

ARPAK INTERNATIONAL INVESTMENTS LIMITED

**CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THREE MONTHS PERIOD
ENDED SEPTEMBER 30,2025**

ARPAK INTERNATIONAL INVESTMENTS LIMITED

COMPANY INFORMATION

Board of Directors

Ms. Zarmine Sarfaraz	Chairperson
Mr. Abbas Sarfaraz Khan	Chief Executive
Ms. Najda Sarfaraz	Director
Mr. Iskander M. Khan	Director
Mr. Baber Ali Khan	Director
Mr. Sher Ali Jaffar Khan	Independent Director
Mr. Asim Khan Effendi	Independent Director

Company Secretary

Mr. Mujahid Bashir

Chief Financial Officer

Mr. Rizwan Ullah Khan

Head of Internal Audit

Mr. Zaheer Mir

Auditors

M/s. ShineWing Hameed Chaudhri & Co.
Chartered Accountants

Legal Advisor

Mr. Zahoor Alam
Advocate

Shares Registrar

M/s. Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore.
Phone No.: 042-37235081
Fax No.: 042-37235083

Bankers

MCB Bank Limited
Bank Al-Habib Limited

ARPAK INTERNATIONAL INVESTMENTS LIMITED

DIRECTOR'S REVIEW REPORT

The Board of Directors of Arpak International Investments Limited takes pleasure in presenting the review on the operational and financial performance of the Company for the three-months period ended September 30, 2025.

FINANCIAL PERFORMANCE/OPERATIONS

The Company reported an operational loss of Rs. 1.090 million for the period, compared to a profit of Rs. 0.061 million in the corresponding period last year. This decline was primarily due to lower rental income and the absence of dividend income, as funds were shifted from mutual funds to other equity investment projects deemed more beneficial for the Company. After accounting for the share of loss from associated undertakings, the Company recorded a pre-tax loss of Rs. 87.486 million for the period.

INVESTMENTS/FUTURE OUTLOOK

The Board plans to diversify revenue by investing in low-risk sectors and strengthening rental income. Management is working to secure better returns from renovated vacant properties, while ongoing reviews of investment strategies aim to enhance the Company's financial position and long-term growth.

PRINCIPAL RISKS AND UNCERTAINTIES

- Losses from associated undertakings remain a major drag on profitability.
- Declining rental income and dividend receipts weakened operational earnings.


ACCOUNTING POLICIES


The accounting policies adopting in the preparation of the condensed interim financial information for the quarter are the same as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the hard work and dedication displayed by the employees of the Company.

Islamabad
October 28, 2025


(Abbas Sarfaraz Khan)
Chief Executive


(Iskander M. Khan)
Director

آریاک انٹرنیشنل انویسٹمنٹس لمیٹڈ

ڈائریکٹر کی جائزہ رپورٹ

آریاک انٹرنیشنل انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 30 ستمبر 2025 کو ختم ہونے والی تین ماہ کی مدت کے لیے کمپنی کی آپریشنل اور مالیاتی کارکردگی کا جائزہ پیش کرتے ہوئے خوشی محسوس کی ہے۔

مالی کارکردگی/آپریشنز

کمپنی کو اس عرصے کے دوران 1.090 ملین روپے کا آپریشنل نقصان ہوا جبکہ گزشتہ سال کے اسی عرصے میں اسے 0.061 ملین روپے کا منافع ہوا تھا۔ یہ کمی بنیادی طور پر کم کرایہ کی آمدنی اور منافع کی آمدنی کی عدم موجودگی کی وجہ سے ہوئی، کیونکہ فنڈز کو میوچل فنڈز سے دیگر ایکویٹی سرمایہ کاری کے منصوبوں میں منتقل کیا گیا تھا جو کمپنی کے لئے زیادہ فائدہ مند سمجھے جاتے تھے۔ متعلقہ اداروں سے ہونے والے نقصان کے حصے کا حساب کتاب کرنے کے بعد کمپنی کو اس عرصے کے دوران 87.486 ملین روپے کا قبل از ٹیکس نقصان ریکارڈ کیا گیا۔

