



Habib Sugar Mills Limited

Annual Report 2025



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Company Information

Board of Directors	Asghar D. Habib Murtaza Habib Hasnain Habib Farouq Habib Rahimtoola Sohail Hussain Haji Muhammad Salman Husain Chawala Tyaba Muslim Habib Khursheed A. Jamal	<i>Chairman</i> Chief Executive
Audit Committee	Farouq Habib Rahimtoola Tyaba Muslim Habib Sohail Hussain Haji	Chairman Member Member
Human Resource & Remuneration Committee	Tyaba Muslim Habib Hasnain Habib Khursheed A. Jamal	Chairperson Member Member
Chief Financial Officer	Amir Bashir Ahmed	
Company Secretary	Imran Amin Virani	
Registered Office	3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi-75530 Phones : (+92-21) 35680036 - 5 Lines Fax : (+92-21) 35684086 www : habibsugar.com E-mail : sugar@habib.com	
Mills	Sugar & Distillery Division Nawabshah, District Shaheed Benazirabad Phones : (+92-244) 360751 - 5 Lines Fax : (+92-244) 361314 Textile Division D-140/B-1 Manghopir Road S.I.T.E. Karachi-75700 Phones : (+92-21) 32571325, 32572119 Fax : (+92-21) 32572118	
Terminal	60/1-B Oil Installation Area Keamari Karachi-75620 Phones : (+92-21) 32852003-4 Fax : (+92-21) 32852005	
Bankers	Allied Bank Limited Bank AL Habib Limited Bank Al-Falah Limited Faysal Bank Limited First Women Bank Limited JS Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan United Bank Limited	
Statutory Auditors	Grant Thornton Anjum Rahman Chartered Accountants	
Cost Auditors	Reanda Haroon Zakaria Aamir Salman Rizwan & Co. Chartered Accountants	
Share Registrar	THK Associates (Pvt.) Limited Plot No. C-32, Jami Commercial Street-2 D.H.A. Phase VII, Karachi. UAN : (+92-21) 111-000-322 Phone : (+92-21) 35310184 Fax : (+92-21) 35310191 E-mail : sfc@thk.com.pk	



VISION STATEMENT

We aim to be a leading manufacturer and supplier of quality sugar, ethanol, liquidified carbon dioxide (CO₂) and household textiles in local and international markets. We aspire to be known for the quality of our products and intend to play a pivotal role in the economic and social development of Pakistan.

MISSION STATEMENT

As a prominent producer and supplier of sugar, ethanol, liquidified carbon dioxide (CO₂) and household textiles, we shall continue to strive to achieve excellence in performance and aim to exceed the expectations of all stakeholders. We target to achieve technological advancements to inculcate the most efficient, ethical and time tested business practices in our management.



Code of Conduct

The founders of Habib Sugar Mills Limited were visionaries who established the company on very sound principles and envisioned its development and growth on the basis of making no compromises in any aspects of business practices. The company takes pride in adherence to its principles and continues to serve its customers, stakeholders and society based on the following guidelines:

Products

- To produce refined, high-grade sugar that is edible and hygienic and provides all the nutrition and food value at standards determined by the company, which would exceed industry norms and averages.
- To produce by-products and allied products including molasses, ethanol and liquidified carbon dioxide (CO₂).
- To diversify into other products such as home textiles thus consuming indigenous raw material and generating export earnings.

Systems & Processes

- To regularly update and upgrade manufacturing systems and processes so as to keep abreast with technological advancements, achieve economies of production and transfer knowledge and skill to workers.
- To develop and maintain the technical and professional standards, standard operating procedures and stringent quality control measures with on-line quality assurance at every stage of manufacture.
- To continuously conduct product research and develop new products, while improving upon the existing products, using ideal additives and packaging material.
- To regularly maintain, replace and upgrade all machinery and equipment for smooth working, optimum output and ensure safe working in all production units.
- To maintain a smooth work-flow in all departments with an effective communication system contained within the framework of principles yet allowing the required degree of autonomy for efficient functioning.

