

# Quarterly Report

## September 2025



## CONTENTS

Company information	2
Director's report (English)	3
Condensed interim statement of financial position	4
Condensed interim statement of profit or loss	5
Condensed interim statement of comprehensive income	6
Condensed interim statement of cash flows	7
Condensed interim statement of changes in equity	8
Notes to the condensed interim financial statements	9
Director's report (Urdu)	14

## COMPANY INFORMATION

### BOARD OF DIRECTORS

#### Executive Director

Mr. Waseem-ul- Haque Ansari

Chief Executive Officer

#### Non-Executive Directors

Mr. Ishtiaq Ahmed

Chairman Board of Directors

Mr. Syed Maqbool Ali

Mr. Abdul Basit

(Nominee Director by DMPL)

Mr. Mehmood-ul-Hassan Asghar

(Nominee Director by DMPL)

Mr. Muhammad Irfan Ali

(Nominee Director by DMPL)

#### Independent Director

Mr. Aziz-ul-Haque

### AUDIT COMMITTEE

Mr. Aziz-ul-Haque

Chairman

Mr. Syed Maqbool Ali

Member

Mr. Ishtiaq Ahmed

Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Aziz-ul-Haque

Chairman

Mr. Syed Maqbool Ali

Member

Mr. Waseem-ul- Haque Ansari

Member

### CHIEF FINANCIAL OFFICER

Mr. Muhammad Haris

### COMPANY SECRETARY

Mr. Muhammad Hanif German

### REGISTERED OFFICE

Dewan Centre, 3-A, Lalazar, Beach Luxury Hotel Road, Karachi, Pakistan

### FACTORY

Dewan City Sajawal, District Thatta, Sindh.

### AUDITORS

Faruq Ali & Co., Chartered Accountants

### LEGAL ADVISORS

Abbas & Arif Law Associated

### SHARES REGISTRAR / TRANSFER AGENT

BMF Consultants Pakistan (Pvt.) Limited

### WEBSITE

[www.yousufdewan.com](http://www.yousufdewan.com)

**DIRECTORS' REPORT****IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)**

The Board of Directors of your Company takes pleasure in presenting the un-audited condensed interim financial statements for the period ended 30<sup>th</sup> September 2025.

**Overview**

The first quarter of FY2026, July 1 to September 30, 2025, witnessed the economy start recovering. Inflation relaxed to 3%-4%, and industry growth accelerated to almost 9% year-on-year. The external account remained stable due to regular remittances and confidence fueled by recent reform measures. In the auto industry, sales of passenger vehicles fell by more than 20% from the last quarter because of weak consumer demand, while commercial vehicles stayed firm on the back of infrastructure and logistics plans.

**Financial Overview**

During the period under review the financial performance is as follows:

	September 2025	September 2024
	(Rupees in '000)	
Sales – Net	--	--
Gross (loss)	(3,015)	(3,297)
(Loss) after taxation	(12,831)	(11,849)

While the sister concern we previously supplied parts to has resumed operations, we are currently being held back by a severe lack of working capital. This constraint is the primary hurdle to launching our operations and meeting our sales targets. We are prepared to start production the moment working capital becomes available.

**Conclusion**

In conclusion, we bow, beg and pray to Almighty, Rehman-o-Rahim, in the name of his beloved Prophet, peace be upon him, for continued showering of His blessing, guidance, strength, health and prosperity to us, our Company, country and nation and also pray to Almighty to bestow peace, harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah, Ameen, Summa Ameen.

**LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)**


**Waseem-ul-Haque Ansari**  
Chief Executive Officer



**Ishtiaq Ahmed**  
Chairman Board of Directors

Karachi: 29 October 2025

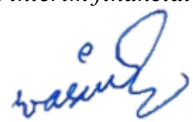
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2025**