سرمایہ کاری / مستقبل کا منظر نامہ

بورڈ کم خطرے والے شعبوں میں سرمایہ کاری کر کے اور کرایہ کی آمدنی کو مضبوط بنا کر محصولات کو متنوع بنانے کا ارادہ رکھتا ہے۔ انتظامیہ ترقی و ارتقاء شدہ خالی جائیدادوں سے بہتر منافع حاصل کرنے کے لیے کام کر رہی ہے، جبکہ سرمایہ کاری کی حکمت عملیوں کے جاری جائزوں کا مقصد کمپنی کی مالی پوزیشن اور طویل مدتی ترقی کو بڑھانا ہے۔

اہم خطرات اور غیر یقینی صورتحال

- اس سے وابستہ اداروں سے ہونے والے نقصانات منافع میں ایک بڑا رکاوٹ ہیں۔
- کرایہ کی آمدنی میں کمی اور منافع کی رسیدوں نے آپریشنل آمدنی کو کمزور کر دیا۔

اکاؤنٹنگ پالیسیاں

سہ ماہی کے لئے مختصر عبوری مالی معلومات کی تیاری میں اپنائی جانے والی اکاؤنٹنگ پالیسیاں وہی ہیں جو کمپنی کے پچھلے سالانہ مالی بیانات کی تیاری میں لاگو ہوتی ہیں۔

اعتراف

ڈائریکٹر نے کمپنی کے ملازمین کی طرف سے دکھائی جانے والی محنت اور لگن کی تعریف کی۔



(اسکندر ایم خان)
ڈائریکٹر



(عباس سرفراز خان)
چیف ایگزیکٹو

اسلام آباد
اکتوبر 28، 2025

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025

	Un-audited September 30, 2025 Rupees	Audited June 30, 2025 Rupees
Note		
Equity and Liabilities		
Share Capital and Reserves		
Authorised capital		
5,000,000 ordinary shares of Rs.10 each	<u>50,000,000</u>	<u>50,000,000</u>
Issued, subscribed and paid-up capital		
4,000,000 ordinary shares of Rs.10 each issued for cash	40,000,000	40,000,000
Reserves	12,840,781	12,840,781
Accumulated loss	(484,350,124)	(484,479,631)
Share of surplus on revaluation of property, plant and equipment of Associated Companies	720,563,175	698,299,412
	<u>289,053,832</u>	<u>266,660,562</u>
Deferred taxation	214,763	207,363
Current Liabilities		
Accruals and other payables	2,367,174	2,584,127
Unclaimed dividend	1,034,846	1,039,042
Provision for tax levies	-	17,605
Taxation	2,087,428	1,645,423
	5,489,448	5,286,197
Contingencies and Commitments	4	
	<u>294,758,043</u>	<u>272,154,122</u>
Assets		
Non-current Assets		
Property, plant and equipment	57,248	60,623
Investment property	8,557,470	8,601,091
Long term investments	5 254,702,742	230,766,742
Loan to an Associated Company	6 25,000,000	25,000,000
	<u>288,317,460</u>	<u>264,428,456</u>
Current Assets		
Current portion of loan to an Associated Company		
Short term investment	7 544,817	531,451
Advance to employees - considered good	139,750	139,750
Accrued Mark-up	883,197	3,091,974
Advances, prepayments and other receivables	306,516	-
Prepaid tax levies	-	17,605
Advance income tax and tax deducted at source	2,849,597	2,478,236
Bank balances	1,716,706	1,466,650
	6,440,583	7,725,666
	<u>294,758,043</u>	<u>272,154,122</u>