Management & Employees

- To employ only the appropriately suited human resource through the selection and recruitment process based on the commensurate qualifications and experience criteria without any non-professional considerations, without any bias or prejudice of race, cast, colour, creed or religious beliefs.
- To ensure that all management personnel are adequately qualified to perform management functions as assigned.
- To guide, direct and motivate employees to perform functions and to recognize and reward employees based on their performance outputs.
- To measure employee's performance by a pre-determined criteria so as to be fair and equitable towards every single employee.
- To ensure that all employees work towards achievement of corporate objectives, individually and collectively as a team and conduct themselves at work and in society as respectable employees and responsible citizens.



- To regularly train all employees at all levels to improve their knowledge and skill and provide employees with a career path whereby they can seek a planned betterment in their professional and personal life.
- To ensure that all employees and management personnel strictly adhere to the company rules and regulations and observe the best codes of conduct and abide by all laws of Pakistan.
- To make timely payment of salaries, wages and all allowances and benefits to all employees in line with their terms.
- To ensure all directors and employees of the company shall undertake such activities, whether personal or professional, that in no way conflicts with the interests of the company but contributes towards the betterment, development and growth of the organization in particular and the industry in general.

Financial

- To implement an effective, transparent and secure financial reporting and internal control system so as to ensure compliance with regulatory factors as well as meet all obligations of payable and receivables and keep investors, shareholders and management fully aware.
- To ensure effective utilization of all company resources and plan and operate resource utilization in order to produce better results and generate better yields and facilitate timely decisions.
- To place a strict Internal Audit system to study, analyze, review and report all company earnings and spending and enhance reliability of all financial information and build shareholders confidence.
- To regularly prepare, as per pre-determined schedules, all financial reports and present accounts to the Board for review and analysis and show trends based on company income, revenues and expenses and industry trends.
- To ensure cost effectiveness and purchase goods and services based on developed criteria, vendor assessment and market competitiveness and evaluate options on prices, terms, products/services, substitute available, prior to purchase.
- To ensure timely and proper payments as per negotiated terms to all suppliers and deduct applicable taxes so as to enhance corporate credibility and image.
- To maintain an excellent relationship with bankers and utilize banking facilities in a manner to benefit company whilst making proper use of funding and facilities available and ensuring no defaults.

Adherence to Law

- The company shall at all times strictly adhere to all laws of the country and fulfill all statutory requirements and ensure timely, proper and full payment of all applicable taxes, rates, duties and/or any other levies as may be imposed from time to time.

Environment

- The company shall use all means to ensure a clean, safe, healthy and pollution free environment not only for its workers and employees but for the well being of all people who live in and around any of the production and manufacturing units and employ such technology as may be beneficial in maintaining a healthy and hygienic working and living environment.

Planning

- The company shall prepare an annual plan with clearly defined objectives, goals and strategies and implement those plans with a close watch on achievements and monitor and control measures shall be built in to ensure achievement of objectives and enhancement of corporate image.



Notice of Annual General Meeting

Notice is hereby given that the 64th Annual General Meeting of Habib Sugar Mills Limited will be held on Tuesday, January 27, 2026 at 11:00 a.m. at Auditorium Hall – The Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

Ordinary Business

1. To receive and consider the audited financial statements, the Directors' report and the Auditors' report for the year ended September 30, 2025.
2. To approve payment of cash dividend @ 120% i.e., Rs. 6 per share of Rs. 5 each for the year ended September 30, 2025 as recommended by the Board of Directors.
3. To appoint auditors of the Company for the year ending September 30, 2026 and fix their remuneration.
4. To elect directors of the Company in accordance with the provisions of section 159 of the Companies Act, 2017. The number of elected directors of the Company fixed by the Board of Directors is seven (7). The retiring Directors are as follows:
 - i) Asghar D. Habib
 - ii) Murtaza Habib
 - iii) Hasnain Habib
 - iv) Farouq Habib Rahimtoola
 - v) Sohail Hussain Haji
 - vi) Muhammad Salman Husain Chawala
 - vii) Ms. Tyaba Muslim Habib.

