully and illegally claiming to be the owner of the property and requested SHC to stop interfering with the Company's peaceful possession on the extended portion measuring 0.5 acres. Based on the merit of case the management of the Company believes that the matter will be decided in favor of the Company.

**17.1.7** In prior years Government of Sindh imposed infrastructure cess @ 0.85% of import value on all imports into Pakistan. A large number of importers including the Company challenged the matter in the SHC. The SHC has issued an interim order allowing release of imported goods on 50% payment and 50% bank guarantee. This suit no. 2173 of 2013 was filed on June 10, 2013, the SHC has passed the judgement in the subject matter wherein SHC has declared the imposition of cess valid piece of Legislation. The Company along with other industries affected by the SHC order has challenged the judgement of SHC in Honorable Supreme Court of Pakistan (SCP) and in that appeal stay has been granted by Honorable Supreme Court of Pakistan (SCP) subject to furnishing bank guarantee of the disputed amount. The management is of the view that the Company is not likely to suffer any losses due to above suit.

**17.1.8** In 2011, Government of Pakistan (GoP) impose a levy on gas consumers in the industrial sector, known as The Gas Infrastructure Development Cess (GIDC). The amount collected was to be used for the construction of infrastructure projects.

GIDC was challenged in Honorable Peshawar High Court (PHC) in December 2013, PHC declared the levy of GIDC unconstitutional. PHC further directed the GoP to return the collected amount, GoP challenged the decision of PHC in the Honorable Supreme Court of Pakistan (SCP), however, SCP upheld the decision of PHC by declaring GIDC a fee and not a tax that can be charged.

In 2015, the Gas Infrastructure Development Cess Act, 2015 was introduced which re-imposed the GIDC. The affected industries again approached the SCP stating that the earlier tax money was not used for the construction of infrastructure projects. SCP granted stay order against payment of any GIDC levies.

In their judgement dated August 13, 2020, SCP dismissed all petitions against the GIDC levy and ruled in favor of the GoP which would collect the GIDC from different companies. The affected industries filed a review petition against the judgement of SCP which has also been dismissed by SCP vide its order dated November 03, 2020.

On October 15, 2020, the Company filed suit no. 1531 of 2020 in Honorable High Court of Sindh (SHC), with a plea that the Company did not pass on the GIDC burden to the end consumer, therefore in accordance with section 8 (2) of Gas Infrastructure Development Cess Act, 2015 (GIDC Act, 2015) the GIDC is not applicable on the Company, which is pending for decision, however, the SHC has issued sustaining order to Gas companies from taking any coercive action against the Company.

The Suit was filed before High Court of Sindh praying that the Supreme Court Judgment is not applicable to us as we have not recovered said amount from the customers. However, High Court has transferred all suit to district Court and alloted New no. 8848/2025 before Senior Civil Judge VIII East Karachi, same is pending.

The management of the Company in consultation of its legal advisor is of the view that since the Company has not passed on the burden to its consumer/clients, it is not liable to pay GIDC as they clearly falls within the ambit of the exception in line with section 8 (2) of GIDC Act, 2015. Furthermore, on prudent basis the Company has made a provision of Rs. 18 million.

**17.1.9** The Company has filed suit No. 730 of 2015 before SHC against the imposition of the Captive Power Plant rate instead of the Industrial Consumer rate. The Company contends that they do not fall into the category of Captive Power Plant, but rather an Industrial Consumer, so the rate charged by the SSGC i.e. Rs.200 per MMBTU, is not applicable in the case of the company. The case has been decreed in favor of the Company vide order dated February 02, 2020. SSGC had challenged the Judgment before the Divisional bench of SHC. However, SHC has concluded that no intention to sell the surplus power can be discerned on the part of plaintiffs either at the time of contracting with SSGC or thereafter, and hence the inhouse power generation does not meet the test of captive power plant for the purpose of NEPRA regulations to attract tariff for captive power due to the foregoing reasons the suit is decreed in favor of the Company.

| | | | 2025 | 2024 |
|---|---|---|---|---|
| **17.2** | **Commitments** | **Note** | ------Rupees------- | |
| | Letter of credit | | **38,894,542** | 225,808,899 |
| | Letter of guarantees | | **55,632,230** | 46,167,500 |
| | Capital Expenditures | | **200,000,000** | 172,000,000 |
| | Cheques issued in favor of Nazir of high court in relation to SSGC case | 17.1.4 | **7,732,192** | 7,732,192 |
| | | | **302,258,964** | 451,708,591 |

| | | | 2025 | 2024 |
|---|---|---|---|---|
| **18** | **PROPERTY PLANT AND EQUIPMENT** | **Note** | ------Rupees------- | |
| | Operating fixed assets | 18.1 | **10,736,913,595** | 11,257,083,475 |
| | Capital work in progress | 18.2 | **246,206,809** | 162,777,428 |
| | | | **10,983,120,404** | 11,419,860,903 |

## 18.1 Operating fixed assets

June 30, 2025

| Particulars | Cost / Revaluation | | | | | Depreciation | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cost at July 01, 2024 | Additions | Transfers in / (out) | Revaluation surplus | Disposals | Cost at June 30, 2025 | Accumulated depreciation at July 01, 2024 | Depreciation for the year | Depreciation on disposals | Accumulated depreciation at June 30, 2025 | Book value at June 30, 2025 | Rate per annum % |
| **Owned Assets** | | | | | | | | | | | | |
| Factory land | 3,969,100,001 | - | - | - | - | 3,969,100,001 | - | - | - | - | 3,969,100,001 | |
| Factory building | 3,278,283,954 | 28,017,353 | - | - | - | 3,306,301,307 | 894,608,765 | 240,553,219 | - | 1,135,161,984 | 2,171,139,323 | 10 |
| Plant and machinery | 5,468,608,562 | 112,452,560 | - | - | 3,427,338 | 5,577,633,784 | 1,366,885,262 | 414,190,500 | 813,825 | 1,780,261,937 | 3,797,371,847 | 10 |
| Electric cables and fitting | 274,335,842 | 11,077,338 | - | - | - | 285,413,180 | 62,774,202 | 21,693,328 | - | 84,467,530 | 200,945,650 | 10 |
| Furniture and fixture | 25,250,404 | 2,890,106 | - | - | - | 28,140,510 | 10,767,871 | 1,648,465 | - | 12,416,336 | 15,724,174 | 10 |
| Motor vehicles | 119,761,613 | 96,184,381 | - | - | 87,353,373 | 128,592,621 | 66,985,934 | 7,951,622 | 10,913,983 | 64,023,573 | 64,569,048 | 20 |
| Office equipment | 74,867,203 | 5,795,041 | - | - | - | 80,662,244 | 24,802,716 | 5,148,891 | - | 29,951,607 | 50,710,637 | 10 |
| Factory equipment | 405,155,636 | 48,174,979 | 120,856,770 | - | 122,306,794 | 451,880,591 | 92,569,341 | 34,306,954 | 42,202 | 126,834,093 | 325,046,498 | 10 |
| Computers | 44,218,978 | 1,653,400 | - | - | 324,900 | 45,547,478 | 29,225,128 | 5,192,779 | 262,860 | 34,155,047 | 11,392,431 | 33 |
| Camera | 11,365,719 | - | - | - | - | 11,365,719 | 6,492,984 | 1,608,003 | - | 8,100,987 | 3,264,732 | 33 |
| Godown & Shops | 33,036,051 | - | - | - | - | 33,036,051 | 19,200,284 | 1,383,577 | - | 20,583,861 | 12,452,190 | 10 |
| Sewing machine | 1,369,205 | - | - | - | - | 1,369,205 | 1,044,161 | 32,504 | - | 1,076,665 | 292,540 | 10 |
| Mobile phone | 10,287,574 | 2,154,450 | - | - | 781,670 | 11,660,354 | 5,892,216 | 1,895,032 | 552,947 | 7,234,301 | 4,426,053 | 33 |
| Generator | 186,936,274 | 80,000 | - | - | - | 187,016,274 | 64,244,676 | 12,293,127 | - | 76,537,803 | 110,478,471 | 10 |
| **Total** | 13,902,577,016 | 308,479,608 | 120,856,770 | - | 214,194,075 | 14,117,719,319 | 2,645,493,540 | 747,898,001 | 12,585,817 | 3,380,805,724 | 10,736,913,595 | |

Khalid Sarfaraz Ghori
Chief Executive Officer

M. Aamir Farooqui
Chief Financial Officer

Faizan Ali Ghori
Director

# MATCO FOODS LIMITED
## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
## FOR THE YEAR ENDED JUNE 30, 2024

June 30, 2024

| Particulars | Cost / Revaluation | | | | | | Depreciation | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cost at July 01, 2023 | Additions | Transfers in / (out) | Revaluation surplus | Disposals | Cost at June 30, 2024 | Accumulated depreciation at July 01, 2023 | Depreciation for the yearon | Depreciation disposals | Accumulated depreciation at June 30, 2024 | Book value at June 30, 2024 | Rate per annum % |
| **Owned Assets** | | | | | | | | | | | | |
| Factory land | 2,693,424,451 | - | - | 1,275,675,550 | - | 3,969,100,001 | - | - | - | - | 3,969,100,001 | - |
| Factory building | 2,087,307,763 | 35,482,881 | 430,998,818 | 724,494,492 | - | 3,278,283,954 | 750,090,951 | 144,517,814 | - | 894,608,765 | 2,383,675,189 | 10 |
| Plant and machinery | 3,288,918,579 | 91,937,712 | 708,552,236 | 1,379,200,035 | - | 5,468,608,562 | 1,119,241,503 | 247,643,759 | - | 1,366,885,262 | 4,101,723,300 | 10 |
| Electric cables and fitting | 188,440,172 | 1,003,455 | 84,892,215 | - | - | 274,335,842 | 45,113,910 | 17,660,292 | - | 62,774,202 | 211,561,640 | 10 |
| Furniture and fixture | 20,576,120 | 2,927,709 | 1,746,575 | - | - | 25,250,404 | 9,456,196 | 1,311,675 | - | 10,767,871 | 14,482,533 | 10 |
| Motor vehicles | 93,554,738 | 26,206,875 | - | - | - | 119,761,613 | 57,836,111 | 9,149,823 | - | 66,985,934 | 52,775,679 | 20 |
| Office equipment | 56,141,172 | 16,014,330 | 2,711,701 | - | - | 74,867,203 | 20,680,306 | 4,122,410 | - | 24,802,716 | 50,064,487 | 10 |
| Factory equipment | 347,835,902 | 28,437,946 | 28,881,788 | - | - | 405,155,636 | 62,198,344 | 30,370,997 | - | 92,569,341 | 312,586,295 | 10 |
| Computers | 37,097,659 | 7,084,819 | 36,500 | - | - | 44,218,978 | 23,833,154 | 5,391,974 | - | 29,225,128 | 14,993,850 | 33 |
| Camera | 8,779,419 | 2,586,300 | - | - | - | 11,365,719 | 4,964,397 | 1,528,587 | - | 6,492,984 | 4,872,735 | 33 |
| Godown & Shops | 33,036,051 | - | - | - | - | 33,036,051 | 17,658,295 | 1,541,989 | - | 19,200,284 | 13,835,767 | 10 |
| Sewing machine | 1,369,205 | - | - | - | - | 1,369,205 | 1,007,935 | 36,226 | - | 1,044,161 | 325,044 | 10 |
| Mobile phone | 7,888,343 | 2,674,610 | - | - | 275,379 | 10,287,574 | 4,355,004 | 1,708,310 | 171,098 | 5,892,216 | 4,395,358 | 33 |
| Generator | 145,647,947 | - | 45,900 | 41,242,427 | - | 186,936,274 | 55,298,820 | 8,945,856 | - | 64,244,676 | 122,691,598 | 10 |
| **Total** | 9,010,017,521 | 214,356,637 | 1,257,865,733 | 3,420,612,504 | 275,379 | 13,902,577,016 | 2,171,734,926 | 473,929,712 | 171,098 | 2,645,493,540 | 11,257,083,476 | |

Khalid Sarfaraz Ghori
Chief Executive Officer

M. Aamir Farooqui
Chief Financial Officer

Faizan Ali Ghori
Director

**18.1.1 The depreciation charge for the year has been allocated as follows:**

| | Note | **2025** | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Cost of sales | 34 | **598,318,401** | 379,143,770 |
| Selling and distribution expenses | 35 | **37,394,900** | 23,696,486 |
| Administrative expenses | 36 | **112,184,700** | 71,089,456 |
| | | **747,898,001** | 473,929,712 |

**18.1.2** Factory land includes a plot in which a law suit has been filed by the plaintiff who is claiming the possession and injunction of the property. The case is in process under the Honorable High Court Sindh Karachi (refer note 17.1.1, 17.1.2, 17.1.3 & 17.1.6).

**18.1.3** Operating fixed assets include assets that are subject to mortgage with various banks against long-term finances and short-term borrowings (refer note 09 and 15).

**18.1.4 Details of forced sale value of revalued property, plant and equipment**

| **Description of Assets** | **Forced sale value Rupees** |
|---|---|
| Land | 3,572,190,000 |
| Building | 1,954,957,500 |
| Plant and machinery | 3,075,264,027 |
| Generators | 110,246,588 |

The above forced sale value has been taken from revaluation report of MYK Associates (Private) Limited as on June 28, 2024.

**18.1.5** Item of property, plant and equipment having book value above Rs. 500,000 are as follows:

| | Cost / Revaluation | Accumulated depreciation | Net book amount | Sale proceeds | Gain / Loss | Mode of disposal | Particulars of buyer |
|---|---|---|---|---|---|---|---|
| | ................................ | ................ Rupees | ................ | ................................ | | | |
| *Factory Equipment* | | | | | | | |
| | 1,450,024 | (42,202) | 1,407,822 | 1,553,691 | 145,869 | Insurance Claim | EFU Insurance Co. Ltd |
| | 120,856,770 | - | 120,856,770 | 116,865,000 | 13,852,640 | Sale and Lease Back | First Habib Modarba |
| **Plant and Machinery** | | | | | | | |
| | 3,427,338 | (813,825) | 2,613,514 | 2,884,309 | 270,795 | Insurance Claim | EFU Insurance Co. Ltd |
| **Motor Vehicles** | | | | | | | |
| | 5,300,000 | (3,667,582) | 1,632,418 | 560,000 | 186,484 | Sale and Lease Back | First Habib Modarba |
| | 3,183,000 | (2,297,441) | 885,559 | 4,760,000 | (1,774,332) | Sale and Lease Back | First Habib Modarba |
| | 2,507,625 | (1,949,498) | 558,127 | 3,840,000 | (848,375) | Sale and Lease Back | First Habib Modarba |
| | 1,640,000 | (1,107,079) | 532,921 | 1,848,000 | (355,416) | Sale and Lease Back | First Habib Modarba |
| | 2,855,002 | (2,060,697) | 794,305 | 3,200,000 | (641,139) | Sale and Lease Back | First Habib Modarba |
| | 2,564,000 | (1,713,323) | 850,677 | 3,150,000 | (1,094,797) | Sale and Lease Back | First Habib Modarba |
| | 2,016,550 | (1,328,843) | 687,707 | 1,820,000 | (573,688) | Sale and Lease Back | First Habib Modarba |
| | 2,229,000 | (1,620,501) | 608,499 | 3,360,000 | (718,300) | Sale and Lease Back | First Habib Modarba |
| | 4,600,000 | (3,518,257) | 1,081,743 | 7,200,000 | (1,583,651) | Sale and Lease Back | First Habib Modarba |
| | 3,048,046 | (2,037,263) | 1,010,783 | 3,010,000 | (986,765) | Sale and Lease Back | First Habib Modarba |
| | 5,730,115 | (3,237,383) | 2,492,732 | 5,600,000 | (901,454) | Sale and Lease Back | First Habib Modarba |
| | 3,975,000 | (1,312,760) | 2,662,240 | 2,400,000 | (67,552) | Sale and Lease Back | First Habib Modarba |
| | 3,100,000 | (982,547) | 2,117,453 | 2,880,000 | (296,509) | Sale and Lease Back | First Habib Modarba |
| | 5,931,000 | (1,771,342) | 4,159,658 | 3,600,000 | (68,068) | Sale and Lease Back | First Habib Modarba |
| | 9,262,000 | (2,373,420) | 6,888,580 | 5,920,000 | (102,284) | Sale and Lease Back | First Habib Modarba |
| | 3,940,500 | (1,268,602) | 2,671,898 | 4,400,000 | (565,620) | Sale and Lease Back | First Habib Modarba |
| | 3,700,000 | (786,938) | 2,913,062 | 2,480,000 | (37,388) | Sale and Lease Back | First Habib Modarba |
| | 3,600,000 | (582,205) | 3,017,795 | 2,480,000 | (16,441) | Sale and Lease Back | First Habib Modarba |
| | 10,336,850 | (1,071,616) | 9,265,234 | 7,360,000 | 13,047 | Sale and Lease Back | First Habib Modarba |
| | 4,585,000 | (412,469) | 4,172,531 | 2,800,000 | 134,506 | Sale and Lease Back | First Habib Modarba |
| | 2,190,000 | (215,235) | 1,974,765 | 2,800,000 | (305,047) | Sale and Lease Back | First Habib Modarba |
| | 11,626,800 | (6,371) | 11,620,429 | 9,040,000 | 64,086 | Sale and Lease Back | First Habib Modarba |
| | 8,081,088 | (30,996) | 8,050,092 | 8,850,000 | 799,908 | Sale | Sohail Anwar Hashmi |
| | 2,964,566 | (11,371) | 2,953,195 | 6,350,000 | 3,396,805 | Sale | Hafeez Ali |

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

| Locations | Total Area in Acres | Covered Area in Square Feet |
|---|---|---|
| Plot A-15 & 16, SITE-II, Super highway Karachi | 2.00 | 79,155 |
| A-21, SITE-II, Super highway, Karachi | 1.50 | 47,131 |
| G-205, SITE-II, Super highway, Karachi | 4.00 | 409,416 |
| 50 KM G.T Road, Sadhoke District, Gujranwala | 14.68 | 136,060 |
| B-1/A, SITE-II, Super highway, Karachi | 0.97 | 34,850 |
| Plot H-162, SITE-II, Super highway, Karachi | 2.00 | 81,340 |
| Plot F-193, SITE-II, Super highway, Karachi | 2.00 | 60,870 |
| 50 KM G.T Road, Sadhoke District, Gujranwala | 3.47 | 27,987 |
| Plot # 53, S.E.Z, Allama Iqbal Industrial City, Faisalabad | 20.00 | 373,128 |
| House # 87, Block K, Street # 24, Al Bairuni Road, WAPDA City, Faisalabad | 0.06 | 2,723 |
| Plot No. 8-C, 3rd and 4th Floor, Shahbaz Lane No., Phase VI, DHA, Karachi | 0.08 | 3,600 |

| | **2025** | 2024 |
|---|---|---|
| **18.2 Capital work in progress - Tangibles** | **------Rupees-------** | |
| Land | **1,800,000** | 1,800,000 |
| Factory Building | **34,783,028** | 24,117,453 |
| Plant and machinery | **208,752,191** | 57,336,502 |
| Electric cables and fitting | **10,500** | - |
| Factory equipment | **861,090** | 79,523,473 |
| | **246,206,809** | 162,777,428 |

**18.3** Movement in capital work in progress is as under:

| | Cost | | | |
|---|---|---|---|---|
| | **As at July 01, 2024** | **Additions during the period** | **Transferred to Property, plant and equipment** | **As at June 30, 2025** |
| | **------Rupees------** | | | |
| Land | **1,800,000** | **-** | **-** | **1,800,000** |
| Factory Building | **24,117,453** | **10,665,575** | **-** | **34,783,028** |
| Plant and machinery | **57,336,502** | **151,415,689** | **-** | **208,752,191** |
| Electric cables and fitting | **-** | **10,500** | **-** | **10,500** |
| Furniture & Fixture | **-** | **-** | **-** | **-** |
| Motor Vehicles | **-** | **-** | **-** | **-** |
| Office equipment | **-** | **-** | **-** | **-** |
| Factory equipment | **79,523,473** | **42,194,387** | **(120,856,770)** | **861,090** |
| Computers | **-** | **-** | **-** | **-** |
| Generator | **-** | **-** | **-** | **-** |
| | **162,777,428** | **204,286,151** | **(120,856,770)** | **246,206,809** |

| | Cost | | | |
|---|---|---|---|---|
| | As at July 01, 2023 | Additions during the year | Transferred to Property, plant and equipment | As at June 30, 2024 |
| | --------------------------------Rupees-------------------------------- | | | |
| Land | 1,800,000 | - | - | 1,800,000 |
| Factory Building | 243,211,486 | 211,904,785 | (430,998,818) | 24,117,453 |
| Plant and machinery | 560,978,695 | 201,609,373 | (708,552,236) | 54,035,832 |
| Electric cables and fitting | 75,050,595 | 9,841,620 | (84,892,215) | - |
| Furniture & Fixture | 40,000 | 1,706,575 | (1,746,575) | - |
| Motor Vehicles | - | - | - | - |
| Office equipment | 19,000 | 2,692,701 | (2,711,701) | - |
| Factory equipment | 19,140,286 | 89,264,975 | (28,881,788) | 79,523,473 |
| Computers | 3,300,670 | 36,500 | (36,500) | 3,300,670 |
| Generator | - | 45,900 | (45,900) | - |
| | 903,540,732 | 517,102,429 | (1,257,865,733) | 162,777,428 |

**18.4** The amount of borrowing costs capitalised during the year was Nil (June 2024: Rs. 54.5 million). The rate used to determine the amount of borrowing costs eligible for capitalization was Nil (June 2024: 11.37%), which is the EIR of the specific borrowings.

**18.5** Had there been no revaluation, the net book value of specific classes of operating property, plant and equipment would have been amounted to:

| | **2025** | 2024 |
|---|---|---|
| **Net book value** | **------Rupees-------** | |
| Land | **447,775,086** | 447,775,087 |
| Building | **1,405,422,611** | 1,532,878,841 |
| Plant and machinery | **2,470,593,042** | 2,626,496,861 |
| Generators | **70,172,072** | 77,906,709 |
| | **4,393,962,811** | 4,685,057,498 |

## 19 RIGHT-OF-USE ASSETS

| | **June 30, 2025** | | | | | June 30, 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Vehicle** | **Godown** | **Solar** | **Generator** | **Total** | Vehicle | Godown | Generator | Total |
| | ------------------------------------Rupees------------------------------------ | | | | | | | | |
| **Cost** | | | | | | | | | |
| Opening balance | **252,136,149** | **144,364,512** | - | **26,669,670** | **423,170,331** | 252,136,149 | 113,716,329 | 18,500,000 | 384,352,478 |
| Impact of adoption of IFRS-16 | **-** | **-** | - | **-** | **-** | - | - | - | - |
| Reassessment of lease liability | **-** | **32,134,740** | - | **-** | **32,134,740** | - | 30,648,183 | - | 30,648,183 |
| **As at July 1** | **252,136,149** | **176,499,252** | **-** | **26,669,670** | **455,305,071** | 252,136,149 | 144,364,512 | 18,500,000 | 415,000,661 |
| Additions during the period | **78,691,826** | **-** | **134,709,410** | **-** | **213,401,236** | - | - | - | - |
| Revaluation Surplus during the period | **-** | **-** | **-** | **-** | **-** | - | - | 8,169,670 | 8,169,670 |
| Disposal during the period | **(128,699,471)** | **-** | **-** | **-** | **(128,699,471)** | - | - | - | - |
| **Total** | **202,128,504** | **176,499,252** | **134,709,410** | **26,669,670** | **540,006,836** | 252,136,149 | 144,364,512 | 26,669,670 | 423,170,331 |
| **Accumulated depreciation** | | | | | | | | | |
| Opening balance | **131,877,280** | **49,292,059** | **-** | **2,365,817** | **183,535,156** | 101,697,264 | 38,554,681 | 567,671 | 140,819,616 |
| Charge for the period | **30,690,595** | **15,845,409** | **10,038,619** | **2,430,385** | **59,005,008** | 30,180,016 | 10,737,378 | 1,798,146 | 42,715,540 |
| Disposal adjustment | **(83,135,221)** | **-** | **-** | **-** | **(83,135,221)** | - | - | - | - |
| **Closing** | **79,432,654** | **65,137,468** | **10,038,619** | **4,796,202** | **159,404,943** | 131,877,280 | 49,292,059 | 2,365,817 | 183,535,156 |
| **Net book value** | **122,695,850** | **111,361,784** | **124,670,791** | **21,873,468** | **380,601,893** | 120,258,869 | 95,072,453 | 24,303,853 | 239,635,175 |
| **Lease term** | **5 Years** | **10 Years** | **5 Years** | **5 Years** | | 5 Years | 10 Years | 5 Years | |

**19.1 The following are the amounts recognised in unconsolidated statement of profit or loss:**

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Depreciation expense of right-of-use assets | 34 | **59,005,008** | 42,715,540 |
| Interest expense on lease liabilities on Godown | 34 | **16,884,960** | 21,933,894 |
| Interest expense on other lease liabilities | 36.4 | **35,937,088** | 24,804,650 |
| Total amount recognised in unconsolidated statement of profit or loss | | **111,827,056** | 89,454,084 |

## 20 INTANGIBLE ASSETS

| | 2025 | 2024 |
|---|---|---|
| Cost | | |
| Opening | 14,710,766 | 14,710,766 |
| Addition during the period/year | - | - |
| Closing | 14,710,766 | 14,710,766 |
| Amortization | | |
| Opening | (14,710,766) | (14,710,766) |
| Charge for the period/year | - | - |
| Closing | (14,710,766) | (14,710,766) |
| Balance as at period end/year end | - | - |

**20.1** This represents accounting software which has been fully amortized.

## 21 LONG TERM INVESTMENTS

| | Note | 2025 | 2024 |
|---|---|---|---|
| **Investment - at cost** | | | |
| **Subsidiary** | | | |
| JKT General Trading FZE | 21.1 | **23,582,747** | 23,582,747 |
| Falak Foods (Private) Limited | 21.2 | **7,499,960** | 7,499,960 |
| Matco Corn Products (Private) Limited | | **100,000** | - |
| **Joint Venture** | | | |
| Barentz Pakistan (Private) Limited | 21.3 | **24,500,000** | 24,500,000 |
| | | **55,682,707** | 55,582,707 |

**21.1** On October 8, 2013, the Company incorporated a new wholly owned subsidiary, JKT General Trading FZE in U.A.E. The principal activities are general trading, export / import and other related activities. The Company has made an equity investment of USD 255,000 out of which shares of USD 40,872 have been issued. Shares for the remaining amount would be issued after completion of necessary regulatory formalities.

**21.2** On November 13, 2017, the Company has subscribed 749,996 shares of Falak Foods (Private) Limited previously known as Matco Marketing (Private) Limited. However, Falak Foods (Private) Limited has not commenced its operations since incorporation.

**21.3** On June 28, 2019, the Company has been incorporated in Pakistan as per agreement between Barentz International B.V. and Matco Foods Limited. Matco Foods Limited has subscribed 49% of total shareholding of Rs. 50 Million, thereby, constituting a Joint Venture.

The following table provides summarized financial information for the joint venture. The information disclosed reflects the amounts presented in the financial statements of the associates and not the Company's share of those amounts. The financial information presented below are based on the interim financial statements for the period ended June 30, 2025.

| | 2025 | 2024 |
|---|---|---|
| | ------Rupees------- | |
| Assets | **618,375,902** | 240,445,082 |
| Liabilities | **493,954,678** | 208,790,447 |
| Revenues | **581,670,323** | 503,749,179 |
| Profit for the period | **62,608,444** | 18,747,754 |

**21.4** The investment in subsidiary and associates have been made in accordance with the requirements of Companies Act, 2017. Further, no such terms and conditions has been made at the time of investment. The Company has beneficial ownership of the investee companies. No return on investment has been made since incorporation. There are no litigation against the subsidiaries and associates of the company that may impact the interest of the Company.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **22** | **STORES, SPARES AND LOOSE TOOLS** | **Note** | ------Rupees------- | |
| | Stores and spares | 34.3 | **326,545,686** | 279,391,307 |
| | Provision for slow moving / obsolete items | 22.1 | **(1,543,929)** | (1,543,929) |
| | | | **325,001,757** | 277,847,378 |
| **22.1** | **Movement in provision for slow moving / obsolete items** | | | |
| | Balance at beginning of the year | | **1,543,929** | 1,543,929 |
| | Charge for the year | | **-** | - |
| | Balance at end of the year | | **1,543,929** | 1,543,929 |
| **23** | **STOCK IN TRADE** | | | |
| | Raw materials | 23.2 | **7,372,386,721** | 6,259,076,247 |
| | Packing materials | | **459,653,208** | 500,647,685 |
| | Finished goods | 23.3 | **5,861,746,312** | 4,875,699,241 |
| | | | **13,693,786,241** | 11,635,423,173 |
| | Provision for slow moving / obsolete items | 23.1 | **(25,739,175)** | (21,852,280) |
| | | | **13,668,047,066** | 11,613,570,893 |
| **23.1** | **Movement in provision for slow moving / obsolete items** | | | |
| | Opening balance | | **21,852,280** | 20,954,205 |
| | Charge for the year | | **3,886,895** | 898,075 |
| | Write off during the year | | **-** | - |
| | Closing balance | | **25,739,175** | 21,852,280 |

**23.2** This includes pledged raw material with various banks under long term and short term borrowing arrangements (refer note 09 and 15).

**23.3** This includes by product amounting to Rs. 632.62 million (June 2024: Rs. 716.13 million) and stock-in-transit amounting to Rs. 8.92 million (June 2024: Nil).

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **22** | **TRADE DEBTS** | **Note** | ------Rupees------- | |
| | Considered good | | | |
| | Export - secured | 24.2 | **1,090,975,740** | 1,660,447,146 |
| | Local - unsecured | | **866,440,869** | 674,321,212 |
| | Considered doubtful | | | |
| | Local - unsecured | | **13,567,967** | 13,567,967 |
| | Less: Allowance for expected credit losses | 24.4 | **(13,567,967)** | (13,567,967) |
| | | | **1,957,416,609** | 2,334,768, |

**24.1** Borrowings are secured by way of charge over book debts of the Company (refer notes 09 and 15).

**24.2** It includes the amount of Rs. 9.06 million which is past due up to 3 months (June 2024: Nil) and Nil which is past due up to 6 months, (June 2024: Nil) due from JKT General Trading FZE (related party). The maximum aggregate amount due from related party at the end of any month during the year was Rs. 68.35 million (June 2024: Rs. 13.41 million).

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **24.3** | As of June 30, 2025, the age analysis of trade debts is as follows: | | ------Rupees------- | |
| | Not yet due | | | |
| | Past due: | | | |
| | - Up to 3 months | | **1,787,008,079** | 2,303,026,902 |
| | - 3 to 6 months | | **149,931,697** | 27,819,137 |
| | - 6 to 12 months | | **7,221,369** | 2,480,373 |
| | - More than 12 months | | **13,255,464** | 1,441,946 |
| | | | **1,957,416,609** | 2,334,768,358 |
| | Trade debts - Gross | | **1,957,416,609** | 2,334,768,358 |
| **24.4** | Allowance for expected credit losses | | | |
| | Opening balance | | **13,567,967** | 13,567,967 |
| | Charge during the year | | **-** | - |
| | Closing balance | | **13,567,967** | 13,567,967 |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **25** | **LOANS AND ADVANCES** | | | |
| | **Loans** | | | |
| | Staff - unsecured, considered good | 25.1 | **347,900** | 25,773,562 |
| | **Advances** | | | |
| | - against services and others | | **2,164,710** | 3,335,362 |
| | - against purchases | 25.3 | **1,753,556,188** | 980,837,487 |
| | | | **1,756,068,798** | 1,009,946,411 |

**25.1** It represent interest free loans to various staff in accordance with the Company's policy.

**25.2** The maximum aggregate amount due from executives at the end of any month during the year was Rs. 3.73 million (June 2024: Rs. 3.12 million).

**25.3** It represents the amount provided to suppliers of rice, corn, stores & spares and packaging which is adjustable against future purchases.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **26** | **TRADE DEPOSITS AND SHORT TERM PREPAYMENTS** | | ------Rupees------- | |
| | **Deposits** | | | |
| | - Capital management account | | **45,572** | 45,572 |
| | - Guarantee margin | | **2,158,754** | 1,938,143 |
| | **Prepayments** | | | |
| | - Prepaid expense | 26.1 | **15,477,739** | 12,734,714 |
| | - Prepaid insurance | | **13,710,391** | 13,202,222 |
| | | | **29,188,130** | 25,936,936 |
| | | | **31,392,456** | 27,920,651 |

**26.1** This include prepaid expense relating to godown rent and system maintenance charges.

| | | | 2025 | 2024 |
|---|---|---|---|---|
| **27** | **SHORT-TERM INVESTMENT** | **Note** | **------Rupees-------** | |
| | Term deposit certificates | 27.1 | **1,200,000** | 1,200,000 |

**27.1** These represent term deposit certificates of Askari Bank Limited amounting to Rs. 1.2 million (June 2024: Rs. 1.2 million) respectively. The rate of profit on these certificates is 18% per annum (June 2024: 20%) these term deposit certificates will mature on June 2025.

| | | | 2025 | 2024 |
|---|---|---|---|---|
| **28** | **SALES TAX REFUNDABLE** | **Note** | **------Rupees-------** | |
| | Sales tax refundable | 28.1 | **25,000,000** | 25,000,000 |
| **28.1** | Movement in sales tax refundable is as under: | | | |
| | Balance at beginning of the year | | **25,000,000** | 64,935,578 |
| | Deposited against the sales tax petition | 40.6 | **-** | 25,000,000 |
| | Refunds claim for the year | | **-** | - |
| | Received during the year | | **-** | (58,873,613) |
| | Adjusted during the year | | **-** | (6,061,965) |
| | Balance at end of the year | | **25,000,000** | 25,000,000 |

| | | | | |
|---|---|---|---|---|
| **29** | **DUE FROM RELATED PARTIES** | | | |
| | Barentz Pakistan (Private) Limited | 29.1 | **38,421,807** | 50,326,380 |

**29.1** This includes an amount of Rs. 6.08 million (June 2024: Rs. 9.13 million) receivable in respect of interest on loan. The maximum aggregate amount of loan due from Barentz Pakistan (Private) Limited at the end of any month during the year was Rs. 77.00 million (June 2024: Rs. 77.23 million). The amount will be utilized by the associated company to meet the working capital requirement of the associated company. The effective rates of mark-up on this receivable is 3 months KIBOR+2% (June 2024: 3 months KIBOR+2%).