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


Chief Executive


Director


Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

	September 30, 2025	September 30, 2024
	-----Rupees-----	
Income	2,801,086	3,241,259
Operating and General Expenses	<u>(3,891,711)</u>	<u>(3,179,847)</u>
Operating Loss / Profit	(1,090,625)	61,412
Bank Charges	<u>(2,700)</u>	<u>(3,802)</u>
	(1,093,325)	57,610
Share of loss from Associated Companies-net of taxation	(26,866,134)	(198,872,433)
Reversal/(provision made) for impairment in investment in an Associated Company	(59,527,023)	148,145,123
Loss before taxation and final tax levies	<u>(87,486,482)</u>	<u>(50,669,700)</u>
Final tax levies	-	-
Loss before taxation	<u>(87,486,482)</u>	<u>(50,669,700)</u>
Taxation	<u>(449,405)</u>	<u>(431,787)</u>
Loss after taxation	<u>(87,935,887)</u>	<u>(51,101,487)</u>
Loss per share	<u>(21.98)</u>	<u>(12.78)</u>

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


Chief Executive


Director


Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

	September 30, 2025 Rupees	September 30, 2024 Rupees
Loss after taxation	(87,935,887)	(51,101,487)
Other Comprehensive Income		
Items that may be reclassified subsequently to profit and loss:		
Fair value (loss) / gain on re-measurement of available-for-sale investments	-	-
Share of other comprehensive profit from Associated Company - net	-	-
	-	-
Total Comprehensive Loss for the period	(87,935,887)	(51,101,487)

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



Chief Executive



Director



Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

	September 30, 2025 Rupees	September 30, 2024 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the quarter - before taxation and share of profit/ (loss) of Associated Companies	(1,093,325)	57,610
<i>Adjustments for non-cash charges and other items:</i>		
Depreciation on property, plant and equipment	3,375	4,440
Depreciation on investment property	43,621	45,917
Mark-up on loan to an Associated Company	(791,223)	(1,342,685)
Dividend income	-	-
Fair value (gain)/loss on measurement of investments	(13,363)	(26,586)
Gain on redemption of short term investments - net	-	-
Loss before working capital changes	(1,850,915)	(1,261,304)
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Investments - net	(3)	2,422
Advance to employees	-	-
Prepayments	(604,451)	(483,654)
Increase / (decrease) in current liabilities		
Accruals and other payables	(294,575)	(1,671,557)
	(899,029)	(2,152,789)
Cash used in operating activities	(2,749,944)	(3,414,093)
Income tax paid	-	(8,548)
Net cash used in operating activities	(2,749,944)	(3,422,641)
CASH FLOW FROM INVESTING ACTIVITIES		
Mark-up received on loan to an Associated Company	3,000,000	1,000,000
Dividend received	-	-
Net cash generated from investing activities	3,000,000	1,000,000
Net increase / (decrease) in cash and cash equivalents	250,056	(2,422,641)
Cash and cash equivalents - at beginning of the period	1,466,650	8,319,166
Cash and cash equivalents - at end of the period	<u>1,716,706</u>	<u>5,896,525</u>

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


Chief Executive


Director


Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

Share capital	Reserves			(Accumulated loss)	Share of surplus on revaluation of property, plant and equipment of an Associated Company	Total
	Capital Reserves	General Reserves	Unrealised gain on long term investments			