Special Business

5. To approve the remuneration of the Executive Director

A statement under section 134(3) of the Companies Act, 2017 in respect of the Special Business of the agenda at item No. 5 to be considered at the meeting is being sent to the members alongwith a copy of this notice.

By order of the Board

Imran Amin Virani
Company Secretary

Karachi: December 17, 2025

Notes:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from Friday, January 16, 2026 to Tuesday, January 27, 2026 both days inclusive.

2. Circulation of Annual Report through QR Code and Weblink

In accordance with section 223 of the Companies Act, 2017 and pursuant to SECP's SRO 389(1)/2023 dated March 21, 2023, the Company had obtained shareholders' approval in the 62nd Annual General Meeting (AGM) of the Company held on January 24, 2024 to circulate the Annual Report of the Company to members through QR enabled Code and Weblink. The Annual Report is available through the following QR Code and Weblink:

<http://www.habibsugar.com/investor-information/financial-statements>





Further as required under section 223 of the Companies Act, 2017 read with SECP's SRO 389(1)/2023 dated March 21, 2023, the Company shall circulate the Annual Report to members through e-mail in case e-mails addresses have been provided by the members to the Company. The Company shall also send the Annual Report in hard copy to a member on his/her request, free of cost, within one week, if request has been made on the standard request form available on the website of the Company.

3. Proxy

A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as a proxy to attend and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed at least 48 hours before the time of meeting. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be provided at least 48 hours before the time of the meeting. The Proxy Form in English and Urdu is enclosed with the notice of the Annual General Meeting and also available on the Company's website (www.habibsugar.com).

4. Virtual Participation in Annual General Meeting

In light of the relevant guidelines issued by the SECP from time to time, the shareholders may attend the Annual General Meeting through electronic facility by providing the following information to the Company at the e-mail address; companysecretary@habibsugar.com atleast 2 working days before the date of the meeting:

Name of the shareholder	CNIC Number	Folio/CDC Account No.	No. of share	Contact No.	E-mail Address

Online meeting link and login credentials will be shared with only those members whose e-mail containing all the above information have been received by the Company within the stipulated time.

5. For Identification

Owners of the physical shares and CDC account holder should present Computerized National Identity Card (CNIC) along with participant ID number and CDC account number. In case of appointment of proxy by such account holder(s), the guidelines as contained in the SECP's circular of 26th January 2000 are to be followed.

6. Mandatory information – (Address, CNIC, IBAN, e-mail and Zakat Declaration)

Under section 119 of the Companies Act, 2017, the Company is required to maintain a register of its members. Members are therefore, requested to immediately provide or update their mandatory information such as Address, CNIC Number, e-mail address & contact number and International Banking Account Number (IBAN) and also provide copies of their CNICs for updating the Company's Register of members. In case of non-compliance on part of members, distribution of dividends will be withheld in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017. The requested information may be provided in following manner:

- In case of physical shares – To M/s THK Associates (Private) Limited
- In case of shares in CDC – To CDC Investor Account Services or respective participant

In case of claiming Zakat Exemption, members are requested to submit declaration (CZ-50 Form) as required under the Zakat & Ushr Ordinance, 1980.

7. Withholding Tax on Dividend

As per Income Tax Ordinance 2001, different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These rates are as follows:

- (i) For filers of income tax returns 15 %
- (ii) For non-filers of income tax returns 30 %



Shareholders are advised to make sure that their names are entered into Active Tax-payers List (ATL) provided on the website of FBR before the book closure of the Company, otherwise tax on their cash dividend will be deducted @ 30% instead of 15 %.