		(Un-Audit) 30 Sep 2025	(Audited) 30 Jun 2025
	Notes	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	166,401	169,417
Long term deposit		503	503
Available for sale investment	7	11,917	11,917
		178,821	181,837
<b>CURRENT ASSETS</b>			
Stock in trade		--	--
Trade debts		--	--
Advances and other receivables		1,527	1,376
Advance income tax - Net		2,927	2,927
Bank balances		303	130
		4,757	4,433
		<b>183,578</b>	<b>186,270</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital			
21,800,000 (2025: 21,800,000) Ordinary shares of Rs.10/- each		218,000	218,000
Issued, subscribed and paid-up share capital		214,000	214,000
Capital reserve			
Merger reserve		82,090	82,090
Settlement claim from Ford Motors		86,194	86,194
Surplus on revaluation of property, plant and equipment	8	50,960	51,810
Revenue reserves			
General reserve		9,900	9,900
Accumulated losses		(2,032,528)	(2,020,547)
		(1,589,384)	(1,576,553)
<b>NON-CURRENT LIABILITIES</b>			
Long term loan - Unsecured	9	--	--
Deferred taxation	10	19,345	19,692
		19,345	19,692
<b>CURRENT LIABILITIES</b>			
Current portion of long term loan from sponsor	9	326,439	317,185
Trade and other payables		379,850	378,618
Short term finance		154,879	154,879
Accrued mark-up		892,449	892,449
		1,753,617	1,743,131
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11	--	--
		<b>183,578</b>	<b>186,270</b>

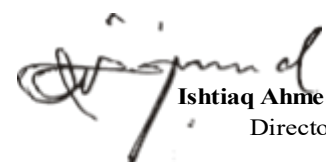
The annexed notes form an integral part of these condensed interim financial statements.



**Muhammad Haris**  
Chief Financial Officer



**Waseem-ul-Haque Ansari**  
Chief Executive Officer



**Ishtiaq Ahmed**  
Director

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**

**DEWAN AUTOMOTIVE ENGINEERING LIMITED**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)**



		July-Sept 2025	July-Sept 2024
	Notes	----- (Rupees in '000) -----	
Sales - Net		--	--
Cost of sales		(3,015)	(3,297)
Gross (loss)		(3,015)	(3,297)
<b>Operating expenses</b>			
Administrative expenses		(1,332)	(918)
Other expenses		--	--
		(1,332)	(918)
Operating (loss)		(4,347)	(4,215)
Other income	12	423	276
Finance cost	13	(9,254)	(8,287)
(Loss) before taxation		(13,178)	(12,226)
Taxation - Net		347	377
<b>(Loss) for the period</b>		<b>(12,831)</b>	<b>(11,849)</b>
(Loss) per share - Basic and diluted	(Rupees) 14	(0.60)	(0.55)

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

**Muhammad Haris**  
Chief Financial Officer

**Waseem-ul-Haque Ansari**  
Chief Executive Officer

**Ishtiaq Ahmed**  
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)**

	July-Sept 2025	July-Sept 2024
	----- (Rupees in '000) -----	
(Loss) for the period	(12,831)	(11,849)
<i>Other comprehensive income for the period:</i>	--	--
<b>Total comprehensive (loss) for the period</b>	<b>(12,831)</b>	<b>(11,849)</b>

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



**Muhammad Haris**  
Chief Financial Officer



**Waseem-ul-Haque Ansari**  
Chief Executive Officer



**Ishtiaq Ahmed**  
Director

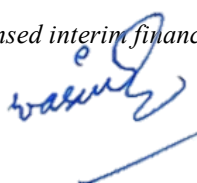
**CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)**

	July-Sept 2025	July-Sept 2024
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(13,178)	(12,226)
<i>Adjustment for non cash charges and other items</i>		
Depreciation	3,016	3,289
Unwinding of discount	9,254	8,287
Finance cost	--	--
Cash flows before working capital changes	(908)	(651)
<i>Working capital changes</i>		
(increase)/decrease in current assets		
Advances and other receivables	(151)	--
Increase/(decrease) in current liabilities		
Trade and other payables	1,232	484
	1,081	484
Net cash generated from operations	173	(166)
<i>Payments for:</i>		
Finance cost	--	--
Income tax	--	(28)
Net cash (outflows) / inflows from operating activities	173	(194)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	--	--
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	--	--
Net (decrease) / increase in cash and cash equivalents	173	(194)
Cash and cash equivalents at the beginning of the period	130	552
<b>Cash and cash equivalents at the end of the period</b>	<b>303</b>	<b>358</b>