**29.2** All above dues are payable on demand.

**29.3** Ageing analysis of receivables from related parties past due but not impaired are as follows:

| | | **Barentz Pakistan (Private) Limited** | |
|---|---|---|---|
| | | **2025** | 2024 |
| | **Note** | **------Rupees-------** | |
| Up to 3 Months | | **38,421,807** | 50,326,380 |
| 3 to 6 Months | | **-** | - |
| 06 to 12 Months | | **-** | - |
| More than 12 Months | | **-** | - |
| | | **38,421,807** | 50,326,380 |

| | | | | |
|---|---|---|---|---|
| **30** | **TAXATION AND LEVIES - NET** | | | |
| | Advance income tax / levies | | **562,621,673** | 365,287,525 |
| | Provision for levies and taxation | | **(196,270,343)** | (258,998,630) |
| | | | **366,351,330** | 106,288,895 |
| **31** | **CASH AND BANK BALANCES** | | | |
| | Cash in hand | | **10,815,744** | 4,227,097 |
| | Cash at bank | | | |
| | - current accounts | | **315,154,006** | 273,457,152 |
| | - deposit accounts | 31.1 | **27,472,224** | 79,734,447 |
| | | | **342,626,229** | 353,191,599 |
| | | | **353,441,973** | 357,418,696 |

**31.1** These carry weighted average profit of 7.25% per annum (June 2024: 19% per annum).

# MATCO FOODS LIMITED
## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
## FOR THE YEAR ENDED JUNE 30, 2025

| | Reportable Segment | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
| | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | -------------------- | ---------- | ---------- | Rupees | ---------- | ---------- | ---------- | -------------------- |
| **32 OPERATING RESULTS** | | | | | | | | |
| **Disaggregation of revenue** | | | | | | | | |
| Export Sales | **14,619,686,000** | 16,735,604,692 | **1,192,499,630** | 658,958,498 | **129,543,460** | 100,153,206 | **15,941,729,090** | 17,494,716,396 |
| Local Sales | | | | | | | | |
| - Main Products | **2,284,959,509** | 2,737,514,463 | **4,335,644,834** | 4,447,766,343 | **519,814,000** | 330,168,518 | **7,140,418,343** | 7,515,449,324 |
| - By-Products and Others | **4,525,360,156** | 3,617,643,222 | **1,253,312,693** | 863,935,009 | **-** | - | **5,778,672,849** | 4,481,578,231 |
| | **6,810,319,665** | 6,355,157,685 | **5,588,957,527** | 5,311,701,352 | **519,814,000** | 330,168,518 | **12,919,091,192** | 11,997,027,555 |
| **Gross Sales** | **21,430,005,665** | 23,090,762,377 | **6,781,457,157** | 5,970,659,850 | **649,357,460** | 430,321,724 | **28,860,820,282** | 29,491,743,951 |
| Sales discount / return | **(101,287,153)** | (72,621,620) | **(91,733,723)** | (81,802,572) | **(2,570,408)** | (2,500,501) | **(195,591,284)** | (156,924,693) |
| Sales tax | **(113,190,816)** | (101,256,053) | **(839,882,288)** | (759,180,136) | **(89,101,279)** | (55,624,571) | **(1,042,174,383)** | (916,060,760) |
| Freight | **(716,519,434)** | (567,528,293) | **(152,901,532)** | (77,803,795) | **(16,223,685)** | (6,640,514) | **(885,644,651)** | (651,972,602) |
| Clearing and forwarding | **(68,198,762)** | (61,160,130) | **(14,160,195)** | (9,550,826) | **(674,737)** | (407,135) | **(83,033,694)** | (71,118,091) |
| **Net Sales** | **20,430,809,500** | 22,288,196,281 | **5,682,779,419** | 5,042,322,521 | **540,787,351** | 365,149,003 | **26,654,376,270** | 27,695,667,805 |
| **Cost of Sales** | **(17,752,144,602)** | (19,487,344,844) | **(5,124,430,060)** | (4,763,694,664) | **(431,477,724)** | (273,606,294) | **(23,308,052,386)** | (24,524,645,802) |
| **Gross profit** | **2,678,664,898** | 2,800,851,437 | **558,349,359** | 278,627,857 | **109,309,627** | 91,542,709 | **3,346,323,884** | 3,171,022,003 |
| Selling and distribution expenses | **(436,756,893)** | (513,892,994) | **(81,668,290)** | (66,235,424) | **(11,170,948)** | (10,562,989) | **(529,596,131)** | (590,691,407) |
| Administrative expenses | **(645,616,500)** | (550,310,212) | **(162,089,586)** | (125,507,566) | **(9,634,931)** | (5,710,471) | **(817,341,017)** | (681,528,250) |
| | **(1,082,373,393)** | (1,064,203,206) | **(243,757,876)** | (191,742,990) | **(20,805,879)** | (16,273,460) | **(1,346,937,148)** | (1,272,219,657) |
| **Operating profit** | **1,596,291,505** | 1,736,648,231 | **314,591,483** | 86,884,867 | **88,503,748** | 75,269,249 | **1,999,386,736** | 1,898,802,346 |
| **Unallocated items** | | | | | | | | |
| Finance cost | | | | | | | **(1,854,110,081)** | (2,243,877,030) |
| Other income | | | | | | | **90,058,387** | 86,370,402 |
| Exchange gain - net | | | | | | | **289,168,393** | 190,389,508 |
| Provision for worker's welfare fund | | | | | | | **(9,803,803)** | - |
| Provision for worker's profit participation fund | | | | | | | **(24,509,506)** | - |
| **Profit before levies and income tax** | | | | | | | **490,190,126** | (68,314,774) |
| Levies - Final and Minimum Tax | | | | | | | **(196,270,343)** | (258,998,630) |
| Taxation | | | | | | | **119,977,531** | 64,847,527 |
| **Profit for the year** | | | | | | | **413,897,314** | (262,465,877) |

**Reportable Segment**

| | | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| 32.1 | Segment assets | **23,514,203,292** | 21,467,163,414 | **5,498,846,079** | 3,860,711,023 | **410,649,128** | 318,173,095 | **29,423,698,500** | 25,646,047,532 |
| 32.2 | Unallocated assets | **-** | - | **-** | - | **-** | - | **538,756,850** | 1,893,027,465 |
| | | **23,514,203,292** | 21,467,163,414 | **5,498,846,079** | 3,860,711,023 | **410,649,128** | 318,173,095 | **29,962,455,350** | 27,539,074,997 |
| 32.3 | Segment liabilities | **15,693,938,210** | 11,752,389,270 | **3,805,717,696** | 4,003,345,092 | **56,870,630** | 45,242,882 | **19,556,526,536** | 15,800,977,244 |
| 32.4 | Unallocated liabilities | **-** | - | **-** | - | **-** | - | **3,019,364** | 1,750,475,893 |
| | | **15,693,938,210** | 11,752,389,270 | **3,805,717,696** | 4,003,345,092 | **56,870,630** | 45,242,882 | **19,559,545,900** | 17,551,453,137 |
| 32.5 | Major non-cash items | | | | | | | | |
| | - Depreciation and amortisation | **507,730,198** | 315,363,594 | **295,022,318** | 201,281,659 | **4,150,494** | 2,014,483 | **806,903,010** | 518,659,736 |
| | - Gratuity | **32,190,149** | 71,890,722 | **11,435,031** | 23,546,192 | **2,020,010** | 2,789,147 | **45,645,190** | 98,226,061 |
| | | **539,920,347** | 387,254,316 | **306,457,349** | 224,827,851 | **6,170,504** | 4,803,630 | **852,548,200** | 616,885,797 |
| 32.6 | Capital expenditure | **242,024,787** | 1,172,484,128 | **268,441,236** | 420,948,841 | **2,299,736** | 2,803,036 | **512,765,759** | 1,596,236,005 |

**32.7** The Company's export sales have been primarily made to continents in the Asia, Africa, Europe, North America and Australia & New Zealand.

| | **2025** | 2024 |
|---|---|---|
| | **--------Rupees--------** | |
| Africa | **893,287,364** | 1,363,033,579 |
| Asia | **5,830,153,695** | 5,165,922,375 |
| Australia & New Zealand | **2,192,163,243** | 2,362,253,453 |
| Europe | **5,862,282,716** | 7,294,966,690 |
| USA & Canada | **1,163,842,072** | 1,308,540,299 |
| | **15,941,729,090** | 17,494,716,396 |

**33 RECONCILIATION OF REPORTABLE SEGMENT SALES, COST OF SALES, ASSETS AND LIABILITIES**

**33.1 Assets**

| | 2025 | 2024 |
|---|---|---|
| Total assets for reportable segments | **29,423,698,500** | 27,253,047,814 |
| Investments | **56,882,707** | 56,782,707 |
| Others | **481,874,143** | 229,244,476 |
| Total assets | **29,962,455,350** | 27,539,074,997 |

**33.2 Liabilities**

| | 2025 | 2024 |
|---|---|---|
| Total liabilities for reportable segments | **19,556,526,536** | 17,516,393,364 |
| Due to related parties | **2,085,652** | 6,563,777 |
| Unpaid dividend | **933,712** | 28,495,996 |
| Total liabilities | **19,559,545,900** | 17,551,453,137 |

## 34 COST OF SALES

| | Note | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| Raw material consumed | 34.1 | **14,492,967,894** | 17,611,726,807 | **3,891,998,396** | 3,188,662,318 | **293,960,837** | 237,906,758 | **18,678,927,127** | 21,038,295,883 |
| Packing materials consumed | 34.2 | **846,836,080** | 666,097,659 | **170,942,871** | 207,229,973 | **66,361,755** | 61,141,214 | **1,084,140,706** | 934,468,846 |
| Stores and spares consumed | 34.3 | **645,415,603** | 732,880,821 | **330,711,775** | 288,926,374 | **-** | - | **976,127,378** | 1,021,807,195 |
| **Processing expenses** | | | | | | | | | |
| Salaries, wages and benefits | 34.4 | **801,777,533** | 701,378,010 | **369,118,843** | 306,069,692 | **15,540,406** | 11,731,059 | **1,186,436,782** | 1,019,178,761 |
| Electricity and power | | **459,350,918** | 445,469,064 | **393,002,236** | 478,467,345 | **3,308,115** | 2,840,779 | **855,661,269** | 926,777,188 |
| Telephone and mobile | | **2,325,860** | 1,980,073 | **538,713** | 131,561 | **61,216** | 26,789 | **2,925,789** | 2,138,423 |
| Insurance | | **26,745,113** | 22,913,747 | **4,138,213** | 916,004 | **508,166** | 227,149 | **31,391,492** | 24,056,900 |
| Repairs and maintenance | | **37,784,973** | 42,753,784 | **7,437,172** | 5,972,479 | **-** | - | **45,222,145** | 48,726,263 |
| Other purchases | | **295,119,896** | 371,901,922 | **80,756** | 110,854 | **-** | - | **295,200,652** | 372,012,776 |
| Provision for slow moving stock | | **3,886,895** | 898,075 | **-** | - | **-** | - | **3,886,895** | 898,075 |
| Fumigation charges | | **107,557,302** | 81,494,175 | **9,185,360** | 5,676,945 | **-** | - | **116,742,662** | 87,171,120 |
| Water charges | | **63,738,291** | 120,698,676 | **112,324** | 173,632 | **166,475** | 91,000 | **64,017,090** | 120,963,308 |
| Canteen | | **18,973,302** | 18,641,748 | **1,384,404** | 666,506 | **405,460** | 251,753 | **20,763,166** | 19,560,007 |
| Diesel and oil | | **200,480** | 172,238 | **-** | - | **-** | - | **200,480** | 172,238 |
| Staff welfare | | **10,452,643** | 7,040,668 | **3,722,436** | 3,426,380 | **198,995** | 87,895 | **14,374,074** | 10,554,943 |
| Security expenses | | **28,365,540** | 26,380,866 | **1,841,437** | 10,674,707 | **606,172** | 356,910 | **30,813,149** | 37,412,483 |
| Godown expenses | | **33,608,806** | 34,166,148 | **-** | - | **-** | - | **33,608,806** | 34,166,148 |
| Rent, rates and taxes | | **421,120** | 345,445 | **-** | - | **8,999** | 4,674 | **430,119** | 350,119 |
| Vehicle running expenses | | **37,428,366** | 42,129,065 | **3,621,760** | 3,579,553 | **-** | - | **41,050,126** | 45,708,618 |
| Medical | | **12,075,925** | 7,117,774 | **3,947,630** | 2,484,658 | **257,187** | 96,297 | **16,280,742** | 9,698,729 |
| Depreciation | 18.1.1 | **376,168,900** | 217,805,118 | **221,113,572** | 160,644,007 | **1,035,929** | 694,645 | **598,318,401** | 379,143,770 |
| Depreciation on right-of-use assets | 19.1 | **37,397,729** | 40,919,052 | **18,630,353** | 476,650 | **2,976,926** | 1,319,838 | **59,005,008** | 42,715,540 |
| Interest expense on lease liabilities | 19.1 | **16,884,960** | 21,933,894 | **-** | - | **-** | - | **16,884,960** | 21,933,894 |
| Processing charges | | **6,551,099** | 5,257,087 | **36,810** | 67,144 | **-** | - | **6,587,909** | 5,324,231 |
| Inspection charges | | **109,645,206** | 68,074,934 | **5,457,324** | 1,230,288 | **-** | - | **115,102,530** | 69,305,222 |
| Others | | **-** | - | **-** | - | **-** | - | **-** | - |
| **Cost of goods manufactured** | | **18,471,680,434** | 21,290,176,850 | **5,437,022,385** | 4,665,587,070 | **385,396,638** | 316,776,760 | **24,294,099,457** | 26,272,540,680 |
| **Finished goods** | | | | | | | | | |
| Opening stock | | **4,607,486,758** | 2,804,654,752 | **173,437,574** | 271,545,168 | **94,774,909** | 51,604,443 | **4,875,699,241** | 3,127,804,363 |
| Closing stock | | **(5,327,022,590)** | (4,607,486,758) | **(486,029,899)** | (173,437,574) | **(48,693,823)** | (94,774,909) | **(5,861,746,312)** | (4,875,699,241) |
| | | **(719,535,832)** | (1,802,832,006) | **(312,592,325)** | 98,107,594 | **46,081,086** | (43,170,466) | **(986,047,071)** | (1,747,894,878) |
| **Cost of Sales** | | **17,752,144,602** | 19,487,344,844 | **5,124,430,060** | 4,763,694,664 | **431,477,724** | 273,606,294 | **23,308,052,386** | 24,524,645,802 |

Reportable Segment

**Reportable Segment**

| | | Note | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| **34.1** | **Raw material consumed** | | | | | | | | | |
| | Opening stock | | **5,951,304,852** | 5,356,317,624 | **262,008,187** | 622,686,111 | **45,763,208** | 22,839,859 | **6,259,076,247** | 6,001,843,594 |
| | Purchases | | **14,173,871,436** | 17,625,063,055 | **4,859,380,184** | 2,771,920,649 | **311,487,620** | 260,412,061 | **19,344,739,240** | 20,657,395,765 |
| | Cartage inwards | | **373,754,943** | 581,650,980 | **72,996,781** | 56,063,745 | **746,637** | 418,046 | **447,498,361** | 638,132,771 |
| | Closing stock | | **(6,005,963,337)** | (5,951,304,852) | **(1,302,386,756)** | (262,008,187) | **(64,036,628)** | (45,763,208) | **(7,372,386,721)** | (6,259,076,247) |
| | | | **14,492,967,894** | 17,611,726,807 | **3,891,998,396** | 3,188,662,318 | **293,960,837** | 237,906,758 | **18,678,927,127** | 21,038,295,883 |
| **34.2** | **Packing material consumed** | | | | | | | | | |
| | Opening stock | | **408,870,634** | 323,224,747 | **60,981,188** | 117,075,047 | **30,795,863** | 25,437,791 | **500,647,685** | 465,737,585 |
| | Purchases | | **793,714,678** | 751,743,546 | **185,593,841** | 151,136,114 | **63,837,710** | 66,499,286 | **1,043,146,229** | 969,378,946 |
| | Closing stock-gross | | **(355,749,232)** | (408,870,634) | **(75,632,158)** | (60,981,188) | **(28,271,818)** | (30,795,863) | **(459,653,208)** | (500,647,685) |
| | | | **846,836,080** | 666,097,659 | **170,942,871** | 207,229,973 | **66,361,755** | 61,141,214 | **1,084,140,706** | 934,468,846 |
| **34.3** | **Stores and spares consumed** | | | | | | | | | |
| | Opening stock | | **116,988,722** | 66,092,226 | **162,402,585** | 40,774,802 | **-** | - | **279,391,307** | 106,867,028 |
| | Purchases | | **648,428,402** | 783,777,317 | **374,853,355** | 410,554,157 | **-** | - | **1,023,281,757** | 1,194,331,474 |
| | Closing stock-gross | | **(120,001,521)** | (116,988,722) | **(206,544,165)** | (162,402,585) | **-** | - | **(326,545,686)** | (279,391,307) |
| | | | **645,415,603** | 732,880,821 | **330,711,775** | 288,926,374 | **-** | - | **976,127,378** | 1,021,807,195 |

**34.4** It includes provision for gratuity amounting to Rs. 29.93 million (June 2024: Rs. 62.14 million).

**35 SELLING AND DISTRIBUTION EXPENSES**

| | Note | Rice and Allied Products 2025 | Rice and Allied Products 2024 | Corn Starch Products 2025 | Corn Starch Products 2024 | Falak Foods Products 2025 | Falak Foods Products 2024 | Total 2025 | Total 2024 |
|---|---|---|---|---|---|---|---|---|---|
| Salaries and benefits | 35.1 | **77,771,912** | 82,648,171 | **7,234,973** | 8,047,584 | **6,666,737** | 6,775,694 | **91,673,622** | 97,471,449 |
| Travelling | | **37,495,418** | 51,637,178 | **9,113,924** | 8,717,477 | **312,212** | 220,709 | **46,921,554** | 60,575,364 |
| Sales promotion | | **122,656,956** | 160,868,621 | **11,233,172** | 8,104,194 | **2,120,737** | 1,911,850 | **136,010,865** | 170,884,665 |
| Insurance | | **10,032,792** | 7,881,774 | **482,634** | 224,849 | **219,528** | 106,633 | **10,734,954** | 8,213,256 |
| Export charges | | **127,673,081** | 161,790,417 | **39,396,310** | 31,101,070 | **1,851,734** | 1,548,103 | **168,921,125** | 194,439,590 |
| Export commission | | **32,406,571** | 32,212,851 | **387,679** | - | **-** | - | **32,794,250** | 32,212,851 |
| Depreciation | 18.1.1 | **23,575,302** | 13,656,236 | **13,819,598** | 10,040,250 | **-** | - | **37,394,900** | 23,696,486 |
| Shop rent | | **3,120,000** | 2,820,000 | **-** | - | **-** | - | **3,120,000** | 2,820,000 |
| General | | **2,024,861** | 377,746 | **-** | - | **-** | - | **2,024,861** | 377,746 |
| | | **436,756,893** | 513,892,994 | **81,668,290** | 66,235,424 | **11,170,948** | 10,562,989 | **529,596,131** | 590,691,407 |

**35.1** It includes provision for gratuity amounting to Rs. 2.31 million (June 2024: Rs. 5.94 million).

## 36 ADMINISTRATIVE EXPENSES

| | | Reportable Segment | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
| | Note | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| Salaries and benefits | 36.1 | **381,359,872** | 371,526,071 | **76,922,087** | 72,143,816 | **7,815,807** | 5,086,023 | **466,097,766** | 448,755,910 |
| Vehicle running | | **38,027,883** | 37,047,645 | **735,347** | 353,416 | **-** | - | **38,763,230** | 37,401,061 |
| Entertainment | | **3,100,054** | 2,384,996 | **836,489** | 374,144 | **65,328** | 30,031 | **4,001,871** | 2,789,171 |
| Printing and stationery | | **228,516** | 444,322 | **171,397** | 39,742 | **4,883** | 5,304 | **404,796** | 489,368 |
| Fee and subscription | | **42,081,486** | 25,139,498 | **28,119,504** | 13,039,868 | **-** | - | **70,200,989** | 38,179,366 |
| Legal and professional | | **110,000** | - | **952,166** | - | - | - | **1,062,166** | - |
| Auditor's remuneration | 36.2 | **7,276,608** | 4,110,646 | **-** | - | **-** | - | **7,276,608** | 4,110,646 |
| Postage and telegrams | | **5,126,855** | 5,423,153 | **3,615,452** | 3,549,452 | **109,495** | 70,994 | **8,851,802** | 9,043,599 |
| General expenses | | **14,211,780** | 4,569,798 | **6,758** | - | **303,381** | 61,825 | **14,521,919** | 4,631,623 |
| Newspaper and periodicals | | **20,546** | 56,634 | **40,770** | 35,530 | **439** | 766 | **61,755** | 92,930 |
| Electricity and gas charges | | **1,874,773** | 2,572,504 | **64,945** | 49,942 | **111,248** | 34,804 | **2,050,966** | 2,657,250 |
| Taxes, duty and fee | | **1,697,082** | 641,674 | **3,354,488** | 3,986,238 | **-** | - | **5,051,570** | 4,627,912 |
| Medical | | **20,146,538** | 5,838,927 | **1,657,585** | 1,253,189 | **426,691** | 78,073 | **22,230,814** | 7,170,189 |
| Insurance | | **4,942,703** | 3,670,669 | **907,905** | 36,979 | **12,005** | - | **5,862,613** | 3,707,648 |
| Software maintenance | | **2,653,212** | 674,976 | **-** | - | **-** | - | **2,653,212** | 674,976 |
| Computer expenses | | **9,884,986** | 8,221,278 | **590,418** | 486,759 | **280,559** | 113,105 | **10,755,963** | 8,821,142 |
| Depreciation | 18.1.1 | **70,588,266** | 40,968,705 | **41,458,795** | 30,120,751 | **137,639** | - | **112,184,700** | 71,089,456 |
| Donations | | **16,072,837** | 17,432,385 | **2,611,041** | - | **-** | - | **18,683,878** | 17,432,385 |
| Advertisement | | **765,339** | 93,528 | **-** | - | **16,355** | 1,265 | **781,694** | 94,793 |
| Loss on sale of operating fixed assets | | **-** | 14,282 | **-** | - | **-** | - | **-** | 14,282 |
| Others | | **25,447,164** | 19,478,521 | **44,440** | 37,740 | **351,101** | 228,281 | **25,842,705** | 19,744,542 |
| | | **645,616,500** | 550,310,212 | **162,089,586** | 125,507,566 | **9,634,931** | 5,710,471 | **817,341,017** | 681,528,249 |

**36.1** It includes directors' remuneration amounting to Rs. 37.43 million (June 2024: Rs. 48.99 million) and provision for gratuity amounting to Rs. 11.76 million (June 2024: Rs. 27.36 million).

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **36.2** | **Auditor's remuneration** | | ------Rupees------- | |
| | - audit fee of unconsolidated financial statements | | **2,662,000** | 2,420,000 |
| | - audit fee of special purpose audit financial statements | | **2,619,600** | - |
| | - audit fee of consolidated financial statements | | **121,000** | 110,000 |
| | - audit fee of half yearly review | | **598,400** | 825,565 |
| | - fee for review code of corporate governance | | **196,020** | 165,000 |
| | - other certifications | | **833,800** | 150,000 |
| | - out of pocket expenses | | **245,788** | 440,081 |
| | | | **7,276,608** | 4,110,646 |

**36.3** Donation includes amount of Rs. 17.21 million (June 2024: Rs. 19.92 million) paid to Ghori Trust, which is operated by Board of directors of the company and their spouse namely Mr. Jawed Ali Ghori, Mr. Khalid Sarfaraz Ghori, Mr. Faizan Ali Ghori, Mrs. Naheed Jawed, Mrs. Nuzhat Khalid and Mrs. Dr. Sadaf Tariq.

**36.4** During the year, the Company initiated a legal restructuring process whereby two of its operating segments Falak Foods Products and Corn Starch Products are being transferred into newly incorporated entities. Although the operations of these segments will be conducted under separate legal entities going forward, the Company continues to retain control over these entities.

Accordingly, the restructuring does not meet the definition of a discontinued operation or disposal group under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **37** | **FINANCE COST** | | ------Rupees------- | |
| | Mark up | | | |
| | - long term finances - net | | **104,468,433** | 110,940,084 |
| | - short term borrowings | | **1,709,831,385** | 2,102,900,126 |
| | - interest expense on lease liabilities | 19.1 | **35,937,088** | 24,804,650 |
| | Bank charges and commission | | **3,873,175** | 5,232,170 |
| | | | **1,854,110,081** | 2,243,877,030 |
| **38** | **OTHER INCOME** | | | |
| | From financial assets | | | |
| | - Profit on bank/short term deposits | | **6,619,936** | 10,871,340 |
| | - Interest income on account of due from related parties | | **8,549,286** | 13,087,160 |
| | From non-financial assets | | | |
| | - Reversal of Worker's Welfare Fund | | **-** | 14,737,054 |
| | - Gain on sale of operating fixed assets | 10.2 | **35,861,143** | - |
| | - Scrap sales | | **27,523,841** | 42,012,129 |
| | - Rental income | | **5,525,505** | 4,065,490 |
| | - Dividend income | | **-** | 784,204 |
| | - Others | | **5,978,676** | 813,025 |
| | | | **90,058,387** | 86,370,402 |

**39** **EXCHANGE GAIN - NET**

This represents exchange gain incurred on foreign currency denominated trade debts, advances from customers and bank balances.

| | | 2025 | 2024 |
|---|---|---|---|
| **40** | **TAXATION** | ------Rupees------- | |
| | - Levies - Final and Minimum Tax | 196,270,343 | 258,998,630 |
| | - Prior year | (50,505,822) | (56,739,289) |
| | - Deferred | (69,471,709) | (8,108,238) |
| | | 76,292,812 | 194,151,103 |

**40.1** The relationship between tax expense and accounting profit has not been presented in these financial statements as almost all income of the company falls under the ambit of minimum tax regime.

**40.2** Current year taxation has been charged on the basis of provisions in Income Tax Ordinance, 2001 and accounted for after taking effect of admissible expenses in normal taxation with proportion of local sales and on final tax regime applicable to the Company based on tax withheld from export proceeds which is deemed as full and final discharge of the tax liability.

**40.3** Return of 2016-17 filed on January 17, 2018, is an assessment order u/s 120 unless amended under section 122 of the Income Tax Ordinance, 2001. The ADCIR initiated the proceeding u/s 122(5A) of the Income Tax Ordinance, 2001 vide notice dated 21-05-2018 for amendment of deemed assessment. The response of the above notice submitted by the Company till November 15, 2018, no further notice has been received.

**40.4** The Deputy Commissioner Inland Revenue (DC-IR) has raised a demand of Rs. 17,882,409/- on account of 'Super Tax' under Section 4C of the Ordinance, vide Order having barcode No. 100000148517559 dated 17 March 2023. The such demand has been adjusted with refund order dated 20 March 2023. However, the 4C liability has been created for Final Income and the judgement of Islamabad High Court is allowed not to pay Super Tax on Final Income. We understand that the such judgement is in filed, therefore the Rs. 17 million would be revised. Hence, please note that the said appeal is sub-judice before the Supreme Court of Pakistan.

**40.5** The Deputy Commissioner of Inland Revenue (DC-IR) has raised a demand of Rs. 37,839,301/- for 'Super Tax' under Section 4C of the Ordinance for the tax year 2023, as per the order with Barcode No. 100000192819317 dated 05 April 2024. The company has appealed before the Commissioner Inland Revenue (Appeals) [CIR-A], and the matter is currently pending.

**40.6** A Post Refund Sales Tax Audit was conducted by the DC-IR for the tax periods from June 2021 to August 2022. A demand of Rs. 51,856,323/- was raised on account of 'Inadmissible Input Tax on Goods and Services', along with penalty and default surcharge, as per the Order-in-Original [ONO] Ref. No. 27 of 270/2024 dated 22 February 2024.

Being aggrieved of such Order, the Company has appealed to the Commissioner-IR Appeals, and the appeal is currently underway. We anticipate a favorable outcome; therefore, no provision is required at this stage. Please note that the company has deposited Rs. 25,000,000/- of the sales tax demand under protest (Refer Note 28.1).

**40.7** The Deputy Commissioner - Inland Revenue has issued the Show Cause Notice dated 03 September 2024 wherein sales tax liability to the tune of Rs.190.158 million for the tax periods from July-2022 to June-2025 was framed against the company. Eventually, he established sales tax liability of Rs.40,123,078/- along with penalty of Rs.2,006,154/- through ONO No.01/145 dated 25 September 2024. Being aggrieved of such Order, the company filed the appeal before ATIR who partially upheld the tax liability amounting to Rs.535,447/- in favor of the treasury and against the company. However, the Tribunal remanded back the case involving sales tax liability at Rs. 39,216,962/- on account of input tax on construction material by directing DCIR to pass afresh assessment order in the light of specific directions as provided in ATIR Order No.5247 dated 07 August 2025.

**40.8** The Commissioner-IR selected the Company for audit under Section 25(1) for the Tax Year 2022. Following the audit, the DC-IR raised a sales tax demand of Rs. 2,682,084/-, along with a penalty of Rs. 404,104/- for 'Inadmissible Input Tax on Goods and Services', as per ONO Ref. No. 28/156/2023-24 dated 18 March 2024. Being aggrieved of such Order, the Company has filed an appeal before the Commissioner-IR Appeals, which is currently in process. We expect a favorable outcome and, as such, no provision is required at this stage.

**41.90** Return of 2023-24 filed on January 15, 2025, is an assessment order under section 120 unless amended under section 122 of the Income Tax Ordinance, 2001.

| | | 2025 | 2024 |
|---|---|---|---|
| **41** | **NUMBER OF EMPLOYEES** | | |
| | Number of employees as at June 30 | 900 | 1,006 |
| | Average number of employees during the year | 953 | 988 |

## 42 TRANSACTION WITH RELATED PARTIES

Related parties include subsidiary company, entities under common directorship, directors, major shareholders, key management personnel and retirement benefit funds. Transactions with related parties essentially entail rent expense and transactions with key management personnel. Details of transactions with related parties and the balances with them as at year end other than those which have been disclosed else where are as follows:

| Nature of relationship | Percentage of Holding | Transactions | 2025 | 2024 |
|---|---|---|---|---|
| | | | -------Rupees in '000'------- | |
| **Directors** | | Godown rent paid to director | **32,252,750** | 28,747,612 |
| **Subsidiary** | | | | |
| JKT General Trading FZE | 100% | Sales | **139,092,214** | 53,608,776 |
| | | Payment received on account of sales | **140,747,832** | 36,066,865 |
| | | Payment made on behalf | **515,562** | 720,819 |
| Falak Foods (Private) Limited | 99.99% | Paid expenses on behalf | **4,478,125** | 243,821 |
| **Joint Venture** | | | | |
| Barentz Pakistan (Private) Limited | 49% | Paid expenses on behalf | **163,617,617** | 174,944,619 |
| | | Payment received on account of expenses | **173,988,970** | 208,318,084 |
| | | Interest Income | **8,549,286** | 13,108,144 |
| | | Interest Received | **11,606,322** | 10,340,400 |
| | | Rental and service income | **857,576** | 779,625 |
| | | Rental and service income received | **983,813** | 371,250 |
| | | Commission paid | **1,048,000** | 1,297,451 |
| | | Sale of vehicle | **2,648,052** | - |
| | | Purchase from Barentz | **338,753,605** | - |
| | | Payment made on account of purchases | **225,879,494** | - |
| | | Sale to Barentz | **229,447,250** | - |
| | | Payment received on account of sales | **194,193,751** | - |
| **Associates based on common directorship** | | | | |
| Matco Engineering Co (Private) Limited | 0% | Paid expenses on behalf | **7,662,490** | 6,907,490 |
| | | Payment received on account of expenses | **7,662,490** | 6,907,490 |
| Faiyaz Center Owner Association | 0% | Paid expenses on behalf | **1,201,571** | 450,577 |
| | | Payment received on account of expenses | **1,201,571** | 450,577 |
| **Trust operated by the Company** | | | | |
| Ghori Trust | 0% | Paid expenses on behalf | **17,207,388** | 19,917,947 |
| | | Payment received on account of expenses | **89,360** | 3,328,242 |
| | | Donation expense | **17,118,028** | 16,589,705 |

| Nature of relationship | Percentage of Holding | Balances | 2025 | 2024 |
|---|---|---|---|---|
| **Subsidiary** | | | | |
| JKT General Trading FZE | 100% | Trade receivables outstanding | **-** | 12,276,153 |
| | | Advance outstanding against sales | **39,868,891** | - |
| | | Payable against expenses | **15,070,477** | 15,586,039 |
| Falak Foods (Private) Limited | 99.99% | Advance outstanding | **2,085,652** | 6,563,777 |
| **Joint Venture** | | | | |
| Barentz Pakistan (Private) Limited | 49% | Receivable against expenses | **28,764,892** | 37,536,192 |
| | | Interest receivable | **6,076,036** | 9,133,072 |
| | | Receivable against rent and services | **3,530,879** | 3,657,116 |
| | | Receivable against sales | **52,241,114** | 16,987,615 |
| | | Payable against purchases | **112,874,111** | - |

| Nature of relationship | Percentage of Holding | Transactions | 2025 | 2024 |
|---|---|---|---|---|
| | | | -------Rupees in '000'------- | |
| **Associates based on common directorship** | | | | |
| Matco Engineering Co (Private) Limited | 0% | Receivable against expenses | - | - |
| Faiyaz Center Owner Association | 0% | Receivable against expenses | - | - |
| **Trust operated by the Company** | | | | |
| Ghori Trust | 0% | Payable against donation | - | - |

**42.1** Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place:

| S. No. | Company Name | Registered Address | Country of Incorporation | Basis of Association | Name of Chief Executive / Principal Officer / Authorized Agent | Aggregate % of shareholding | Operational Status | Auditor's Opinion |
|---|---|---|---|---|---|---|---|---|
| 1 | JKT General Trading FZE | P.O.Box 123347, Sharjah | UAE | Subsidiary Company | Faizan Ali Ghori | 100% | Active | Clean |

**42.2** Consideration for services is determined with mutual agreement considering the level of services provided. Expenses charged by / to the Company are determined on actual cost basis. Particulars of remuneration of chief executive officer, directors and executives are disclosed in note 43 to these unconsolidated financial statements.

**42.3** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the chief executive officer and the directors to be key management personnel.

## 43 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

For the purpose of disclosure those employees are considered as executives whose basic salary exceed twelve hundred thousands rupees in financial year.

| | Chief Executive Officer | | Directors | | Executives | | Total | |
|---|---|---|---|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | ---Rupees--- | | | | | | | |
| **Short-term employee benefits** | | | | | | | | |
| Remuneration | **3,923,080** | 3,621,384 | **11,969,232** | 14,251,038 | **188,275,152** | 172,806,824 | **204,167,464** | 190,679,246 |
| House rent allowances | **1,765,386** | 1,629,623 | **5,386,154** | 6,412,967 | **84,723,818** | 69,122,730 | **91,875,359** | 77,165,320 |
| Utilities | **3,017,617** | 2,866,699 | **2,623,077** | 4,961,814 | **18,199,361** | 17,280,682 | **23,840,054** | 25,109,196 |
| Bonus | **1,919,500** | 1,800,000 | **2,872,500** | 6,741,000 | **20,841,537** | 20,359,000 | **25,633,537** | 28,900,000 |
| Fuel expense | **1,295,403** | 1,954,361 | **1,301,953** | 3,367,188 | **48,871,264** | 40,490,335 | **51,468,620** | 45,811,884 |
| Medical expense | **350,683** | 813,750 | **287,527** | 228,860 | **15,558,798** | 3,782,048 | **16,197,008** | 4,824,658 |
| Vehicle expense | **2,675,782** | 3,573,261 | **1,176,179** | 1,107,000 | **2,563,274** | 3,763,095 | **6,415,235** | 8,443,356 |
| Other expense | **717,000** | 321,989 | **-** | 21,963 | **-** | - | **717,000** | 343,952 |
| | **15,664,451** | 16,581,067 | **25,616,622** | 37,091,830 | **379,033,204** | 327,604,714 | **420,314,277** | 381,277,612 |
| **Value of motor vehicles** | **5,637,470** | 6,944,582 | **12,378,948** | 16,600,603 | **103,777,740** | 90,056,242 | **121,794,158** | 113,601,427 |
| **Number of Persons** | **1** | 1 | **2** | 2 | **89** | 68 | | |

**43.1** In addition to above, fees of Rs. 0.89 million (June 2024: Rs. 0.99 million) was paid to independent directors of the Company for attending board of directors meeting during the period.

**43.2** In addition to the above, chief executive officer and directors are provided with the use of the Company's vehicles. Certain executives are also provided with Company maintained cars.

**43.3** The Company considers its chief executive officer and the executive director as its key management personnel i.e. the personnel having authority and responsibility for planning, directing and controlling the activities of the Company.

## 44 PLANT CAPACITY AND PRODUCTION

| | 2025 | 2024 |
|---|---|---|
| | (Tons) | |
| **Annual Plant Capacity** | | |
| - Rice processing | **178,500** | 178,500 |
| - Rice Glucose | **33,000** | 33,000 |
| - Corn Starch | **72,000** | 72,000 |
| **Actual Production** | | |
| - Rice processing | **82,642** | 110,732 |
| - Rice Glucose | **11,986** | 10,659 |
| - Corn Starch | **51,519** | 49,212 |

**44.1** Actual production is less than installed capacity due to planned maintenance shutdown and production planned as per market demand.

## 45 EARNINGS PER SHARE - BASIC AND DILUTED

| | 2025 | 2024 |
|---|---|---|
| | ------Rupees------- | |
| Profit for the period | **413,897,314** | (262,465,876) |
| Number of ordinary shares | **122,400,698** | 122,400,698 |
| Weighted average number of ordinary shares | **122,400,698** | 122,400,698 |
| Earnings per share - basic and diluted | **3.38** | (2.14) |

There is no dilutive effect on earnings per share as the Company does not have any convertible instruments as at June 30, 2025 and June 30, 2024.

## 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance which are as follows:

### 46.1 Market risk

Market risk refers to fluctuation in value of financial instruments as a result of changes in market prices. Market risk comprise of currency risk, interest rate risk and price risk.

### 46.1.1 Currency risk

Foreign exchange risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. It arises mainly where receivables, bank balances, borrowings and payables exist due to transactions entered into foreign currencies.

**Exposure to Foreign currency risk**

The Company is exposed to foreign exchange risk arising from currency value fluctuations due to the following:

| | 2025 | 2024 |
|---|---|---|
| | --------Rupees-------- | |
| Trade debts | **3,846,882** | 5,965,510 |
| Cash and bank balances | **57,316** | 127,962 |
| Advance from customer | **(101,690)** | (590,110) |
| **Net Exposure** | **3,802,508** | 5,503,362 |

The following significant exchange rates were applied during the year:

| | 2025 | 2024 |
|---|---|---|
| | ----Rupees per USD---- | |
| Average rate | **281.30** | 282.53 |
| Reporting date rate | 283.50 | 278.34 |

**Foreign currency sensitivity analysis**

A 10% strengthening of the PKR against the USD at June 30, 2025 would have effect on the equity and unconsolidated statement of profit or loss of the company as shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for June 30, 2025.

| | 2025 | 2024 |
|---|---|---|
| | --------Rupees-------- | |
| Strengthening of PKR against respective currencies | **(107,801,102)** | (153,181,210) |
| Weakening of PKR against respective currencies | **107,801,102** | 153,181,210 |

A 10 percentage weakening of the PKR against the USD at June 30, 2025 would have had the equal but opposite effect on USD to the amounts shown above, on the basis that all other variables remain constant.

**46.1.2 Price risk**

Price risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest or currency rate risk), whether those changes are caused by factors specified to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to price risk as well as the commodity price risk.

| | | 2025 | | | | |
|---|---|---|---|---|---|---|
| | | Mark-up / profit bearing | | | | |
| | Note | Less than one year | One year to Five years | Over five years | Non mark-up / profit bearing | Total |
| **Financial assets** | | ----------Rupees---------- | | | | |
| **Amortised cost** | | | | | | |
| Long-term deposits | | - | - | - | 20,708,550 | 20,708,550 |
| Long-term investments | 21 | - | - | - | 55,682,707 | 55,682,707 |
| Trade debts - considered goods | 24 | - | - | - | 1,957,416,609 | 1,957,416,609 |
| Loans | 25 | - | - | - | 347,900 | 347,900 |
| Deposits | 26 | - | - | - | 2,204,326 | 2,204,326 |
| Short-term investment | 27 | 1,200,000 | - | - | - | 1,200,000 |
| Due from related parties | 29 | 38,421,807 | - | - | - | 38,421,807 |
| Cash and bank balances | 31 | 27,472,224 | - | - | 325,969,749 | 353,441,973 |
| | | 67,094,031 | - | - | 2,362,329,841 | 2,429,423,872 |
| **Fair value through profit or loss** | | | | | | |
| Short-term investment | 27 | 1,200,000 | - | - | - | 1,200,000 |
| **Fair value through other comprehensive income** | | | | | | |
| **Long-term investments** | 21 | - | - | - | - | - |
| **Financial liabilities** | | | | | | |
| At amortized cost | | | | | | |
| Long term finances - secured | 9 | 354,834,825 | 948,832,945 | 168,593,613 | - | 1,472,261,383 |
| Due to related party | 14 | - | - | - | 2,085,652 | 2,085,652 |
| Trade and other payables | 12 | - | - | - | 2,841,694,908 | 2,841,694,908 |
| Accrued mark-up | 13 | - | - | - | 268,460,997 | 268,460,997 |
| Short term borrowings - secured | 15 | 13,330,527,469 | - | - | - | 13,330,527,469 |
| Unpaid dividend | 16 | - | - | - | 933,712 | 933,712 |
| Lease liabilities | 10 | 84,940,254 | 298,193,413 | - | - | 383,133,667 |
| | | 13,770,302,548 | 1,247,026,358 | 168,593,613 | 3,113,175,269 | 18,299,097,788 |
| **On balance sheet gap** | | (13,702,008,517) | (1,247,026,358) | (168,593,613) | (750,845,428) | (15,868,473,916) |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Off balance sheet items** | | | | | | |
| Guarantees | 17.2 | - | - | - | **55,632,230** | **55,632,230** |
| Letter of credit | 17.2 | - | - | - | **38,894,542** | **38,894,542** |
| Capital Expenditures | 17.2 | - | - | - | **200,000,000** | **200,000,000** |
| Cheques issued in favor of Nazir of high court in relation to SSGC case | 17.2 | - | - | - | **7,732,192** | **7,732,192** |

| | | 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Mark-up / profit bearing | | | | |
| | Note | Less than one year | One year to Five years | Over five years | Non mark-up / profit bearing | Total |
| Financial assets | | ----------Rupees---------- | | | | |
| Amortised cost | | | | | | |
| Long-term deposits | | - | - | - | 19,708,550 | 19,708,550 |
| Long-term investments | 21 | - | - | - | 55,582,707 | 55,582,707 |
| Trade debts - considered goods | 24 | - | - | - | 2,334,768,358 | 2,334,768,358 |
| Loans | 25 | - | - | - | 25,773,562 | 25,773,562 |
| Deposits | 26 | - | - | - | 1,983,715 | 1,983,715 |
| Short-term investment | 27 | 1,200,000 | - | - | - | 1,200,000 |
| Due from related parties | 29 | 50,326,380 | - | - | - | 50,326,380 |
| Cash and bank balances | 31 | 79,734,447 | - | - | 277,684,249 | 357,418,696 |
| | | 131,260,827 | - | - | 2,715,501,141 | 2,846,761,968 |
| Fair value through profit or loss | | | | | | |
| Short-term investment | 27 | - | - | - | - | - |
| Fair value through other comprehensive income | | | | | | |
| Long-term investments | 21 | - | - | - | - | - |
| Financial liabilities | | | | | | |
| At amortized cost | | | | | | |
| Long term finances - secured | 9 | 359,121,960 | 1,475,635,466 | - | - | 1,834,757,426 |
| Due to related party | 14 | - | - | - | 6,563,777 | 6,563,777 |
| Trade and other payables | 12 | - | - | - | 2,355,722,608 | 2,355,722,608 |
| Accrued mark-up | 13 | - | - | - | 560,017,210 | 560,017,210 |
| Short term borrowings | 15 | 11,123,990,753 | - | - | - | 11,123,990,753 |
| Unpaid dividend | 16 | - | - | - | 28,495,996 | 28,495,996 |
| Lease liabilities | 10 | 38,071,886 | 137,802,694 | 34,450,674 | - | 210,325,254 |
| | | 11,521,184,599 | 1,613,438,160 | 34,450,674 | 2,950,799,591 | 16,119,873,024 |
| On balance sheet gap | | (11,389,923,772) | (1,613,438,160) | (34,450,674) | (235,298,450) | (13,273,111,056) |
| Off balance sheet items | | | | | | |
| Guarantees | 17.2 | - | - | - | 46,167,500 | 46,167,500 |
| Letter of credit | 17.2 | - | - | - | 225,808,899 | 225,808,899 |
| Capital Expenditures | 17.2 | - | - | - | 172,000,000 | 172,000,000 |
| Guarantees | | | | | | |
| Cheques issued in favor of Nazir of high court in relation to SSGC case | 17.2 | - | - | - | 7,732,192 | 7,732,192 |

### 46.1.3 Interest/Mark-up rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company has long term and short term finance at variable rates. The Company is exposed to interest/mark-up rate risk on long and short term financing and these are covered by holding "Prepayment Option" and "Rollover Option". Interest rate risk on short term borrowings is covered by holding "Prepayment Option" which can be exercised upon any adverse movement in the underlying interest rates. The local and foreign currency loans carry mark up at the prevailing rate of SBP plus 1% to 2.5%, KIBOR plus 0.75% to 2% respectively. Applicable interest rates for financial assets and liabilities are given in respective notes.