For shareholders holding their shares jointly, as per the clarification issued by the Federal Board of Revenue, withholding tax will be determined separately on 'Filer/Non-Filer' status of Principle shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principle shareholder and Joint-holder(s) in respect of shares held by them to our share registrar, in writing as follows:

Company Name	Folio/CDC Account No.	Total shares	Principle Shareholder		Joint Shareholder(s)	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The Corporate shareholders having CDC account are required to have their National Tax number (NTN) updated with their respective participants, whereas physical shareholders should send a copy of their NTN certificate to the company or Company's Share Registrar M/s THK Associates (Pvt.) Limited. The shareholders while sending NTN or NTN certificate, as the case may be, must quote company name and their respective Folio numbers.

8. Valid tax Exemption Certificate for Exemption from Withholding Tax

Withholding Tax exemption from the dividend income shall only be allowed if copy of valid tax exemption certificate is made available to Share Registrar before the Book Closure of the Company.

9. E-Dividend Bank Mandate - Mandatory requirement of Bank details for payment of dividend

Section 242 of the Companies Act, 2017 provides that in case of a listed company, any cash dividend declared by the company must be paid electronically directly into the bank accounts of the shareholders. In order to receive dividends directly into their bank account, shareholders in case of physical shares, are requested to fill in E-Dividend Mandate Form available on the Company's website i.e. www.habibsugar.com and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. THK Associates (Pvt.) Limited. In case shares are held in CDC, E-Dividend Mandate Form must be submitted directly to shareholder's broker/participant/CDC investor account services. In-case of non-submission of IBAN, the Company will withhold the payment of dividends under the Companies (Distribution of Dividends) Regulations, 2017. Further, the information regarding gross dividend, tax/zakat deduction and net amount of dividend will be provided through the Centralized Cash Dividend Register (CCDR), therefore, shareholders should register themselves to CDC's eServices Portal at <https://eservices.cdcaccess.com.pk>.

10. Participation in the Annual General Meeting via Video Conference Facility

In terms of section 134(1)(b) of the Companies Act, 2017, members holding in aggregate 10% or more shareholding can also avail video conference facility to attend the Annual General Meeting. In this regard, please fill the following information and share at companysecretary@habibsugar.com seven (7) days before holding the Annual General Meeting. If the Company receives consent from members residing at a geographical location, to participate in the meeting through video conference atleast seven (7) days prior to date of meeting, the Company will arrange video conference facility in the city subject to availability of such facility in the city.

"I/We _____ of _____, being a member of Habib Sugar Mills Limited, holder of _____ ordinary shares(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____".



Video conference link details and login credentials will be e-mailed to the registered members/proxies who have provided all the requested information. Shareholders can also provide their comments and questions for the agenda items of the AGM on companysecretary@habibsugar.com at least 48 hours before the time of the meeting.

Further,

11. E-Voting and Postal Ballot

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments from time to time, members will be allowed to exercise their right to vote for the special business(es) in the AGM, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:

Procedure for E-Voting

- a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on January 15, 2026.
- b) The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of THK Associates (Private) Limited (being the e-voting service provider).
- c) Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- d) E-Voting lines will start from Thursday, January 22, 2026, 09:15 a.m. and shall close on Monday, January 26, 2026 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot

- a) Members may alternatively opt for voting through postal ballot. For the convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.habibsugar.com
- b) The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's Registered Office, Habib Sugar Mills Limited, 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi or email at companysecretary@habibsugar.com one day before the AGM, i.e., on Monday, January 26, 2026 before 5:00 p.m. A postal ballot received after this time / date shall not be considered for voting. The signature on the Ballot Paper shall match with signature on the CNIC

12. Conversion of Physical Shares into Book Entry Form

As per Section 72 of the Companies Act, 2017 all existing companies are required to convert their physical shares into book-entry form within a period not exceeding four years from the date of commencement of Companies Act, 2017.

The Securities and Exchange Commission of Pakistan through its circular No. CSD/ED/Misc/2016- 639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form to convert their shares into book entry form.

If shares are converted into book entry form, it would help to reduce the risk associated with physical shares which are susceptible to be lost or damaged. Further, handling of book entry securities in case of corporate actions i.e., issue of bonus/right shares and transferring and selling of shares would be much easier.