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



Muhammad Haris



Waseem-ul-Haque Ansari



Ishtiaq Ahmed



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)**

	Issued, subscribed and paid-up share capital	Capital reserves				Revenue reserves			Total
		Merger reserve	Settlement claim from Ford Motors (Note 12)	Surplus on revaluation of property, plant and equipment	Total capital reserves	General reserve	Accumulated losses	Total revenue reserves	
----- (Rupees in '000) -----									
Balance as on 1 July 2024	214,000	82,090	86,194	55,503	223,787	9,900	(1,972,297)	(1,962,397)	(1,524,610)
(Loss) for the period	--	--	--	--	--	--	(11,849)	(11,849)	(11,849)
Other comprehensive income	--	--	--	--	--	--	--	--	--
Total comprehensive (loss) for the period	--	--	--	--	--	--	(11,849)	(11,849)	(11,849)
Incremental depreciation transfer from surplus on revaluation of property, plant and equipment - Net of tax	--	--	--	(923)	(923)	--	923	923	--
Balance as at 30 September 2024	214,000	82,090	86,194	54,580	222,864	9,900	(1,983,223)	(1,973,323)	(1,536,459)
Balance as on 1 July 2025	214,000	82,090	86,194	51,810	220,094	9,900	(2,020,547)	(2,010,647)	(1,576,553)
(Loss) for the period	--	--	--	--	--	--	(12,831)	(12,831)	(12,831)
Other comprehensive income	--	--	--	--	--	--	--	--	--
Total comprehensive (loss) for the period	--	--	--	--	--	--	(12,831)	(12,831)	(12,831)
Incremental depreciation transfer from surplus on revaluation of property, plant and equipment - Net of tax	--	--	--	(850)	(850)	--	850	850	--
Balance as at 30 September 2025	214,000	82,090	86,194	50,960	219,244	9,900	(2,032,528)	(2,022,628)	(1,589,384)

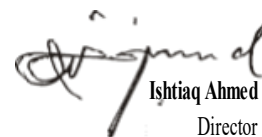
The annexed notes form an integral part of these condensed interim financial statements.



Muhammad Haris  
Chief Financial Officer



Waseem-ul-Haque Ansari  
Chief Executive Officer



Ishtiaq Ahmed  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT  
FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)****1 THE COMPANY AND ITS OPERATIONS**

Dewan Automotive Engineering Limited is a public Limited Company quoted on Pakistan Stock Exchange Limited (trading in defaulter counter). The Company's business is the assembly-cum progressive manufacture and sale of tractors, light commercial vehicles and motorcycles and trading / manufacturing of parts and implements related thereto. The Company was incorporated on May 6, 1982 and commenced commercial operations in August, 1983. The Company was taken over by Yousuf Dewan Company in April 2004.

**2 GOING CONCERN ASSUMPTION**

The Company incurred a net loss of Rs.12.831 million during the period ended 30 September 2025 (September 2024: Rs. 11.849 million) and as of that date it has accumulated losses of Rs. 2,032.528 million (2025: Rs. 2,020.547 million) which have resulted in net capital deficiency of Rs. 1,589.384 million (2025: Rs. 1,576.553 million) and its current liabilities exceeded its current assets by Rs. 1,748.86 million (2025: Rs.1,738.698 million) and total assets by Rs. 1,570.039 million (2025: Rs. 1,556.861 million). The Company has been unable to ensure payments to the creditors due to the liquidity problems. These conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. therefore the Company may not be able to realize its assets and discharge its liabilities in normal course of business.

However, these condensed interim financial statements have been prepared using going concern assumption as the Company has the ability to arrange funds from its associated companies / sponsor as and when required. Accordingly, these financial statements have been prepared on a going concern basis.

**3 BASIS OF PREPARATION**

- 3.1 These condensed interim financial statements of the Company for the quarter ended 30 September 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 applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 3.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2025.
- 3.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended 30 September 2025 and 30 September 2024 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the quarters ended 30 September 2025 and 30 September 2024.

**4 SIGNIFICANT ACCOUNTING POLICIES**

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

**5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of condensed interim financial statements requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the condensed interim financial statements for the year ended 30 June 2025.