-----Rupees-----

Balance as at July 01, 2024	40,000,000	7,440,781	5,400,000	-	(323,348,568)	609,824,244	339,316,457
Total Comprehensive Income for the quarter ended September 30, 2024	-	-	-	-	(51,101,487)	-	(51,101,487)
Effects of items directly credited in equity by Associated Companies	-	-	-	-	69,167,793	-	69,167,793
Share of surplus on revaluation of property, plant and equipment realised during the year by an Associated Company on account of incremental depreciation and upon sale of revalued assets - (net of deferred taxation)					30,161,708	(30,161,708)	-
Balance as at September 30, 2024	<u>40,000,000</u>	<u>7,440,781</u>	<u>5,400,000</u>	<u>-</u>	<u>(275,120,554)</u>	<u>579,662,536</u>	<u>357,382,763</u>
Balance as at July 01, 2025	40,000,000	7,440,781	5,400,000	-	(484,479,631)	698,299,412	266,660,562
Total Comprehensive Income for the quarter ended September 30, 2025	-	-	-	-	(87,935,887)	-	(87,935,887)
Effects of items directly credited in equity by Associated Companies	-	-	-	-	110,329,157	-	110,329,157
Share of surplus on revaluation of property, plant and equipment realised during the year by an Associated Company on account of incremental depreciation and upon sale of revalued assets - (net of deferred taxation)	-	-	-	-	(22,263,763)	22,263,763	-
Balance as at September 30, 2025	<u>40,000,000</u>	<u>7,440,781</u>	<u>5,400,000</u>	<u>-</u>	<u>(484,350,124)</u>	<u>720,563,175</u>	<u>289,053,832</u>

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



Chief Executive



Director



Chief Financial Officer

ARPAK INTERNATIONAL INVESTMENTS LIMITED
SELECTED NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2025

1. CORPORATE INFORMATION

Arpak International Investments Limited (the Company) was incorporated in Pakistan on 26 July, 1977 as a Public Company and its shares are quoted on Lahore and Karachi Stock Exchanges. The registered office of the Company is situated at 20-A, Markaz F-7, Islamabad. It is principally engaged in investment business of various forms.

2. BASIS OF PREPARATION

2.1. Statement of compliance

2.1.1

These condensed interim financial statements for the first quarter ended September 30, 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i) International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- ii) Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.1.2** These condensed interim financial statements do not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2025. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.2. New standards, amendments to approved accounting standards and interpretations that are effective during the period

The new standards, amendments to approved accounting standards and interpretations that are mandatory for the accounting periods beginning on July 1, 2025 are considered not to be relevant or to have any significant effect on the Company's interim financial reporting and are, therefore, not detailed in these condensed interim financial statements.

2.3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements of the Company for the year ended June 30, 2025.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

4. CONTINGENCIES AND COMMITMENTS

4.1 The Company has filed a civil suit before the Senior Civil Judge, Swat. The Company has prayed for deceleration, perpetual and mandatory injunction in case titled "Arpak International Investments Limited Vs Liaqat Ali Khan and 15 Others" in Old No. Khata 958/1184, New No. Khata 1250/1430, Khasra No, 1892 to 1898 in Moza Mingora, Tehsil Babuzai, District Swat of land measuring 53 Kanals and 04 Marlas in which the Company has challenged Registry No 76, Book No 01, Page No.03 dated October 01, 1997 and Mutation No.1117 dated November 17, 1997 through which the land was illegally sold to the defendants. The suit is pending adjudication before the Court for ex-parte evidence. Next date of hearing is fixed on November 10, 2025.

4.2 No commitments were outstanding as at June 30, 2025 and 2024.

5. LONG TERM INVESTMENTS

		Un-audited Period ended September 30, 2025 Rupees	Audited Year ended June 30, 2025 Rupees
Associated Companies:			
Quoted:			
The Premier Sugar Mills and Distillery Company Ltd. (PSM)			
Carrying Value- under equity method	5.1.	776,947,365	693,484,342
Less: Impairment loss	5.1.1.	(642,947,365)	(583,420,342)
		134,000,000	110,064,000
Premier Board Mills Ltd. (PBML)- unquoted	5.2.	88,702,742	83,541,568
Premier Grain Ethanol Ltd. (PGEL)- Un-quoted	5.3.	32,000,000	32,000,000
		254,702,742	193,605,568

5.1. Investment in PSM represents 400,000 fully paid ordinary shares of Rs.10 each representing 10.67% (June 30, 2025: 10.67%) of PSM's issued, subscribed and paid-up capital as at September 30, 2018. PSM was incorporated on July 24, 1944 as a public limited company and its shares are quoted on Pakistan Stock Exchange. The principal activity of PSM is manufacturing and sale of white sugar and spirit. PSM is an associate of the Company due to common directorship.