We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest.



For any query / clarification / information, the shareholder may contact the company, and /or the share registrar at the following addresses;

Company Address:

Habib Sugar Mills Limited

3rd Floor, Imperial Court

Dr. Ziauddin Ahmed Road, Karachi-75530

Phones : (+92-21) 35680036 – 5 Lines

Fax : (+92-21) 35684086

e-mail : companysecretary@habibsugar.com

Share Registrar Address:

THK Associates (Pvt.) Limited

Plot No. 32-C, Jami Commercial Street-2, D.H.A.

Phase VII, Karachi-75500

UAN : (+92-21) 111-000-322,

Phone : (+92-21) 35310191-193

Fax : (+92-21) 35310190

e.mail: sfc@thk.com.pk

Statement under section 166(3) of the Companies Act, 2017

Persons eligible under section 166 of the Companies Act, 2017 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018, may submit their nominations to be elected as independent directors. However, it is noteworthy to mention that independent directors shall be elected in the same manner as other directors are elected in terms of Section 159 of the Companies Act, 2017.

Statement under section 134(3) of the Companies Act, 2017

This statement sets out the material facts concerning the Special Business to be transacted at the 64th Annual General Meeting of the Company to be held on January 27, 2026:

Item 5 of the agenda – Approval of remuneration of the Executive Director:
(Disclosure under section 213)

The Board of Directors in their Meeting held on December 17, 2025 have recommended payment of the following remuneration to the Executive Director of the Company, for a period of three years commencing from February 1, 2026, subject to an increment not exceeding 20% per annum.

Remuneration per month

Mr. Murtaza Habib

1,488,000

In addition, he will be provided with two company maintained cars, reimbursement of utilities, entertainment at actuals and other benefits as per policy of the Company which in aggregate is estimated to be approximately 40% of his remuneration as stated above.

The above Director has interest in the aforesaid business to the extent of his remuneration and perquisites as mentioned above.



POSTAL BALLOT PAPER

FOR VOTING IN THE ANNUAL GENERAL MEETING OF HABIB SUGAR MILLS LIMITED TO BE HELD ON JANUARY 27, 2026 AT 11:00 A.M AT THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN, CHARTERED ACCOUNTANTS AVENUE, CLIFTON, KARACHI

(UNDER THE COMPANIES (POSTAL BALLOT) REGULATIONS, 2018)

HABIB SUGAR MILLS LIMITED

Registered Office: 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi

Phone No. (92-21) 35680036 Fax No. (92-21) 35684086

Website: <http://www.habibsugar.com>

Designated email address at which the duly filled in ballot paper may be sent: companysecretary@habibsugar.com

Name of Shareholder / Joint Shareholder(s)	
Registered Address	
Folio Number / CDC Account No.	
Number of shares held	
CNIC No./Passport No. - in case of foreigner (Copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government)	

I/we hereby exercise my/our vote in respect of the following resolution through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below

Serial No.	Nature and Description of resolution	No. of ordinary shares for which vote cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
	SPECIAL BUSINESS:			
	RESOLUTIONS FOR AGENDA ITEM NO. 5			
	“RESOLVED that the members hereby approve the monthly remuneration of Rs. 1,488,000 for the Executive Director, Mr. Murtaza Habib with effect from February 1, 2026, subject to an increment not exceeding 20% per annum”			
	“RESOLVED FURTHER that in addition, he will be provided with two company maintained cars, reimbursement of utilities and entertainment bills at actuals and other benefits as per the policy of the Company, which in aggregate is estimated to be approximately 40% of his remuneration as stated above”			

Signature of Shareholder(s)



PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

1. Dully filled postal ballot should be sent to the Chairman, Habib Sugar Mills Limited, 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi - Pakistan or at e-mail: companysecretary@habibsugar.com
2. Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before January 26, 2026 during working hours. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC/Passport (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, and attested copy of Board Resolution/ Power of Attorney/ Authorization Letter etc., in accordance with Section (s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot Paper Form has also been placed on the website of the Company at: www.habibsugar.com