(a) On balance sheet gap represents the net amounts of unconsolidated statement of financial position items.

(b) Effective rates of return/mark-up on financial liabilities are as follows:

| Financial liabilities | 2025 | 2024 |
|---|---|---|
| Long term finances - secured | SBP rate+ 1% to 2.5% & KIBOR + 1% to 1.5% | SBP rate+ 1% to 2.5% & KIBOR + 1% to 1.5% |
| Short term borrowings | SBP rate+ 1% to 2.5% & KIBOR + 1% to 2% | SBP rate+ 1% to 2.5% & KIBOR + 1% to 2% |

**Fair value sensitivity analysis for fixed rate instruments**

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

**Cash flow sensitivity analysis for variable rate instruments**

At June 30, 2025, if interest rates on long term financing had been 1% higher / lower with all other variables held constant, pre tax profit for the period would have been Rs. 14.72 million (June 2024: Rs. 18.35 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

At June 30, 2025, if interest rates on short term borrowings had been 1% higher / lower with all other variables held constant, pre tax profit for the period would have been Rs. 131.90 million (June 2024: Rs. 111.24 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

## 46.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual counter-party, therefore, the management does not consider that it has any concentration of credit risk at reporting date. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes allowance for ECLs against those balances considered doubtful of recovery. To mitigate the risk, the Company has a system of assigning credit limits to its customers based on evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposit, bank guarantees and insurance guarantees.

The Company's maximum exposure to credit risk at the reporting date is as follows:

| | | 2025 | 2024 |
|---|---|---|---|
| **Financial assets** | **Note** | **----Rupees per USD----** | |
| Long-term investments | **21** | **55,682,707** | 55,582,707 |
| Long-term deposits | | **20,708,550** | 19,708,550 |
| Trade debts | **24** | **1,957,416,609** | 2,334,768,358 |
| Loans | **25** | **347,900** | 25,773,562 |
| Trade deposit | **26** | **2,204,326** | 1,983,715 |
| Short-term investment | **27** | **1,200,000** | 1,200,000 |
| Due from related parties | **29** | **38,421,807** | 50,326,380 |
| Bank balances | **31** | **42,626,229** | 353,191,599 |
| | | **2,418,608,128** | 2,842,534,871 |

The ageing of trade debts and related movement of ECL has been disclosed in note 24.3 of these unconsolidated financial statements.

**Bank balances**

The Company limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counter-parties that have stable credit rating. Given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

The bank balances along with the credit ratings are tabulated below:

| | Agency name | 2025 | |
|---|---|---|---|
| | | Short term | Long term |
| MCB Bank Limited | PACRA | A1+ | AAA |
| Meezan Bank Limited | JCR VIS | A1+ | AAA |
| National Bank of Pakistan | PACRA | A1+ | AAA |
| Standard Chartered Bank Limited | PACRA | A1+ | AAA |
| United Bank Limited | JCR VIS | A1+ | AAA |
| Allied Bank Limited | PACRA | A1+ | AAA |
| Askari Bank Limited | PACRA | A1+ | AAA |
| Bank Alfalah Limited | PACRA | A1+ | AAA |
| Faysal Bank Limited | PACRA | A1+ | AA |
| Habib Bank Limited | PACRA | A1+ | AAA |
| Habib Metropolitan Bank Limited | PACRA | A1+ | AA+ |
| Soneri Bank Limited | PACRA | A1+ | AA- |
| Bank Al Habib Limited | PACRA | A1+ | AAA |
| JS Bank | PACRA | A1+ | AA |
| MCB Islamic Bank | PACRA | A1 | A+ |
| Bank of Punjab | PACRA | A1+ | AA+ |

**46.3 Liquidity risk**

The Company finances its operations through equity and borrowings with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular continued credit lines.

As on reporting date, the Company had cash and bank balances and term deposit amounting to Rs. 212.66 million & Rs. 1.2 million respectively (June 2024: Rs. 357.42 million & Rs. 1.2 million), and unutilized credit lines of Rs. 832.34 million (June 2024: 1,296.01 million).

## 47 FAIR VALUE HIERARCHY

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing par ties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the:

a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (e.g.. significant increases / decreases in activity)

- changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market)

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

The following table represents the Company's assets that are measured at fair value as at June 30, 2025 and June 30, 2024:

| | 2025 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| | Rupees | | | |
| ***Non-financial assets*** | | | | |
| Property, plant and equipment | - | - | **13,040,051,366** | **13,040,051,366** |
| ***Financial assets*** | | | | |
| Financial assets held at fair value through profit or loss | - | - | - | - |
| Financial assets held at fair value through other comprehensive income | - | - | - | - |
| | 2024 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| | Rupees | | | |
| *Non-financial assets* | | | | |
| Property, plant and equipment | - | - | 12,902,928,790 | 12,902,928,790 |
| *Financial assets* | | | | |
| Financial assets held at fair value through profit or loss | - | - | - | - |
| Financial assets held at fair value through other comprehensive income | - | - | - | - |

Certain categories of operating fixed assets (land, buildings, plant and machinery and generators include revaluation surplus) (level 3 measurement) determined by an independent professional valuer based on their assessment of the market values as disclosed in note 8 to these unconsolidated financial statements. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated financial statements.

## 48 CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring its debt levels and liquid assets and keeping in view future investments requirements and expectations of the shareholders. Debt is calculated as total borrowings (short term borrowings, long term finances and current portion of long term finances as shown in the balance sheet). Capital signifies equity as reported in statement of financial position and includes share capital, share premium and unappropriated profits.

The Company's strategy is to maintain leveraged gearing. The gearing ratios as at June 30, 2024 and June 30, 2024 were as follows:

| | Note | **2025** | 2024 |
|---|---|---|---|
| | | **----Rupees per USD----** | |
| Total borrowings | | 14,802,788,852 | 12,958,748,179 |
| Less: Cash and bank | | (353,441,973) | (357,418,696) |
| Net debt | | 14,449,346,879 | 12,601,329,483 |
| Total equity | | 10,402,909,450 | 9,987,621,860 |
| Total equity and debt | | 24,852,256,329 | 22,588,951,343 |
| Gearing ratio (%) | | 58% | 56% |

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

## 49 DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHAHRIA NON-PERMISSBLE BUSINESS ACTIVITIES

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

| | Note | 2025 | 2024 |
|---|---|---|---|
| **Financing as per Islamic Mode** | | ----Rupees per USD---- | |
| Long term financing (Including current portion) | 9 | 551,116,548 | 666,432,649 |
| Short-term borrowings | 15 | 4,979,592,931 | 3,031,639,347 |
| **Interest accrued on conventional loans** | | | |
| Finance Cost | 13 | 145,153,380 | 163,543,296 |
| **Shariah compliant bank balances** | | | |
| Bank Balances | | 34,986,096 | 178,457,101 |
| **Profit paid on Islamic mode of financing** | | | |
| Long term financing | | 12,419,965 | 15,744,484 |
| Short-term borrowings | | 343,281,215 | 374,979,510 |

**Relationship with Shariah-compliant financial institutions**

| Name | Relationship |
|---|---|
| Dubai Islamic Bank Pakistan Limited | Funded Facility & Bank Balance |
| Faysal Bank Limited | Funded Facility & Bank Balance |
| Meezan Bank Limited | Funded Facility & Bank Balance |
| Standard Chartered Pakistan | Funded Facility & Bank Balance |
| Bank Islami Limited | Funded Facility & Bank Balance |

## 50 CORRESPONDING FIGURES

Corresponding figures have also been rearranged and/or reclassified, wherever necessary, for better presentation. However, there has been no material reclassification in these unconsolidated financial statements.

## 51 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements have been approved by the Board of Directors of the Company and authorized for issue on September 12, 2025.

## 52 GENERAL

Figures have been rounded off to the nearest Rupee.

| Khalid Sarfaraz Ghori<br>Chief Executive Officer | M. Aamir Farooqui<br>Chief Financial Officer | Faizan Ali Ghori<br>Director |
|---|---|---|

GrantThornton

BAS/C145/25/0909

September 09, 2025

**The Board of Directors**
Matco Foods Limited
B-01/A, S.I.T.E, Phase 1
Super Highway Industrial Area
Karachi

**Grant Thornton Anjum Rahman**
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

Respected Board Members

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

We are pleased to enclose five copies of the draft consolidated financial statements of **Matco Foods Limited** (the Group) as at and for the year ended June 30, 2025, prepared by the management, together with our draft audit report thereon. The consolidated financial statements have been initialed by us for the purpose of identification only. We shall be pleased to sign our report in present form or with modifications after the board of directors (the board) has considered the matters raised in this letter and after, we have received:

i. the enclosed draft consolidated financial statements have been considered and approved by the board and signed by the chief executive officer, chief financial officer and a director authorized by the board in this regard;

ii. the audited financial statements of JKT General Trading FZE, Falak Foods (Private) Limited and Barentz Pakistan (Private) Limited; and

iii. the we have received the management representation letter covering fairness of the consolidated financial statements and adequacy of disclosures duly signed by the chief executive officer and chief financial officer.

## 1 RESPONSIBILITIES OF THE AUDITORS AND THE MANAGEMENT IN RELATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

The rights and responsibilities of the independent auditors in a usual examination of the consolidated financial statements are explained in section 248 and 249 of the Companies Act, 2017 and International Standards on Auditing (ISAs). While the auditors are responsible for forming and expressing their opinion on the consolidated financial statements, the responsibility for their preparation is primarily that of the Group's management. The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies and safeguarding of the assets of the Group. The audit of the consolidated financial statements does not relieve the management of its responsibilities. Accordingly, our examination of the books of account and records should not be relied upon to disclose all the errors or irregularities, which are not material in relation to the consolidated financial statements.

## 2 SIGNIFICANT MATTERS FOR THE BOARD'S ATTENTION

We have also included in this letter our observations and comments on the Group's consolidated financial statements, underlying accounting records, controls and related matters, which we believe require your attention.

We emphasize that as auditors, we are not required to report on the adequacy and effectiveness of the internal control system. Therefore, our ensuing observations and comments are based on the matters that came to our notice during the course of our audit and are being submitted as part of our value-added service provided to you with our insight into certain important aspects of accounting, internal controls and related matters.

### 2.1 Key Audit Matters

In light of the requirement of Auditors (Reporting Obligations) Regulation, 2018 and International Standard on Auditing – 701 "Communicating Key Audit Matters in the Independent Auditor's Report" we are required to communicate in our audit report those matters that in our judgment were of most significant in the audit of the consolidated financial statements. To determine any matters as Key Audit Matter (KAM), the auditor considers areas of higher assessed risk of material misstatement or significant risks, significant auditor's judgment relating to areas of significant management judgment, and effect on the audit of significant events and transactions.

In view of the above, we have determined valuation of stock in trade matter as KAM and have included the same in our draft audit report:

## 3 OTHER MATTERS FOR THE BOARD'S INFORMATION

### 3.1 Related parties transactions

We have been informed by the management that there have been no transactions with related parties other than those that are disclosed in the consolidated financial statements.

### 3.2 Contingencies and commitments

We have been informed by the management that there are no contingencies and commitments other than those that are disclosed in the consolidated financial statements.

### 3.3 Frauds and errors

We have been informed by the management that no case of fraud and error has been brought to their knowledge which would have occurred during the year, and which could have a material effect on these consolidated financial statements.

Grant Thornton

### 3.4 Subsequent events

We have been informed that all the events subsequent to the date of the consolidated financial statements and for which accounting and reporting standards as applicable in Pakistan requires adjustment or disclosure, have been adjusted or disclosed.

We also take this opportunity to place on record our appreciation for the co-operation extended to us by the management of the Company during the course of our audit.

Yours truly

Grant Thornton Anjum Rahman

Encl.: as above

# MATCO FOODS LIMITED
# CONSOLIDATED STATEMENTS

# MATCO FOODS LIMITED
# CONSOLIDATED STATEMENT OF FINANCIAL POSITION
# AS AT JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **EQUITY AND LIABILITIES** | | | |
| **Share capital and reserves** | | | |
| Authorized share capital | 6.1 | **2,000,000,000** | 2,000,000,000 |
| Issued, subscribed and paid up share capital | 6.2 | **1,224,006,980** | 1,224,006,980 |
| Capital reserve | 7 | **680,467,220** | 680,467,220 |
| Exchange revaluation reserve | | **68,546,288** | 66,746,361 |
| Unappropriated profit | | **3,489,757,156** | 2,902,805,704 |
| Surplus on revaluation of property, plant and equipment - net of tax | 8 | **5,023,576,248** | 5,194,285,909 |
| **Total shareholders' equity** | | **10,486,353,892** | 10,068,312,174 |
| **Non-current liabilities** | | | |
| Long-term finances-secured | 9 | **1,117,426,558** | 1,475,635,466 |
| Lease liabilities | 10 | **298,193,413** | 172,253,368 |
| Deferred liabilities | 11 | **795,235,850** | 981,264,040 |
| **Total non-current liabilities** | | **2,210,855,821** | 2,629,152,874 |
| **Current liabilities** | | | |
| Trade and other payables | 12 | **2,918,498,773** | 2,335,199,297 |
| Advance from customers - secured | | **332,768,801** | 428,038,515 |
| Accrued mark-up | 13 | **268,460,997** | 560,017,210 |
| Due to related party | | - | - |
| Short-term borrowings-secured | 14 | **13,330,527,469** | 11,123,990,753 |
| Current portion of long term finances-secured | 9 | **354,834,825** | 359,121,960 |
| Current portion of lease liabilities | 10 | **84,940,254** | 38,071,886 |
| Unpaid dividend | 15 | **933,712** | 28,495,996 |
| **Total current liabilities** | | **17,290,964,831** | 14,872,935,617 |
| **Total liabilities** | | **19,501,820,652** | 17,502,088,491 |
| **Contingencies and commitments** | 16 | | |
| **Total equity and liabilities** | | **29,988,174,544** | 27,570,400,665 |

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

| Khalid Sarfaraz Ghori | M. Aamir Farooqui | Faizan Ali Ghori |
|---|---|---|
| Chief Executive Officer | Chief Financial Officer | Director |

# MATCO FOODS LIMITED
# CONSOLIDATED STATEMENT OF FINANCIAL POSITION
# AS AT JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 17 | **10,983,183,463** | 11,419,972,144 |
| Right-of-use assets | 18 | **380,601,893** | 239,635,175 |
| Intangible assets | 19 | **-** | - |
| Long-term deposits | | **20,708,550** | 19,708,550 |
| Long-term investments | 20 | **60,966,400** | 15,510,771 |
| **Total non-current assets** | | **11,445,460,306** | 11,694,826,640 |
| **Current assets** | | | |
| Stores, spares and loose tools | 21 | **325,001,757** | 277,847,378 |
| Stock in trade | 22 | **13,668,047,066** | 11,613,570,893 |
| Trade debts | 23 | **1,959,115,636** | 2,399,676,087 |
| Loans and advances | 24 | **1,756,068,798** | 1,009,946,411 |
| Trade deposits and short term prepayments | 25 | **32,790,205** | 29,269,473 |
| Short-term investment | 26 | **1,200,000** | 1,200,000 |
| Sales tax refundable | 27 | **25,000,000** | 25,000,000 |
| Due from related parties | 28 | **38,421,807** | 50,326,380 |
| Taxation and levies - net | 29 | **366,351,330** | 106,288,895 |
| Cash and bank balances | 30 | **370,717,639** | 362,448,508 |
| **Total current assets** | | **18,542,714,238** | 15,875,574,025 |
| **Total assets** | | **29,988,174,544** | 27,570,400,665 |

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

| Khalid Sarfaraz Ghori | M. Aamir Farooqui | Faizan Ali Ghori |
|---|---|---|
| Chief Executive Officer | Chief Financial Officer | Director |

# MATCO FOODS LIMITED
# CONSOLIDATED STATEMENT OF PROFIT OR LOSS
# FOR THE YEAR ENDED JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| Sales - net | 31 | **26,670,728,433** | 27,705,171,773 |
| Cost of sales | 33 | **(23,308,090,931)** | (24,524,645,802) |
| **GROSS PROFIT** | | **3,362,637,502** | 3,180,525,971 |
| Selling and distribution expenses | 34 | **(559,833,630)** | (603,352,830) |
| Administrative expenses | 35 | **(854,015,040)** | (708,750,049) |
| | | **(1,413,848,670)** | (1,312,102,879) |
| **Operating profit** | | **1,948,788,832** | 1,868,423,092 |
| Finance cost | 37 | **(1,854,993,235)** | (2,244,155,913) |
| Other income | 38 | **90,069,155** | 86,374,911 |
| Share of profit/(loss) from associated company | | **45,455,629** | 8,504,933 |
| Exchange gain - net | 39 | **289,168,393** | 190,389,508 |
| Provision for workers' welfare fund | 12.1 | **(9,803,803)** | - |
| Provision for workers' profit participation fund | 12.2 | **(24,509,506)** | - |
| **PROFIT/(LOSS) BEFORE LEVIES AND INCOME TAX** | | **484,175,465** | (90,463,469) |
| Levies - Final and Minimum Tax | 40 | **(196,270,343)** | (258,998,630) |
| Taxation | 40 | **126,946,393** | 64,847,527 |
| **PROFIT/(LOSS) FOR THE YEAR** | | **414,851,515** | (284,614,572) |
| **Attributal to:** | | | |
| Shareholders of Holding Company | | **414,851,515** | (284,614,572) |
| Non-controlling interest | | - | - |
| EARNINGS/(LOSS) PER SHARE - | | | |
| **BASIC AND DILUTED** | 45 | **3.39** | (2.33) |

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

| Khalid Sarfaraz Ghori<br>Chief Executive Officer | M. Aamir Farooqui<br>Chief Financial Officer | Faizan Ali Ghori<br>Director |
|---|---|---|

# MATCO FOODS LIMITED
# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
# FOR THE YEAR ENDED JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **PROFIT/(LOSS) FOR THE YEAR** | | **414,851,515** | (284,614,572) |
| **OTHER COMPREHENSIVE INCOME/(LOSS)** | | | |
| ***Items that may be reclassified subsequently to the unconsolidated statement of profit or loss*** | | | |
| - Exchange difference of translation of of foreign operations | | **1,799,927** | (10,574,520) |
| ***Items that will not to be reclassified subsequently to the unconsolidated statement of profit or loss*** | | | |
| - Remeasurement of defined benefits obligation | 11.2.5 | **1,390,276** | 17,947,901 |
| - Surplus on revaluation of fixed assets - net of deferred tax | | **-** | 2,804,381,253 |
| - Unrealized gain on revaluation of investment at fair value through OCI during the year | | **-** | 4,812,980 |
| Other comprehensive income | | **1,390,276** | 2,827,142,134 |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | | **418,041,718** | 2,531,953,042 |

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

| Khalid Sarfaraz Ghori | M. Aamir Farooqui | Faizan Ali Ghori |
|---|---|---|
| Chief Executive Officer | Chief Financial Officer | Director |

## MATCO FOODS LIMITED
## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED JUNE 30, 2025

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Profit/(loss) before levies and income tax | | 484,175,465 | (90,463,469) |
| **Adjustments for:** | | | |
| Depreciation | 17.1 | 747,946,182 | 473,977,387 |
| Depreciation on right of use assets | 18 | 59,005,008 | 42,715,540 |
| Exchange gain - net | | (278,386,233) | (186,336,842) |
| Provision for slow moving stock | | 3,886,895 | 898,075 |
| Share of (profit)/loss from associated company | | (45,455,629) | (8,504,933) |
| Finance cost | | 1,871,878,195 | 2,266,089,807 |
| Provision for staff gratuity | 11.2.7 | 45,500,349 | 95,436,914 |
| Gain on disposal of property, plant and equipment | | (35,861,143) | 14,282 |
| | | 2,368,513,624 | 2,684,290,230 |
| | | 2,852,689,089 | 2,593,826,761 |
| **Changes in working capital** | | | |
| **(Increase)/decrease in current assets** | | | |
| Stores, spares and loose tools | | (47,154,379) | (172,524,279) |
| Stock-in-trade | | (2,058,363,068) | (2,040,037,631) |
| Trade debts - considered good | | 729,728,844 | 106,557,776 |
| Loans and advances | | (746,179,149) | (495,095,419) |
| Trade deposits and prepayments | | (3,520,732) | (12,813,568) |
| Short-term investment | | - | 3,022,323 |
| Sales tax refundable | | - | 39,935,578 |
| Due from related parties | | 11,904,573 | 31,494,797 |
| | | (2,113,583,911) | (2,539,460,423) |
| **Increase/(decrease) in current liabilities** | | | |
| Trade and other payables | | 583,299,476 | 499,213,942 |
| Due to related party | | - | - |
| Advances from customers | | (95,269,714) | 133,882,354 |
| | | 488,029,762 | 633,096,296 |
| **Cash generated from operations** | | 1,227,134,940 | 687,462,634 |
| Finance cost paid | | (2,163,432,147) | (2,074,436,108) |
| Income taxes and levies paid | | (405,826,958) | (243,606,740) |
| Gratuity paid | | (153,643,190) | (21,728,011) |
| **Net cash used in operating activities** | | (1,495,767,355) | (1,652,308,225) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Fixed capital expenditure including capital work in progress | | (468,941,343) | (731,617,982) |
| Proceeds from disposal of property, plant and equipment | | 240,252,500 | 90,000 |
| Proceeds from sales of investment in shares | | - | 14,542,631 |
| Long-term deposits | | (1,000,000) | (2,231,580) |
| **Net cash used in investing activities** | | (229,688,843) | (719,216,931) |
| Balance carried forward | | (1,725,456,198) | (2,371,525,156) |

**MATCO FOODS LIMITED**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED JUNE 30, 2025**

| | Notes | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| Balance brought forward | | **(1,725,456,198)** | (2,371,525,156) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Long-term finances - net | | **(362,496,043)** | (245,108,021) |
| Lease liabilities paid during the year | | **(73,770,827)** | (37,251,120) |
| Dividend paid | | **(27,562,284)** | (51,990,630) |
| Short-term borrowings - net | | **2,206,536,716** | 2,707,308,880 |
| **Net cash generated from financing activities** | | **1,742,707,562** | 2,372,959,109 |
| **Net change in cash and cash equivalents during the year** | | **17,251,364** | 1,433,953 |
| Effect of exchange rate changes on value of foreign operations | | **1,799,927** | (10,574,520) |
| **Cash and cash equivalents as at the beginning of year** | | **362,448,508** | 375,641,741 |
| Effects of exchange rate changes on cash and cash equivalents | | **(10,782,160)** | (4,052,666) |
| **Cash and cash equivalents as at the end of year** | 30 | **370,717,639** | 362,448,508 |

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

| | | |
|---|---|---|
| Khalid Sarfaraz Ghori | M. Aamir Farooqui | Faizan Ali Ghori |
| Chief Executive Officer | Chief Financial Officer | Director |

# MATCO FOODS LIMITED
# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
# FOR THE YEAR ENDED JUNE 30, 2025

| | Issued, subscribed and paid up share capital | Capital reserve<br>Share premium | Exchange Revaluation Reserve | Unappropriated profit | Surplus on revaluation of property, plant and equipment -net of tax | Unrealized (loss) / gain on revaluation of investment at fair value to OCI | Equity attributable to the Holding Company's Shareholders | Total |
|---|---|---|---|---|---|---|---|---|
| | Rupees | | | | | | | |
| **Balance as at July 01, 2023** | 1,224,006,980 | 680,467,220 | 77,320,881 | 3,207,759,256 | 2,408,823,879 | (818,735) | 7,597,559,481 | 7,597,559,481 |
| **Total comprehensive income for the year** | | | | | | | | |
| Profit for the year | - | - | - | (284,614,572) | - | - | (284,614,572) | (284,614,572) |
| Other comprehensive income | - | - | (10,574,520) | 17,947,901 | 2,804,381,253 | 4,812,980 | 2,816,567,614 | 2,816,567,614 |
| Total comprehensive (loss)/income | - | - | (10,574,520) | (266,666,671) | 2,804,381,253 | 4,812,980 | 2,531,953,042 | 2,531,953,042 |
| Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax | - | - | - | 18,919,223 | (18,919,223) | - | - | - |
| Realized gain transferred to equity on disposal of shares | - | - | - | 3,994,245 | - | (3,994,245) | - | - |
| **Transactions with owners** | | | | | | | | |
| Dividend paid during the year | - | - | - | (61,200,349) | - | - | (61,200,349) | (61,200,349) |
| **Balance as on June 30, 2024** | 1,224,006,980 | 680,467,220 | 66,746,361 | 2,902,805,704 | 5,194,285,909 | - | 10,068,312,174 | 10,068,312,174 |
| **Balance as on July 01, 2024** | **1,224,006,980** | **680,467,220** | **66,746,361** | **2,902,805,704** | **5,194,285,909** | **-** | **10,068,312,174** | **10,068,312,174** |
| **Total comprehensive income for the year** | | | | | | | | |
| Profit for the year | **-** | **-** | **-** | **414,851,515** | **-** | **-** | **414,851,515** | **414,851,515** |
| Other comprehensive income | **-** | **-** | **1,799,927** | **1,390,276** | **-** | **-** | **3,190,203** | **3,190,203** |
| Total comprehensive income | **-** | **-** | **1,799,927** | **416,241,791** | **-** | **-** | **418,041,718** | **418,041,718** |
| Transferred from surplus on revaluation of fixed assets on account of incremental depreciation net of tax | **-** | **-** | **-** | **170,085,908** | **(170,085,908)** | **-** | **-** | **-** |
| Transferred from surplus on revaluation of property, plant and equipment on account of disposal net of tax | **-** | **-** | **-** | **623,753** | **(623,753)** | **-** | **-** | **-** |
| **Balance as on June 30, 2025** | **1,224,006,980** | **680,467,220** | **68,546,288** | **3,489,757,156** | **5,023,576,248** | **-** | **10,486,353,892** | **10,486,353,892** |

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

| | | |
|---|---|---|
| Khalid Sarfaraz Ghori<br>Chief Executive Officer | M. Aamir Farooqui<br>Chief Financial Officer | Faizan Ali Ghori<br>Director |

# MATCO FOODS LIMITED
# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
# FOR THE YEAR ENDED JUNE 30, 2025

**1 STATUS AND NATURE OF BUSINESS**

The 'Group' consists of:

**Holding Group**

- Matco Foods Limited (the Holding Company)

**Subsidiary Companies**

- KT General Trading FZE
- Falak Foods (Private) Limited
- Matco Corn Products (Private) Limited

**Associated Group**

- Barentz Pakistan (Private) Limited

The Group is engaged in the business of processing and export of rice, glucose, protein and flour, manufacturing, general trading, exports/imports and other related activities. Brief profile of the Holding Company and its subsidiaries is as under:

**a) Matco Foods Limited**

Matco Foods Limited, ('the Holding Company') was incorporated on April 14, 1990 in Karachi as a private limited company under the repealed Companies Ordinance, 1984 (Now: Companies Act, 2017). The Holding Company was listed on Pakistan Stock Exchange Limited on February 13, 2018. The principal activity of the Holding Company is to carry out the business of processing and export of rice, rice glucose, rice protein and pink salt, masala and kheer. The registered office of the Holding Company is situated at B-1/A, S.I.T.E.-II Phase 1, Super Highway Industrial Area, Karachi; whereas the factories of the Holding Company are situated at (i) Plot A-15 & 16, SITE-II, Super highway Karachi; (ii) A-21, SITE-II, Super highway Karachi; (iii) G-205, SITE-II, Super highway Karachi and (iv) 50 KM G.T Road, Sadhoke, Tehsil Kamonki, District Gujranwala.

The Group has 100% ownership in JKT General Trading FZE (subsidiary) a UAE based Company and 99.9% in Falak Foods (Private) Limited based in Pakistan.

The Company has 99.99% ownership in Matco Corn Products (Private) Limited (subsidiary) which was incorporated on May 07, 2025 with authorized and paid-up share capital of Rs. 1,500,000,000 and Rs. 100,000 respectively. The subsidiary is situated at Plot No. 8-C (3rd and 4th Floor), Shahbaz Lane No. 2, Phase VI, DHA, Karachi. The principal line of business of the company shall be to produce, store, and process corn and other agricultural products to create value-added products for Human Nutrition Ingredients (HNI), Animal Nutrition Ingredients (ANI), and general industrial purposes.

**b) JKT General Trading FZE**

JKT General Trading FZE, ('the establishment') is a free zone establishment with limited liability registered in Saif-Zone, Sharjah, United Arab Emirates (UAE) under general trading license no. 12689. The principal activity of the establishment is purchasing and selling of processed rice.

The registered office of the establishment is at PO Box 123347, Sharjah, UAE.

The subsidiary was established on October 8, 2013.

**c) Falak Foods (Private) Limited**

The Holding Company has 99.99% ownership in Falak Foods (Private) Limited previously known as Matco Marketing (Private) Limited (subsidiary) which was incorporated on June 16, 2016 with authorized and paid-up share capital of Rs. 10,000,000 and Rs. 7,500,000 respectively. The subsidiary is situated at B-1/A, S.I.T.E. Phase 1, Super Highway Industrial Area, Karachi. However, no business activity has been carried out by the subsidiary since its incorporation.

**d) Matco Corn Products (Private) Limited**

The Holding Company has 99.99% ownership in Matco Corn Products (Private) Limited (subsidiary) which was incorporated on May 07, 2025 with authorized and paid-up share capital of Rs. 1,500,000,000 and Rs. 100,000 respectively. The subsidiary is situated at Plot No. 8-C (3rd and 4th Floor), Shahbaz Lane No. 2, Phase VI, DHA, Karachi. The principal line of business of the company shall be to produce, store, and process corn and other agricultural products to create value-added products for Human Nutrition Ingredients (HNI), Animal Nutrition Ingredients (ANI), and general industrial purposes.

**e) Barentz Pakistan (Private) Limited**

The Barentz Pakistan (Private) Limited (a joint venture between Barentz International B.V and Matco Foods Limited with holding of 51% and 49% respectively) has been incorporated in Pakistan on June 28, 2019 with the approval of Securities & Exchange Commission of Pakistan and Competition Commission of Pakistan.

## 2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

During the year, the Board of Directors of Matco Foods Limited through circular resolution passed on May 23, 2025 has approved the segregation of its Corn Starch Division into a separate legal entity, Matco Corn Products (Private) Limited, a wholly owned subsidiary of the Holding Company. In this regard, the Company has filed a Scheme of Arrangement under the Companies Act, 2017 before the Honorable High Court of Sindh for approval.

During the year, the Company capitalized the 1.5MW solar plant at its corn starch facility located at Plot No. 53, Allama Iqbal Industrial City SEZ, Faisalabad, amounting to Rs. 120.86 million, by transferring it from Capital Work in Progress.

## 3 BASIS OF PREPARATION

### 3.1 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 Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan as notified under Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the required of IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed in preparation of these consolidated financial statements.

### 3.3 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except as stated otherwise in these consolidated financial statements.

### 3.4 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees which is the Company's functional currency and presentation currency.

### 3.5 Standard, Amendments and Interpretations to Approved Accounting Standards

**3.5.1** Standards, amendments and interpretations to the published standards that may be relevant to the Company and adopted in the current year

There were certain amendments to accounting and reporting standards which became effective for the Group for the current year. However, these are considered not to be relevant or to have any significant impact on the Group’s financial reporting and, therefore, have not been disclosed in these consolidated financial statements.

**3.5.2** Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Group

There are certain amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the Group's consolidated financial statements and operations and, therefore, have not been disclosed in these consolidated financial statements.

**3.5.3** Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

**3.5 Standard, Amendments and Interpretations to Approved Accounting Standards**

**3.5.1** Standards, amendments and interpretations to the published standards that may be relevant to the Company and adopted in the current year

There were certain amendments to accounting and reporting standards which became effective for the Group for the current year. However, these are considered not to be relevant or to have any significant impact on the Group's financial reporting and, therefore, have not been disclosed in these consolidated financial statements.

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Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

## 4 CRITICAL ASSUMPTIONS AND ESTIMATES

The preparation of these consolidated financial statements in conformity with approved financial reporting framework requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are 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.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

| | Note |
|---|---|
| (a) useful lives of property, plant and equipment | 5.1 |
| (b) useful lives of right-of-use assets | 5.2 |
| (c) impairment of financial assets | 5.5 |
| (d) staff retirement plan | 5.9 |
| (e) income taxes | 5.13 |
| (f) contingencies | 5.17 |
| (g) provisions | 5.22 |
| (h) impairment of non-financial asset | 5.24 |

## 5 MATERIAL ACCOUNTING POLICIES

The principal accounting policies have been applied on consistent basis. These policies have been adopted in the preparation of these consolidated financial statements are as follows:

### 5.1 Property, plant and equipment

Items of property, plant and equipment other than land, factory buildings, plant and machinery and generators are measured at cost less accumulated depreciation and impairment loss (if any).

Land, factory buildings, plant and machinery and generators are measured at the revalued amount less accumulated depreciation and impairment loss (if any).

**Revaluation model**

Any revaluation increase arising on the revaluation of land, factory buildings, plant and machinery and generators is recognised in statement of other comprehensive income and presented as a separate component of equity as “Surplus on revaluation of property, plant and equipment - net of tax”, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in consolidated statement of profit or loss, in which case the increase is credited to statement of profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation is charged to consolidated statement of profit or loss to the extent that it exceeds the balance, if any, held in the Surplus on revaluation of property, plant and equipment relating to a previous revaluation of that asset. The Surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit. Impairment losses if any are recorded on the basis as defined in note 5.23.

**Depreciation**

Depreciation is charged so as to write off the cost or revalued amount of assets (other than land and capital work in progress) over their estimated useful lives, using the diminishing balance method at rates specified in note 18.1 to the consolidated financial statements. Depreciation on addition is charged from the day an asset is available for use up to the day prior to its disposal.

Gains and losses on disposal of assets are taken to the consolidated statement of profit or loss, and related surplus on revaluation of property and plant is transferred directly to retained earnings / unappropriated profits.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The Group's estimate of residual value of property, plant and equipment as at June 30, 2024 did not require any adjustment.

**Capital work-in-progress**

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost also includes applicable borrowing cost. These are transferred to specific assets as and when assets are available for use.

### 5.2 Right-of-use assets and related liabilities

After the commencement date, the Group measures the right-of-use asset applying a cost model whereby the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability.

The right-of-use asset is depreciated on straight line basis in case of Go down and written down value method in case of vehicles, from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option in which case the right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset. The estimated useful lives of assets are determined on the same basis as that for owned assets. The right-of-use asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

### 5.3 Intangible assets

Intangible assets having definite useful life are stated at cost less accumulated amortization and impairment losses (if any). However, Intangible assets having indefinite life are stated at cost less impairment losses (if any). Impairment losses (if any) are recorded on the basis as defined in note 5.23.

Subsequent cost is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

Amortization is charged to the consolidated statement of profit or loss on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Amortization on additions to intangible assets are charged from the month in which an asset is acquired or capitalized while no amortization is charged in the month in which the asset is disposed of.

All intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Where the carrying amount of an asset exceeds its estimated recoverable amount it is written down immediately to its

recoverable amount. The carrying amount of other intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists than the assets recoverable amount is estimated. The recoverable amount is the greater of its value in use and fair value less cost to sell.

Useful lives of intangibles assets are reviewed at each reporting date and unadjusted if the impact on amortization is material.

**5.4 Investments**

**5.4.1 Investment in subsidiary, joint venture and associated companies**

Investment in subsidiary, joint venture and associated companies is initially recognized and carried 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 recognized 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 recognized in consolidated statement of profit or loss.

**5.4.2 Other investments**

All regular way purchases / sales of investment are recognized on the trade date, i.e., the date the Group commits to purchase / sell the investments. Regular way purchases or sales of investment require delivery of securities within the time frame generally established by regulation or convention in the market place.

**5.5 IFRS 9 - Financial Instruments - initial recognition and subsequent measurement**

**Initial recognition**

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortized cost as the case may be.

**Classification of financial assets**

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss (FVTPL)

- at fair value through other comprehensive income (FVTOCI), or

- at amortized cost.

The Group determines the classifications of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Group's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

**Classification of financial liabilities**

The Group classifies its financial liabilities in the following categories:

- at fair value through profit or loss (FVTPL), or

- at amortized cost

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instrument held for trading or derivatives) or the Group has opted to measure them at FVTPL.

**Subsequent measurement**

**i) Financial assets at FVTOCI**

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value being recognized in consolidated statement of other comprehensive income.

**ii) Financial assets and liabilities at amortized cost**

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

**iii) Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statement of profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in the consolidated statement of profit or loss in the period in which they arise.

Where the management has opted to recognize a financial liability at FVTPL, any changes associated with the Group's own credit risk will be recognised in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

**Impairment of financial assets**

The Group recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost and FVTOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determine to have low credit risk at the reporting date, in which case twelve months' ECL is recorded. The following were either determined to have low or there was no credit risk since initial recognition and at the reporting date:

- bank balances;

- due from related parties;

- deposits; and

- loan and advances

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve months ECLs are portion of ECL that result from default events that are possible within twelve months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash short falls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Group expects to receive).

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectation of recovering a financial asset in entirety or a portion thereof.

**Derecognition**

**i) Financial assets**

The Group derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to consolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to consolidated statement of profit or loss, but is transferred to consolidated statement of changes in equity.

**ii) Financial liabilities**

The Group derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit or loss account. The Group's financial liabilities include long term finances, trade and other payables, accrued mark-up and short term borrowing.

**5.6 Derivative financial instruments**

Derivative financial instruments are initially recognized at fair value on the dates on which the derivative contracts are entered into and are subsequently re-measured at fair value using appropriate valuation techniques. All derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative. Any change in the fair value of derivative instruments is taken to the consolidated statement of profit or loss.

**5.7 Stores, spares and loose tools**

These are valued at the cost less allowance for obsolete and slow moving items. Items in transit are valued at invoice value plus other charges incurred thereon, up to the reporting date.

**5.8 Stock-in-trade**

These are valued at lower of cost and net realizable value less impairment loss, if any. Raw material is valued at moving weighted average cost, packing material is valued at cost, work in process is valued at manufacturing cost and finished goods is valued at cost allocated on sales value of finish and by-product for each job completion or net realizable value (NRV) whichever is lower.

The Group reviews the carrying amount of stock-in-trade on an on-going basis and as appropriate, inventory is written down to its net realisable value or provision is made for obsolescence if there is any change in usage pattern and physical form of related inventory.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

**5.9 Staff retirement benefits - Defined benefit plan**

The Group operated an unapproved gratuity scheme for its employees completing the eligibility period of service as defined under the plan. The scheme provided for a graduated scale of benefits dependent on the length of service of an employee on the terminal date, subject to the completion of a minimum qualifying period of service. Gratuity was based on employees' last drawn gross salary.

Effective June 30, 2025, the Group froze its gratuity scheme, and no further benefits will accrue beyond this date. Obligations up to the freeze date, measured through actuarial valuation using the Projected Unit Credit Method, are recognized in the consolidated statement of financial position. Related service and interest costs have been charged to profit or loss, while remeasurement gains and losses are recorded in other comprehensive income

**5.10 Staff retirement benefits - Defined contribution plan**

From July 1, 2025, the Group will operate a defined contribution plan for permanent employees at 8.33% of basic salaray, with equal contributions by the Group and employees. The Group’s obligation is limited to its contributions, recognized as expense when employees render service. Unpaid contributions are recorded as liabilities, while prepaid amounts are recognized as assets where recoverable.

**5.11 Trade debts**

These are measured at original invoice amount less an estimate made for allowance for expected credit loss based on the probability of default at reporting period. Bad debts are written off when identified.