5.1.1 The Company has recognised impairment on its investment in PSM based on the market value of PSM's shares as at reporting date. Market Value of the PSM's shares as at September 30, 2025 was Rs. 335 (June 30, 2025: Rs. 275.16) per share.

5.2. Investment in PBML represents 600,000 fully paid ordinary shares of Rs.10 each representing 10.63% (June 30, 2024: 10.63%) of PBML's issued, subscribed and paid-up capital as at June 30, 2018. PBML was incorporated on May 12, 1980 as a public company and it is evaluating certain proposals for setting-up some industrial unit. PBML is an associate of the Company due to common directorship.

5.2.1 Carrying values of investments in PBML as at September 30, 2025 have not been accounted for using the equity method as required by IAS 28 (Investments in Associates) due to nonavailability of financial statements for the

5.3. The Board of Directors of the Company, in the meeting held on March 15, 2024, approved subscription of 5,000,000 ordinary shares of Rs.10 each in Premier Grain Ethanol Ltd. (PGEL). This newly incorporated company was to engage in the manufacturing, production and sale of Ethanol alongside related products derived from grains as primary raw materials. Moreover, at the extra ordinary general meeting held on April 22, 2024, the shareholders unanimously approved the investment plan. The Company upto June 30, 2024 had made advances aggregating Rs.32 million in this regard.

PGEL, during the year, has issued 3,200,000 fully paid ordinary shares of Rs.10 each against this advance, which have been classified under long term investments.

6. LOAN TO AN ASSOCIATED COMPANY

All the term and conditions of the loan are same as disclosed in audited annual financial statements of the Company for the year ended June 30, 2025.

7. SHORT TERM INVESTMENTS - at fair value through profit or loss

This represents investment in 5,230.85 (June 30, 2025: 5,230.85) units of First Habib Cash Fund.

8. REMUNERATION OF DIRECTORS AND EXECUTIVES

8.1 The Company has not paid any remuneration or meeting fee to any of its directors during the current and preceding financial years.

8.2 Salaries and benefits paid to key management personnel:

	Un-audited Three months ended September 30,	
	2025	2024
	---- Rupees ----	
Managerial remuneration	1,377,876	1,377,876
Medical and utility allowances	37,718	37,547
Expenses reimbursed	835,515	870,700
	<u>2,251,109</u>	<u>2,286,123</u>
No. of person	1	1

9 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the Associated Companies, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of related parties (with whom the Company has transacted) along with relationship and transactions with a related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

The Company has carried out following transactions with Chashma Sugar Mills Ltd. an Associated Company due to common directorship.

	Un-audited Three months ended September 30,	
	2025	2024
	---- Rupees ----	
Mark-up charged on loan to an Associated Company	791,223	1,342,685
Mark-up received from Associated Company	<u>3,000,000</u>	<u>-</u>

There were no transactions with key management personnel other than under the terms of employment and remuneration of key management personnel is disclosed in note 8.

10. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

There has been no change in the Company's sensitivity to these risks since June 30, 2025. There have been no change in risk management objectives and policies of the Company during the period.

This condensed interim financial information does not include all financial risk management information and disclosures as are required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2025.

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

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

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

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

The Company's investment in Mutual Fund has been measured at fair value using period-end Net Assets Value as computed by the respective Assets Management Company. Fair value of these investments falls within level 2 of fair value hierarchy as mentioned above.

12. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the balances of comparable period of the immediately preceding financial year.

13. GENERAL

This condensed interim financial information was approved by the Board of Directors and authorised for issue on October 28, 2025.



Chief Executive



Director



Chief Financial Officer