		(Un-audited) 30 September 2025	(Audited) 30 June 2025
		----- (Rupees in '000) -----	
<b>6</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fixed assets - At cost / revaluation less accumulated depreciation	166,401	169,417
	<b>6.1 Operating fixed assets - At cost / revaluation less accumulated depreciation</b>		
	Opening carrying value	169,417	182,586
	Depreciation charged during the period / year	(3,016)	(13,169)
	Closing carrying value	166,401	169,417
<b>7</b>	<b>AVAILABLE FOR SALE INVESTMENT</b>		
	<i>Investment in associated company</i>		
	Dewan Mushtaq Trade Limited (Public, unquoted company)		
	4,000,000 (2025: 4,000,000) Ordinary shares of Rs.10/- each	40,000	40,000
	Accumulated provision for impairment loss	(28,083)	(28,083)
		11,917	11,917
	<b>7.1</b> Since this investment is in unquoted company therefore this is measured at cost less accumulated impairment because the fair value can not be measured reliably.		
	<b>7.2</b> Investments in associated company or undertakings have been made in accordance with the requirements under the Act.		
<b>8</b>	<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		
	Balance as at 1 July	51,810	55,503
	Incremental depreciation charged on related assets during the year - Net of tax	(850)	(3,693)
		50,960	51,810
<b>9</b>	<b>LONG TERM LOAN - Unsecured</b>		
	<i>From sponsor - At amortized cost</i>		
	Opening balance	354,200	354,200
	Accumulated present value adjustment	(266,691)	(266,691)
	Accumulated interest charged to profit or loss	238,930	229,676
		326,439	317,185
	Less: Current portion of long term loan - Shown under current liabilities	(326,439)	(317,185)
		--	--

- 9.1** The above loan is interest free and unsecured. This loan shall be treated as subordinated to the principal amounts of the long term debt owing to the creditors of the Company from time to time and to all debts of the Company from time to time owing to the banks and financial institutions and accordingly may only be repaid by the Company in whole or in part provided that upon such repayment, the Company shall comply with the debt to equity ratio requirements of the Prudential Regulations of State Bank of Pakistan as applicable to the Company for the time being.

Since the loan is interest free and repayable in lump sum on 30 June 2026, as per the requirements of International Financial Reporting Standards (IFRSs) it has been discounted to its fair value, being the present value of the expected future cash flows at 11.67% per annum.

(Un-audited)	(Audited)
30 September	30 June
2025	2025
----- (Rupees in '000) -----	

## 10 DEFERRED TAXATION

Deferred tax liability arising out of  
surplus on revaluation of property plant and equipment

19,345	19,692
--------	--------

- 10.1** The Company has not recognized deferred tax asset amounting to Rs.215.512 million (2025: Rs.220.804 million) arising due to available tax losses and credits since it is not probable that future taxable profits will be available against which the temporary differences can be utilized. The deferred tax liability reflected in these condensed interim financial statements relates to the surplus on revaluation of property, plant and equipment only.

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at reporting date.

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

## 12 OTHER INCOME

Rental income  
Interest income on saving account

422	272
1	4
423	276

## 13 FINANCE COST

Unwinding of discount  
Bank charges

9,254	8,287
--	--
9,254	8,287

## 14 LOSS PER SHARE - Basic and diluted

Loss after taxation attributable to ordinary shareholders

(12,831)	(11,849)
----------	----------

----- (Number of shares) -----

Weighted average number of ordinary shares outstanding during the year

21,400,000	21,400,000
------------	------------

----- (Rupees) -----

Loss per share - Basic

(0.60)	(0.55)
--------	--------

## 15 TRANSACTIONS WITH RELATED PARTIES

Related parties include associated group companies, directors, executives, key management personnel and staff retirement funds. The transaction with associated companies are in the normal course of business and have been entered on an arm's length basis. The remuneration paid to chief executive, directors, executive and key management personnel were in terms of their employment. Material transactions and balances with related parties are given below:

Name of the related party	Basis of relationship	Percentage of shareholding	Nature of transactions during the year	Sep 2025 ----- (Rupees '000) -----	Sep 2024 ----- (Rupees '000) -----
Dewan Mushtaq Motors Company (Pvt) Ltd	Group Company	--	Rental Income	272	272
Dewan Motorcycle and Engineering (Pvt) Ltd	Group Company	--	Rental Income	150	--

## 16 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### 16.1 Financial risk factors

The Company is exposed to the credit risks, liquidity risks and market risks (including currency rate risk and other price risk) from its use of financial instruments.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

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

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

## 17 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation, however there has been no significant reclassifications.