**5.12 Cash and cash equivalents**

Cash and cash equivalents are carried in the consolidated statement of financial position at cost. For the purpose of statement cash flows, cash and cash equivalents consist of cash in hand, balances with banks, highly liquid short-term investments that are convertible to known amounts of cash and are subject to insignificant risk of change in value.

**5.13 Taxation**

**Current**

The charge for current tax is based on taxable income at current rates of taxation after taking into account tax credits, rebates and exemptions available, if any, or in accordance with the final tax regime, where applicable, of the Income Tax Ordinance, 2001 (the Ordinance) or the minimum tax under section 113 of the Ordinance or Alternate Corporate Tax (ACT) under section 113C of the said Ordinance, whichever is higher. Further, levies are accounted for as an operating expense in accordance with the requirement of IFRIC - 21. Any excess over the amount designated as a levy is then recognized as current tax expense in accordance with IAS-12.

**Deferred**

Deferred tax is recognized using the consolidated statement of financial position liability method on all temporary differences between the carrying amount of the assets and liabilities and their tax bases. Deferred tax liabilities are recognized for all major taxable temporary differences.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the year when the asset is utilized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the reporting date.

**5.14 Borrowings and their costs**

All borrowings are recorded at the proceeds received net of transaction cost. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to consolidated statement of profit or loss in the period in which these are incurred.

**5.15 Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i. Lease liabilities**

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. The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU assets when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

**ii. Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**5.16 Trade and other payables**

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in future for goods and services.

**5.17 Contingencies**

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Group, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence/non-occurrence of the uncertain future event(s).

**5.18 IFRS 15 'Revenue from Contracts with Customers'**

The Group is in the business of the manufacture and sale of goods. Revenue from contracts with customers is recognised when control of the goods is transferred to the customer and thereby the performance obligations are satisfied, at amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

The Group has concluded that based on the contractual arrangement control of goods are transferred and performance obligations are satisfied at a point in time when the goods are dispatched to the customers.

In case of export the control is transferred when the goods are shipped to the destination and Bill of Lading has been prepared, thus completing the performance obligation. Whereas in case of local sales, control is transferred when the goods are dispatched to customers from the warehouse.

**5.19 Interest income**

Interest income is recognized on a time proportion basis that takes into account the effective yield.

**5.20 Foreign currency transaction & translation**

Transactions in foreign currencies are accounted for in Pak Rupee at the rate of exchange prevailing on the date of transaction. Monetary assets and monetary liabilities in foreign currencies as at the reporting date are expressed in Rupee at rates of exchange prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences are taken to the consolidated statement of profit or loss.

**5.21 Off-setting of financial assets and financial liabilities**

Financial assets and financial liabilities are off-set and the net amount is reported in the consolidated financial statements only when the Group has a legally enforceable right to off-set the recognized amounts and the Group intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

**5.22 Provisions**

A provision is recognized in the consolidated statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**5.23 Operating segments**

Operating segment are reported in manner consistent with the internal reporting provided to the Chief operating decision maker. The Chief Operating Decision maker; who is responsible for allocating resources and assessing performance of the operating segments. has been identified as the Board of Directors of the Holding Company that makes strategic decisions. Operating segments comprises of rice and allied products, corn starch products and falak foods products.

**5.24 Impairment of non-financial assets**

The carrying amount of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated and accordingly an impairment loss is recognized in the consolidated statement of profit or loss for the carrying amount of the asset that exceeds its recoverable amount.

**5.25 Related party transactions**

All related party transactions are carried out by the Group on arm's length basis.

**5.26 Earnings per share**

The Group presents basic and diluted earnings per share (EPS) for its shareholders. 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 year. 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, if any.

**5.27 Dividend**

Dividend distribution to the Group's shareholders is recognized as a liability in the Group's consolidated financial statements in the period in which such dividends are approved by the Board.

## 6 SHARE CAPITAL

### 6.1 Authorized share capital

| 2025 | 2024 | | 2025 | 2024 |
|---|---|---|---|---|
| **Number of shares** | | | **--------------Rupees-------------** | |
| | | Ordinary shares of Rs. 10 (2024: Rs. 10) | | |
| **200,000,000** | 200,000,000 | | **2,000,000,000** | 2,000,000,000 |

### 6.2 Issued, subscribed and paid up share capital

| 2025 | 2024 | | 2025 | 2024 |
|---|---|---|---|---|
| **Number of shares** | | | **--------------Rupees-------------** | |
| | | Ordinary shares of Rs. 10 each: | | |
| **50,340,213** | 50,340,213 | - fully paid in cash | **503,402,130** | 503,402,130 |
| **6,002,950** | 6,002,950 | - issued for consideration other than cash | **60,029,500** | 60,029,500 |
| **66,057,535** | 66,057,535 | - issued as fully paid bonus shares | | 660,575,350 |
| **122,400,698** | 122,400,698 | | **563,431,630** | 1,224,006,980 |

**6.3** On April 30, 2008 the Group entered into an agreement to takeover the running business of Matco Marketing Company (the "Firm"), a sole proprietorship firm against the issuance of shares. The firm's capital account as per the audit conducted by M/S Rafiq & Co, Chartered Accountant was Rs. 60 million, against which shares were issued to Mr. Tariq Ghori (Late) in lieu of this takeover in accordance with the regulation 8 of Companies (Issue of Capital) Rules, 1996.

| | 2025 | 2024 |
|---|---|---|
| **6.4 Shares held by the related parties of the Company** | **---Number of shares---** | |
| **Director and their spouse** | | |
| Mr. Jawed Ali Ghori | **24,020,821** | 24,020,821 |
| Mr. Khalid Sarfaraz Ghori | **24,031,271** | 24,031,271 |
| Mr. Faizan Ali Ghori | **1,199,450** | 1,179,450 |
| Ms. Naheed Jawed | **448,875** | 448,875 |
| Ms. Nuzhat Khalid Ghori | **448,875** | 448,875 |
| Mrs. Faryal Murtaza | **500** | 500 |
| Mr. Murtaza Mahfooz Talib (Spouse of Faryal Murtaza) | **336,821** | 336,821 |
| Mr. Safwan Ghori | **211,750** | 211,750 |
| Mr. Syed Kamran Rashid | **100** | 100 |
| Mr. Abdul Samad Khan | **500** | 500 |
| Ms. Umme Habibah | **2,500** | 2,500 |
| Mr. Muhammad Mohsin | **500** | 500 |
| **Substantial shareholder** | | |
| International Finance Corporation | **18,360,109** | 18,360,109 |
| Ms. Sadaf Tariq | **24,480,146** | 24,480,146 |

### 6.5 Reconciliation of number of shares outstanding is as under:

| | 2025 | 2024 |
|---|---|---|
| Shares at the beginning of the year | **122,400,698** | 122,400,698 |
| Shares issued during the year in cash | **-** | - |
| Bonus shares issued during the year | **-** | - |
| **Shares at the end of the year** | **122,400,698** | 122,400,698 |

**6.6** The Holding Company has issued 15% shares to International Finance Corporation (IFC) (registered with World Bank) under an agreement with the Holding Company. During the year 2012, the Company offered shares as fully paid right shares which were declined by the existing members and the directors issued those shares to the IFC. These shares have been issued at a price of Rs. 39.28 per share resulting in overall premium from IFC on issue of shares amounting to Rs. 341.311 million.

| | | | **2025** | 2024 |
|---|---|---|---|---|
| **7** | **CAPITAL RESERVE** | **Note** | **---Number of shares---** | |
| | Share premium | 7.1 & 7.2 | **680,467,220** | 680,467,220 |

**7.1** Premium received over and above face value of the shares issued to IFC amounting to Rs. 341 million out of which Rs. 22.9 million had been utilized under section 83 of the repealed Companies Ordinance, 1984 (now section 81 of the Companies Act, 2017) during the year ended June 30, 2014.

**7.2** Premium received over and above face value of the shares issued to general public through IPO amounting to Rs. 466.3 million out of which Rs. 45.9 million had been utilized under section 81 of the Companies Act, 2017 during the year ended June 30, 2019.

**8 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX**

This represents surplus arising on revaluation of land, buildings, plant and machinery and generators, net of deferred tax. The latest revaluation was carried by MYK Associates (Private) Limited on June 28, 2024.

| | **2025** | 2024 |
|---|---|---|
| | **------Rupees-------** | |
| Surplus on revaluation at the beginning of the year | **5,880,027,428** | 2,478,272,715 |
| Surplus on revaluation recognized during the year | **-** | 3,428,782,174 |
| Transferred to unappropriated profit in respect of disposal of property, plant and equipment | **(878,525)** | - |
| Transferred to unappropriated profit in respect of incremental depreciation charged during the year | **(239,557,617)** | (27,027,461) |
| Surplus on revaluation of operating fixed assets as at June 30 | **5,639,591,286** | 5,880,027,428 |
| Less: related deferred tax liability: | | |
| - at beginning of the year | **(685,741,518)** | (69,448,835) |
| - on surplus arising on revaluation during the year | **-** | (624,400,921) |
| - on disposed off during the year | **254,772** | - |
| - on incremental depreciation charged during the year | **69,471,709** | 8,108,238 |
| | **5,023,576,249** | 5,194,285,910 |

**8.1 Restriction on distribution**

The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

| | | | **2025** | 2024 |
|---|---|---|---|---|
| **9** | **LONG TERM FINANCES - SECURED** | **Note** | **------Rupees-------** | |
| | From banking companies and financial institution: | | | |
| | LTFF/ILTFF | 9.1 | **109,373,801** | 168,564,430 |
| | TERF/ITERF | 9.2 | **784,964,126** | 910,985,999 |
| | FFSAP | 9.3 | **145,603,387** | 187,651,714 |
| | Demand Finance | 9.4 | **432,320,069** | 567,555,283 |
| | | | **1,472,261,383** | 1,834,757,426 |
| | Current portion of long term finances - secured | | **(354,834,825)** | (359,121,960) |
| | | | **1,117,426,558** | 1,475,635,466 |

**9.1** The Group has obtained Long Term Financing/Islamic Long Term Financing Facility (LTFF/ILTFF) under SBP Schemes from various commercial banks. The effective rates of mark-up on these facilities vary from SBP rate+ 1% to 2.5% per annum (June 2024: SBP rate+ 1% to 2.5% per annum).

**9.2** The Group has obtained Temporary Economic/Islamic Temporary Economic Refinance Facility (TERF/ITERF) under SBP Schemes from various commercial banks and Islamic banks. The effective rates of mark-up on these facilities vary from SBP rate+ 1.50% to 2% per annum (June 2024: SBP+ 1.5% to 2% per annum).

**9.3** The Group has obtained Financing Facility for Storage of Agricultural Produce (FFSAP) under SBP Scheme from various financial institutions. The effective rates of mark-up on these facilities vary from SBP rate + 1.25% to 2.00% per annum (June 2024: SBP rate + 1.25% to 2.00% per annum).

**9.4** The Group has obtained Demand Finance Facility (DF) from various commercial banks. The effective rates of mark-up on these facilities vary from KIBOR+ 1% to 2.25% per annum (June 2024: KIBOR+ 1% to 2.25% per annum).

**9.5** These facilities are secured by way of hypothecation charge of present/future fixed assets (land, building, plant & machinery) of the Group with 25% margin / 1st Exclusive charge over specific machinery assets.

**9.6** The maximum available amount from above mentioned facilities amounts to Rs. 915.09 million (June 2024: Rs. 552.59 million).

## 10 LEASE LIABILITIES

| | | 2025 | | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Note | Vehicle | Godown | Solar | Generator | Total | Vehicle | Godown | Generator | Total |
| | | ----------Rupees---------- | | | | | | | | |
| **Opening balance** | | **79,426,952** | **118,393,352** | **-** | **12,504,950** | **210,325,254** | 104,984,104 | 97,563,274 | 14,380,812 | 216,928,190 |
| Impact of adoption of IFRS-16 | | **-** | **-** | **-** | **-** | **-** | - | - | - | - |
| Reassessment of lease liability | | **-** | **32,134,740** | **-** | **-** | **32,134,740** | - | 30,648,184 | - | 30,648,184 |
| **At July 1** | | **79,426,952** | **150,528,092** | **-** | **12,504,950** | **242,459,994** | 104,984,104 | 128,211,458 | 14,380,812 | 247,576,374 |
| Additions for the period | | **97,544,500** | **-** | **116,900,000** | **-** | **214,444,500** | - | - | - | - |
| Disposal during the period | | **(1,524,545)** | **-** | **-** | **-** | **(1,524,545)** | - | - | - | - |
| Accrued interest during the period | | **22,264,593** | **16,884,960** | **11,811,075** | **1,861,420** | **52,822,048** | 21,648,470 | 21,933,894 | 3,156,179 | 46,738,543 |
| | | **197,711,500** | **167,413,052** | **128,711,075** | **14,366,370** | **508,201,997** | 126,632,574 | 150,145,352 | 17,536,991 | 294,314,917 |
| Payment made during the period | | **(67,920,415)** | **(34,920,000)** | **(17,724,594)** | **(4,503,321)** | **(125,068,330)** | (47,205,622) | (31,752,000) | (5,032,041) | (83,989,663) |
| | | **129,791,085** | **132,493,052** | **110,986,481** | **9,863,049** | **383,133,667** | 79,426,952 | 118,393,352 | 12,504,950 | 210,325,254 |
| Current portion of lease liabilities | | **41,665,930** | **19,703,320** | **20,588,409** | **2,982,595** | **84,940,254** | 25,984,229 | 9,716,913 | 3,270,744 | 38,971,886 |
| Non-current | | **88,125,155** | **112,789,732** | **90,398,072** | **6,880,454** | **298,193,413** | 53,442,723 | 108,676,439 | 10,134,206 | 172,253,368 |

### 10.1 Maturity analysis of lease liabilities

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Upto one year | **41,665,930** | **19,703,320** | **20,588,409** | **2,982,595** | **84,940,254** | 25,984,229 | 9,716,913 | 2,370,744 | 38,071,886 |
| After one year | **88,125,155** | **112,789,732** | **90,398,072** | **6,880,454** | **298,193,413** | 53,442,723 | 108,676,439 | 10,134,206 | 172,253,368 |
| **Lease liabilities** | **129,791,085** | **132,493,052** | **110,986,481** | **9,863,049** | **383,133,667** | 79,426,952 | 118,393,352 | 12,504,950 | 210,325,254 |

### 10.2 Sale and Leaseback Transactions

It reflects the sale and leaseback liabilities included in the above lease liabilities and discloses the impact on financial statements due to the said transactions:

#### 10.2.1 Reason for sale and leaseback transactions

During the period, the Group initiated a sale and leaseback transaction to enhance its liquidity and optimize cash flow. The transaction involved the disposal of vehicles, for which liabilities had been fully settled but remained in the Company's possession, and the solar project installed in the Corn Starch division.

#### 10.2.2 Key terms and conditions

The leaseback arrangement is structured under Diminishing Musharaka and Modaraba agreements, with a liability repayment period of 5 years. The financing facility for vehicles and solar, obtained from the bank, amounts to Rs. 312 million, subject to a profit rate of 3-month KIBOR + 1.5%.

### 10.2.3 Disclosure of transaction and effects on financial statements

During the period, the Group entered into a sale and leaseback transaction, whereby certain assets were sold and subsequently leased back. The transaction has been accounted for in accordance with IFRS 16 - Leases, after determining that the transfer of assets meets the definition of a sale under IFRS 15 - Revenue from Contracts with Customers.

As a result of the transaction, the Group has recognized a Right-of-Use (ROU) asset at an amount equal to the proportionate carrying value of the asset sold, adjusted for any prepaid or accrued lease payments. A gain or loss on sale has been recognized in profit or loss, reflecting only the portion of the asset's carrying amount transferred to the buyer-lessor. The remaining gain related to the retained interest in the leased asset has been deferred and will be recognized over the lease term.

The value of transaction which is included in the sale and leaseback transactions:

| | Carrying Value | Sale Proceed | Gain/(Loss) | Lease Liability |
|---|---|---|---|---|
| Vehicles | 65,313,850 | 97,544,500 | 13,377,976 | 97,544,500 |
| Solar | 120,856,770 | 116,865,000 | 13,852,640 | 116,865,000 |

## 11 DEFERRED LIABILITIES

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Deferred tax liability | 11.1 | 609,246,445 | 685,741,518 |
| Staff gratuity scheme - unfunded | 11.2 | 184,044,082 | 295,075,963 |
| Employees' end of services benefit | 11.3 | 1,945,323 | 446,559 |
| | | 795,235,850 | 981,264,040 |

**11.1** This represent deferred tax liability on surplus on revaluation of property, plant and equipment net of deferred tax asset on tax losses of the subsidiary amounting to Rs. 7.023 million. Further, the Group has deferred tax asset amounting to Rs. 90.19 million (June 2024: Rs. 22.26 million), however, the Group has not recorded this deferred tax asset in consolidated financial statements.

### 11.2 Staff gratuity scheme - unfunded

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Balance at beginning of the year | | **295,075,963** | 239,314,961 |
| Charge for the year | 11.2.7 | **44,001,585** | 95,436,914 |
| Actuarial gains | | **(1,390,276)** | (17,947,901) |
| Payments made during the year | | **(153,643,190)** | (21,728,011) |
| Balance at end of the year | 11.2.3 | **184,044,082** | 295,075,963 |

### 11.2.1 Staff retirement benefits - unfunded

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 consolidated financial statements to cover obligations in accordance with the actuarial recommendations. Details of significant assumptions used for the valuation in respect of above-mentioned schemes are as follows:

| | 2025 | 2024 |
|---|---|---|
| Discount rate - per annum | **11.75%** | 14.75% |
| Expected rate of increase in salaries - per annum | **0.00%** | 12.75% |
| Mortality rate | **SLIC (2001-05)** | SLIC (2001-05) |

### 11.2.2 The amounts recognized in the consolidated statement of financial position are as follows:

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Present value of defined benefit obligation | 11.2.3 | **184,044,082** | 295,075,963 |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| **11.2.3** | **Movements in the net liability recognized in the consolidated statement of financial position are as follows:** | | | |
| | Opening liability | | **295,075,963** | 239,314,961 |
| | Charge for the year | 11.2.4 | **44,001,585** | 95,436,914 |
| | Actuarial gains | | **(1,390,276)** | (17,947,901) |
| | Benefits paid | | **(153,643,190)** | (21,728,011) |
| | Balance at end of the year | | **184,044,082** | 295,075,963 |
| **11.2.4** | **The amounts recognized in the consolidated statement of profit or loss against defined benefit scheme are as follows:** | | | |
| | Current service cost | | **11,809,066** | 58,313,634 |
| | Interest cost | | **32,192,519** | 37,123,280 |
| | Charge for the year | | **44,001,585** | 95,436,914 |
| **11.2.5** | **The amounts recognized in the other comprehensive income against defined benefit scheme are as follows:** | | | |
| | Actuarial loss arising from | | | |
| | - changes in demographic assumptions | | **1,728,115** | - |
| | - changes in financial assumptions | | **(1,205,390)** | 12,469,056 |
| | - experience adjustment | | **(1,913,001)** | (30,416,957) |
| | | | **(1,390,276)** | (17,947,901) |
| **11.2.6** | **Expense chargeable to consolidated statement of profit or loss for the next year** | | | |
| | Current service cost | | **-** | 11,809,066 |
| | Interest cost | | **21,625,180** | 32,192,519 |
| | Charge for the year | | **21,625,180** | 44,001,585 |
| **11.2.7** | **The expense for the staff retirement benefit scheme has been allocated as follows:** | | | |
| | Cost of sales | 33.4 | **29,930,428** | 62,135,490 |
| | Selling and distribution | 34.1 | **2,312,665** | 5,942,467 |
| | Administrative expenses | 35t.1 | **11,758,492** | 27,358,957 |
| | | | **44,001,585** | 95,436,914 |

**11.2.8 Sensitivity analysis of actuarial assumptions**

The sensitivity analysis is prepared using same computation model and assumptions as used to determine defined benefit obligation based on Projected Credit Unit Method. There is no change from prior year in respect of methods and assumptions used to prepare sensitivity analysis. The impact of 1% change in following variables on defined benefit obligation is as follows:

| | **Increase in assumptions** | Decrease in assumptions |
|---|---|---|
| | ------Rupees------- | |
| Discount rate | **175,113,781** | 193,434,082 |
| Expected salary increase | **193,429,805** | 175,111,630 |

**11.2.9 Risks on account of defined benefit scheme**

The Group faces the following risks on account of defined benefit scheme:

**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 also increase proportionately.

**Discount rate fluctuation**

The defined benefit liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase defined benefit liabilities.

| | | | |
|---|---|---|---|
| **11.2.10 Maturity profile** | | **2025** | 2024 |
| Average duration of liability | | **05 Years** | 09 Years |
| **11.3 Employees' end of service benefit** | **Note** | **------Rupees-------** | |
| Opening liability | | **446,559** | 459,140 |
| Charge for the year | | **1,498,764** | (12,581) |
| Payment during the year | | **-** | - |
| Closing liability | | **1,945,323** | 446,559 |

| | | | |
|---|---|---|---|
| | | **2025** | 2024 |
| **12 TRADE AND OTHER PAYABLES** | **Note** | **------Rupees-------** | |
| Creditors | | **2,690,469,325** | 2,187,785,686 |
| Accrued liabilities | | **154,239,118** | 127,140,575 |
| Tax deducted at source and payable to statutory authorities | | **5,677,971** | 7,800,016 |
| Sales tax payable to statutory authorities | | **33,799,050** | 12,473,020 |
| Workers' welfare fund | 12.1 | **9,803,803** | - |
| Workers' profit participation fund | 12.2 | **24,509,506** | - |
| | | **2,918,498,773** | 2,335,199,297 |

| | | |
|---|---|---|
| **12.1 Worker's welfare fund** | | |
| Opening balance | **-** | 15,276,100 |
| Allocation for the period/year | **9,803,803** | - |
| Reversal of WWF | **-** | (14,737,054) |
| Amount paid | **-** | (539,046) |
| Closing balance | **9,803,803** | - |

| | | |
|---|---|---|
| **12.2 Worker's profit participation fund** | | |
| Opening balance | **-** | 38,190,251 |
| Allocation for the period/year | **24,509,506** | - |
| Amount paid | **-** | (38,190,251) |
| Closing balance | **24,509,506** | - |

| | | |
|---|---|---|
| **13 ACCRUED MARK-UP** | | |
| Mark-up on long term finances | **33,956,031** | 39,369,552 |
| Mark-up on short term borrowings | **234,504,966** | 520,647,658 |
| | **268,460,997** | 560,017,210 |

| 14 | SHORT-TERM BORROWINGS | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| | **SECURED** | | | |
| | Export re-finance | 14.1 | **7,746,988,002** | 6,021,089,048 |
| | Own resource | 14.2 | **4,975,251,407** | 4,947,573,341 |
| | FE-25 Scheme | 14.3 | **456,205,842** | 81,041,424 |
| | Foreign bills purchased/negotiated | 14.4 | **152,082,218** | 74,286,940 |
| | | | **13,330,527,469** | 11,123,990,753 |

**14.1** The Group has short term running finance facility under Export Refinance Scheme of the State Bank of Pakistan from Commercial banks and Islamic banks. The effective rates of mark-up on these facilities at SBP rate plus 1% per annum (June 2024: SBP rate plus 1% per annum).

**14.2** The Group has short term running finance facility under own resource from Commercial banks and Islamic banks. The effective rates of mark-up on these facilities vary from 3-month/6-month KIBOR plus 0.75% to 2.5% per annum (June 2024: 3-month/6-month KIBOR plus 0.75% to 2.5% per annum).

**14.3** The Group has obtained short term running finance facility under FE-25 loan scheme of the State Bank of Pakistan from commercial banks during the year. The effective rates of mark-up on these facilities is 6.5% to 10.2% per annum (June 2024: 9% to 10% per annum).

**14.4** It carries mark-up that is to be negotiated on case to case basis (June 2024: negotiated on case to case basis). This facility is secured by ranking hypothecation charge over stocks and receivables duly insured in bank's favor covering all risks with premium payment receipt.

**14.5** The facilities available from various banks amount to Rs. 13,870 million (June 2024: Rs. 12,420 million). These facilities are secured by way of hypothecation charge of all present and future cash collateral/TDR, receivable, stocks & current assets. These facilities are registered by mortgage charge of land, building, plant and machinery and all present & future fixed assets.

**14.6** As at June 30, 2025, the unavailed facilities from above borrowings amounting to Rs. 832.34 million (June 2024: Rs. 1,296.01 million).

## 15 UNPAID DIVIDEND

This represents dividends (both interim and final) that remain unpaid to shareholders who have not provided their valid Central Depository System (CDS) account number and International Bank Account Number (IBAN). The Group has already communicated with such shareholders to obtain the required information.

## 16 CONTINGENCIES AND COMMITMENTS

### 16.1 Contingencies

**16.1.1** The Group has filed a civil suit No. 1061 of 2021, for declaration and permanent injunction against Sindh Industrial Trading Estates Limited (SITE). The SITE issued an impugned notice to the Group cancelling the Group's lease of plot H/162 SITE ("Subject Property) in alleged compliance of a Supreme Court order, declaring the plot in question to be an amenity plot. The Group has opposed such cancellation of its lease on the basis that the Master Plan of site shows the Subject Property to be an industrial plot. Furthermore, it is contended that the SITE has issued the impugned notice in defiance of the Group's proprietary rights in the land and such notice is illegal and in excess of their authority. The Group has a stay order in favor of the Group dated April 29, 2021 restraining the SITE from taking any coercive action in pursuance of the notice. The matter is fixed for hearing and the management of the Group believes that the matter will be decided in favor of the Group.

**16.1.2** The Group had filed the civil suit no. 1635 of 2009 for possession of land which was illegally dispossessed by the Syed Alay Sadaqain Naqvi (defendants) and to issue a permanent injunction to restrain the defendants from alienation or transferring the land. The Honorable Sindh High Court (SHC) passed an order on November 19, 2009, in which SHC has granted permanent injunction in above suit on October 17, 2018. The matter is fixed for hearing and the management of the Group believes that the matter will be decided in favor of the Group.

**16.1.3** Suit no. 2141 of 2015 has been filed against the Group for declaration, possession, damages, mesne profit and injunction before the Senior Civil Judge (west) at Karachi. The plaintiff claims to be the lawful owner of a piece of land measuring 10 acres ("Subject Land"), which also includes the land which is also subject matter of suit no. 1635 of 2009. The plaintiff has sought declaration as to the ownership and occupation of Subject Land. The Group has filed an application under Order 7 Rule 11 starting therein that the instant suit is barred by law as the plaintiff's earlier suits raising the same dispute were dismissed. On August 29, 2017, the learned Judge was pleased to allow the application of the Group and the plaintiff appeal was rejected accordingly. The Plaintiff aggrieved by the said order appealed the same matter before IVth Additional and District Judge (ADJ) bearing Appeal No. 311 of 2017 ("Appeal"). On September 12, 2018, the learned Appellate Court decided the Appeal in favor of the Plaintiff and against the Group, set aside the order dated August 29, 2017 and restored the above suit. Aggrieved by the order of ADJ in Appeal no. 311 of 2017 the Group filed appeal no 157 of 2018. The Group contended that the order passed by ADJ was bad in law as the law does not permit fresh proceedings on the same cause of action of which issue has already been adjudicated upon by the Courts and the suit 2141 of 2015 was rightly rejected by the trial court. The learned Judge after hearing the Group's submission and arguments was pleased to suspend the operation of the impugned Judgement (passed in Appeal no. 311 of 2017) via order dated December 17, 2018. The matter is fixed for hearing and the management of the Group believes that the matter will be decided in favor of the Group.

**16.1.4** The Group has filed suit no. 1378 of 2019 in SHC against Sui Southern Gas Group Limited. The case has been filed on the ground that the gas tariff/price has been increased by SSGC illegally. The case is pending before SHC and is fixed for hearing. Furthermore, the management of the Group in consultation of legal advisor is of the view that based on the merit of the case, the same will be decided in favor of the Group.

**16.1.5** The Group had filed suit no 1820 of 2020 in SHC against Sui Southern Gas Group Limited. The case has been filed on the ground that the gas tariff/price has been increased by SSGC illegally. Previously, SHC had directed the Group to pay their bills according to previous judgement by either bank guarantee or deposit cheque ready to encash to the satisfaction of the Nazir of the court and SSGC shall issue revised bills. However, SHC has concluded on February 18, 2023, that the price increase is not illegal and argument of increase in sale price does not have force. Consequent to said decision the Group has filed an appeal under SHC, The SHC via HCA No. 212 of 2023 stated, till the conclusion of the case, the Group shall deposit a cheque to the Nazir and the Nazir shall not encash the cheques, which according to the Group being the differential amount of the gas bill, which have been deposited. If the cheques expired, it will be replaced by a fresh one. Further SHC via HCA No. 220 of 2023 stated, the judgement passed on February 18, 2023 is suspended till the next date of hearing. Further the management of the Group in consultation of legal advisor is of the view that based on the merit of the case, the same will be decided in favor of the Group.

**16.1.6** The Group has filed a suit for declaration and permanent injunction against the Syed Alay Sadaqain Naqvi (defendants) for continuously interfering with the peaceful possession of the extended portion of 0.5 acres of land that was regularized in favor of the Group on February 07, 2020 by virtue of a registered deed of Addenda of lease. The Group has pleaded that the Group is the absolute and lawful owner in possession of an immovable property, name Plot. No. G-205 SITE Super Highway Phase II Karachi measuring 4.5 acres by virtue of lease deed dated November 10, 2008 executed by Sindh Industrial Trading Estate Limited. The Group intends to utilize the 0.5 acres of land that was regularized recently in favor of the Group however, the defendants is interfering with the possession of the property. The Group has asked the SHC to declare that the defendant is wrongfully and illegally claiming to be the owner of the property and requested SHC to stop interfering with the Group's peaceful possession on the extended portion measuring 0.5 acres. Based on the merit of case the management of the Group believes that the matter will be decided in favor of the Group.

**16.1.7** In prior years Government of Sindh imposed infrastructure cess @ 0.85% of import value on all imports into Pakistan. A large number of importers including the Group challenged the matter in the SHC. The SHC has issued an interim order allowing release of imported goods on 50% payment and 50% bank guarantee. This suit no. 2173 of 2013 was filed on June 10, 2013, the SHC has passed the judgement in the subject matter wherein SHC has declared the imposition of cess valid piece of Legislation. The Group along with other industries affected by the SHC order has challenged the judgement of SHC in Honorable Supreme Court of Pakistan (SCP) and in that appeal stay has been granted by Honorable Supreme Court of Pakistan (SCP) subject to furnishing bank guarantee of the disputed amount. The management is of the view that the Group is not likely to suffer any losses due to above suit.

**16.1.8** In 2011, Government of Pakistan (GoP) impose a levy on gas consumers in the industrial sector, known as The Gas Infrastructure Development Cess (GIDC). The amount collected was to be used for the construction of infrastructure projects.

In 2015, the Gas Infrastructure Development Cess Act, 2015 was introduced which re-imposed the GIDC. The affected industries again approached the SCP stating that the earlier tax money was not used for the construction of infrastructure projects. SCP granted stay order against payment of any GIDC levies.

In their judgement dated August 13, 2020, SCP dismissed all petitions against the GIDC levy and ruled in favor of the GoP which would collect the GIDC from different companies. The affected industries filed a review petition against the judgement of SCP which has also been dismissed by SCP vide its order dated November 03, 2020.

On October 15, 2020, the Group filed suit no. 1531 of 2020 in Honorable High Court of Sindh (SHC), with a plea that the Group did not pass on the GIDC burden to the end consumer, therefore in accordance with section 8 (2) of Gas Infrastructure Development Cess Act, 2015 (GIDC Act, 2015) the GIDC is not applicable on the Group, which is pending for decision, however, the SHC has issued sustaining order to Gas companies from taking any coercive action against the Group.

The Suit was filed before High Court of Sindh praying that the Supreme Court Judgment is not applicable to us as we have not recovered said amount from the customers. However, High Court has transferred all suit to district Court and alloted New no. 8848/2025 before Senior Civil Judge VIII East Karachi, same is pending.

The management of the Group in consultation of its legal advisor is of the view that since the Group has not passed on the burden to its consumer/clients, it is not liable to pay GIDC as they clearly falls within the ambit of the exception in line with section 8 (2) of GIDC Act, 2015. Furthermore, on prudent basis the Group has made a provision of Rs. 18 million.

**16.1.9** The Group has filed suit No. 730 of 2015 before SHC against the imposition of the Captive Power Plant rate instead of the Industrial Consumer rate. The Group contends that they do not fall into the category of Captive Power Plant, but rather an Industrial Consumer, so the rate charged by the SSGC i.e. Rs.200 per MMBTU, is not applicable in the case of the Group. The case has been decreed in favor of the Group vide order dated February 02, 2020. SSGC had challenged the Judgment before the Divisional bench of SHC. However, SHC has concluded that no intention to sell the surplus power can be discerned on the part of plaintiffs either at the time of contracting with SSGC or thereafter, and hence the inhouse power generation does not meet the test of captive power plant for the purpose of NEPRA regulations to attract tariff for captive power due to the foregoing reasons the suit is decreed in favor of the Group.

| | Note | **2025** | 2024 |
|---|---|---|---|
| **16.2 Commitments** | | **------Rupees-------** | |
| Letter of credit | | **38,894,542** | 225,808,899 |
| Letter of guarantees | | **55,632,230** | 46,167,500 |
| Capital Expenditures | | **200,000,000** | 172,000,000 |
| Cheques issued in favor of Nazir of high court | | | |
| in relation to SSGC case | 16.1.4 | **7,732,192** | 7,732,192 |
| | | **302,258,964** | 451,708,591 |

## 17.1 Operating fixed assets

| | June 30, 2025 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cost / Revaluation | | | | | | Depreciation | | | | | |
| Particulars | Cost at July 01, 2024 | Additions | Transfers in / (out) | Revaluation surplus | Disposals | Cost at June 30, 2025 | Accumulated depreciation at July 01, 2024 | Depreciation for the year | Depreciation on disposals | Accumulated depreciation at June 30, 2025 | Book value at June 30, 2025 | Rate per annum % |
| **Owned Assets** | | | | | | | | | | | | |
| Factory land | 3,969,100,001 | - | - | - | - | 3,969,100,001 | - | - | - | - | 3,969,100,001 | |
| Factory building | 3,278,283,954 | 28,017,353 | - | - | - | 3,306,301,307 | 894,608,765 | 240,553,219 | - | 1,135,161,984 | 2,171,139,323 | 10 |
| Plant and machinery | 5,468,608,562 | 112,452,560 | - | - | 3,427,338 | 5,577,633,784 | 1,366,885,262 | 414,190,500 | 813,825 | 1,780,261,937 | 3,797,371,847 | 10 |
| Electric cables and fitting | 274,335,842 | 11,077,338 | - | - | - | 285,413,180 | 62,774,202 | 21,693,328 | - | 84,467,530 | 200,945,650 | 10 |
| Furniture and fixture | 25,250,404 | 2,890,106 | - | - | - | 28,140,510 | 10,767,871 | 1,648,465 | - | 12,416,336 | 15,724,174 | 10 |
| Motor vehicles | 119,761,613 | 96,184,381 | - | - | 87,353,373 | 128,592,621 | 66,985,934 | 7,951,622 | 10,913,983 | 64,023,573 | 64,569,048 | 20 |
| Office equipment | 74,867,203 | 5,795,041 | - | - | - | 80,662,244 | 24,802,716 | 5,148,891 | - | 29,951,607 | 50,710,637 | 10 |
| Factory equipment | 405,155,636 | 48,174,979 | 120,856,770 | - | 122,306,794 | 451,880,591 | 92,569,341 | 34,306,954 | 42,202 | 126,834,093 | 325,046,498 | 10 |
| Computers | 44,377,894 | 1,653,400 | - | - | 324,900 | 45,706,394 | 29,272,803 | 5,240,960 | 262,860 | 34,250,903 | 11,455,491 | 33 |
| Camera | 11,365,719 | - | - | - | - | 11,365,719 | 6,492,984 | 1,608,003 | - | 8,100,987 | 3,264,732 | 33 |
| Godown & Shops | 33,036,051 | - | - | - | - | 33,036,051 | 19,200,284 | 1,383,577 | - | 20,583,861 | 12,452,190 | 10 |
| Sewing machine | 1,369,205 | - | - | - | - | 1,369,205 | 1,044,161 | 32,504 | - | 1,076,665 | 292,540 | 10 |
| Mobile phone | 10,287,573 | 2,154,450 | - | - | 781,670 | 11,660,353 | 5,892,216 | 1,895,032 | 552,947 | 7,234,301 | 4,426,052 | 33 |
| Generator | 186,936,274 | 80,000 | - | - | - | 187,016,274 | 64,244,676 | 12,293,127 | - | 76,537,803 | 110,478,471 | 10 |
| **Total** | 13,902,735,931 | 308,479,608 | 120,856,770 | - | 214,194,075 | 14,117,878,234 | 2,645,541,215 | 747,946,182 | 12,585,817 | 3,380,901,580 | 10,736,976,654 | |

Khalid Sarfaraz Ghori
Chief Executive Officer

M. Aamir Farooqui
Chief Financial Officer

Faizan Ali Ghori
Director

# MATCO FOODS LIMITED
# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
# FOR THE YEAR ENDED JUNE 30, 2024

| | June 30, 2024 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cost / Revaluation | | | | | Depreciation | | | | | | |
| Particulars | Cost at July 01, 2023 | Additions | Transfers in / (out) | Revaluation surplus | Disposals | Cost at June 30, 2024 | Accumulated depreciation at July 01, 2023 | Depreciation for the year | Depreciation on disposals | Accumulated depreciation at June 30, 2024 | Book value at June 30, 2024 | Rate per annum % |
| **Owned Assets** | | | | | | | | | | | | |
| Factory land | 2,693,424,451 | - | - | 1,275,675,550 | - | 3,969,100,001 | - | - | - | - | 3,969,100,001 | - |
| Factory building | 2,087,307,763 | 35,482,881 | 430,998,818 | 724,494,492 | - | 3,278,283,954 | 750,090,951 | 144,517,814 | - | 894,608,765 | 2,383,675,189 | 10 |
| Plant and machinery | 3,288,918,579 | 91,937,712 | 708,552,236 | 1,379,200,035 | - | 5,468,608,562 | 1,119,241,503 | 247,643,759 | - | 1,366,885,262 | 4,101,723,300 | 10 |
| Electric cables and fitting | 188,440,172 | 1,003,455 | 84,892,215 | - | - | 274,335,842 | 45,113,910 | 17,660,292 | - | 62,774,202 | 211,561,640 | 10 |
| Furniture and fixture | 20,576,120 | 2,927,709 | 1,746,575 | - | - | 25,250,404 | 9,456,196 | 1,311,675 | - | 10,767,871 | 14,482,533 | 10 |
| Motor vehicles | 93,554,738 | 26,206,875 | - | - | - | 119,761,613 | 57,836,111 | 9,149,823 | - | 66,985,934 | 52,775,679 | 20 |
| Office equipment | 56,141,172 | 16,014,330 | 2,711,701 | - | - | 74,867,203 | 20,680,306 | 4,122,410 | - | 24,802,716 | 50,064,487 | 10 |
| Factory equipment | 347,835,902 | 28,437,946 | 28,881,788 | - | - | 405,155,636 | 62,198,344 | 30,370,997 | - | 92,569,341 | 312,586,295 | 10 |
| Computers | 37,097,659 | 7,243,735 | 36,500 | - | - | 44,377,894 | 23,833,154 | 5,439,649 | - | 29,272,803 | 15,105,091 | 33 |
| Camera | 8,779,419 | 2,586,300 | - | - | - | 11,365,719 | 4,964,397 | 1,528,587 | - | 6,492,984 | 4,872,735 | 33 |
| Godown & Shops | 33,036,051 | - | - | - | - | 33,036,051 | 17,658,295 | 1,541,989 | - | 19,200,284 | 13,835,767 | 10 |
| Sewing machine | 1,369,205 | - | - | - | - | 1,369,205 | 1,007,935 | 36,226 | - | 1,044,161 | 325,044 | 10 |
| Mobile phone | 7,888,343 | 2,674,610 | - | - | 275,380 | 10,287,573 | 4,355,004 | 1,708,310 | 171,098 | 5,892,216 | 4,395,357 | 33 |
| Generator | 145,647,947 | - | 45,900 | 41,242,427 | - | 186,936,274 | 55,298,820 | 8,945,856 | - | 64,244,676 | 122,691,598 | 10 |
| **Total** | 9,010,017,521 | 214,515,553 | 1,257,865,733 | 3,420,612,504 | 275,380 | 13,902,735,931 | 2,171,734,926 | 473,977,387 | 171,098 | 2,645,541,215 | 11,257,194,716 | |

Khalid Sarfaraz Ghori
Chief Executive Officer

M. Aamir Farooqui
Chief Financial Officer

Faizan Ali Ghori
Director

**17.1.1** The depreciation charge for the year has been allocated as follows:

| | Note | **2025** | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Cost of sales | 33 | **598,356,946** | 379,143,770 |
| Selling and distribution expenses | 34 | **37,397,309** | 23,744,161 |
| Administrative expenses | 35 | **112,191,927** | 71,089,456 |
| | | **747,946,182** | 473,977,387 |

**17.1.2** Factory land includes a plot in which a law suit has been filed by the plaintiff who is claiming the possession and injunction of the property. The case is in process under the Honorable High Court Sindh Karachi (refer note 17.1.1, 17.1.2, 17.1.3 & 17.1.6).

**17.1.3** Operating fixed assets include assets that are subject to mortgage with various banks against long-term finances and short-term borrowings (refer note 09 and 15).

**17.1.4 Details of forced sale value of revalued property, plant and equipment**

| **Description of Assets** | **Forced sale value Rupees** |
|---|---|
| Land | 3,572,190,000 |
| Building | 1,954,957,500 |
| Plant and machinery | 3,075,264,027 |
| Generators | 110,246,588 |

The above forced sale value has been taken from revaluation report of MYK Associates (Private) Limited as on June 28, 2024.

**17.1.5** Item of property, plant and equipment having book value above Rs. 500,000 are as follows:

| | Cost / Revaluation | Accumulated depreciation | Net book amount | Sale proceeds | Gain / Loss | Mode of disposal | Particulars of buyer |
|---|---|---|---|---|---|---|---|
| | ........ | ........ | Rupees | ........ | ........ | | |
| *Factory Equipment* | | | | | | | |
| | 1,450,024 | (42,202) | 1,407,822 | 1,553,691 | 145,869 | Insurance Claim | EFU Insurance Co. Ltd |
| | 120,856,770 | - | 120,856,770 | 116,865,000 | 13,852,640 | Sale and Lease Back | First Habib Modarba |
| **Plant and Machinery** | | | | | | | |
| | 3,427,338 | (813,825) | 2,613,514 | 2,884,309 | 270,795 | Insurance Claim | EFU Insurance Co. Ltd |
| **Motor Vehicles** | | | | | | | |
| | 5,300,000 | (3,667,582) | 1,632,418 | 560,000 | 186,484 | Sale and Lease Back | First Habib Modarba |
| | 3,183,000 | (2,297,441) | 885,559 | 4,760,000 | (1,774,332) | Sale and Lease Back | First Habib Modarba |
| | 2,507,625 | (1,949,498) | 558,127 | 3,840,000 | (848,375) | Sale and Lease Back | First Habib Modarba |
| | 1,640,000 | (1,107,079) | 532,921 | 1,848,000 | (355,416) | Sale and Lease Back | First Habib Modarba |
| | 2,855,002 | (2,060,697) | 794,305 | 3,200,000 | (641,139) | Sale and Lease Back | First Habib Modarba |
| | 2,564,000 | (1,713,323) | 850,677 | 3,150,000 | (1,094,797) | Sale and Lease Back | First Habib Modarba |
| | 2,016,550 | (1,328,843) | 687,707 | 1,820,000 | (573,688) | Sale and Lease Back | First Habib Modarba |
| | 2,229,000 | (1,620,501) | 608,499 | 3,360,000 | (718,300) | Sale and Lease Back | First Habib Modarba |
| | 4,600,000 | (3,518,257) | 1,081,743 | 7,200,000 | (1,583,651) | Sale and Lease Back | First Habib Modarba |
| | 3,048,046 | (2,037,263) | 1,010,783 | 3,010,000 | (986,765) | Sale and Lease Back | First Habib Modarba |
| | 5,730,115 | (3,237,383) | 2,492,732 | 5,600,000 | (901,454) | Sale and Lease Back | First Habib Modarba |
| | 3,975,000 | (1,312,760) | 2,662,240 | 2,400,000 | (67,552) | Sale and Lease Back | First Habib Modarba |
| | 3,100,000 | (982,547) | 2,117,453 | 2,880,000 | (296,509) | Sale and Lease Back | First Habib Modarba |
| | 5,931,000 | (1,771,342) | 4,159,658 | 3,600,000 | (68,068) | Sale and Lease Back | First Habib Modarba |
| | 9,262,000 | (2,373,420) | 6,888,580 | 5,920,000 | (102,284) | Sale and Lease Back | First Habib Modarba |
| | 3,940,500 | (1,268,602) | 2,671,898 | 4,400,000 | (565,620) | Sale and Lease Back | First Habib Modarba |
| | 3,700,000 | (786,938) | 2,913,062 | 2,480,000 | (37,388) | Sale and Lease Back | First Habib Modarba |
| | 3,600,000 | (582,205) | 3,017,795 | 2,480,000 | (16,441) | Sale and Lease Back | First Habib Modarba |
| | 10,336,850 | (1,071,616) | 9,265,234 | 7,360,000 | 13,047 | Sale and Lease Back | First Habib Modarba |
| | 4,585,000 | (412,469) | 4,172,531 | 2,800,000 | 134,506 | Sale and Lease Back | First Habib Modarba |
| | 2,190,000 | (215,235) | 1,974,765 | 2,800,000 | (305,047) | Sale and Lease Back | First Habib Modarba |
| | 11,626,800 | (6,371) | 11,620,429 | 9,040,000 | 64,086 | Sale and Lease Back | First Habib Modarba |
| | 8,081,088 | (30,996) | 8,050,092 | 8,850,000 | 799,908 | Sale | Sohail Anwar Hashmi |
| | 2,964,566 | (11,371) | 2,953,195 | 6,350,000 | 3,396,805 | Sale | Hafeez Ali |

**17.1.6** Particulars of immovable property (i.e. land and building) in the name of Group are as follows:

| Locations | Total Area in Acres | Covered Area in Square Feet |
|---|---|---|
| Plot A-15 & 16, SITE-II, Super highway Karachi | 2.00 | 79,155 |
| A-21, SITE-II, Super highway, Karachi | 1.50 | 47,131 |
| G-205, SITE-II, Super highway, Karachi | 4.00 | 409,416 |
| 50 KM G.T Road, Sadhoke District, Gujranwala | 14.68 | 136,060 |

| | Total Area in Acres | Covered Area in Square Feet |
|---|---|---|
| B-1/A, SITE-II, Super highway, Karachi | 0.97 | 34,850 |
| Plot H-162, SITE-II, Super highway, Karachi | 2.00 | 81,340 |
| Plot F-193, SITE-II, Super highway, Karachi | 2.00 | 60,870 |
| 50 KM G.T Road, Sadhoke District, Gujranwala | 3.47 | 27,987 |
| Plot # 53, S.E.Z, Allama Iqbal Industrial City, Faisalabad | 20.00 | 373,128 |
| House # 87, Block K, Street # 24, Al Bairuni Road, WAPDA City, Faisalabad | 0.06 | 2,723 |
| Plot No. 8-C, 3rd and 4th Floor, Shahbaz Lane No., Phase VI, DHA, Karachi | 0.08 | 3,600 |

| | | **2025** | 2024 |
|---|---|---|---|
| **17.2** | **Capital work in progress - Tangibles** | ------Rupees------- | |
| | Land | **1,800,000** | 1,800,000 |
| | Factory Building | **34,783,028** | 24,117,453 |
| | Plant and machinery | **208,752,191** | 57,336,502 |
| | Electric cables and fitting | **10,500** | - |
| | Factory equipment | **861,090** | 79,523,473 |
| | | **246,206,809** | 162,777,428 |

**17.3** Movement in capital work in progress is as under:

| | Cost | | | |
|---|---|---|---|---|
| | As at July 01, 2024 | Additions during the period | Transferred to Property, plant and equipment | As at June 30, 2025 |
| | --------Rupees-------- | | | |
| Land | 1,800,000 | - | - | 1,800,000 |
| Factory Building | 24,117,453 | 10,665,575 | - | 34,783,028 |
| Plant and machinery | 57,336,502 | 151,415,689 | - | 208,752,191 |
| Electric cables and fitting | - | 10,500 | - | 10,500 |
| Furniture & Fixture | - | - | - | - |
| Motor Vehicles | - | - | - | - |
| Office equipment | - | - | - | - |
| Factory equipment | 79,523,473 | 42,194,387 | (120,856,770) | 861,090 |
| Computers | - | - | - | - |
| Generator | - | - | - | - |
| | 162,777,428 | 204,286,151 | (120,856,770) | 246,206,809 |

| | Cost | | | |
|---|---|---|---|---|
| | As at July 01, 2023 | Additions during the year | Transferred to Property, plant and equipment | As at June 30, 2024 |
| | ---------------------------------Rupees--------------------------------- | | | |
| Land | 1,800,000 | - | - | 1,800,000 |
| Factory Building | 243,211,486 | 211,904,785 | (430,998,818) | 24,117,453 |
| Plant and machinery | 560,978,695 | 201,609,373 | (708,552,236) | 54,035,832 |
| Electric cables and fitting | 75,050,595 | 9,841,620 | (84,892,215) | - |
| Furniture & Fixture | 40,000 | 1,706,575 | (1,746,575) | - |
| Motor Vehicles | - | - | - | - |
| Office equipment | 19,000 | 2,692,701 | (2,711,701) | - |
| Factory equipment | 19,140,286 | 89,264,975 | (28,881,788) | 79,523,473 |
| Computers | 3,300,670 | 36,500 | (36,500) | 3,300,670 |
| Generator | - | 45,900 | (45,900) | - |
| | 903,540,732 | 517,102,429 | (1,257,865,733) | 162,777,428 |

**17.4** The amount of borrowing costs capitalised during the year was Nil (June 2024: Rs. 54.5 million). The rate used to determine the amount of borrowing costs eligible for capitalization was Nil (June 2024: 11.37%), which is the EIR of the specific borrowings.

**17.5** Had there been no revaluation, the net book value of specific classes of operating property, plant and equipment would have been amounted to:

| | **2025** | 2024 |
|---|---|---|
| **Net book value** | **------Rupees-------** | |
| Land | **447,775,086** | 447,775,087 |
| Building | **1,405,422,611** | 1,532,878,841 |
| Plant and machinery | **2,470,593,042** | 2,626,496,861 |
| Generators | **70,172,072** | 77,906,709 |
| | **4,393,962,811** | 4,685,057,498 |

## 18 RIGHT-OF-USE ASSETS

| | June 30, 2025 | | | | | June 30, 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Vehicle** | **Godown** | **Solar** | **Generator** | **Total** | Vehicle | Godown | Generator | Total |
| | ------Rupees------ | | | | | | | | |
| **Cost** | | | | | | | | | |
| Opening balance | **252,136,149** | **144,364,512** | - | **26,669,670** | **423,170,331** | 252,136,149 | 113,716,329 | 18,500,000 | 384,352,478 |
| Impact of adoption of IFRS-16 | **-** | **-** | - | **-** | **-** | - | - | - | - |
| Reassessment of lease liability | **-** | **32,134,740** | - | **-** | **32,134,740** | - | 30,648,183 | - | 30,648,183 |
| **As at July 1** | **252,136,149** | **176,499,252** | **-** | **26,669,670** | **455,305,071** | 252,136,149 | 144,364,512 | 18,500,000 | 415,000,661 |
| Additions during the period | **78,691,826** | **-** | **134,709,410** | **-** | **213,401,236** | - | - | - | - |
| Revaluation Surplus during the period | **-** | **-** | **-** | **-** | **-** | - | - | 8,169,670 | 8,169,670 |
| Disposal during the period | **(128,699,471)** | **-** | **-** | **-** | **(128,699,471)** | - | - | - | - |
| **Total** | **202,128,504** | **176,499,252** | **134,709,410** | **26,669,670** | **540,006,836** | 252,136,149 | 144,364,512 | 26,669,670 | 423,170,331 |
| **Accumulated depreciation** | | | | | | | | | |
| Opening balance | **131,877,280** | **49,292,059** | **-** | **2,365,817** | **183,535,156** | 101,697,264 | 38,554,681 | 567,671 | 140,819,616 |
| Charge for the period | **30,690,595** | **15,845,409** | **10,038,619** | **2,430,385** | **59,005,008** | 30,180,016 | 10,737,378 | 1,798,146 | 42,715,540 |
| Disposal adjustment | **(83,135,221)** | **-** | **-** | **-** | **(83,135,221)** | - | - | - | - |
| **Closing** | **79,432,654** | **65,137,468** | **10,038,619** | **4,796,202** | **159,404,943** | 131,877,280 | 49,292,059 | 2,365,817 | 183,535,156 |
| **Net book value** | **122,695,850** | **111,361,784** | **124,670,791** | **21,873,468** | **380,601,893** | 120,258,869 | 95,072,453 | 24,303,853 | 239,635,175 |
| **Lease term** | **5 Years** | **10 Years** | **5 Years** | **5 Years** | | 5 Years | 10 Years | 5 Years | |

**18.1** The following are the amounts recognised in unconsolidated statement of profit or loss:

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Depreciation expense of right-of-use assets | 33 | **59,005,008** | 42,715,540 |
| Interest expense on lease liabilities on Godown | 33 | **16,884,960** | 21,933,895 |
| Interest expense on other lease liabilities | 36.4 | **35,937,088** | 24,804,650 |
| Total amount recognised in unconsolidated statement of profit or loss | | **111,827,056** | 89,454,085 |

## 19 INTANGIBLE ASSETS

| | 2025 | 2024 |
|---|---|---|
| **Cost** | | |
| Opening | **14,710,766** | 14,710,766 |
| Addition during the period/year | **-** | - |
| Closing | **14,710,766** | 14,710,766 |
| **Amortization** | | |
| Opening | **(14,710,766)** | (14,710,766) |
| Charge for the period/year | **-** | - |
| Closing | **(14,710,766)** | (14,710,766) |
| Balance as at period end/year end | - | - |

**19.1** This represents accounting software which has been fully amortized.

## 20 LONG TERM INVESTMENTS

| | Note | 2025 | 2024 |
|---|---|---|---|
| **Investment - at cost** | | | |
| **Unquoted** | | | |
| Associate - Equity accounted investment | 21.1 | **60,966,400** | 15,510,771 |
| **20.1 Equity accounted investment - Barentz International B.V.** | | | |
| Balance at beginning of the period | | **15,510,771** | 7,005,838 |
| Investment in associate | | **-** | - |
| Share of profit/(loss) for the year - net of tax | | **45,455,629** | 8,504,933 |
| Dividend received during the year | | - | - |
| | | **60,966,400** | 15,510,771 |

**20.2** On June 28, 2019, the Company has been incorporated in Pakistan as per agreement between Barentz International B.V. and Matco Foods Limited. Matco Foods Limited has subscribed 49% of total shareholding of Rs. 50 Million, thereby, constituting a Joint Venture.

The following table provides summarized financial information for the joint venture. The information disclosed reflects the amounts presented in the financial statements of the associates and not the Group's share of those amounts. The financial information presented below are based on the interim financial statements for the period ended June 30, 2025.

| | 2025 | 2024 |
|---|---|---|
| | ------Rupees------- | |
| Assets | **618,375,902** | 240,445,082 |
| Liabilities | **493,954,678** | 208,790,447 |
| Revenues | **581,670,323** | 503,749,179 |
| Profit for the period | **62,608,444** | 18,747,754 |

**20.3** The investment in subsidiary and associates have been made in accordance with the requirements of Companies Act, 2017. Further, no such terms and conditions has been made at the time of investment. The Group has beneficial ownership of the investee companies. No return on investment has been made since incorporation. There are no litigation against the subsidiaries and associates of the group that may impact the interest of the Group.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| **21** | **STORES, SPARES AND LOOSE TOOLS** | | | |
| | Stores and spares | 33.3 | **326,545,686** | 279,391,307 |
| | Provision for slow moving / obsolete items | 21.1 | **(1,543,929)** | (1,543,929) |
| | | | **325,001,757** | 277,847,378 |
| **21.1** | **Movement in provision for slow moving / obsolete items** | | | |
| | Balance at beginning of the year | | **1,543,929** | 1,543,929 |
| | Charge for the year | | **-** | - |
| | Balance at end of the year | | **1,543,929** | 1,543,929 |
| **22** | **STOCK IN TRADE** | | | |
| | Raw materials | 22.2 | **7,372,386,721** | 6,259,076,247 |
| | Packing materials | | **459,653,208** | 500,647,685 |
| | Finished goods | 22.3 | **5,861,746,312** | 4,875,699,241 |
| | | | **13,693,786,241** | 11,635,423,173 |
| | Provision for slow moving / obsolete items | 22.1 | **(25,739,175)** | (21,852,280) |
| | | | **13,668,047,066** | 11,613,570,893 |
| **22.1** | **Movement in provision for slow moving / obsolete items** | | | |
| | Opening balance | | **21,852,280** | 20,954,205 |
| | Charge for the year | | **3,886,895** | 898,075 |
| | Write off during the year | | **-** | - |
| | Closing balance | | **25,739,175** | 21,852,280 |

**22.2** This includes pledged raw material with various banks under long term and short term borrowing arrangements (refer note 09 and 15).

**22.3** This includes by product amounting to Rs. 632.62 million (June 2024: Rs. 716.13 million) and stock-in-transit amounting to Rs. 8.92 million (June 2024: Nil).

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| **23** | **TRADE DEBTS** | | | |
| | Considered good | | | |
| | Export - secured | 23.2 | **1,119,282,943** | 1,725,354,875 |
| | Local - unsecured | | **839,832,693** | 674,321,212 |
| | Considered doubtful | | | |
| | Local - unsecured | | **40,176,143** | 13,567,967 |
| | Less: Allowance for expected credit losses | 23.4 | **(40,176,143)** | (13,567,967) |
| | | | **1,959,115,636** | 2,399,676,087 |

**23.1** Borrowings are secured by way of charge over book debts of the Group (refer notes 09 and 15).

**23.2** It includes the amount of Rs. 9.06 million which is past due up to 3 months (June 2024: Nil) and Nil which is past due up to 6 months, (June 2024: Nil) due from JKT General Trading FZE (related party). The maximum aggregate amount due from related party at the end of any month during the year was Rs. 68.35 million (June 2024: Rs. 13.41 million).

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **23.3** | As of June 30, 2025, the age analysis of trade debts is as follows: | **Note** | **------Rupees-------** | |
| | Not yet due | | | |
| | Past due: | | | |
| | - Up to 3 months | | **1,788,707,106** | 2,367,934,631 |
| | - 3 to 6 months | | **149,931,697** | 27,819,137 |
| | - 6 to 12 months | | **7,221,369** | 2,480,373 |
| | - More than 12 months | | **13,255,464** | 1,441,946 |
| | | | **1,959,115,636** | 2,399,676,087 |
| | Trade debts - Gross | | **1,959,115,636** | 2,399,676,087 |
| **23.4** | Allowance for expected credit losses | | | |
| | Opening balance | | **13,567,967** | 13,567,967 |
| | Charge during the year | | **26,608,176** | - |
| | Closing balance | | **40,176,143** | 13,567,967 |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **24** | **LOANS AND ADVANCES** | | | |
| | **Loans** | | | |
| | Staff - unsecured, considered good | 24.1 | **347,900** | 25,773,562 |
| | **Advances** | | | |
| | - against services and others | | **2,164,710** | 3,335,362 |
| | - against purchases | 24.3 | **1,753,556,188** | 980,837,487 |
| | | | **1,756,068,798** | 1,009,946,411 |

**24.1** It represent interest free loans to various staff in accordance with the Group's policy.

**24.2** The maximum aggregate amount due from executives at the end of any month during the year was Rs. 3.73 million (June 2024: Rs. 3.12 million).

**24.3** It represents the amount provided to suppliers of rice, corn, stores & spares and packaging which is adjustable against future purchases.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **25** | **TRADE DEPOSITS AND SHORT TERM PREPAYMENTS** | **Note** | **------Rupees-------** | |
| | **Deposits** | | | |
| | - Capital management account | | **45,572** | 45,572 |
| | - Guarantee margin | | **2,158,754** | 1,938,143 |
| | **Prepayments** | | | |
| | - Prepaid expense | 25.1 | **16,875,488** | 14,083,536 |
| | - Prepaid insurance | | **13,710,391** | 13,202,222 |
| | | | **30,585,879** | 27,285,758 |
| | | | **32,790,205** | 29,269,473 |

**25.1** This include prepaid expense relating to godown rent and system maintenance charges.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **26** | **SHORT-TERM INVESTMENT** | **Note** | **------Rupees-------** | |
| | Term deposit certificates | 26.1 | **1,200,000** | 1,200,000 |

**26.1** These represent term deposit certificates of Askari Bank Limited amounting to Rs. 1.2 million (June 2024: Rs. 1.2 million) respectively. The rate of profit on these certificates is 18% per annum (June 2024: 20%) these term deposit certificates will mature on June 2025.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| **27** | **SALES TAX REFUNDABLE** | | | |
| | Sales tax refundable | 27.1 | **25,000,000** | 25,000,000 |
| **27.1** | Movement in sales tax refundable is as under: | | | |
| | Balance at beginning of the year | | **25,000,000** | 64,935,578 |
| | Deposited against the sales tax petition | 40.6 | **-** | 25,000,000 |
| | Refunds claim for the year | | **-** | - |
| | Received during the year | | **-** | (58,873,613) |
| | Adjusted during the year | | **-** | (6,061,965) |
| | Balance at end of the year | | **25,000,000** | 25,000,000 |

## 28 DUE FROM RELATED PARTIES

| | Note | 2025 | 2024 |
|---|---|---|---|
| Barentz Pakistan (Private) Limited | 28.1 | **38,421,807** | 50,326,380 |

**28.1** This includes an amount of Rs. 6.08 million (June 2024: Rs. 9.13 million) receivable in respect of interest on loan. The maximum aggregate amount of loan due from Barentz Pakistan (Private) Limited at the end of any month during the year was Rs. 77.00 million (June 2024: Rs. 77.23 million). The amount will be utilized by the associated company to meet the working capital requirement of the associated company. The effective rates of mark-up on this receivable is 3 months KIBOR+2% (June 2024: 3 months KIBOR+2%).

**28.2** All above dues are payable on demand.

**28.3** Ageing analysis of receivables from related parties past due but not impaired are as follows:

| | Note | Barentz Pakistan (Private) Limited 2025 | 2024 |
|---|---|---|---|
| | | ------Rupees------- | |
| Up to 3 Months | | **38,421,807** | 50,326,380 |
| 3 to 6 Months | | **-** | - |
| 06 to 12 Months | | **-** | - |
| More than 12 Months | | **-** | - |
| | | **38,421,807** | 50,326,380 |

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **29** | **TAXATION AND LEVIES - NET** | | | |
| | Advance income tax / levies | | **562,621,673** | 365,287,525 |
| | Provision for levies and taxation | | **(196,270,343)** | (258,998,630) |
| | | | **366,351,330** | 106,288,895 |
| **30** | **CASH AND BANK BALANCES** | | | |
| | Cash in hand | | **10,815,744** | 4,227,097 |
| | Cash at bank | | | |
| | - current accounts | | **315,254,006** | 278,486,964 |
| | - deposit accounts | 30.1 | **44,647,890** | 79,734,447 |
| | | | **359,901,895** | 358,221,411 |
| | | | **370,717,639** | 362,448,508 |

**30.1** These carry weighted average profit of 7.25% per annum (June 2024: 19% per annum).

# MATCO FOODS LIMITED
## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
## FOR THE YEAR ENDED JUNE 30, 2025

**31 OPERATING RESULTS**

**Disaggregation of revenue**

| | Reportable Segment | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
| | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | ----Rupees---- | | | | | | | |
| Export Sales | **14,636,038,163** | 16,745,108,660 | **1,192,499,630** | 658,958,498 | **129,543,460** | 100,153,206 | **15,958,081,253** | 17,504,220,364 |
| Local Sales | | | | | | | | |
| - Main Products | **2,284,959,509** | 2,737,514,463 | **4,335,644,834** | 4,447,766,343 | **519,814,000** | 330,168,518 | **7,140,418,343** | 7,515,449,324 |
| - By-Products and Others | **4,525,360,156** | 3,617,643,222 | **1,253,312,693** | 863,935,009 | **-** | - | **5,778,672,849** | 4,481,578,231 |
| | **6,810,319,665** | 6,355,157,685 | **5,588,957,527** | 5,311,701,352 | **519,814,000** | 330,168,518 | **12,919,091,192** | 11,997,027,555 |
| **Gross Sales** | **21,446,357,828** | 23,100,266,345 | **6,781,457,157** | 5,970,659,850 | **649,357,460** | 430,321,724 | **28,877,172,445** | 29,501,247,919 |
| Sales discount / return | **(101,287,153)** | (72,621,620) | **(91,733,723)** | (81,802,572) | **2,570,408)** | (2,500,501) | **(195,591,284)** | (156,924,693) |
| Sales tax | **(113,190,816)** | (101,256,053) | **(839,882,288)** | (759,180,136) | **(89,101,279)** | (55,624,571) | **(1,042,174,383)** | (916,060,760) |
| Freight | **(716,519,434)** | (567,528,293) | **(152,901,532)** | (77,803,795) | **(16,223,685)** | (6,640,514) | **(885,644,651)** | (651,972,602) |
| Clearing and forwarding | **(68,198,762)** | (61,160,130) | **(14,160,195)** | (9,550,826) | **(674,737)** | (407,135) | **(83,033,694)** | (71,118,091) |
| **Net Sales** | **20,447,161,663** | 22,297,700,249 | **5,682,779,419** | 5,042,322,521 | **540,787,351** | 365,149,003 | **26,670,728,433** | 27,705,171,773 |
| **Cost of Sales** | **(17,752,183,147)** | (19,487,344,844) | **(5,124,430,060)** | (4,763,694,664) | **(431,477,724)** | (273,606,294) | **(23,308,090,931)** | (24,524,645,802) |
| **Gross profit** | **2,694,978,516** | 2,810,355,405 | **558,349,359** | 278,627,857 | **109,309,627** | 91,542,709 | **3,362,637,502** | 3,180,525,971 |
| Selling and distribution expenses | **(466,994,391)** | (526,554,417) | **(81,668,290)** | (66,235,424) | **(11,170,948)** | (10,562,989) | **(559,833,630)** | (603,352,830) |
| Administrative expenses | **(682,290,522)** | (577,532,011) | **(162,089,586)** | (125,507,566) | **(9,634,931)** | (5,710,471) | **(854,015,040)** | (708,750,049) |
| | **(1,149,284,913)** | (1,104,086,428) | **(243,757,876)** | (191,742,990) | **(20,805,879)** | (16,273,460) | **(1,413,848,670)** | (1,312,102,879) |
| **Operating profit** | **1,545,693,603** | 1,706,268,977 | **314,591,483** | 86,884,867 | **88,503,748** | 75,269,249 | **1,948,788,832** | 1,868,423,092 |
| **Unallocated items** | | | | | | | | |
| Finance cost | | | | | | | **(1,854,993,235)** | (2,244,155,913) |
| Other income | | | | | | | **90,069,155** | 86,374,911 |
| Share of profit/(loss) from associated company | | | | | | | **45,455,629** | 8,504,933 |
| Exchange gain - net | | | | | | | **289,168,393** | 190,389,508 |
| Provision for worker's welfare fund | | | | | | | **(9,803,803)** | - |
| Provision for worker's profit participation fund | | | | | | | **(24,509,506)** | - |
| **Profit before levies and income tax** | | | | | | | **484,175,465** | (90,463,469) |
| Levies - Final and Minimum Tax | | | | | | | **(196,270,343)** | (258,998,630) |
| Taxation | | | | | | | **126,946,393** | 64,847,527 |
| **Profit for the year** | | | | | | | **414,851,515** | (284,614,572) |

**Reportable Segment**

| | | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
|---|---|---|---|---|---|---|---|---|---|
| | | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | | ---------- | Rupees | ---------- | | | | | |
| **31.1** | Segment assets | **23,533,241,044** | 21,532,182,384 | **5,498,846,079** | 3,860,711,023 | **410,649,128** | 318,173,095 | **29,442,736,252** | 25,711,066,502 |
| **31.2** | Unallocated assets | **-** | - | **-** | - | **-** | - | **545,438,292** | 1,859,334,163 |
| | | **23,533,241,044** | 21,532,182,384 | **5,498,846,079** | 3,860,711,023 | **410,649,128** | 318,173,095 | **29,988,174,544** | 27,570,400,665 |
| **31.3** | Segment liabilities | **15,638,298,614** | 11,749,938,189 | **3,805,717,696** | 4,003,345,092 | **56,870,630** | 45,242,882 | **19,500,886,940** | 15,798,526,163 |
| **31.4** | Unallocated liabilities | **-** | - | **-** | - | **-** | - | **933,712** | 1,703,562,328 |
| | | **15,638,298,614** | 11,749,938,189 | **3,805,717,696** | 4,003,345,092 | **56,870,630** | 45,242,882 | **19,501,820,652** | 17,502,088,491 |
| **31.5** | Major non-cash items | | | | | | | | |
| | - Depreciation and amortisation | **507,778,379** | 313,349,111 | **295,022,318** | 201,281,659 | **4,150,494** | 2,014,483 | **806,951,191** | 516,645,253 |
| | - Gratuity | **32,190,149** | 69,101,575 | **11,435,031** | 23,546,192 | **2,020,010** | 2,789,147 | **45,645,190** | 95,436,914 |
| | | **539,968,528** | 382,450,686 | **306,457,349** | 224,827,851 | **6,170,504** | 4,803,630 | **852,596,381** | 612,082,167 |
| **31.6** | Capital expenditure | **242,024,787** | 1,169,681,092 | **268,441,236** | 420,948,841 | **2,299,736** | 2,803,036 | **512,765,759** | 1,593,432,969 |

**31.7** The Group's export sales have been primarily made to continents in the Asia, Africa, Europe, North America and Australia & New Zealand.

| | **2025** | 2024 |
|---|---|---|
| | --------Rupees-------- | |
| Africa | **909,639,527** | 1,372,537,547 |
| Asia | **5,830,153,695** | 5,165,922,375 |
| Australia & New Zealand | **2,192,163,243** | 2,362,253,453 |
| Europe | **5,862,282,716** | 7,294,966,690 |
| USA & Canada | **1,163,842,072** | 1,308,540,299 |
| | **15,958,081,253** | 17,504,220,364 |

## 32 RECONCILIATION OF REPORTABLE SEGMENT SALES, COST OF SALES, ASSETS AND LIABILITIES

| | | **2025** | 2024 |
|---|---|---|---|
| **32.1** | **Assets** | | |
| | Total assets for reportable segments | **29,442,736,252** | 25,711,066,502 |
| | Investments | **62,166,400** | 16,710,771 |
| | Others | **483,271,892** | 1,842,623,392 |
| | Total assets | **29,988,174,544** | 27,570,400,665 |
| **32.2** | **Liabilities** | | |
| | Total liabilities for reportable segments | **19,500,886,940** | 17,473,592,495 |
| | Due to related parties | **-** | - |
| | Unpaid dividend | **933,712** | 28,495,996 |
| | Total liabilities | **19,501,820,652** | 17,502,088,491 |

## 33 COST OF SALES

| | | Reportable Segment | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
| | Note | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | | Rupees | | | | | | | |
| Raw material consumed | 33.1 | **14,492,967,894** | 17,611,726,807 | **3,891,998,396** | 3,188,662,318 | **293,960,837** | 237,906,758 | **18,678,927,127** | 21,038,295,883 |
| Packing materials consumed | 33.2 | **846,836,080** | 666,097,659 | **170,942,871** | 207,229,973 | **66,361,755** | 61,141,214 | **1,084,140,706** | 934,468,846 |
| Stores and spares consumed | 33.3 | **645,415,603** | 732,880,82 | **330,711,775** | 288,926,374 | **-** | - | **976,127,378** | 1,021,807,195 |
| **Processing expenses** | | | | | | | | | |
| Salaries, wages and benefits | 33.4 | **801,777,533** | 701,378,010 | **369,118,843** | 306,069,692 | **15,540,406** | 11,731,059 | **1,186,436,782** | 1,019,178,761 |
| Electricity and power | | **459,350,918** | 445,469,064 | **393,002,236** | 478,467,345 | **3,308,115** | 2,840,779 | **855,661,269** | 926,777,188 |
| Telephone and mobile | | **2,325,860** | 1,980,073 | **538,713** | 131,561 | **61,216** | 26,789 | **2,925,789** | 2,138,423 |
| Insurance | | **26,745,113** | 22,913,747 | **4,138,213** | 916,004 | **508,166** | 227,149 | **31,391,492** | 24,056,900 |
| Repairs and maintenance | | **37,784,973** | 42,753,784 | **7,437,172** | 5,972,479 | **-** | - | **45,222,145** | 48,726,263 |
| Other purchases | | **295,119,896** | 371,901,922 | **80,756** | 110,854 | **-** | - | **295,200,652** | 372,012,776 |
| Provision for slow moving stock | | **3,886,895** | 898,075 | **-** | - | **-** | - | **3,886,895** | 898,075 |
| Fumigation charges | | **107,557,302** | 81,494,175 | **9,185,360** | 5,676,945 | **-** | - | **116,742,662** | 87,171,120 |
| Water charges | | **63,738,291** | 120,698,676 | **112,324** | 173,632 | **166,475** | 91,000 | **64,017,090** | 120,963,308 |
| Canteen | | **18,973,302** | 18,641,748 | **1,384,404** | 666,506 | **405,460** | 251,753 | **20,763,166** | 19,560,007 |
| Diesel and oil | | **200,480** | 172,238 | **-** | - | **-** | - | **200,480** | 172,238 |
| Staff welfare | | **10,452,643** | 7,040,668 | **3,722,436** | 3,426,380 | **198,995** | 87,895 | **14,374,074** | 10,554,943 |
| Security expenses | | **28,365,540** | 26,380,866 | **1,841,437** | 10,674,707 | **606,172** | 356,910 | **30,813,149** | 37,412,483 |
| Godown expenses | | **33,608,806** | 34,166,148 | **-** | - | **-** | - | **33,608,806** | 34,166,148 |
| Rent, rates and taxes | | **421,120** | 345,445 | **-** | - | **8,999** | 4,674 | **430,119** | 350,119 |
| Vehicle running expenses | | **37,428,366** | 42,129,065 | **3,621,760** | 3,579,553 | **-** | - | **41,050,126** | 45,708,618 |
| Medical | | **12,075,925** | 7,117,774 | **3,947,630** | 2,484,658 | **257,187** | 96,297 | **16,280,742** | 9,698,729 |
| Depreciation | 17.1.1 | **376,207,445** | 217,805,118 | **221,113,572** | 160,644,007 | **1,035,929** | 694,645 | **598,356,946** | 379,143,770 |
| Depreciation on right-of-use assets | 18.1 | **37,397,729** | 40,919,052 | **18,630,353** | 476,650 | **2,976,926** | 1,319,838 | **59,005,008** | 42,715,540 |
| Interest expense on lease liabilities | 18.1 | **16,884,960** | 21,933,894 | **-** | - | **-** | - | **16,884,960** | 21,933,894 |
| Processing charges | | **6,551,099** | 5,257,087 | **36,810** | 67,144 | **-** | - | **6,587,909** | 5,324,231 |
| Inspection charges | | **109,645,206** | 68,074,934 | **5,457,324** | 1,230,288 | **-** | - | **115,102,530** | 69,305,222 |
| Others | | **-** | - | **-** | - | **-** | - | **-** | - |
| **Cost of goods manufactured** | | **18,471,718,979** | 21,290,176,850 | **5,437,022,385** | 4,665,587,070 | **385,396,638** | 316,776,760 | **24,294,138,002** | 26,272,540,680 |
| **Finished goods** | | | | | | | | | |
| Opening stock | | **4,607,486,758** | 2,804,654,752 | **173,437,574** | 271,545,168 | **94,774,909** | 51,604,443 | **4,875,699,241** | 3,127,804,363 |
| Closing stock | | **(5,327,022,590)** | (4,607,486,758) | **(486,029,899)** | (173,437,574) | **(48,693,823)** | (94,774,909) | **(5,861,746,312)** | (4,875,699,241) |
| | | **(719,535,832)** | (1,802,832,006) | **(312,592,325)** | 98,107,594 | **46,081,086** | (43,170,466) | **(986,047,071)** | (1,747,894,878) |
| **Cost of Sales** | | **17,752,183,147** | 19,487,344,844 | **5,124,430,060** | 4,763,694,664 | **431,477,724** | 273,606,294 | **23,308,090,931** | 24,524,645,802 |

Reportable Segment

| | | Note | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | | | ---Rupees--- | | | | | | | |
| **33.1** | **Raw material consumed** | | | | | | | | | |
| | Opening stock | | **5,951,304,852** | 5,356,317,624 | **262,008,187** | 622,686,111 | **45,763,208** | 22,839,859 | **6,259,076,247** | 6,001,843,594 |
| | Purchases | | **14,173,871,436** | 17,625,063,055 | **4,859,380,184** | 2,771,920,649 | **311,487,620** | 260,412,061 | **19,344,739,240** | 20,657,395,765 |
| | Cartage inwards | | **373,754,943** | 581,650,980 | **72,996,781** | 56,063,745 | **746,637** | 418,046 | **447,498,361** | 638,132,771 |
| | Closing stock | | **(6,005,963,337)** | (5,951,304,852) | **(1,302,386,756)** | (262,008,187) | **(64,036,628)** | (45,763,208) | **(7,372,386,721)** | (6,259,076,247) |
| | | | **14,492,967,894** | 17,611,726,807 | **3,891,998,396** | 3,188,662,318 | **293,960,837** | 237,906,758 | **18,678,927,127** | 21,038,295,883 |
| **33.2** | **Packing material consumed** | | | | | | | | | |
| | Opening stock | | **408,870,634** | 323,224,747 | **60,981,188** | 117,075,047 | **30,795,863** | 25,437,791 | **500,647,685** | 465,737,585 |
| | Purchases | | **793,714,678** | 751,743,546 | **185,593,841** | 151,136,114 | **63,837,710** | 66,499,286 | **1,043,146,229** | 969,378,946 |
| | Closing stock-gross | | **(355,749,232)** | (408,870,634) | **(75,632,158)** | (60,981,188) | **(28,271,818)** | (30,795,863) | **(459,653,208)** | (500,647,685) |
| | | | **846,836,080** | 666,097,659 | **170,942,871** | 207,229,973 | **66,361,755** | 61,141,214 | **1,084,140,706** | 934,468,846 |
| **33.3** | **Stores and spares consumed** | | | | | | | | | |
| | Opening stock | | **116,988,722** | 66,092,226 | **162,402,585** | 40,774,802 | **-** | - | **279,391,307** | 106,867,028 |
| | Purchases | | **648,428,402** | 783,777,317 | **374,853,355** | 410,554,157 | **-** | - | **1,023,281,757** | 1,194,331,474 |
| | Closing stock-gross | | **(120,001,521)** | (116,988,722) | **(206,544,165)** | (162,402,585) | **-** | - | **(326,545,686)** | (279,391,307) |
| | | | **645,415,603** | 732,880,821 | **330,711,775** | 288,926,374 | **-** | - | **976,127,378** | 1,021,807,195 |

**33.4** It includes provision for gratuity amounting to Rs. 29.93 million (June 2024: Rs. 62.14 million).

**34 SELLING AND DISTRIBUTION EXPENSES**

| | Note | Rice and Allied Products 2025 | Rice and Allied Products 2024 | Corn Starch Products 2025 | Corn Starch Products 2024 | Falak Foods Products 2025 | Falak Foods Products 2024 | Total 2025 | Total 2024 |
|---|---|---|---|---|---|---|---|---|---|
| Salaries and benefits | 34.1 | **77,771,912** | 82,648,171 | **7,234,973** | 8,047,584 | **6,666,737** | 6,775,694 | **91,673,622** | 97,471,449 |
| Travelling | | **37,976,988** | 53,647,458 | **9,113,924** | 8,717,477 | **312,212** | 220,709 | **47,403,123** | 62,585,644 |
| Sales promotion | | **126,806,665** | 171,226,212 | **11,233,172** | 8,104,194 | **2,120,737** | 1,911,850 | **140,160,575** | 181,242,256 |
| Allowance for ECL | | **25,299,841** | - | **-** | - | **-** | | **25,299,841** | - |
| Insurance | | **10,032,792** | 7,881,774 | **482,634** | 224,849 | **219,528** | 106,633 | **10,734,954** | 8,213,256 |
| Export charges | | **127,673,081** | 161,790,417 | **39,396,310** | 31,101,070 | **1,851,734** | 1,548,103 | **168,921,125** | 194,439,590 |
| Export commission | | **32,710,541** | 32,458,729 | **387,679** | - | **-** | - | **33,098,220** | 32,458,729 |
| Depreciation | 17.1.1 | **23,577,711** | 13,703,911 | **13,819,598** | 10,040,250 | **-** | - | **37,397,309** | 23,744,161 |
| Shop rent | | **3,120,000** | 2,820,000 | **-** | - | **-** | - | **3,120,000** | 2,820,000 |
| General | | **2,024,861** | 377,745 | **-** | - | **-** | - | **2,024,861** | 377,745 |
| | | **466,994,392** | 526,554,417 | **81,668,290** | 66,235,424 | **11,170,948** | 10,562,989 | **559,833,630** | 603,352,830 |

**34.1** It includes provision for gratuity amounting to Rs. 2.31 million (June 2024: Rs. 5.94 million).

## 35 ADMINISTRATIVE EXPENSES

| | | Reportable Segment | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Rice and Allied Products | | Corn Starch Products | | Falak Foods Products | | Total | |
| | Note | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| Salaries and benefits | 35.1 | **409,206,401** | 394,487,953 | **76,922,087** | 72,143,816 | **7,815,807** | 5,086,023 | **493,944,295** | 471,717,792 |
| Vehicle running | | **38,027,883** | 37,047,645 | **735,347** | 353,416 | **-** | - | **38,763,230** | 37,401,061 |
| Entertainment | | **3,100,054** | 2,384,996 | **836,489** | 374,144 | **65,328** | 30,031 | **4,001,871** | 2,789,171 |
| Printing and stationery | | **228,516** | 444,322 | **171,397** | 39,742 | **4,883** | 5,304 | **404,796** | 489,368 |
| Fee and subscription | | **49,781,413** | 28,370,933 | **28,119,504** | 13,039,868 | **-** | - | **77,900,917** | 41,410,801 |
| Legal and professional | | **110,000** | - | **952,166** | - | **-** | - | **1,062,166** | - |
| Auditor's remuneration | 35.2 | **8,222,606** | 5,039,229 | **-** | - | **-** | - | **8,222,606** | 5,039,229 |
| Postage and telegrams | | **5,208,052** | 5,423,153 | **3,615,452** | 3,549,452 | **109,495** | 70,994 | **8,932,999** | 9,043,599 |
| General expenses | | **14,211,780** | 4,669,697 | **6,758** | - | **303,381** | 61,825 | **14,521,919** | 4,731,522 |
| Newspaper and periodicals | | **20,546** | 56,634 | **40,770** | 35,530 | **439** | 766 | **61,755** | 92,930 |
| Electricity and gas charges | | **1,874,773** | 2,572,504 | **64,945** | 49,942 | **111,248** | 34,804 | **2,050,966** | 2,657,250 |
| Taxes, duty and fee | | **1,697,082** | 641,674 | **3,354,488** | 3,986,238 | **-** | - | **5,051,570** | 4,627,912 |
| Medical | | **20,146,538** | 5,838,927 | **1,657,585** | 1,253,189 | **426,691** | 78,073 | **22,230,814** | 7,170,189 |
| Insurance | | **4,942,703** | 3,670,669 | **907,905** | 36,979 | **12,005** | - | **5,862,613** | 3,707,648 |
| Software maintenance | | **2,653,212** | 674,976 | **-** | - | **-** | - | **2,653,212** | 674,976 |
| Computer expenses | | **9,884,986** | 8,221,278 | **590,418** | 486,759 | **280,559** | 113,105 | **10,755,963** | 8,821,142 |
| Depreciation | 17.1.1 | **70,595,493** | 40,968,705 | **41,458,795** | 30,120,751 | **137,639** | - | **112,191,927** | 71,089,456 |
| Donations | | **16,072,837** | 17,432,385 | **2,611,041** | - | **-** | - | **18,683,878** | 17,432,385 |
| Advertisement | | **765,339** | 93,528 | **-** | - | **16,355** | 1,265 | **781,694** | 94,793 |
| Loss on sale of operating fixed assets | | **-** | 14,282 | **-** | - | **-** | | **-** | 14,282 |
| Others | | **25,540,308** | 19,478,521 | **44,440** | 37,740 | **351,101** | 228,281 | **25,935,849** | 19,744,542 |
| | | **682,290,522** | 577,532,011 | **162,089,587** | 125,507,566 | **9,634,931** | 5,710,471 | **854,015,040** | 708,750,04 |

**35.1** It includes directors' remuneration amounting to Rs. 37.43 million (June 2024: Rs. 48.99 million) and provision for gratuity amounting to Rs. 11.76 million (June 2024: Rs. 27.36 million).