## 18 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 29<sup>th</sup> October 2025 in accordance with the resolution by the Board of Directors of the Company.

**19 GENERAL**

These condensed interim financial statements are presented in Rupees and figures have been rounded off to the nearest thousand rupees.

**Muhammad Haris****Waseem-ul-Haque Ansari****Ishtiaq Ahmed**

## ڈائریکٹر رپورٹ

شروع کرتا ہوں اللہ کے نام سے جو بڑا مہربان، نہایت رحم کرنے والا ہے

اگر تم شکر کرو گے تو میں تمہیں اور دوں گا (قرآن پاک)

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز 30 ستمبر 2025 کو ختم ہونے والی پہلی سہ ماہی کے غیر آڈیٹ شدہ عبوری مالیاتی حسابات پیش کرنے میں خوشی محسوس ہوتی ہے۔

### جائزہ

مالی سال 2026 کی پہلی سہ ماہی، یکم جولائی سے 30 ستمبر 2025 تک، معیشت کی بحالی کا آغاز ہوا۔ افراط زر میں 3 فیصد-4 فیصد تک نرمی آئی، اور صنعت کی ترقی تقریباً 9 فیصد سال بہ سال تک پہنچ گئی۔ بیرونی کھاتہ مستقل ترسیلات زر اور حالیہ اصلاحاتی اقدامات سے پیدا ہونے والے اعتماد کی وجہ سے مستحکم رہا۔ آؤٹ اسٹری میں، صارفین کی کمزور مانگ کی وجہ سے مسافر گاڑیوں کی فروخت گزشتہ سہ ماہی کے مقابلے میں 20 فیصد سے زیادہ گر گئی، جبکہ کمرشل گاڑیاں انفراسٹرکچر اور لاجسٹکس کے منصوبوں کی پشت پر مضبوط رہیں۔

### مالیاتی جائزہ

زیر نظر مدت کے دوران مالیاتی کارکردگی درج ذیل ہے:

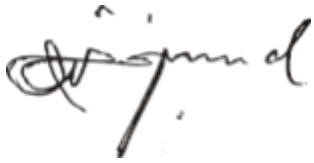
2024 ستمبر	2025 ستمبر	مالیاتی اشاریے
(روپے '000 میں)		
--	--	فروخت-خالص
(3,297)	(3,015)	مجموعی (خسارہ)
(11,849)	(12,831)	بعد از ٹیکس (خسارہ)

اگرچہ ہماری متعلقہ کمپنی، جسے ہم پہلے پرزے فراہم کرتے تھے، دوبارہ فعال ہو چکی ہے، ہم اس وقت سرمایہ کار کی شدید کمی کے باعث عملی طور پر محدود ہیں۔ یہ مجبوری ہمارے آپریشنز کے آغاز اور فروخت کے اہداف کے حصول میں ایک نمایاں رکاوٹ ہے۔ سرمایہ کار کی فراہمی کے فوراً بعد ہم پیداوار شروع کرنے کے لیے مکمل طور پر تیار ہیں۔

### اختتامیہ

آخر میں، ہم عاجزی سے رحمن و رحیم رب کے حضور، اس کے محبوب نبی ﷺ کے صدقے دعا گو ہیں کہ وہ ہمیں، ہماری کمپنی، ہمارے ملک و قوم کو اپنی رحمت، رہنمائی، طاقت، صحت اور خوشحالی سے نوازے، اور پوری مسلم اُمہ کو اسلامی روح کے مطابق امن، بھائی چارے، یکجہتی اور اتحاد عطا فرمائے۔ آمین، ثم آمین۔

بے شک میرا رب دعا کا سننے والا ہے (القرآن)



اشتیاق احمد

چیئرمین بورڈ آف ڈائریکٹرز



وسیم الحق انصاری

چیف ایگزیکٹو آفیسر

کراچی: 29 اکتوبر 2025