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **35.2** | **Auditor's remuneration** | | ------Rupees------- | |
| | - audit fee of unconsolidated financial statements | | **3,607,998** | 3,348,583 |
| | - audit fee of special purpose audit financial statements | | **2,619,600** | - |
| | - audit fee of consolidated financial statements | | **121,000** | 110,000 |
| | - audit fee of half yearly review | | **598,400** | 825,565 |
| | - fee for review code of corporate governance | | **196,020** | 165,000 |
| | - other certifications | | **833,800** | 150,000 |
| | - out of pocket expenses | | **245,788** | 440,081 |
| | | | **8,222,606** | 5,039,229 |

**35.3** Donation includes amount of Rs. 17.21 million (June 2024: Rs. 19.92 million) paid to Ghori Trust, which is operated by Board of directors of the Group and their spouse namely Mr. Jawed Ali Ghori, Mr. Khalid Sarfaraz Ghori, Mr. Faizan Ali Ghori, Mrs. Naheed Jawed, Mrs. Nuzhat Khalid and Mrs. Dr. Sadaf Tariq.

**36.4** During the year, the Group initiated a legal restructuring process whereby two of its operating segments Falak Foods Products and Corn Starch Products are being transferred into newly incorporated entities. Although the operations of these segments will be conducted under separate legal entities going forward, the Group continues to retain control over these entities.

Accordingly, the restructuring does not meet the definition of a discontinued operation or disposal group under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

| | | Note | 2025 | 2024 |
|---|---|---|---|---|
| **37** | **FINANCE COST** | | ------Rupees------- | |
| | Mark up | | | |
| | - long term finances - net | | **104,468,433** | 110,940,084 |
| | - short term borrowings | | **1,709,831,385** | 2,102,900,126 |
| | - interest expense on lease liabilities | 18.1 | **35,937,088** | 24,804,650 |
| | Bank charges and commission | | **4,756,329** | 5,511,053 |
| | | | **1,854,993,235** | 2,244,155,913 |
| **38** | **OTHER INCOME** | | | |
| | From financial assets | | | |
| | - Profit on bank/short term deposits | | **6,630,704** | 10,875,849 |
| | - Interest income on account of due from related parties | | **8,549,286** | 13,087,160 |
| | From non-financial assets | | | |
| | - Reversal of Worker's Welfare Fund | | **-** | 14,737,054 |
| | - Gain on sale of operating fixed assets | 10.2 | **35,861,143** | - |
| | - Scrap sales | | **27,523,841** | 42,012,129 |
| | - Rental income | | **5,525,505** | 4,065,490 |
| | - Dividend income | | **-** | 784,204 |
| | - Others | | **5,978,676** | 813,025 |
| | | | **90,069,155** | 86,374,911 |

**39 EXCHANGE GAIN - NET**

This represents exchange gain incurred on foreign currency denominated trade debts, advances from customers and bank balances.

| 40 | TAXATION | Note | 2025 | 2024 |
|---|---|---|---|---|
| | | | ------Rupees------- | |
| | - Levies - Final and Minimum Tax | | **196,270,343** | 258,998,630 |
| | - Prior year | | **50,505,822)** | (56,739,289) |
| | - Deferred | | **(76,440,571)** | 8,108,238) |
| | | | **69,323,950** | 194,151,103 |

**40.1** The relationship between tax expense and accounting profit has not been presented in these financial statements as almost all income of the Group falls under the ambit of minimum tax regime.

**40.2** Current year taxation has been charged on the basis of provisions in Income Tax Ordinance, 2001 and accounted for after taking effect of admissible expenses in normal taxation with proportion of local sales and on final tax regime applicable to the Group based on tax withheld from export proceeds which is deemed as full and final discharge of the tax liability.

**40.3** Return of 2016-17 filed on January 17, 2018, is an assessment order u/s 120 unless amended under section 122 of the Income Tax Ordinance, 2001. The ADCIR initiated the proceeding u/s 122(5A) of the Income Tax Ordinance, 2001 vide notice dated 21-05-2018 for amendment of deemed assessment. The response of the above notice submitted by the Holding Company till November 15, 2018, no further notice has been received.

**40.4** The Deputy Commissioner Inland Revenue (DC-IR) has raised a demand of Rs. 17,882,409/- on account of 'Super Tax' under Section 4C of the Ordinance, vide Order having barcode No. 100000148517559 dated 17 March 2023. The such demand has been adjusted with refund order dated 20 March 2023. However, the 4C liability has been created for Final Income and the judgement of Islamabad High Court is allowed not to pay Super Tax on Final Income. We understand that the such judgement is in filed, therefore the Rs. 17 million would be revised. Hence, please note that the said appeal is sub-judice before the Supreme Court of Pakistan.

**40.5** The Deputy Commissioner of Inland Revenue (DC-IR) has raised a demand of Rs. 37,839,301/- for 'Super Tax' under Section 4C of the Ordinance for the tax year 2023, as per the order with Barcode No. 100000192819317 dated 05 April 2024. The Holding Company has appealed before the Commissioner Inland Revenue (Appeals) [CIR-A], and the matter is currently pending.

**40.6** A Post Refund Sales Tax Audit was conducted by the DC-IR for the tax periods from June 2021 to August 2022. A demand of Rs. 51,856,323/- was raised on account of 'Inadmissible Input Tax on Goods and Services', along with penalty and default surcharge, as per the Order-in-Original [ONO] Ref. No. 27 of 270/2024 dated 22 February 2024.

Being aggrieved of such Order, the Holding Company has appealed to the Commissioner-IR Appeals, and the appeal is currently underway. We anticipate a favorable outcome; therefore, no provision is required at this stage. Please note that the Holding Company has deposited Rs. 25,000,000/- of the sales tax demand under protest (Refer Note 28.1).

**40.7** The Deputy Commissioner - Inland Revenue has issued the Show Cause Notice dated 03 September 2024 wherein sales tax liability to the tune of Rs.190.158 million for the tax periods from July-2022 to June-2025 was framed against the Holding Company. Eventually, he established sales tax liability of Rs.40,123,078/- along with penalty of Rs.2,006,154/- through ONO No.01/145 dated 25 September 2024. Being aggrieved of such Order, the company filed the appeal before ATIR who partially upheld the tax liability amounting to Rs.535,447/- in favor of the treasury and against the company. However, the Tribunal remanded back the case involving sales tax liability at Rs. 39,216,962/- on account of input tax on construction material by directing DCIR to pass afresh assessment order in the light of specific directions as provided in ATIR Order No.5247 dated 07 August 2025.

**40.8** The Commissioner-IR selected the Holding Company for audit under Section 25(1) for the Tax Year 2022. Following the audit, the DC-IR raised a sales tax demand of Rs. 2,682,084/-, along with a penalty of Rs. 404,104/- for 'Inadmissible Input Tax on Goods and Services', as per ONO Ref. No. 28/156/2023-24 dated 18 March 2024. Being aggrieved of such Order, the Group has filed an appeal before the Commissioner-IR Appeals, which is currently in process. We expect a favorable outcome and, as such, no provision is required at this stage.

**41.9** Return of 2023-24 filed on January 15, 2025, is an assessment order under section 120 unless amended under section 122 of the Income Tax Ordinance, 2001.

| 41 | NUMBER OF EMPLOYEES | 2025 | 2024 |
|---|---|---|---|
| | | --------Rupees-------- | |
| | Number of employees as at June 30 | **902** | 1,008 |
| | Average number of employees during the year | **955** | 989 |

## 42 TRANSACTION WITH RELATED PARTIES

Related parties include subsidiary company, entities under common directorship, directors, major shareholders, key management personnel and retirement benefit funds. Transactions with related parties essentially entail rent expense and transactions with key management personnel. Details of transactions with related parties and the balances with them as at year end other than those which have been disclosed else where are as follows:

| Nature of relationship | Percentage of Holding | Transactions | 2025 | 2024 |
|---|---|---|---|---|
| **Directors** | | Godown rent paid to director | **32,252,750** | 28,747,612 |
| **Joint Venture** | | | | |
| Barentz Pakistan (Private) Limited | 49% | Paid expenses on behalf | **163,617,617** | 174,944,619 |
| | | Payment received on account of expenses | **173,988,970** | 208,318,084 |
| | | Interest Income | **8,549,286** | 13,108,144 |
| | | Interest Received | **11,606,322** | 10,340,400 |
| | | Rental and service income | **857,576** | 779,625 |
| | | Rental and service income received | **983,813** | 371,250 |
| | | Commission paid | **1,048,000** | 1,297,451 |
| | | Sale of vehicle | **2,648,052** | - |
| | | Purchase from Barentz | **338,753,605** | - |
| | | Payment made on account of purchases | **225,879,494** | - |
| | | Sale to Barentz | **229,447,250** | - |
| | | Payment received on account of sales | **194,193,751** | - |
| **Associates based on common directorship** | | | | |
| Matco Engineering Co (Private) Limited | 0% | Paid expenses on behalf | **7,662,490** | 6,907,490 |
| | | Payment received on account of expenses | **7,662,490** | 6,907,490 |
| Faiyaz Center Owner Association | 0% | Paid expenses on behalf | **1,201,571** | 450,577 |
| | | Payment received on account of expenses | **1,201,571** | 450,577 |
| **Trust operated by the Company** | | | | |
| Ghori Trust | 0% | Paid expenses on behalf | **17,207,388** | 19,917,947 |
| | | Payment received on account of expenses | **89,360** | 3,328,242 |
| | | Donation expense | **17,118,028** | 16,589,705 |

| Nature of relationship | Percentage of Holding | Balances | 2025 | 2024 |
|---|---|---|---|---|
| **Joint Venture** | | | | |
| Barentz Pakistan (Private) Limited | 49% | Receivable against expenses | **28,764,892** | 37,536,192 |
| | | Interest receivable | **6,076,036** | 9,133,072 |
| | | Receivable against rent and services | **3,530,879** | 3,657,116 |
| | | Receivable against sales | **52,241,114** | 16,987,615 |
| | | Payable against purchases | **112,874,111** | - |
| **Associates based on common directorship** | | | | |
| Matco Engineering Co (Private) Limited | 0% | Receivable against expenses | **-** | - |
| Faiyaz Center Owner Association | 0% | Receivable against expenses | **-** | - |
| **Trust operated by the Company** | | | | |
| Ghori Trust | 0% | Payable against donation | **-** | - |

**42.1** Following are the related parties with whom the Group had entered into transactions or have arrangement / agreement in place:

| S. No. | Company Name | Registered Address | Country of Incorporation | Basis of Association | Name of Chief Executive / Principal Officer / Authorized Agent | Aggregate % of shareholding | Operational Status | Auditor's Opinion |
|---|---|---|---|---|---|---|---|---|
| 1 | JKT General Trading FZE | P.O.Box 123347, Sharjah | UAE | Subsidiary Company | Faizan Ali Ghori | 100% | Active | Clean |

**42.2** Consideration for services is determined with mutual agreement considering the level of services provided. Expenses charged by / to the Group are determined on actual cost basis. Particulars of remuneration of chief executive officer, directors and executives are disclosed in note 43 to these consolidated financial statements.

**42.3** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Group considers all members of its management team, including the chief executive officer and the directors to be key management personnel.

## 43 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

For the purpose of disclosure those employees are considered as executives whose basic salary exceed twelve hundred thousands rupees in financial year.

| | Chief Executive Officer | | Directors | | Executives | | Total | |
|---|---|---|---|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 | **2025** | 2024 |
| | ---Rupees--- | | | | | | | |
| **Short-term employee benefits** | | | | | | | | |
| Remuneration | **3,923,080** | 3,621,384 | **11,969,232** | 14,251,038 | **188,275,152** | 172,806,824 | **204,167,464** | 190,679,246 |
| House rent allowances | **1,765,386** | 1,629,623 | **5,386,154** | 6,412,967 | **84,723,818** | 69,122,730 | **91,875,359** | 77,165,320 |
| Utilities | **3,017,617** | 2,866,699 | **2,623,077** | 4,961,814 | **18,199,361** | 17,280,682 | **23,840,054** | 25,109,196 |
| Bonus | **1,919,500** | 1,800,000 | **2,872,500** | 6,741,000 | **20,841,537** | 20,359,000 | **25,633,537** | 28,900,000 |
| Fuel expense | **1,295,403** | 1,954,361 | **1,301,953** | 3,367,188 | **48,871,264** | 40,490,335 | **51,468,620** | 45,811,884 |
| Medical expense | **350,683** | 813,750 | **287,527** | 228,860 | **15,558,798** | 3,782,048 | **16,197,008** | 4,824,658 |
| Vehicle expense | **2,675,782** | 3,573,261 | **1,176,179** | 1,107,000 | **2,563,274** | 3,763,095 | **6,415,235** | 8,443,356 |
| Other expense | **717,000** | 321,989 | **-** | 21,963 | **-** | - | **717,000** | 343,952 |
| | **15,664,451** | 16,581,067 | **25,616,622** | 37,091,830 | **379,033,204** | 327,604,714 | **420,314,277** | 381,277,612 |
| **Value of motor vehicles** | **5,637,470** | 6,944,582 | **12,378,948** | 16,600,603 | **103,777,740** | 90,056,242 | **121,794,158** | 113,601,427 |
| **Number of Persons** | **1** | 1 | **2** | 2 | **89** | 68 | | |

**43.1** In addition to above, fees of Rs. 0.89 million (June 2024: Rs. 0.99 million) was paid to independent directors of the Group for attending board of directors meeting during the period.

**43.2** In addition to the above, chief executive officer and directors are provided with the use of the Group's vehicles. Certain executives are also provided with Group maintained cars.

**43.3** The Group considers its chief executive officer and the executive director as its key management personnel i.e. the personnel having authority and responsibility for planning, directing and controlling the activities of the Company.

## 44 PLANT CAPACITY AND PRODUCTION

| | **2025** | 2024 |
|---|---|---|
| | **(Tons)** | |
| **Annual Plant Capacity** | | |
| - Rice processing | **178,500** | 178,500 |
| - Rice Glucose | **33,000** | 33,000 |
| - Corn Starch | **72,000** | 72,000 |
| **Actual Production** | | |
| - Rice processing | **82,642** | 110,732 |
| - Rice Glucose | **11,986** | 10,659 |
| - Corn Starch | **51,519** | 49,212 |

**44.1** Actual production is less than installed capacity due to planned maintenance shutdown and production planned as per market demand.

| 45 | | **2025** | 2024 |
|---|---|---|---|
| | **EARNINGS PER SHARE - BASIC AND DILUTED** | **------Rupees-------** | |
| | Profit for the period | 414,851,515 | 284,614,572) |
| | Number of ordinary shares | 122,400,698 | 122,400,698 |
| | Weighted average number of ordinary shares | 122,400,698 | 122,400,698 |
| | Earnings per share - basic and diluted | 3.39 | (2.33) |

There is no dilutive effect on earnings per share as the Group does not have any convertible instruments as at June 30, 2025 and June 30, 2024.

## 46 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.. The Group's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance which are as follows:

### 46.1 Market risk

Market risk refers to fluctuation in value of financial instruments as a result of changes in market prices. Market risk comprise of currency risk, interest rate risk and price risk.

### 46.1.1 Currency risk

Foreign exchange risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. It arises mainly where receivables, bank balances, borrowings and payables exist due to transactions entered into foreign currencies.

Exposure to Foreign currency risk

The Group is exposed to foreign exchange risk arising from currency value fluctuations due to the following:

| | **2025** | 2024 |
|---|---|---|
| | **---Amount in USD---** | |
| Trade debts | 3,946,731 | 6,197,505 |
| Cash and bank balances | 116,928 | 127,962 |
| Advance from customer | (101,690) | (590,110) |
| Advance to supplier | 188,977 | 149,872 |
| **Net Exposure** | 4,150,946 | 5,885,229 |

The following significant exchange rates were applied during the year:

| | **2025** | 2024 |
|---|---|---|
| | **---Rupees per USD---** | |
| Average rate | **281.30** | 282.53 |
| Reporting date rate | 283.50 | 278.34 |

**Foreign currency sensitivity analysis**

A 10% strengthening of the PKR against the USD at June 30, 2025 would have effect on the equity and consolidated statement of profit or loss of the Group as shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for June 30, 2025.

| | 2025 | 2024 |
|---|---|---|
| | ------Rupees------- | |
| Strengthening of PKR against respective currencies | (117,679,319) | (163,810,167) |
| Weakening of PKR against respective currencies | 117,679,319 | (163,810,167) |

A 10 percentage weakening of the PKR against the USD at June 30, 2025 would have had the equal but opposite effect on USD to the amounts shown above, on the basis that all other variables remain constant.

**46.1.2 Price risk**

Price risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest or currency rate risk), whether those changes are caused by factors specified to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group is not exposed to price risk as well as the commodity price risk.

| | | 2025 | | | | |
|---|---|---|---|---|---|---|
| | | Mark-up / profit bearing | | | | |
| | Note | Less than one year | One year to Five years | Over five years | Non mark-up / profit bearing | Total |
| **Financial assets** | | --------Rupees-------- | | | | |
| **Amortised cost** | | | | | | |
| Long-term deposits | - | - | - | | 20,708,550 | 20,708,550 |
| Long-term investments | 20 | - | - | - | 60,966,400 | 60,966,400 |
| Trade debts - considered goods | 23 | - | - | - | 1,959,115,636 | 1,959,115,636 |
| Loans | 24 | - | - | - | 347,900 | 347,900 |
| Deposits | 25 | - | - | - | 2,204,326 | 2,204,326 |
| Short-term investment | 26 | 1,200,000 | - | - | - | 1,200,000 |
| Due from related parties | 28 | 38,421,807 | - | - | - | 38,421,807 |
| Cash and bank balances | 30 | 44,647,890 | - | - | 326,069,749 | 370,717,639 |
| | | 84,269,697 | - | - | 2,369,412,561 | 2,453,682,258 |
| **Fair value through profit or loss** | | | | | | |
| Short-term investment | 26 | 1,200,000 | - | - | - | 1,200,000 |
| **Fair value through other comprehensive income** | | | | | | |
| Long-term investments | 20 | - | - | - | - | - |
| **Financial liabilities** | | | | | | |
| **At amortized cost** | | | | | | |
| Long term finances - secured | 9 | 354,834,825 | 948,832,945 | 168,593,613 | - | 1,472,261,383 |
| Due to related party | 0 | - | - | - | - | - |
| Trade and other payables | 12 | - | - | - | 2,844,708,443 | 2,844,708,443 |
| Accrued mark-up | 13 | - | - | - | 268,460,997 | 268,460,997 |
| Short term borrowings - secured | 14 | 13,330,527,469 | - | - | - | 13,330,527,469 |
| Unpaid dividend | 15 | - | - | - | 933,712 | 933,712 |
| Lease liabilities | 10 | 84,940,254 | 298,193,413 | - | - | 383,133,667 |
| | | 13,770,302,548 | 1,247,026,358 | 168,593,613 | 3,114,103,152 | 18,300,025,671 |
| **On balance sheet gap** | | (13,684,832,851) | (1,247,026,358) | (168,593,613) | (744,690,591) | (15,845,143,413) |
| **Off balance sheet items** | | | | | | |
| Guarantees | 16.2 | - | - | - | 55,632,230 | 55,632,230 |
| Letter of credit | 16.2 | - | - | - | 38,894,542 | 38,894,542 |
| Capital Expenditures | 16.2 | - | - | - | 200,000,000 | 200,000,000 |
| Cheques issued in favor of Nazir of high court in relation to SSGC case | 16.2 | - | - | - | 7,732,192 | 7,732,192 |

| | Note | 2024 Mark-up / profit bearing Less than one year | One year to Five years | Over five years | Non mark-up / profit bearing | Total |
|---|---|---|---|---|---|---|
| Amortised cost | | | | | | |
| Long-term deposits | | - | - | - | 19,708,550 | 19,708,550 |
| Long-term investments | 20 | - | - | - | 15,510,771 | 15,510,771 |
| Trade debts - considered goods | 23 | - | - | - | 2,399,676,087 | 2,399,676,087 |
| Loans | 24 | - | - | - | 25,773,562 | 25,773,562 |
| Deposits | 25 | - | - | - | 1,983,715 | 1,983,715 |
| Short-term investment | 26 | 1,200,000 | - | - | - | 1,200,000 |
| Due from related parties | 28 | 50,326,380 | - | - | - | 50,326,380 |
| Cash and bank balances | 30 | 79,734,447 | - | - | 282,714,061 | 362,448,508 |
| | | 131,260,827 | - | - | 2,745,366,746 | 2,876,627,573 |
| Fair value through profit or loss | | | | | | |
| Short-term investment | 26 | - | - | - | - | - |
| Fair value through other comprehensive income | | | | | | |
| Long-term investments | 20 | - | - | - | - | - |
| Financial liabilities | | | | | | |
| At amortized cost | | | | | | |
| Long term finances - secured | 9 | 359,121,960 | 1,475,635,466 | - | - | 1,834,757,426 |
| Due to related party | 0 | - | - | - | - | - |
| Trade and other payables | 12 | - | - | - | 2,314,926,261 | 2,314,926,261 |
| Accrued mark-up | 13 | - | - | - | 560,017,210 | 560,017,210 |
| Short term borrowings | 14 | 11,123,990,753 | - | - | - | 11,123,990,753 |
| Unpaid dividend | 15 | - | - | - | 28,495,996 | 28,495,996 |
| Lease liabilities | 10 | 38,071,886 | 137,802,694 | 34,450,674 | - | 210,325,254 |
| | | 11,521,184,599 | 1,613,438,160 | 34,450,674 | 2,903,439,467 | 16,072,512,900 |
| On balance sheet gap | | (11,389,923,772) | (1,613,438,160) | (34,450,674) | (158,072,721) | (13,195,885,327) |
| Off balance sheet items | | | | | | |
| Guarantees | 16.2 | - | - | - | 46,167,500 | 46,167,500 |
| Letter of credit | 16.2 | - | - | - | 225,808,899 | 225,808,899 |
| Capital Expenditures | 16.2 | - | - | - | 172,000,000 | 172,000,000 |
| Guarantees | | | | | | |
| Cheques issued in favor of Nazir of high court in relation to SSGC case | 16.2 | - | - | - | 7,732,192 | 7,732,192 |

**46.1.3 Interest/Mark-up rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group has long term and short term finance at variable rates. The Group is exposed to interest/mark-up rate risk on long and short term financing and these are covered by holding "Prepayment Option" and "Rollover Option". Interest rate risk on short term borrowings is covered by holding "Prepayment Option" which can be exercised upon any adverse movement in the underlying interest rates. The local and foreign currency loans carry mark up at the prevailing rate of SBP plus 1% to 2.5%, KIBOR plus 0.75% to 2% respectively. Applicable interest rates for financial assets and liabilities are given in respective notes.

(a) On balance sheet gap represents the net amounts of consolidated statement of financial position items.

(b) Effective rates of return/mark-up on financial liabilities are as follows:

| Financial liabilities | 2025 | 2024 |
|---|---|---|
| Long term finances - secured | **SBP rate+ 1% to 2.5% & KIBOR + 1% to 1.5%** | SBP rate+ 1% to 2.5% & KIBOR + 1% to 1.5% |
| Short term borrowings | **SBP rate+ 1% & KIBOR + 0.75% to 2%** | SBP rate+ 1% & KIBOR + 0.75% to 2% |

**Fair value sensitivity analysis for fixed rate instruments**

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect consolidated statement of profit or loss of the Group.

**Cash flow sensitivity analysis for variable rate instruments**

At June 30, 2025, if interest rates on long term financing had been 1% higher / lower with all other variables held constant, pre tax profit for the period would have been Rs. 14.72 million (June 2024: Rs. 18.35 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

At June 30, 2025, if interest rates on short term borrowings had been 1% higher / lower with all other variables held constant, pre tax profit for the period would have been Rs. 131.90 million (June 2024: Rs. 111.24 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

**46.2 Credit risk**

Credit risk represents the accounting loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Group does not have significant exposure to any individual counter-party, therefore, the management does not consider that it has any concentration of credit risk at reporting date. To reduce exposure to credit risk the Group has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes allowance for ECLs against those balances considered doubtful of recovery. To mitigate the risk, the Group has a system of assigning credit limits to its customers based on evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposit, bank guarantees and insurance guarantees.

The Group's maximum exposure to credit risk at the reporting date is as follows:

| | | 2025 | 2024 |
|---|---|---|---|
| **Financial assets** | **Note** | **----Rupees----** | |
| Long-term investments | 20 | **60,966,400** | 15,510,771 |
| Long-term deposits | | **20,708,550** | 19,708,550 |
| Trade debts | 23 | **1,959,115,636** | 2,399,676,087 |
| Loans | 24 | **347,900** | 25,773,562 |
| Trade deposit | 25 | **2,204,326** | 1,983,715 |
| Short-term investment | 26 | **1,200,000** | 1,200,000 |
| Due from related parties | 28 | **38,421,807** | 50,326,380 |
| **Bank balances** | 30 | **359,901,895** | 358,221,411 |
| | | **2,442,866,514** | 2,872,400,476 |

The ageing of trade debts and related movement of ECL has been disclosed in note 24.3 of these unconsolidated financial statements.

**Bank balances**

The Group limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counter-parties that have stable credit rating. Given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

The bank balances along with the credit ratings are tabulated below:

| | Agency name | 2025 | |
|---|---|---|---|
| | | Short term | Long term |
| MCB Bank Limited | PACRA | A1+ | AAA |
| Meezan Bank Limited | JCR VIS | A1+ | AAA |
| National Bank of Pakistan | PACRA | A1+ | AAA |
| Standard Chartered Bank Limited | PACRA | A1+ | AAA |
| United Bank Limited | JCR VIS | A1+ | AAA |
| Allied Bank Limited | PACRA | A1+ | AAA |
| Askari Bank Limited | PACRA | A1+ | AAA |
| Bank Alfalah Limited | PACRA | A1+ | AAA |
| Faysal Bank Limited | PACRA | A1+ | AA |
| Habib Bank Limited | PACRA | A1+ | AAA |
| Habib Metropolitan Bank Limited | PACRA | A1+ | AA+ |
| Soneri Bank Limited | PACRA | A1+ | AA- |
| Bank Al Habib Limited | PACRA | A1+ | AAA |
| JS Bank | PACRA | A1+ | AA |
| MCB Islamic Bank | PACRA | A1 | A+ |
| Bank of Punjab | PACRA | A1+ | AA+ |

**46.3 Liquidity risk**

The Group finances its operations through equity and borrowings with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular continued credit lines.

As on reporting date, the Group had cash and bank balances and term deposit amounting to Rs. 212.66 million & Rs. 1.2 million respectively (June 2024: Rs. 357.42 million & Rs. 1.2 million), and unutilized credit lines of Rs. 832.34 million (June 2024: 1,296.01 million).

## 47 FAIR VALUE HIERARCHY

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing par ties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the:

a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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

The Group's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (e.g.. significant increases / decreases in activity)

- changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market)

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

The following table represents the Group's assets that are measured at fair value as at June 30, 2025 and June 30, 2024:

| | 2025 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| | | ----------Rupees---------- | | |
| ***Non-financial assets*** | | | | |
| Property, plant and equipment | **-** | **-** | **13,040,051,366** | **13,040,051,366** |
| ***Financial assets*** | | | | |
| Financial assets held at fair value through profit or loss | **-** | **-** | **-** | **-** |
| Financial assets held at fair value through other comprehensive income | **-** | **-** | **-** | **-** |

| | 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| | | ----------Rupees---------- | | |
| *Non-financial assets* | | | | |
| Property, plant and equipment | - | - | 12,902,928,790 | 12,902,928,790 |
| *Financial assets* | | | | |
| Financial assets held at fair value through profit or loss | - | - | - | - |
| Financial assets held at fair value through other comprehensive income | - | - | - | - |

Certain categories of operating fixed assets (land, buildings, plant and machinery and generators include revaluation surplus) (level 3 measurement) determined by an independent professional valuer based on their assessment of the market values as disclosed in note 8 to these consolidated financial statements. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated financial statements.

## 48 CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The objective of the Group when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring its debt levels and liquid assets and keeping in view future investments requirements and expectations of the shareholders. Debt is calculated as total borrowings (short term borrowings, long term finances and current portion of long term finances as shown in the balance sheet). Capital signifies equity as reported in statement of financial position and includes share capital, share premium and unappropriated profits.

The Group's strategy is to maintain leveraged gearing. The gearing ratios as at June 30, 2025 and June 30, 2024 were as follows:

| | Note | **2025** | 2024 |
|---|---|---|---|
| | | **----Rupees----** | |
| Total borrowings | | **14,802,788,852** | 12,958,748,179 |
| Less: Cash and bank | 30 | **(370,717,639)** | (362,448,508) |
| Net debt | | **14,432,071,213** | 12,596,299,671 |
| Total equity | | **10,486,353,892** | 10,068,312,174 |
| Total equity and debt | | **24,918,425,105** | 22,664,611,845 |
| Gearing ratio (%) | | **58%** | 56% |

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

49 **DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHAHRIA NON-PERMISSBLE BUSINESS ACTIVITIES**

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

| | Note | 2025 | 2024 |
|---|---|---|---|
| | | ----Rupees---- | |
| **Financing as per Islamic Mode** | | | |
| Long term financing (Including current portion) | 9 | **551,116,548** | 666,432,649 |
| Short-term borrowings | 14 | **4,979,592,931** | 3,031,639,347 |
| **Interest accrued on conventional loans** | | | |
| Finance Cost | 13 | **145,153,380** | 163,543,296 |
| **Shariah compliant bank balances** | | | |
| Bank Balances | | **34,986,096** | 178,457,101 |
| **Profit paid on Islamic mode of financing** | | | |
| Long term financing | | **12,419,965** | 15,744,484 |
| Short-term borrowings | | **343,281,215** | 374,979,510 |

**Relationship with Shariah-compliant financial institutions**

| Name | Relationship |
|---|---|
| Dubai Islamic Bank Pakistan Limited | Funded Facility & Bank Balance |
| Faysal Bank Limited | Funded Facility & Bank Balance |
| Meezan Bank Limited | Funded Facility & Bank Balance |
| Standard Chartered Pakistan | Funded Facility & Bank Balance |
| Bank Islami Limited | Funded Facility & Bank Balance |

50 **CORRESPONDING FIGURES**

Corresponding figures have also been rearranged and/or reclassified, wherever necessary, for better presentation. However, there has been no material reclassification in these consolidated financial statements.

51 **DATE OF AUTHORISATION FOR ISSUE**

These consolidated financial statements have been approved by the Board of Directors of the Company and authorized for issue on September 12, 2025.

52 **GENERAL**

Figures have been rounded off to the nearest Rupee.

| Khalid Sarfaraz Ghori<br>Chief Executive Officer | M. Aamir Farooqui<br>Chief Financial Officer | Faizan Ali Ghori<br>Director |
|---|---|---|

بسم الله الرحمن الرحيم

## ڈائریکٹرز رپورٹ

اللہ سبحانہ و تعالیٰ کے فضل و کرم سے اور بورڈ آف ڈائریکٹرز (بی او ڈی) کی جانب سے، مجھے 30 جون 2025 کو ختم ہونے والے سال کے لیے میٹکو فوڈز لمیٹڈ کی سالانہ رپورٹ کے ساتھ آڈٹ شدہ مالیاتی بیانات اور آڈیٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

## آپریٹنگ نتائج:

| | Unconsolidated | | Consolidated | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| | --------Rupees-------- | | --------Rupees-------- | |
| Sales - net | **26,654,376,270** | 27,695,667,805 | **26,670,728,433** | 27,705,171,773 |
| Cost of sales | **(23,308,052,386)** | (24,524,645,802) | **(23,308,090,931)** | (24,524,645,802) |
| **Gross Profit** | **3,346,323,884** | 3,171,022,003 | **3,362,637,502** | 3,180,525,971 |
| Selling and distribution expenses | **(529,596,131)** | (590,691,407) | **(559,833,630)** | (603,352,830) |
| Administrative expenses | **(817,341,017)** | (681,528,249) | **(854,015,040)** | (708,750,049) |
| | **(1,346,937,148)** | (1,272,219,656) | **(1,413,848,670)** | (1,312,102,879) |
| **Operating profit** | **1,999,386,736** | 1,898,802,347 | **1,948,788,832** | 1,868,423,092 |
| Finance cost | **(1,854,110,081)** | (2,243,877,030) | **(1,854,993,235)** | (2,244,155,913) |
| Other income | **90,058,387** | 86,370,402 | **90,069,155** | 86,374,911 |
| Share of profit/(loss) from associated company | **-** | - | **45,455,629** | 8,504,933 |
| Exchange gain - net | **289,168,393** | 190,389,508 | **289,168,393** | 190,389,508 |
| Provision for workers' welfare fund | **(9,803,803)** | - | **(9,803,803)** | - |
| Provision for workers' profit participation fund | **(24,509,506)** | - | **(24,509,506)** | - |
| **Profit/(Loss) Before Levies and Income Tax** | **490,190,126** | (68,314,773) | **484,175,465** | (90,463,469) |
| Levies - Final and Minimum Tax | **(196,270,343)** | (258,998,630) | **(196,270,343)** | (258,998,630) |
| Taxation | **119,977,531** | 64,847,527 | **126,946,393** | 64,847,527 |
| **Profit/(Loss) for the Year** | **413,897,314** | (262,465,876) | **414,851,515** | (284,614,572) |
| **Earnings Per Share - Basic and Diluted** | **3.38** | (2.14) | **3.39** | (2.33) |

جون 2025 کو ختم ہونے والے سال کے دوران کمپنی نے گزشتہ سال کے 27.70 ارب روپے کے مقابلے میں 26.65 ارب روپے کی خالص فروخت ریکارڈ کی جو کہ 4 فیصد کی معمولی کمی کو ظاہر کرتی ہے۔ اس کے برعکس گزشتہ سال کے مقابلے میں فروخت کے حجم میں 12 فیصد اضافہ ہوا۔ یہ انحراف اس بات کی نشاندہی کرتا ہے کہ آمدنی کا دباؤ بنیادی طور پر قیمتوں میں کمی اور فروخت کے مرکب میں تبدیلیوں سے پیدا ہوا ہے۔

باسمتی کی برآمدات، جو سب سے زیادہ آمدنی میں حصہ ڈالنے والی ہے، حجم کے لحاظ سے تقریبا 41,000 میٹرک ٹن پر مستحکم رہی۔ تاہم ، فروخت کی قیمت میں 12٪ کمی واقع ہوئی۔ یہ کمی بنیادی طور پر باسمتی کی اوسط برآمدی قیمت میں کمی کی وجہ سے ہوئی، جو پچھلے سال میں 1,237 امریکی ڈالر فی میٹرک ٹن سے کم ہو کر زیر جائزہ سال کے دوران 1,089 امریکی ڈالر فی میٹرک ٹن رہ گئی۔ قیمتوں پر گراوٹ کا دباؤ بڑی حد تک ہندوستان کی برآمدی پابندیوں میں نرمی کی وجہ سے تھا، جس نے بین الاقوامی منڈیوں میں سپلائی میں اضافہ کیا۔ ملکی محاذ پر، باسمتی کی فروخت میں حجم میں 8 فیصد اضافہ ہوا، حالانکہ آمدنی میں 3 فیصد کی معمولی کمی درج کی گئی، جو مستحکم طلب کی عکاسی کرتی ہے لیکن قیمتوں میں محدود لچک کی عکاسی کرتی ہے۔

اس کے برعکس، ویلیو ایڈڈ اور متنوع پروڈکٹ لائنز نے رفتار حاصل کی۔ فلک فوڈز کی برآمدات میں 30 فیصد اور مقامی فروخت میں 57 فیصد اضافہ ہوا جبکہ چاول گلوکوز (مقامی) میں حجم میں 32 فیصد اضافے کے ساتھ 29 فیصد اضافہ ہوا۔ مکئی کے نشاستے میں قابل ذکر اضافہ ہوا ، برآمدات میں 81 فیصد اور مقامی فروخت میں 4 فیصد اضافہ ہوا۔ دیگر مصنوعات، جیسے مالٹوڈیکسٹرین اور ڈیکسٹروز مونو ہائیڈریٹ نے بھی مقامی اور برآمدی منڈیوں کی حمایت سے مثبت کردار ادا کیا۔

مجموعی منافع میں مثبت حصہ کمپنی کی فروخت کی لاگت سے آیا جو گزشتہ سال کے 24.52 ارب روپے سے کم ہو کر 23.31 ارب روپے رہ گیا۔ یہ بہتری خام مال کی کھپت میں کمی (21.04 ارب روپے سے کم ہو کر 18.68 ارب روپے رہ گئی)، کمپنی کی موثر خریداری کی حکمت عملی اور انوینٹری مینجمنٹ میں اضافے کا نتیجہ ہے، جس سے خریداری کے زیادہ باخبر فیصلوں اور اسٹاک کی قیمتوں کو بہتر بنایا گیا ہے۔ توانائی کی لاگت بھی 926.8 ملین روپے سے کم ہو کر 855.7 ملین روپے رہ گئی، جو وسائل کے بہتر استعمال اور ہمارے شمسی توانائی کے اقدامات کے مثبت اثرات کی عکاسی کرتی ہے۔ دوسری جانب فرسودگی 379.1 ملین روپے سے بڑھ کر 598.3 ملین روپے تک پہنچ گئی، جس کی بنیادی وجہ غیر منقولہ اثاثوں کی دوبارہ تشخیص ہے، جس کے نتیجے میں فرسودگی میں اضافہ ہوا۔ مجموعی طور پر مجموعی منافع 3.17 ارب روپے سے بڑھ کر 3.35 ارب روپے ہو گیا جس سے مجموعی مارجن 11.5 فیصد سے بڑھ کر 12.6 فیصد ہو گیا۔

فروخت اور تقسیم کے اخراجات 590.7 ملین روپے سے کم ہو کر 529.6 ملین روپے رہ گئے جس کی بنیادی وجہ سفر، سیلز پروموشن اور برآمدی چارجز میں کمی ہے، جزوی طور پر زیادہ فرسودگی اور انشورنس کی وجہ سے تلافی کی گئی۔ یہ کمی افراط زر کے دباؤ کے باوجود مارکیٹنگ اور تقسیم کے افعال میں کمپنی کی موثر لاگت کی اصلاح کو ظاہر کرتی ہے۔

انتظامی اخراجات گزشتہ سال کے 681.5 ملین روپے کے مقابلے میں 817.3 ملین روپے تک بڑھ گئے۔ یہ اضافہ بڑی حد تک زیادہ تنخواہوں اور فوائد، فرسودگی میں اضافہ، طبی اخراجات، اور سافٹ ویئر کی دیکھ بھال کی وجہ سے ہوا۔ یہ اضافہ افراط زر کے اثرات اور ترقی اور تنوع کی حمایت کے لیے تنظیمی صلاحیتوں میں مسلسل سرمایہ کاری دونوں کی عکاسی کرتا ہے۔

کمپنی نے گزشتہ سال کے 1.90 ارب روپے کے مقابلے میں 1.99 ارب روپے کا آپریٹنگ منافع حاصل کیا جو آپریشنل کارکردگی اور لاگت کے انتظام کی عکاسی کرتا ہے۔ فنانس اخراجات 2.24 ارب روپے سے کم ہو کر 1.85 ارب روپے رہ گئے، جو سود میں خاطر خواہ کمی کی عکاسی کرتا ہے۔ 2024 کے

وسط سے، بینچ مارک پالیسی ریٹ کو تقریباً 22٪ سے کم کر کے 11٪ کر دیا گیا ہے، جس سے قرض لینے کی لاگت میں کمی آئی ہے۔ دیگر آمدنیوں اور زرمبادلہ کے فوائد نے بالترتیب 90.1 ملین روپے اور 289.2 ملین روپے کی اضافی مدد فراہم کی۔

ان نظم و ضبط کی کوششوں کے نتیجے میں ، کمپنی نے اپنی مالی پوزیشن کو تبدیل کیا اور منافع کی طرف لوٹ آیا۔ اس نے محصولات اور ٹیکس سے پہلے 490.2 ملین روپے کا منافع حاصل کیا جبکہ گزشتہ سال 68.3 ملین روپے کا نقصان ہوا تھا۔ محصولات اور ٹیکسوں کے بعد اس سال کا خالص منافع 413.9 ملین روپے رہا جبکہ گزشتہ سال 262.5 ملین روپے کا خالص نقصان ہوا تھا۔ یہ کارکردگی فی شیئر آمدنی سے ظاہر ہوتی ہے ، جو 3.38 روپے تک بڑھ گئی ، جس نے گذشتہ سال کے 2.14 روپے کے فی حصص کے نقصان کو پلٹ دیا۔

## اہم خطرات اور غیر یقینی صورتحال

میٹکو فوڈز آب و ہوا ، معاشی ، ریگولیٹری اور جغرافیائی سیاسی عوامل سے متاثر ہونے والے متحرک ماحول میں کام کرتا ہے۔ کمپنی ممکنہ خطرات کی جلد نشاندہی کرنے، موثر تخفیف کی حکمت عملیوں کو نافذ کرنے، اور طویل مدتی ترقی کی حفاظت کرتے ہوئے بدلتے ہوئے حالات کے مطابق ڈھالنے کے لیے درکار لچک کو برقرار رکھنے کے لیے پرعزم ہے۔

### آب و ہوا اور زرعی سپلائی چین

حالیہ سیلاب کے واقعات نے زرعی سپلائی چین پر آب و ہوا کی تغیرات کے بڑھتے ہوئے اثرات کو اجاگر کیا ہے۔ اس طرح کے حالات پاکستان اور ہندوستان کے اہم خطوں سے حاصل کردہ پریمیم باسمتی چاول کی دستیابی اور معیار کو متاثر کر سکتے ہیں، اور قلیل مدتی خریداری اور لاجسٹک چیلنجز بھی پیدا کر سکتے ہیں۔ میٹکو فوڈز تسلسل اور لچک کو یقینی بنانے کے لیے متبادل سورسنگ انتظامات، سپلائی چین ایڈجسٹمنٹ، اور سپلائرز اور شراکت داروں کے ساتھ قریبی ہم آہنگی کے ذریعے فعال طور پر ان خطرات کا انتظام کرتا ہے۔

### میکرو اکنامک اور کرنسی کے عوامل

پالیسی اقدامات اور بین الاقوامی تعاون کی مدد سے پاکستان کے زرمبادلہ کے ذخائر میں بہتری آئی ہے۔ بہر حال، بیرونی قرضوں کی ذمہ داریوں اور کرنسی کے اتار چڑھاؤ پر مسلسل توجہ کی ضرورت ہے، کیونکہ پاکستانی روپے کی نقل و حرکت گھریلو قوت خرید اور برآمدی مسابقت دونوں کو متاثر کر سکتی ہے۔ حالیہ مہینوں میں افراط زر کا دباؤ، خاص طور پر حالیہ سیلاب کے بعد کھانے کی مصنوعات میں، پر قابو پایا گیا ہے، اگست 2025 میں خوراک کی افراط زر شہری علاقوں میں 2.2 فیصد اور دیہی علاقوں میں 1.5 فیصد تک کم ہو گئی ہے۔ درمیانی مدت کی افراط زر کا ہدف 5 سے 7 فیصد کا ہدف حاصل کیا جاسکتا ہے۔ کمپنی میکرو اکنامک اشارے اور کرنسی کے رجحانات پر گہری نظر رکھتی ہے، ممکنہ اثرات کو کم کرنے اور ابھرتے ہوئے مواقع پر قبضہ کرنے کے لیے مالی منصوبہ بندی میں لچک کو شامل کرتی ہے۔

### ریگولیٹری، سیاسی، اور ماحولیاتی تحفظات

ریگولیٹری اصلاحات، سیاسی پیشرفتوں اور ماحولیاتی ترجیحات کے زیر اثر کاروباری ماحول تیار ہوتا رہتا ہے۔ فنانس ایکٹ 2025 کے ذریعے متعارف کرائی گئی تبدیلیوں نے ٹیکس اور تعمیل کے فریم ورک کو ایڈجسٹ کیا ہے، جس میں آپریشنل اور اسٹریٹجک موافقت کی ضرورت ہے۔ سیاسی حرکیات اور علاقائی عوامل ، بعض اوقات ، سپلائی چین کی کارکردگی اور مارکیٹ کے جذبات کو متاثر کرسکتے ہیں۔ ماحولیاتی تحفظات، بشمول موسمیاتی تبدیلیوں اور موسم سے متعلق واقعات

کا خطرہ، تزویراتی فیصلہ سازی میں تیزی سے مرکزی حیثیت رکھتے ہیں۔ میٹکو فوڈز اپنے آپریشنز میں ماحولیاتی رسک مینجمنٹ کو مربوط کرتا ہے ، کارکردگی اور معیار کو برقرار رکھتے ہوئے پائیداری کے مقاصد کے ساتھ ہم آہنگ ہوتا ہے۔

### جغرافیائی سیاسی اور تجارتی راستے میں رکاوٹیں

اہم میری ٹائم کوریڈورز، خاص طور پر بحیرہ احمر کے علاقے میں ہونے والی پیش رفت نے عالمی تجارتی بہاؤ میں پیچیدگی میں اضافہ کیا ہے۔ سیکیورٹی خدشات اور جہازوں کی تبدیلی کی وجہ سے دنیا بھر میں برآمد کنندگان کے لئے طویل ٹرانزٹ اوقات اور شپنگ کے اخراجات میں اضافہ ہوا ہے۔ اگرچہ یہ عوامل کچھ مارکیٹوں میں ترسیل کی ٹائم لائنز کو متاثر کر سکتے ہیں، لیکن میٹکو فوڈز نے اپنے لاجسٹک چینلز کو متنوع بنایا ہے، برآمدی منصوبہ بندی کو مضبوط کیا ہے، اور ممکنہ رکاوٹوں کو کم کرنے کے لیے شراکت داروں کے ساتھ مل کر کام کیا ہے۔

## چاول کے گلوکوز ڈویژن کے بارے میں مختصر معلومات

رائس گلوکوز ڈویژن نے رواں مالی سال کے دوران لچک کا مظاہرہ کیا ہے ، جس نے افراط زر کے اہم دباؤ کو نیویگیٹ کیا ہے جس نے خام مال کی قیمتوں کو متاثر کیا ہے۔ ان چیلنجوں کے باوجود، جو پچھلے سال کے آخری نصف حصے سے جاری تھے، ڈویژن نے مقامی اور برآمدی دونوں شعبوں میں اپنی مضبوط مارکیٹ موجودگی کو برقرار رکھا۔ آگے دیکھتے ہوئے، خام مال کی قیمتوں میں خاطر خواہ کمی کے ساتھ آخری سہ ماہی میں ایک امید افزا پیش رفت سامنے آئی۔ توقع ہے کہ اس مثبت تبدیلی سے پیداواری کارکردگی کو نمایاں طور پر تقویت ملے گی اور آنے والے سال میں ڈویژن کے لیے بہتر مالی کارکردگی اور منافع میں اضافہ ہوگا، جس سے مستقبل کی ترقی کے لیے ایک مثبت رفتار طے ہوگی۔

## مکئی کے نشاستے کے ڈویژن کے بارے میں مختصر معلومات

کارن اسٹارچ ڈویژن نے 2025 مالی سال میں ایک غیر معمولی کارکردگی پیش کی ہے، جس نے پچھلے سال میں حاصل کی گئی متاثر کن ترقی کو پیچھے چھوڑ دیا ہے۔ برآمدی فروخت 2024 میں 659 ملین روپے سے بڑھ کر 1,192 ملین روپے تک پہنچ گئی، جو عالمی منڈی میں نمایاں رسائی کی عکاسی کرتی ہے۔ مقامی فروخت میں بھی خاطر خواہ اضافہ ہوا ، جس میں اہم مصنوعات 4,336 ملین روپے تک پہنچ گئیں (2024 میں 4,448 ملین روپے سے) ، جو مقامی مرکزی مصنوعات کے مرکب میں معمولی تبدیلی کی نشاندہی کرتی ہے۔ ضمنی مصنوعات اور دیگر 2024 میں 864 ملین روپے سے بڑھ کر 1,253 ملین روپے تک پہنچ گئیں۔ مجموعی طور پر مجموعی فروخت 2024 میں 5,971 ملین روپے سے بڑھ کر 2025 میں 6,781 ملین روپے تک پہنچ گئی۔

اس خاطر خواہ ٹاپ لائن نمو نے براہ راست منافع میں قابل ستائش بہتری کا ترجمہ کیا۔ آپریشنل اخراجات میں اضافے کے باوجود ڈویژن نے 2024 میں 279 ملین روپے سے بڑھ کر 2025 میں اپنا مجموعی منافع 558 ملین روپے تک بڑھا دیا۔

سب سے اہم بات یہ ہے کہ آپریٹنگ منافع 2024 میں 87 ملین روپے سے بڑھ کر 2025 میں 315 ملین روپے تک پہنچ گیا۔ آپریٹنگ منافع میں یہ غیر معمولی اضافہ آمدنی پیدا کرنے کے بے پناہ پیمانے کے مقابلے میں موثر لاگت کے انتظام کی عکاسی کرتا ہے اور موثر آپریشنل بیعانہ کا مظاہرہ کرتا ہے۔

پائیداری اور لاگت میں کمی کے لیے ڈویژن کا فعال نقطہ نظر، خاص طور پر بجلی کے اخراجات کو کم کرنے کے لیے شمسی توانائی میں سرمایہ کاری کے ذریعے، اس کی مضبوط مالیاتی کارکردگی کو مزید تکمیل دیتا ہے۔ اگرچہ توانائی کے ان اقدامات کے مکمل مالی اثرات کو وقت کے ساتھ محسوس کیا جائے گا، لیکن ان سے توقع کی جاتی ہے کہ وہ کارکردگی اور منافع میں اضافہ کریں گے، جس سے ڈویژن کی پوزیشن کو ایک اہم ترقی کے ڈرائیور اور کمپنی کے لیے پائیدار آپریشنز کے ماڈل کے طور پر تقویت ملے گی۔

## فلک فوڈز ڈویژن کے بارے میں مختصر معلومات

فلک فوڈز پروڈکٹس نے 2025 کے مالی سال میں ایک مضبوط اور منافع بخش کارکردگی کا مظاہرہ کیا، جو 2024 سے مثبت رفتار کو جاری رکھا۔ برآمدی فروخت گزشتہ سال کے 100 ملین روپے سے بڑھ کر 130 ملین روپے تک پہنچ گئی، جو مسلسل بین الاقوامی طلب کی عکاسی کرتی ہے۔ اہم مصنوعات کی مقامی فروخت میں بھی نمایاں اضافہ ہوا اور 2024 میں 330 ملین روپے کے مقابلے میں 520 ملین روپے تک پہنچ گئی، جس سے مجموعی فروخت 430 ملین روپے سے بڑھ کر 649 ملین روپے تک پہنچ گئی۔

سیلز ڈسکاؤنٹس، ریٹرن، ٹیکسز، فریٹ اور کلیئرنگ اینڈ فارورڈنگ کے اخراجات کے حساب کتاب کے بعد، خالص فروخت 541 ملین روپے رہی، جو 2024 میں 365 ملین روپے تھی۔ جبکہ فروخت کی لاگت 431 ملین روپے تک بڑھ گئی، ڈویژن نے 92 ملین روپے سے بڑھ کر 109 ملین روپے کا مجموعی منافع برقرار رکھا۔

فروخت اور تقسیم کے اخراجات اور انتظامی اخراجات میں بالترتیب 11 ملین روپے اور 10 ملین روپے کا معمولی اضافہ دیکھنے میں آیا۔ ان اضافے کے باوجود، آپریٹنگ منافع 2024 میں 75 ملین روپے سے بڑھ کر 89 ملین روپے تک پہنچ گیا، جو لاگت کے موثر انتظام اور آپریشنل کارکردگی کو اجاگر کرتا ہے۔

مجموعی طور پر، ڈویژن کی کارکردگی اس کی لچک، اسٹریٹجک توجہ، اور پائیدار قدر فراہم کرنے کی صلاحیت کو واضح کرتی ہے، جس سے کمپنی کے منافع میں ایک اہم شراکت دار کے طور پر اس کے کردار کو تقویت ملتی ہے۔

## بیرنٹز پاکستان (پرائیویٹ) لمیٹڈ کے بارے میں بریفنگ

ہمیں اپنے متعلقہ ادارے بیرنٹز پاکستان (پرائیویٹ) لمیٹڈ کی غیر معمولی کارکردگی پر رپورٹ کرتے ہوئے خوشی ہو رہی ہے۔ کمپنی نے قابل ذکر ترقی اور منافع میں نمایاں اضافہ کا مظاہرہ کیا ہے، جو اس کے اسٹریٹجک اقدامات کی کامیابی کو اجاگر کرتا ہے۔

دسمبر 2024 کو ختم ہونے والے سال کے لیے، بیرنٹز پاکستان نے 37.552 ملین روپے کا آڈٹ شدہ خالص منافع ریکارڈ کیا، جو سال 2023 کے لیے 31 رپورٹ کردہ 9.820 ملین روپے کے منافع سے کافی زیادہ ہے۔ یہ ٪282 سے زیادہ کی سال بہ سال ترقی کی نمائندگی کرتا ہے، جو کمپنی کے مضبوط آپریشنل عملدرآمد کا ثبوت ہے۔

رواں مالی سال میں اس مضبوط مثبت رفتار میں تیزی آئی ہے۔ اپنے کیلنڈر سال 2025 کے پہلے چھ ماہ کے لیے، کمپنی نے ٹیکس کے بعد 62.608 ملین روپے کا متاثر کن غیر آڈٹ شدہ منافع درج کیا ہے۔ یہ بات قابل ذکر ہے کہ یہ نصف سال کا منافع پہلے ہی 2024 کے پورے سال کے منافع کو ایک اہم مارجن سے پیچھے چھوڑ چکا ہے، جو آنے والے سال کے لیے ایک طاقتور رفتار کا اشارہ کرتا ہے۔

کمپنی کی کامیابی مارکیٹ میں گہری رسائی حاصل کرنے اور اس کی مصنوعات کی بنیاد کو بڑھانے پر اس کی اسٹریٹجک توجہ سے کارفرما ہے۔ ڈیری اور مشروبات سے لے کر پراسیسڈ گوشت اور کنفیکشنری تک مختلف صنعتوں کی مؤثر طریقے سے خدمت کرتے ہوئے بیرنٹز پاکستان نے اپنی مارکیٹ کی پوزیشن کو مستحکم کیا ہے اور پائیدار ترقی کے لیے ایک مضبوط بنیاد قائم کی ہے۔ بورڈ کو بیرنٹز پاکستان کی جانب سے ہمارے مستحکم مالیاتی نتائج میں مثبت کردار ادا کرنے کی مسلسل صلاحیت پر اعتماد ہے۔

## بورڈ کی تشکیل

بورڈ 7 مرد اور 2 خواتین ڈائریکٹرز پر مشتمل ہے جن کی تشکیل درج ذیل ہے:

| | |
|---|---|
| آزاد ڈائریکٹرز | 4 |
| نان ایگزیکٹو ڈائریکٹرز | 2 |
| ایگزیکٹو ڈائریکٹرز | 3 |
| **ڈائریکٹرز کی کل تعداد** | 9 |

مندرجہ بالا ڈائریکٹرز کو سالانہ جنرل میٹنگ میں منتخب کیا گیا ہے، جو 24 اکتوبر 2024 کو منعقد ہوا تھا، 31 اکتوبر 2024 سے شروع ہونے والے تین (3) سالوں کے لیے۔

## نان ایگزیکٹیو ڈائریکٹرز کی معاوضے کی پالیسی

کمپنی کی معاوضے کی پالیسی بورڈ میں اعلیٰ تعلیم یافتہ اور تجربہ کار افراد کو راغب کرنے، حوصلہ افزائی کرنے اور برقرار رکھنے کے لیے ڈیزائن کی گئی ہے۔ یہ منصفانہ، شفاف اور کارپوریٹ گورننس کے بہترین طریقوں کے ساتھ ہم آہنگ ہونے کے لیے تشکیل دیا گیا ہے۔

بورڈ کے ممبروں کے معاوضے کا تعین بورڈ آف ڈائریکٹرز کے ذریعہ کیا جاتا ہے اور اس کی منظوری دی جاتی ہے۔ گڈ گورننس کے اصولوں پر عمل پیرا ہونے اور مفادات کے کسی بھی ٹکراؤ سے بچنے کے لیے، کوئی بھی ڈائریکٹر اپنے معاوضے سے متعلق بات چیت یا ووٹنگ میں حصہ نہیں لیتا۔ یہ عمل معروضیت کو یقینی بناتا ہے اور درج فہرست کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی مکمل تعمیل کرتا ہے۔

نان ایگزیکٹو ڈائریکٹرز کے لئے معاوضہ خصوصی طور پر بورڈ اور کمیٹی کے اجلاسوں میں ان کی حاضری کی فیس تک محدود ہے۔ انہیں تنخواہ ، کارکردگی پر مبنی مراعات ، یا فوائد کی کوئی دوسری شکل نہیں ملتی ہے۔ یہ ڈھانچہ کمپنی کی قلیل مدتی کارکردگی کے بجائے ان کے معاوضے کو ان کے گورننس کردار اور ذمہ داریوں کے ساتھ ہم آہنگ کرکے ان کی آزادی کو تقویت دیتا ہے۔

ہماری پالیسیوں کا باقاعدگی سے جائزہ لیا جاتا ہے اور صنعت کے معیارات کے مطابق بینچ مارک کیا جاتا ہے تاکہ یہ یقینی بنایا جا سکے کہ وہ کمپنی کی رہنمائی کے لیے درکار قیادت کی صلاحیت کے لیے مسابقتی اور موزوں رہیں۔

## چیف ایگزیکٹو اور ایگزیکٹو ڈائریکٹرز کا معاوضہ پیکیج

چیف ایگزیکٹو اور دیگر ڈائریکٹرز کے معاوضے کے پیکیج کا انکشاف مالی گوشواروں کے نوٹ 43 میں کیا گیا ہے۔

## بورڈ کے اجلاس اور حاضری

:زیر جائزہ سال کے دوران ، بورڈ کے پانچ (05) اجلاس منعقد کیے گئے اور ہر ڈائریکٹر کی حاضری ذیل میں دی گئی ہے

| ممبروں کا نام | حاضری |
|---|---|
| جناب جاوید علی غوری – چیئرمین | 4 |
| جناب خالد سرفراز غوری | 5 |
| جناب فیضان علی غوری | 4 |

| | |
|---|---|
| جناب صفوان خالد غوری | 4 |
| جناب سید کامران رشید | 5 |
| جناب عبدالصمد خان | 2 |
| محترمہ فریال مرتضیٰ | 4 |
| محترمہ ام حبیبہ | 4 |
| جناب محمد محسن | 5 |

ان ڈائریکٹرز کو غیر حاضری کی چھٹی دی گئی تھی جو بورڈ کے کچھ اجلاسوں میں شرکت نہیں کرسکتے تھے۔

## بورڈ آڈٹ کمیٹی

زیر جائزہ سال کے دوران ، بورڈ آڈٹ کمیٹی کے چار (04) اجلاس منعقد ہوئے ، اور ہر ممبر کی حاضری ذیل میں دی گئی ہے۔

| ممبروں کا نام | حاضری |
|---|---|
| جناب سید کامران رشید - چیئرمین | 4 |
| جناب عبدالصمد خان | 2 |
| جناب محمد محسن | 4 |

## انسانی وسائل اور معاوضہ کمیٹی

زیر جائزہ سال کے دوران ، ایک (01) انسانی وسائل اور معاوضہ کمیٹی کا اجلاس منعقد ہوا اور ہر ممبر کی حاضری ذیل میں دی گئی ہے۔

| ممبروں کا نام | حاضری |
|---|---|
| محترمہ ام حبیبہ - چیئرمین | 1 |
| جناب جاوید علی غوری | 1 |
| جناب خالد سرفراز غوری | 1 |
| محترمہ فریال مرتضیٰ | 1 |
| جناب فیضان علی غوری | 1 |

## ڈائریکٹرز کے تربیتی پروگرام

بورڈ آف ڈائریکٹرز کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھنے اور اس بات کو یقینی بنانے کے لیے پرعزم ہے کہ اس کے ممبران اپنے فرائض کو مؤثر طریقے سے انجام دینے کے لیے ضروری علم اور مہارتوں سے لیس ہوں۔ اس عزم کے مطابق، ہمیں اس بات کی تصدیق کرتے ہوئے خوشی ہو رہی ہے کہ کمپنی کے تمام ڈائریکٹرز نے مطلوبہ ڈائریکٹرز ٹریننگ پروگرام کو کامیابی کے ساتھ مکمل کر لیا ہے۔

یہ سرٹیفیکیشن اس بات کو یقینی بناتا ہے کہ بورڈ کے ہر رکن کو کمپنیز ایکٹ 2017 اور پاکستان اسٹاک ایکسچینج (پی ایس ایکس) کے ریگولیٹری فریم ورک کے تحت بیان کردہ اپنے اختیارات، ذمہ داریوں اور ذمہ داریوں کے بارے میں جامع سمجھ ہو۔ یہ مسلسل پیشہ ورانہ ترقی ہمارے بورڈ کو مضبوط نگرانی اور اسٹریٹجک سمت فراہم کرنے کا اختیار دیتی ہے ، جس سے مکمل تعمیل اور موثر حکمرانی کو یقینی بنایا جاتا ہے۔

## ڈائریکٹرز کی کارکردگی کی تشخیص

بورڈ آف ڈائریکٹرز اپنی تاثیر کو یقینی بنانے اور کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھنے کے لیے پرعزم ہے۔ اس مقصد کے لیے، بورڈ نے خود تشخیص کی بنیاد پر اپنی کارکردگی کا وقتاً فوقتاً جائزہ لینے کے لیے ایک باضابطہ اور موثر طریقہ کار نافذ کیا ہے۔

یہ منظم جائزہ لینے کا عمل بورڈ کو اپنی اجتماعی کارکردگی، اس کی کمیٹیوں کے کام کاج اور کمپنی کی اسٹریٹجک سمت میں اس کی مجموعی شراکت کا جائزہ لینے کی اجازت دیتا ہے۔ اس تشخیص کے نتائج بہتری کے شعبوں کی نشاندہی کرنے اور اس بات کو یقینی بنانے میں اہم کردار ادا کرتے ہیں کہ بورڈ انتظامیہ کو قیمتی رہنمائی فراہم کرتا رہے۔ خود تشخیص کے لیے یہ عزم مضبوط اور موثر کارپوریٹ گورننس کے لیے ہمارے فریم ورک کا سنگ بنیاد ہے۔

## آڈیٹرز کی تقرری

موجودہ آڈیٹرز میسرز گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس اس سال ریٹائر ہونے والے ہیں۔ جیسا کہ آڈٹ کمیٹی کی سفارش کی گئی ہے، بورڈ آف ڈائریکٹرز نے میسرز گرانٹ تھورنٹن انجم رحمان کو 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کی تجویز پیش کی ہے، جو کہ باہمی طور پر متفقہ فیس پر شیئر ہولڈرز کی منظوری سے مشروط ہے۔

## شیئر ہولڈنگ کا پیٹرن

30 جون 2025 تک کمپنی کے شیئر ہولڈنگ کا نمونہ اراکین کی معلومات کے لیے اس رپورٹ کے ساتھ منسلک ہے۔

اس سلسلے میں ، اس بات کی تصدیق کی جاتی ہے کہ زیر جائزہ سال کے دوران ڈائریکٹرز ، ایگزیکٹوز ، ان کے شریک حیات ، اور نابالغ بچوں کی طرف سے کمپنی کے حصص کی کوئی تجارت نہیں کی گئی تھی ، سوائے ان لین دین کے (اگر کوئی ہے) جو شیئر ہولڈنگ کے مذکورہ پیٹرن اور اس رپورٹ میں مناسب طور پر ظاہر ہوتے ہیں۔

اس انکشاف کے مقصد کے لیے، "ایگزیکٹوز" کی اصطلاح میں چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، ہیڈ آف انٹرنل آڈٹ، کمپنی سیکرٹری، اور دیگر ایگزیکٹوز شامل ہیں جیسا کہ بورڈ آف ڈائریکٹرز نے بیان کیا ہے۔

## صحت، حفاظت اور ماحولیات

ہمارے لوگوں کی صحت اور حفاظت اور ہمارے ماحول کی نگرانی ہمارے کاروباری کاموں کے لئے بنیادی حیثیت رکھتی ہے۔ کمپنی نے سخت بین الاقوامی معیارات پر پورا اترنے اور صنعت کے بہترین طریقوں کے ساتھ ہم آہنگ ہونے کے لیے ڈیزائن کیے گئے نظاموں اور عمل کا ایک مضبوط فریم ورک قائم کیا ہے۔

ہم بغیر کسی استثناء کے ملازمین اور ٹھیکیداروں سمیت اپنی پوری افرادی قوت میں ان حفاظتی پروٹوکول پر سختی سے عمل درآمد کرتے ہیں۔ ہمارا عزم کام کی جگہ کے پائیدار طریقوں کے فروغ کے ذریعے ایک محفوظ اور صحت مند کام کے ماحول کو فروغ دینے کے لئے پھیلا ہوا ہے۔ اس حکمت عملی کا ایک سنگ بنیاد ہمارا جامع حفاظتی پروگرام ہے ، جو باقاعدگی سے حفاظتی فرق کے تجزیے جیسے فعال اقدامات کا استعمال کرتا ہے۔ یہ ہمیں منظم طریقے سے ممکنہ خطرات کی نشاندہی کرنے اور ان کو کم کرنے، اپنی افرادی قوت کی فلاح و بہبود کو یقینی بنانے اور حفاظت اور پیداواری صلاحیت کے کلچر کو تقویت دینے کی اجازت دیتا ہے۔

## پائیدار کاروباری حکمت عملی

ماحولیاتی ذمہ داری ہماری کاروباری حکمت عملی کا ایک بنیادی جزو ہے۔ ہمیں صاف توانائی اور وسائل کی گردش پر مرکوز کثیر الجہتی نقطہ نظر کے ذریعے اپنے ماحولیاتی اثرات کو کم کرنے میں اہم پیش رفت کی اطلاع دیتے ہوئے خوشی ہو رہی ہے۔

اس سال ہمارے پائیداری کے ایجنڈے کا ایک سنگ بنیاد شمسی توانائی سے چلنے والے توانائی کے ذرائع میں اسٹریٹجک منتقلی تھی، جو مادی طور پر ہمارے کاربن فوٹ پرنٹ کو کم کرتی ہے۔ قابل تجدید توانائی میں اپنی سرمایہ کاری کے علاوہ، ہم نے بیک وقت اپنی آپریشنل کارکردگی کو بڑھایا ہے۔ ہم نے ویسٹ ہیٹ ریکوری سسٹم نافذ کیا ہے، جو بھاپ کی پیداوار کے لیے ہمارے بوائلرز سے خارج ہونے والی گرمی کو حاصل کرتا ہے، اس طرح توانائی کے ضیاع کو کم کرتا ہے اور تھرمل کارکردگی کو بہتر بناتا ہے۔

مزید برآں، ہم نے اپنے بوائلرز کو ایندھن دینے کے لیے چاول کی بھوسی میں منتقل ہو کر سرکلر اکانومی کے اصولوں کو اپنایا ہے۔ یہ عمل نہ صرف لینڈ فل سے فضلہ کا رخ موڑتا ہے بلکہ روایتی ایندھن پر ہمارا انحصار بھی کم کرتا ہے۔ یہ مربوط اقدامات ماحولیاتی ذمہ داری کے لیے ہماری غیر متزلزل وابستگی کو واضح کرتے ہیں اور مستقبل کے لیے ایک صاف ستھرا، زیادہ لچکدار اور پائیدار کاروبار کی تعمیر کی طرف بامعنی اقدامات کی نمائندگی کرتے ہیں۔

## کارپوریٹ سماجی ذمہ داری

میٹکو فوڈز لمیٹڈ میں ، معاشرتی اور ماحولیاتی ترقی کے لئے ہماری وابستگی ہماری کارپوریٹ شناخت کا سنگ بنیاد ہے اور ہماری طویل مدتی حکمت عملی کا ایک اہم محرک ہے۔ ہم تعلیم، صحت کی دیکھ بھال، پائیدار زراعت، اور شمولیت پر مرکوز مؤثر اقدامات کے ذریعے اپنی کمیونٹیز اور اسٹیک ہولڈرز کے ساتھ بامعنی روابط قائم کرنے کے لیے وقف ہیں۔

## تعلیم اور صحت کی دیکھ بھال کے ذریعے کمیونٹیز کو بااختیار بنانا

ہمارا ماننا ہے کہ معیاری تعلیم اور صحت کی دیکھ بھال تک رسائی ایک خوشحال معاشرے کی بنیاد ہے۔ ان شعبوں میں ہماری کوششیں اسٹریٹجک شراکت داری اور براہ راست مدد کے ذریعے انجام دی جاتی ہیں۔

- انسان دوستی اور تعلیم: ہمیں اپنی اہم فلاحی شراکت پر فخر ہے، جس میں غوری ٹرسٹ کو 17.21 ملین روپے کا عطیہ بھی شامل ہے۔ یہ ٹرسٹ بنیادی طور پر پسماندہ بچوں کو تعلیم دینے والی ایک معروف غیر منافع بخش تنظیم دی سٹیزنز فاؤنڈیشن (ٹی سی ایف) کے ساتھ اپنی اسٹریٹجک شراکت داری کے ذریعے پاکستان بھر میں معیاری تعلیم کو قابل رسائی بنانے کے لیے پرعزم ہے۔ اس تعاون کا ایک ٹھوس نتیجہ کراچی کے شہر تیسر ٹاؤن میں ٹی سی ایف غوری کیمپس ہے جو 200 سے زائد طلباء کو تعلیم فراہم کرتا ہے اور ٹرسٹ کی مالی اعانت کے ذریعے اسے برقرار رکھا جاتا ہے۔

- صحت کی دیکھ بھال اور کمیونٹی بیداری: اکتوبر 2024 میں، میٹکو فوڈز اور غوری ٹرسٹ نے چھاتی کے کینسر سے آگاہی کو آگے بڑھانے کے لیے ایک مفاہمت نامے پر دستخط کرکے پنک ربن پاکستان کے ساتھ شراکت کی۔ ہم نے کراچی، فیصل آباد اور گوجرانوالہ میں اپنی کمپنی کے مقامات پر اسکریننگ سروسز کی معاونت اور آگاہی کے سیشنز کی سہولت کے لیے 1.5 ملین روپے کا عطیہ دیا، جس سے کمیونٹی کی صحت اور فلاح و بہبود کے لیے ہمارے عزم کو تقویت ملی۔

## پائیدار زراعت اور کسانوں کی روزی روٹی

ہمارا بنیادی کاروبار زرعی برادریوں کی خوشحالی سے جڑا ہوا ہے۔ ہم ایک پائیدار اور مساوی سپلائی چین کو فروغ دینے کے لیے پرعزم ہیں۔

- کسان دوست پروگرام: 2012 میں شروع کیا گیا، یہ فلیگ شپ پروگرام ہماری سادھوکی پروسیسنگ سہولت کے قریب 600 سے زیادہ کسانوں کی مدد کرتا ہے۔ اسے کسانوں کی پیداواری صلاحیتوں کو بڑھا کر اور ان کی لاگت کو کم کرکے باسمتی چاول کی سپلائی چین کو بہتر بنانے کے لیے ڈیزائن کیا گیا ہے۔ اس پروگرام کی ایک اہم کامیابی مکمل ٹریس ایبلٹی کا قیام ہے، جو کسانوں کو استحصالی بچولیوں کو نظرانداز کرنے اور ہمارے ساتھ براہ راست مشغول ہونے کا اختیار دیتا ہے۔ برسوں کی سرشار کوششوں کے بعد، اس پروگرام نے یورپی یونین آرگینک سرٹیفیکیشن حاصل کیا ہے، جس سے ہمیں اپنے کاشتکاری شراکت داروں کے لیے منصفانہ منافع کو یقینی بناتے ہوئے عالمی صارفین کو مصدقہ نامیاتی باسمتی چاول فراہم کرنے کے قابل بنایا گیا ہے۔

- زراعت میں خواتین کو بااختیار بنانا: ہمارے ملک کے غذائی نظام میں خواتین کے اہم کردار کو تسلیم کرتے ہوئے ، ہم نے گریسی پروجیکٹ پر آکسفیم کے ساتھ تعاون کیا۔ اس اقدام میں 25 کاشتکار تنظیموں کو شامل کیا گیا، جس میں 2,500 کسانوں اور زرعی کارکنوں کی مدد کی گئی، جن میں سے 60 فیصد خواتین تھیں۔ اس پروگرام میں خواتین کسانوں کو چاول کی پائیدار کاشت کی تربیت، محفوظ، ماحول دوست طریقوں تک رسائی فراہم کرنے، قیادت کے مواقع پیدا کرنے اور ان کی معاشی آزادی کو فروغ دینے پر توجہ مرکوز کی گئی۔

## شمولیت اور تنوع کو فروغ دینا

ہم ایک جامع معاشرے کی تعمیر کے لیے پرعزم ہیں جہاں ہر ایک کو پھلنے پھولنے کا موقع ملے۔

- NOWPDP کے ساتھ شراکت داری: ہمیں NOWPDP کے ایک اقدام کے لئے معذوری کی شمولیت کے لئے سنٹر آف ایکسی لینس (CEDI) میں پاک تدریسی پروگرام کو اسپانسر کرنے پر فخر ہے۔ یہ جدید ترین سہولت ہنر مندی کے فروغ کے ذریعے معذور افراد کو بااختیار بناتی ہے۔ ہماری مدد مختلف طور پر معذور افراد کو پیشہ ورانہ کھانا پکانے کی مہارتوں سے آراستہ کرنے میں مدد کرتی ہے، جس سے وہ اعتماد پیدا کرنے، آزادی حاصل کرنے اور باوقار ذریعہ معاش کو محفوظ بنانے کے قابل بناتے ہیں۔

یہ اسٹریٹجک اقدامات ہمارے کاروبار کے لئے معاون نہیں ہیں۔ وہ اس کا لازمی حصہ ہیں۔ وہ ہماری بنیادی اقدار اور ایک ایسے مستقبل کے لیے ہماری غیر متزلزل امید کی عکاسی کرتے ہیں جہاں کارپوریٹ کامیابی اور سماجی ترقی ساتھ ساتھ چلتی ہے۔ ہم مثبت اور دیرپا اثرات مرتب کرنے کے اپنے عزم پر ثابت قدم ہیں۔

## داخلی مالیاتی کنٹرول

بورڈ آف ڈائریکٹرز کمپنی کے لیے داخلی مالیاتی کنٹرول کے موثر فریم ورک کے قیام اور اسے برقرار رکھنے کے لیے اپنی حتمی ذمہ داری کو تسلیم کرتا ہے۔ یہ فریم ورک مالیاتی رپورٹنگ کی معتبریت ، کمپنی کے اثاثوں کی حفاظت ، اور قابل اطلاق قوانین اور ضوابط کی تعمیل کے بارے میں معقول یقین دہانی فراہم کرنے کے لئے ڈیزائن کیا گیا ہے۔

بورڈ نے کمپنی کے داخلی کنٹرول سسٹم کا مکمل جائزہ لیا ہے۔ یہ جائزہ سینئر مینجمنٹ کے ساتھ جاری بات چیت اور اندرونی اور بیرونی آڈیٹرز دونوں کی رپورٹوں کے ذریعہ مطلع کیا جاتا ہے۔

اس جامع نگرانی کی بنیاد پر، ڈائریکٹرز مطمئن ہیں کہ داخلی مالیاتی کنٹرول کا ایک مضبوط نظام نافذ کیا گیا ہے اور کمپنی کے مالیاتی آپریشنز کی سالمیت اور کارکردگی کو یقینی بنانے کے لیے مؤثر طریقے سے کام کر رہا ہے۔

## صنفی تنوع

میٹکو فوڈز لمیٹڈ میں ، ہم صنفی تنوع اور شمولیت کو ایک اسٹریٹجک ناگزیر سمجھتے ہیں ، جو ہماری طویل مدتی کامیابی اور لچک کے لئے بنیادی ہے۔ ہم تسلیم کرتے ہیں کہ ایک متنوع افرادی قوت، نقطہ نظر اور تجربات کے وسیع میدان کی نمائندگی کرتی ہے، اعلیٰ فیصلہ سازی کو آگے بڑھاتی ہے، جدت کو فروغ دیتی ہے، اور عالمگیریت کی معیشت میں ہماری مسابقت کو بڑھاتی ہے۔

مساوات پر مبنی ثقافت محض ایک معاشرتی مقصد نہیں ہے۔ یہ ترقی کے لیے ایک محرک ہے۔ ہم ایک محفوظ ، جامع اور قابل احترام کام کی جگہ کی کاشت کے لئے وقف ہیں جہاں تمام ملازمین قابل قدر اور بااختیار محسوس کرتے ہیں۔ اس مقصد کے لیے، کمپنی کی پالیسیاں ہر سطح پر تمام صنفوں کو مساوی مواقع فراہم کرنے کے اصول پر بنائی گئی ہیں۔ یہ عزم غیر متزلزل ہے اور مثبت اور نتیجہ خیز نتائج کے حصول کے لیے لازمی ہے جو ہمارے کاروبار کو آگے بڑھاتے ہیں۔

## رسک مینجمنٹ

بورڈ آف ڈائریکٹرز بالآخر کمپنی کے رسک مینجمنٹ فریم ورک کے لیے ذمہ دار ہے اور اس کے اسٹریٹجک مقاصد کے حصول میں ان بنیادی خطرات کی نوعیت اور حد کا تعین کرنے کے لیے ذمہ دار ہے۔ یہ ذمہ داری ایک واضح گورننس ڈھانچے اور متحرک انٹرپرائز رسک مینجمنٹ (ای آر ایم) سسٹم کے ذریعے انجام دی جاتی ہے۔

## حکمرانی اور نگرانی

- بورڈ آف ڈائریکٹرز رسک مینجمنٹ فریم ورک کی نگرانی اور ممکنہ خطرات سے کمپنی کی نمائش کی نگرانی کرنے کی حتمی ذمہ داری رکھتا ہے۔
- بورڈ آڈٹ کمیٹی سرشار نگرانی فراہم کرتی ہے ، اس بات کو یقینی بناتی ہے کہ بورڈ کے ذریعہ اپنائے گئے ای آر ایم طریقہ کار کو پوری تنظیم میں مؤثر طریقے سے نافذ اور برقرار رکھا جائے۔
- سینئر مینجمنٹ کو بورڈ کی نگرانی میں کام کرنے والے اپنے متعلقہ فعال علاقوں میں خطرات کی روزمرہ کی شناخت، تشخیص اور انتظام کا کام سونپا جاتا ہے۔

## رسک مینجمنٹ کا عمل

کمپنی ایک فعال ای آر ایم فریم ورک کا استعمال کرتی ہے جو اسے اسٹریٹجک مواقع سے فائدہ اٹھاتے ہوئے خطرات کی شناخت اور ان کا انتظام کرنے کے قابل بناتی ہے۔ یہ عمل مسلسل ہے اور اس میں شامل ہیں:

1. شناخت اور تشخیص: منظم طریقے سے ان خطرات کی شناخت، تشخیص اور تشخیص کرنا جو کاروبار کو متاثر کر سکتے ہیں۔
2. تخفیف: جب کسی اہم خطرے کی نشاندہی کی جاتی ہے تو بروقت اور موثر تخفیف کے اقدامات نافذ کیے جاتے ہیں۔ ان حکمت عملیوں میں معیاری آپریٹنگ طریقہ کار (ایس او پیز) کو اپ گریڈ کرنا، عمل کی دوبارہ انجینئرنگ، اور مسلسل آپریشنل بہتری کا عزم شامل ہے۔
3. نگرانی اور جائزہ: تخفیف کے اقدامات کی تاثیر کی قریب سے نگرانی کی جاتی ہے، اور کمپنی کی لچک کو یقینی بنانے کے لیے مجموعی خطرے کے منظر نامے کا باقاعدگی سے جائزہ لیا جاتا ہے۔

رسک مینجمنٹ کے لئے یہ منظم نقطہ نظر کمپنی کو اعتماد کے ساتھ غیر یقینی صورتحال کو نیویگیٹ کرنے اور حصص یافتگان کی قدر کی حفاظت کرنے کا اختیار دیتا ہے۔

## کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کی تعمیل

پاکستان اسٹاک ایکسچینج کی طرف سے 30 جون 2025 کو ختم ہونے والے سال کے لیے متعلقہ اپنے لسٹنگ ریگولیشنز میں مقرر کردہ کوڈ آف کارپوریٹ گورننس کے تقاضوں کو کمپنی نے اپنایا ہے اور ان کی مناسب تعمیل کی گئی ہے۔ اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک ہے۔

:کوڈ کی دفعات کی تعمیل میں، بورڈ کے اراکین درج ذیل بیان کو ریکارڈ پر رکھنے پر خوش ہیں

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالی بیانات اس کی صورتحال کو منصفانہ طور پر پیش کرتے ہیں، اس کے آپریشنز کے نتائج، نقد بہاؤ، اور ایکویٹی میں تبدیلیاں.
- کمپنی نے اکاؤنٹس کی مناسب کتابوں کو برقرار رکھا ہے۔
- مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی گئی ہیں اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- پاکستان میں لاگو ہونے والے بین الاقوامی مالیاتی رپورٹنگ کے معیارات پر مالی بیانات کی تیاری میں عمل کیا گیا ہے۔
- داخلی کنٹرول کا نظام ڈیزائن میں مضبوط ہے اور اسے مؤثر طریقے سے نافذ اور نگرانی کی گئی ہے۔
- کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت کے بارے میں کوئی شک نہیں ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں ہوا ہے ، جیسا کہ لسٹنگ کے ضوابط میں تفصیل سے بیان کیا گیا ہے۔
- اس سالانہ رپورٹ میں منسلک پچھلے چھ سالوں کے اہم آپریشنل اور مالیاتی اعداد و شمار کا خلاصہ
- ٹیکسوں اور محصولات کے بارے میں معلومات نوٹوں میں دی گئی ہیں اور مالی بیانات کا حصہ بنتی ہیں۔
- کمپنی کی طرف سے حاصل کردہ تمام قرضوں کے سلسلے میں کسی تاخیر سے ادائیگی یا ڈیفالٹ ہونے کا کوئی امکان نہیں ہے۔

## کارپوریٹ تنظیم نو اور اسٹریٹجک ترقی

زیر جائزہ سال کے دوران، میٹکو فوڈز لمیٹڈ نے ایک اہم کارپوریٹ تنظیم نو کا آغاز کیا، جس کا مقصد اپنے کاروباری ماڈل کو مضبوط بنانا، آپریشنل فوکس کو بڑھانا اور تیز رفتار ترقی کے لیے الگ الگ پلیٹ فارم بنانا ہے۔ کمپنی نے اپنے دو ڈویژنز، کارن اسٹارچ ڈویژن اور فلک فوڈز پروڈکٹس ڈویژن، الگ الگ مکمل ملکیتی ماتحت ادارے، یعنی میٹکو کارن پروڈکٹس (پرائیویٹ) لمیٹڈ (ایم سی پی پی ایل) اور فلک فوڈز (پرائیویٹ) لمیٹڈ (ایف ایف پی ایل) بنانے کا عمل شروع کیا۔ یہ تنظیم نو ترقی ، کارکردگی اور قدر کی تخلیق کے لئے میٹکو کے طویل مدتی اسٹریٹجک وژن کے ساتھ منسلک ہے۔

## میٹکو کارن پروڈکٹس (پرائیویٹ) لمیٹڈ (ایم سی پی پی ایل)

ایم سی پی پی ایل کو مئی 2025 میں میٹکو فوڈز لمیٹڈ کے کارن اسٹارچ ڈویژن کی تمام کاروباری سرگرمیوں، اثاثوں اور واجبات کو رکھنے کے لیے شامل کیا گیا تھا۔ یہ تبادلے کمپنیز ایکٹ 2017 کے سیکشن 279 سے 283 اور 285 (8) کے مطابق تیار کردہ سکیم آف ارینجمنٹ کے تحت انجام دی جا رہی ہیں اور کراچی میں سندھ ہائی کورٹ میں دائر کی گئی ہیں۔

یہ سکیم شیئر ہولڈرز، قرض دہندگان اور ریگولیٹرز کی مطلوبہ منظوریوں کے ساتھ ساتھ کراچی میں سندھ ہائی کورٹ کی منظوری سے مشروط ہے۔ عدالت یا ریگولیٹرز کی طرف سے تجویز کردہ کسی بھی ترمیم کو بھی شامل کیا جائے گا۔ اس مقصد کے لیے ہائی کورٹ کے حکم پر 27 جون 2025 کو کراچی میں منعقدہ شیئر ہولڈرز کے غیر معمولی جنرل اجلاس میں ایک خصوصی قرارداد منظور کی گئی۔

اپنی ترقی کی حکمت عملی کے ایک حصے کے طور پر میٹکو فوڈز لمیٹڈ نے پاکستان کے اہم مالیاتی اداروں میں سے ایک بینک الفلاح کے ساتھ 750 ملین روپے کی فنانسنگ

کا معاہدہ کیا ہے۔ اس معاہدے کے تحت بینک الفلاح کے پاس اپنی فنانسنگ کو ایم سی پی پی ایل کے عام شیئر ایکویٹی میں تبدیل کرنے کا اختیار بھی ہے جو ریگولیٹری منظوری سے مشروط ہے۔ یہ اسٹریٹجک شراکت داری مارکیٹ کی بڑھتی ہوئی طلب کے مطابق ایم سی پی پی ایل کی مکئی کے نشاستے کی پیداواری صلاحیتوں کو بڑھانے کے لیے ڈیزائن کی گئی ہے۔

یہ سرمایہ کاری علامہ اقبال انڈسٹریل سٹی، سپیشل اکنامک زون (ایس ای زیڈ)، فیصل آباد میں واقع میٹکو کی جدید ترین مکئی کے نشاستے کی سہولت کی توسیع کی طرف کی جائے گی۔ اگست 2022 سے کام کر رہی ہے، اس سہولت نے ملکی اور بین الاقوامی دونوں صارفین کو اعلیٰ معیار کے مکئی کے نشاستے کی فراہمی میں اہم کردار ادا کیا ہے۔ اس فنانسنگ کی مدد سے پیداواری صلاحیت 200 ٹن یومیہ (ٹی پی ڈی) سے بڑھا کر 300 ٹی پی ڈی گرانڈ ہو جائے گی جبکہ فنڈز کا کچھ حصہ قلیل مدتی قرضوں کی ادائیگی کے لیے بھی مختص کیا جائے گا۔

انتظام کی اسکیم فی الحال جاری ہے اور مستقبل قریب میں قانونی تقاضوں کے مطابق مکمل کی جائے گی۔

## فلک فوڈز (پرائیویٹ) لمیٹڈ (ایف ایف پی ایل)

سال کے دوران، میٹکو مارکیٹنگ (پرائیویٹ) لمیٹڈ کا نام تبدیل کر کے فلک فوڈز (پرائیویٹ) لمیٹڈ (ایف ایف پی ایل) کر دیا گیا تاکہ فلک فوڈز پروڈکٹس ڈویژن کے لیے سرشار ادارے کے طور پر کام کیا جا سکے۔ کاروباری سرگرمیوں کی منتقلی ، اثاثوں اور واجبات کے ساتھ ، میٹکو فوڈز لمیٹڈ اور ایف ایف پی ایل کے مابین بزنس ٹرانسفر ایگریمنٹ (بی ٹی اے) کے ذریعے کی جائے گی۔ اس ڈویژن کے نسبتا چھوٹے سائز کو دیکھتے ہوئے ، بی ٹی اے روٹ تنظیم نو کے لئے ایک آسان اور موثر طریقہ کار فراہم کرتا ہے۔

بی ٹی اے کا عمل فی الحال جاری ہے اور تمام قانونی اور تجارتی شرائط پوری ہونے کے بعد مکمل ہوجائے گا۔

## اسٹریٹجک دلیل

تنظیم نو کے یہ اقدامات میٹکو کی ترقی کی حکمت عملی کا سنگ بنیاد ہیں۔ ہر ڈویژن کے لیے الگ الگ قانونی ادارے قائم کرکے، کمپنی کا مقصد آپریشنل توجہ اور جوابدہی کو بڑھانا، کارکردگی اور وسائل کی تقسیم کو بہتر بنانا، اور ہر کاروباری لائن کی ضروریات کے مطابق الگ الگ ترقی کے پلیٹ فارم بنانا ہے۔

یہ مستقبل کے حوالے سے نقطہ نظر میٹکو فوڈز لمیٹڈ کو حصص یافتگان کے لیے زیادہ سے زیادہ قدر کو کھولنے، اپنی مسابقتی پوزیشن کو مضبوط کرنے، اور اپنے متنوع پورٹ فولیو میں پائیدار طویل مدتی ترقی حاصل کرنے کی اجازت دے گا۔

## صنعت کا نقطہ نظر

مالی سال 25-2024 کے دوران، پاکستان نے ایک مضبوط فصل سے فائدہ اٹھایا، جس نے چاول کے مختلف زمروں میں برآمدی سرگرمیوں کی حمایت کی۔ باسمتی چاول کی برآمدات میں حجم میں 4 فیصد اضافہ ہوا، جو 24-2023 میں 774,000 میٹرک ٹن سے بڑھ کر 25-2024 میں 809,000 میٹرک ٹن ہو گیا، جو ملک کے پریمیم چاول کی مضبوط عالمی مانگ کی عکاسی کرتا ہے۔ تاہم، باسمتی چاول کی برآمدی قیمت 5 فیصد کم ہو کر 877 ملین ڈالر سے کم ہو کر 831 ملین ڈالر ہو گئی، جو فی یونٹ کم اوسط قیمت کی نشاندہی کرتی ہے۔ چاول کی دیگر اقسام کی برآمدات حجم میں 5 فیصد کم ہوگئیں ، 5،253،000 میٹرک ٹن سے بڑھ کر 5،009،000 میٹرک ٹن ہوگئیں ، جبکہ اسی برآمدی قیمت میں 17 فیصد کی کمی واقع ہوئی ، جو 3،054 ملین ڈالر سے بڑھ کر 2،522 ملین ڈالر ہوگئی۔ اس کے نتیجے میں چاول کی مجموعی برآمدات میں 3 فیصد کمی واقع ہوئی اور کل برآمدی آمدنی 15 فیصد کم ہو کر 3,353 ملین

ڈالر رہ گئی۔ خلاصہ یہ ہے کہ پاکستان نے پریمیم باسمتی چاول کی بڑی مقدار کو کامیابی کے ساتھ برآمد کیا، لیکن قیمتوں کی حرکیات کو چیلنج کرنے اور غیر باسمتی طبقے میں کمزور کارکردگی کی وجہ سے چاول کی کل برآمدی آمدنی میں کمی واقع ہوئی۔

ستمبر 2024 میں ہندوستان کے غیر باسمتی سفید چاول کی برآمد پر پابندی کو ختم کرنے کے فیصلے نے عالمی مسابقت کو تیز کر دیا ہے، جس سے پاکستان کو پہلے حاصل ہونے والے عارضی فائدہ کو ختم کر دیا گیا ہے۔ اس کے جواب میں پاکستان نے یورپی یونین اور برطانیہ جیسی پریمیم مارکیٹوں کے لیے معیار پر مبنی حکمت عملی کو کامیابی سے اپنایا ہے جس نے باسمتی چاول کی برآمدات کی مضبوط کارکردگی کی حمایت کی ہے۔ اس کے ساتھ ساتھ غیر باسمتی طبقے بالخصوص مغربی افریقہ میں پاکستان کے مارکیٹ شیئر کو برقرار رکھنے کے لیے اسٹریٹجک کوششیں جاری ہیں اور اس شعبے کے لیے حکومتی تعاون جاری ہے۔

مستقبل کی طرف دیکھتے ہوئے، صنعت معیار کو بڑھانے، نئے علاقوں میں برآمدی منڈیوں کو متنوع بنانے، اور پانی کے تحفظ اور نامیاتی کاشت جیسے ماحولیاتی طور پر ذمہ دار کاشتکاری کے طریقوں کو اپنانے پر توجہ مرکوز کرکے پائیدار ترقی کے لیے اچھی پوزیشن میں ہے۔ ان اقدامات سے پاکستان کی قائم اور ابھرتی ہوئی عالمی منڈیوں میں پاکستان کی طویل مدتی مسابقتی پوزیشن مضبوط ہونے کی توقع ہے۔

## مستقبل کا منظر نامہ

پاکستان مالی سال 26-2025 میں محتاط امید کے ساتھ داخل ہو رہا ہے، جس کی حمایت پالیسی اصلاحات، سرمایہ کاری میں سہولت کاری کے اقدامات اور بتدریج بہتر بیرونی ماحول کی مدد سے کی جا رہی ہے۔ اقتصادی نمو 4.2 فیصد رہنے کا امکان ہے ، جو مالی استحکام ، بہتر محصولات ، اور زراعت جیسے اہم شعبوں میں استحکام کی وجہ سے ہے۔ فی کس آمدنی تقریبا 1,824 امریکی ڈالر تک بڑھ گئی ہے، جبکہ مضبوط زرمبادلہ کے ذخائر اور وسیع تر ٹیکس بیس نے میکرو اکنامک بنیادوں کو مضبوط کیا ہے۔ ان اصلاحات کی وجہ سے موڈیز، ایس اینڈ پی گلوبل اور فچ سمیت عالمی ریٹنگ ایجنسیوں نے پاکستان کے خودمختار نقطہ نظر کو "مستحکم" بنا دیا ہے، جو آئی ایم ایف کی حمایت یافتہ اصلاحات کے کامیاب نفاذ اور بہتر مالیاتی نظم و ضبط کی عکاسی کرتا ہے۔

اہم مثبت محرکات میں بڑھتی ہوئی ترسیلات زر ، نئے تجارتی معاہدے - خاص طور پر امریکہ کے ساتھ - اور بیرونی طلب میں اضافہ شامل ہیں ، ان سب سے برآمدات میں اضافے کی توقع ہے۔ اہم بات یہ ہے کہ غیر ملکی زرمبادلہ کی منڈی کے نسبتا استحکام نے روپے پر دباؤ کو کم کیا ہے ، جس سے برآمد کنندگان کو غیر ملکی کرنسی کی آمد کو سنبھالنے میں زیادہ پیش گوئی فراہم کی گئی ہے۔ توقع کی جاتی ہے کہ اس استحکام سے کاروباری اعتماد کو تقویت ملے گی، مسابقت میں اضافہ ہوگا اور چاول جیسی برآمدات پر مبنی صنعتوں میں منصوبہ بندی کے لیے زیادہ سازگار ماحول پیدا ہوگا۔

اس کے باوجود، معیشت کو ساختی چیلنجوں کا سامنا کرنا پڑ رہا ہے۔ مہنگائی کا دباؤ بلند ہے، مالی سختی برقرار ہے، اور ملک کو مالی سال 26-2025 میں تقریبا 25.9 بلین امریکی ڈالر کے بیرونی قرضوں کی ادائیگی کا انتظام کرنا ہوگا۔ 2025 کے تباہ کن سیلاب نے ان چیلنجوں کو مزید بڑھا دیا ہے، جس سے پنجاب اور آس پاس کے علاقوں میں بڑے پیمانے پر زرعی نقصانات ہوئے ہیں، جس سے چاول، گنے، کپاس اور مکئی جیسی اہم فصلوں کو نقصان پہنچا ہے۔ توقع ہے کہ سیلاب سے جی ڈی پی کی شرح نمو میں کمی آئے گی، تجارتی توازن کمزور ہوگا اور خوراک کی افراط زر میں اضافہ ہوگا جبکہ بنیادی ڈھانچے کو پہنچنے والے نقصان کے لیے تعمیر نو کے لیے اہم اخراجات کی ضرورت ہوگی۔

چاول کے شعبے کے لیے، یہ حالات خطرات اور مواقع دونوں پیش کرتے ہیں۔ قلیل مدتی رسد میں رکاوٹیں برآمدات کے حجم کو محدود کر سکتی ہیں، لیکن یورپی یونین اور برطانیہ میں معیار سے چلنے والی مارکیٹوں کے لیے پریمیم باسمتی چاول پر پاکستان کی تزویراتی توجہ لچک پیش کرتی ہے۔ ایک ہی وقت میں ، حکومتی مدد اور صنعت کی قیادت میں کارکردگی کے اقدامات روایتی غیر باسمتی مارکیٹوں میں ، خاص طور پر مغربی افریقہ میں موجودگی برقرار رکھنے میں مدد کر رہے ہیں۔ اہم بات یہ ہے

کہ زیادہ مستحکم شرح تبادلہ کا ماحول اور مضبوط ذخائر میٹکو فوڈز لمیٹڈ کو غیر ملکی آمد کے انتظام میں زیادہ یقین دہانی فراہم کرتے ہیں، جو منافع اور طویل مدتی پائیداری دونوں کی حمایت کرتا ہے۔

میٹکو فوڈز لمیٹڈ آب و ہوا کے چیلنجز، غیر ملکی زرمبادلہ کے اتار چڑھاؤ اور میکرو اکنامک ہیڈ ونڈز کے درمیان اپنی لچک کو مضبوط بنانے کے لیے پرعزم ہے۔ چاول گلوکوز ، مکئی کے نشاستے ، اور مالٹوڈیکسٹرن جیسے ویلیو ایڈڈ حصوں میں کمپنی کے تنوع نے پائیدار ترقی کو تقویت بخشی ہے ، جبکہ میٹکو کارن پروڈکٹس (پرائیویٹ) لمیٹڈ اور فلک فوڈز (پرائیویٹ) لمیٹڈ کی تخلیق کے ذریعے ایک بڑی تنظیم نو آپریشنل توجہ اور مسابقت کو بڑھا دے گی۔

نظم و ضبط کے ساتھ لاگت کے انتظام ، مصنوعات کی تنوع ، اور زیادہ مستحکم شرح تبادلہ کے ماحول کے ساتھ ، میٹکو نے ایک منافع بخش تبدیلی فراہم کی ہے۔ مستقبل کی طرف دیکھتے ہوئے، کمپنی آپریشنل کارکردگی، پائیداری، اور رسک مینجمنٹ کو ترجیح دیتی رہے گی، خود کو قریب مدتی چیلنجوں کو نیویگیٹ کرنے اور اسٹیک ہولڈرز کی قدر کی تخلیق کے لیے طویل مدتی مواقع سے فائدہ اٹھانے کے لیے پوزیشن میں رکھے گی۔

## ریٹائرمنٹ فنڈ

سال کے دوران، کمپنی نے اپنی غیر منظور شدہ گریجویٹی اسکیم کو بند کر دیا، جو 30 جون 2025 سے نافذ العمل ہے۔ گریجویٹی پلان نے سروس کے سالوں اور آخری حاصل کردہ تنخواہ کی بنیاد پر فوائد فراہم کیے۔ منجمد ہونے کے بعد، اس اسکیم کے تحت مزید کوئی فائدہ نہیں ہوگا۔ منجمد ہونے کی تاریخ تک کی ذمہ داریوں کی پیمائش پروجیکٹڈ یونٹ کریڈٹ میتھڈ کا استعمال کرتے ہوئے ایکچوریل ویلیوایشن کے ذریعے کی گئی تھی، اور اس کے مطابق، کمپنی نے اس ذمہ داری کے سلسلے میں 44 ملین روپے کی فراہمی کو تسلیم کیا ہے۔ متعلقہ خدمت اور سود کے اخراجات منافع یا نقصان پر وصول کیے گئے ہیں ، جبکہ دوبارہ پیمائش کے منافع اور نقصانات دیگر جامع آمدنی میں ریکارڈ کیے جاتے ہیں۔

یکم جولائی 2025 سے، کمپنی نے ایک پراویڈنٹ فنڈ متعارف کرایا ہے، جو اپنے مستقل ملازمین کے لیے ایک طے شدہ شراکت کا منصوبہ ہے۔ اس اسکیم کے تحت کمپنی اور ملازمین دونوں بنیادی تنخواہ کا 8.33 فیصد حصہ ڈالتے ہیں۔ کمپنی کی ذمہ داری اس کے شراکت کے حصے تک محدود ہے ، جو سروس کی مدت میں اخراجات کے طور پر تسلیم کی جاتی ہے۔ غیر ادا شدہ شراکت کو واجبات کے طور پر تسلیم کیا جاتا ہے ، جبکہ کسی بھی پری پیڈ رقم کو اثاثوں کے طور پر ریکارڈ کیا جاتا ہے جہاں قابل وصولی ہے۔

## متعلقہ پارٹی لین دین

تمام متعلقہ پارٹی لین دین کی تفصیلات مالیاتی بیانات کے نوٹوں میں فراہم کی گئی ہیں۔

## کمپنی کے حصص کی تجارت

کمپنی کے حصص میں درج ذیل تجارت ڈائریکٹرز، ایگزیکٹوز اور متعلقہ جماعتوں کے ذریعہ کی گئی تھی:

| لین دین کی نوعیت | حصص کی تعداد | ڈائریکٹر / متعلقہ پارٹی |
|---|---|---|
| خریدنا | 20,000 | جناب فیضان علی غوری |

### اعتراف

ڈائریکٹرز سال کے دوران کمپنی کی انتظامیہ اور ملازمین کی لگن، پیشہ ورانہ مہارت اور محنت کے لیے ان کی مخلصانہ تعریف کا اظہار کرتے ہیں۔ ان کا عزم ایک چیلنجنگ ماحول میں کمپنی کی ترقی اور لچک کو برقرار رکھنے کے لیے مرکزی حیثیت رکھتا ہے۔

بورڈ کی جانب سے، ہم اپنے قابل قدر صارفین، تقسیم کاروں، اسٹاکسٹس، ڈیلرز، اور بینکنگ پارٹنرز کا ان کے اعتماد پر بھی شکریہ ادا کرتے ہیں۔ ان کی مسلسل حمایت اور مصروفیت اہم ہے کیونکہ ہم اجتماعی طور پر کمپنی کی ترقی اور طویل مدتی کی کامیابی طرف گامزن ہے۔

بورڈ آف ڈائریکٹرز کے لئے اور کی طرف سے

**خالد سرفراز غوری**
چیف ایگزیکٹو / ڈائریکٹ

**فیضان علی غوری**
ڈائریکٹر

کراچی: 12 ستمبر 2025

# چیئرمین کی

## جائزہ رپورٹ

کمپنیز ایکٹ 2017 کے سیکشن 192 کی تعمیل میں 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے چیئرمین کی جائزہ رپورٹ پیش کرنا میرے لیے اعزاز کی بات ہے، جس میں کمپنی کی کارکردگی اور اسٹیک ہولڈرز کے بہترین مفاد میں اپنی ذمہ داریوں کو مؤثر طریقے سے پورا کرنے کے لیے انتظامیہ کی رہنمائی میں بورڈ آف ڈائریکٹرز کے کردار کو اجاگر کیا گیا ہے۔

مالی سال 25-2024 میں میکرو اکنامک استحکام کے ابتدائی اشارے دیکھے گئے، جس میں افراط زر میں کمی، کم پالیسی کی شرحیں، اور صارفین کے جذبات میں بتدریج بہتری آئی، حالانکہ مجموعی مانگ دباؤ میں رہی۔ فروخت میں معمولی کمی کے باوجود، آپ کی کمپنی نے موثر لاگت کی اصلاح، بہتر مارجن اور مالی چارجز میں کمی کے ذریعے ایک اہم تبدیلی فراہم کی، جس کے نتیجے میں پچھلے سال کے نقصان کے مقابلے میں 415 ملین روپے کی خالص آمدنی کے ساتھ منافع کی واپسی ہوئی۔

سال کے دوران ، بورڈ نے کمپنی کے دو ڈویژنوں - کارن اسٹارچ ڈویژن اور فلک فوڈز ڈویژن - کو مکمل ملکیتی ماتحت اداروں ، میٹکو کارن پروڈکٹس (پرائیویٹ) لمیٹڈ اور فلک فوڈز (پرائیویٹ) لمیٹڈ میں تقسیم کرنے کی منظوری دی۔ توقع کی جاتی ہے کہ اس تنظیم نو سے ہر کاروبار کی طویل مدتی ترقی اور توسیع کے مقاصد کی حمایت کی جائے گی، کیونکہ علیحدگی مرکوز حکمت عملیوں، آپریشنل استحکام، اور ان کی متعلقہ مارکیٹوں میں پھلنے پھولنے کے زیادہ مواقع کو قابل بنائے گی، جس سے بالآخر حصص یافتگان کی قدر میں اضافہ ہوگا۔

میٹکو فوڈز لمیٹڈ کا بورڈ آف ڈائریکٹرز نو (9) ممبران پر مشتمل ہے، جو کمپنیز ایکٹ، 2017 کے سیکشن 159 کے مطابق تین سال کی مدت کے لیے 24 اکتوبر 2024 کو منعقدہ سالانہ جنرل میٹنگ میں منتخب ہوئے۔ اجتماعی طور پر، ڈائریکٹرز وسیع تجربہ اور متنوع مہارت لاتے ہیں، ایک مضبوط اور موثر فیصلہ سازی کے عمل کو فروغ دیتے ہیں جو کمپنی کی اسٹریٹجک سمت کو آگے بڑھانے میں اہم کردار ادا کرتا ہے۔

سال کے دوران، بورڈ نے اپنی کمیٹیوں کے ذریعے - بشمول آڈٹ کمیٹی اور انسانی وسائل اور معاوضہ کمیٹی - آزادی، مستعدی اور اپنے کام کاج کی شرائط پر سختی سے عمل کیا۔ بورڈ اسٹریٹجک منصوبہ بندی کے عمل میں فعال طور پر مصروف رہا ، اس بات کو یقینی بناتے ہوئے کہ کارپوریٹ مقاصد کمپنی کے وژن ، مشن اور اقدار کے ساتھ مستقل طور پر ہم آہنگ ہوں۔ اس نے اسٹیک ہولڈرز کے لیے پائیدار طویل مدتی قدر کی تخلیق پر مضبوط توجہ برقرار رکھتے ہوئے گورننس، پالیسی سازی، مالیاتی نظم و ضبط، اور آپریشنل کارکردگی پر موثر نگرانی جاری رکھی۔

جیسا کہ درج کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت ضرورت ہے، بورڈ نے اس کی مجموعی کارکردگی اور تاثیر کا جائزہ لینے کے لیے اپنا سالانہ جائزہ لیا۔ 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے، بورڈ اور اس کی کمیٹیوں کی کارکردگی کو تسلی بخش قرار دیا گیا ہے، جس میں مسلسل بہتری کو توجہ کے شعبے کے طور پر شناخت کیا گیا ہے۔ معیار کے ایک جامع سیٹ پر مبنی تشخیص میں اسٹریٹجک سمت ، پالیسی کی نگرانی ، کاروباری کارکردگی کی نگرانی ، مالی ذمہ داری ، گورننس فریم ورک ، اور بورڈ اور انتظامیہ کے مابین مصروفیت کے معیار کا احاطہ کیا گیا۔

بورڈ نے سال کے دوران کافی تعدد کے ساتھ اجلاس منعقد کیا، جس میں اچھی طرح سے منظم ایجنڈوں اور جامع میٹنگ کے مواد کی بروقت گردش کی حمایت کی گئی۔

آزاد اور غیر ایگزیکٹو ڈائریکٹرز نے تمام اہم بات چیت میں فعال کردار ادا کیا ، اس بات کو یقینی بناتے ہوئے کہ فیصلے کمپنی اور اس کے اسٹیک ہولڈرز کے بہترین مفاد میں کیے جائیں۔

بورڈ کمپنی کے ملازمین، قابل قدر صارفین، کاروباری شراکت داروں، مالیاتی اداروں، شیئر ہولڈرز اور ریگولیٹرز کو میٹکو فوڈز لمیٹڈ کو اپنے وعدوں کو پورا کرنے کے قابل بنانے میں ان کے مسلسل اعتماد اور تعاون پر ان کی تعریف کرتا ہے۔

Jawed Ghori

جاوید علی غوری

چیئرمین

کراچی: 12 ستمبر 2025

The Company Secretary
**Matco Foods Limited**
B-1/A, S.I.T.E., Phase 1
Super Highway Industrial Area
Karachi

**PROXY FORM**

I/We ________________________________________s/o / d/o________________________________ ________ of ____________________________________________being a member of MATCO FOODS LIMITED and holder of _________________________ number of shares as per Share Register Folio No. _________________ and/or CDC Participant ID No. ______________________ and Account / Sub-Account No. ________________ hereby appoint _________________________________ of ____________ _________________________ or failing him/her ________________________________ to act as my/our proxy and to vote for me/us and on my/our behalf at the Annual General Meeting of the Shareholders of the Company to be held on Tuesday, October 28, 2025, at 11:00 a.m. at the Institute of Cost and Management Accountants of Pakistan, Seminar Room, ICMA Pakistan Building ST-18/C, ICMAP Avenue, Block 6, Gulshan-e-Iqbal, Karachi 75300, and through Video Conference and at any adjournment thereof.

Signed this ______________________________ day of October 2025.

**Please affix Revenue Stamp of Rs. 5/-**

**Witness 1**

Signature ___________________________
Name ___________________________
CNIC No. ___________________________
Address ___________________________
___________________________

**Witness 2**

Signature ______________________________
Name ______________________________
CNIC No. ______________________________
Address ______________________________
______________________________

**Notes**:

- This Proxy, duly completed, signed and witnessed, must be deposited at the head office of the Company, Matco Foods Limited, B-1/A, S. I. T. E., Phase 1, Superhighway Industrial Area, Karachi - 75340, Pakistan, or email at corporate@matcofoods.com not later than forty-eight (48) hours before the time appointed for the Meeting.
- No person shall act as a proxy if he is not a member of the Company (except that a corporation may appoint a person who is not a Member).
- If a member appoints more than one proxy and more than one instrument of proxy is deposited by a member with the Company, all such instruments or proxies shall be regarded as invalid.
- The Proxy shall produce his/her original CNIC or original passport at the Meeting.
- Attested copy of CNIC or passport of the beneficial owners and the proxy shall be provided with the Proxy form.
- In the case of a corporate entity, the board of directors' resolution/power of attorney with specimen signature of the nominee shall be submitted along with the Proxy (unless it has been provided earlier).

جناب کمپنی سیکرٹری

**میٹکو فوڈز لمیٹڈ**

A/B-1-سائٹ، فیز 1، سپر ہائی وے انڈسٹریل ایریا،

کراچی

پراکسی فارم

میں / ہم__________________________________ولد__________________________________ساکن__________________

میٹکو فوڈز لمیٹڈ کے رکن کی حیثیت سے شیئر رجسٹرار فولیو نمبر__________________________اور / یا سی ڈی سی پارٹیسپینٹ آئی ڈی نمبر__________________
اور اکاؤنٹ / ذیلی اکاؤنٹ نمبر____________________کے مطابق______________________حصص کے حامل ہیں، جناب / محترمہ__________________
ساکن______________ان کے ناکام ہونے کی صورت میں جناب / محترمہ______________________کو بروز منگل 28 اکتوبر، 2025 دن 11:00 بجے انسٹی ٹیوٹ کوسٹ اینڈ مینجمنٹ اکاونٹنٹس آف پاکستان سیمینار روم، آئی سی ایم اے پی ایونیو، بلاک 6، گلشن اقبال، کراچی-75300 میں اور بذریعہ ویڈیو کانفرنس منعقد ہونے والے کمپنی کے حصص یافتگان کے سالانہ اجلاس عام اور کسی زیر التواء اجلاس میں ہماری / میری / ہماری طرف سے شرکت کرنے اور رائے دہی دینے کیلئے پراکسی مقرر کرتا ہوں / کرتے ہیں / کرتی ہوں۔

اس دستاویز پر مورخہ__________اکتوبر 2025 کو دستخط ہوئے۔

| |
|---|
| 5 روپے کا ریونیو اسٹیمپ<br>چسپاں کریں |

**گواہ نمبر 1**

دستخط------------------------------

نام------------------------------

شناختی کارڈ نمبر------------------------------

پتہ------------------------------

**گواہ نمبر 2**

دستخط------------------------------

نام------------------------------

شناختی کارڈ نمبر------------------------------

پتہ------------------------------

نوٹس

- یہ پراکسی، باضابطہ طور پر مکمل، دستخط شدہ اور گواہی یافتہ، کمپنی کے ہیڈ آفس، میٹکو فوڈز لمیٹڈ، A/B-1-سائٹ، فیز 1، سپر ہائی وے انڈسٹریل ایریا، کراچی-75340، پاکستان میں جمع کرائی جانی چاہیے، یا اجلاس کے لئے مقررہ وقت سے اڑتالیس (48) گھنٹے پہلے corporate@matcofoods.com پر ای میل کرنا ضروری ہے۔
- کوئی بھی شخص پراکسی کے طور پر کام نہیں کرے گا اگر وہ کمپنی کا ممبر نہیں ہے (سوائے اس کے کہ کارپوریشن کسی ایسے شخص کو مقرر کر سکتی ہے جو ممبر نہیں ہے)۔
- اگر کوئی ممبر ایک سے زیادہ پراکسی کا تقرر کرتا ہے اور پراکسی کے ایک سے زیادہ فارم کسی ممبر کے ذریعہ کمپنی کے رجسٹرار کے پاس جمع کرائے جاتے ہیں تو، ایسے تمام فارم یا پراکسیز کو کالعدم سمجھا جائے گا۔
- پراکسی میٹنگ میں اپنا اصل شناختی کارڈ یا اصل پاسپورٹ پیش کرے گا۔
- شناختی کارڈ کی تصدیق شدہ کاپی یا فائدہ اٹھانے والے مالکان کا پاسپورٹ اور پراکسی کو پراکسی فارم فراہم کیا جائے گا۔
- کسی کارپوریٹ ادارے کے معاملے میں، نامزد شخص کے نمونے دستخط کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی پراکسی کے ساتھ جمع کرائی جائے گی (جب تک کہ یہ پہلے فراہم نہ کیا گیا ہو)۔

MATCO FOODS LIMITED

# ANNUAL REPORT 2025

B-1/A, SITE, Phase 1, Super Highway Industrial Area, Karachi – 75340, Pakistan

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