Six years' review at a glance

		2025	2024	2023	2022	2021	2020
Sugar Division							
Sugarcane crushed	M. Tons	839,005	1,065,705	844,841	1,126,516	761,667	620,425
Average sucrose recovery	%	9.92	10.63	10.96	10.61	10.36	9.91
Sugar produced	M. Tons	83,198	113,286	92,591	119,531	78,910	61,488
Distillery Division							
Ethanol							
Molasses processed	M. Tons	137,034	154,723	191,525	163,346	126,512	134,770
Average ethanol yield	%	18.91	18.50	18.01	18.95	19.17	18.70
Ethanol produced	M. Tons	25,914	28,618	34,494	30,956	24,251	25,206
Liquidified Carbon Dioxide (CO₂) produced	M. Tons	9,877	10,102	10,825	7,825	8,477	7,583
Textile Division							
Yarn / Semi finished goods consumed	Kgs.	430,629	545,045	506,863	514,355	850,107	716,804
Average yield	%	85.94	86.86	83.05	89.65	86.11	84.90
Finished product	Kgs.	370,075	473,426	420,936	461,114	732,011	608,561
Operating results							
Sales / Rental income	Rs. '000	21,731,776	20,624,090	19,985,028	13,006,818	9,912,679	10,138,211
Cost of sales	Rs. '000	18,762,297	18,111,404	16,044,162	10,796,106	8,552,280	9,038,874
Gross profit	Rs. '000	2,969,479	2,512,686	3,940,866	2,210,712	1,360,399	1,099,337
Profit before taxation and levies	Rs. '000	2,810,773	2,715,473	3,266,478	1,624,761	1,199,736	804,295
Profit after taxation and levies	Rs. '000	1,555,772	1,960,473	2,541,478	1,289,761	989,736	694,295
Shareholders' Equity							
Paid-up capital	Rs. '000	675,000	675,000	750,000	750,000	750,000	750,000
Reserves	Rs. '000	16,768,423	12,498,094	10,565,406	8,770,002	8,510,094	7,872,962
Shareholders' equity	Rs. '000	17,443,423	13,173,094	11,315,406	9,520,002	9,260,094	8,622,962
Break-up value per share	Rs. '000	129.21	97.58	75.44	63.47	61.73	57.49
Earnings per share	Rs. '000	11.52	14.52	16.94	8.60	6.60	4.63
Return on equity	%	12.86	15.59	22.46	13.55	10.69	8.05
Financial position - Assets							
Fixed assets	Rs. '000	2,125,198	2,092,699	2,284,432	2,357,465	2,496,633	2,478,359
Right-of-use assets	Rs. '000	11,056	14,849	7,237	14,474	11,659	17,488
Long-term investments	Rs. '000	6,832,921	3,542,201	1,908,277	2,155,805	2,806,226	2,696,602
Long-term loans and deposits	Rs. '000	12,185	19,231	21,501	18,800	11,391	9,402
Current assets	Rs. '000	14,521,056	14,320,942	13,487,612	8,986,899	6,509,222	5,904,354
Total assets	Rs. '000	23,502,416	19,989,922	17,709,059	13,533,443	11,835,131	11,106,205
Financial position - Liabilities							
Non-current liabilities	Rs. '000	593,800	339,298	251,932	178,395	174,722	146,959
Current liabilities	Rs. '000	5,465,194	6,477,530	6,141,721	3,835,046	2,400,315	2,336,284
Total liabilities	Rs. '000	6,058,994	6,816,828	6,393,653	4,013,441	2,575,037	2,483,243
Ratios							
Current ratio		2.66	2.21	2.20	2.34	2.71	2.53
Dividends							
Cash	%	120	120	120	70	60	55



Chairman's Report

It is my pleasure to present this report to the shareholders of the Company on the performance of the Board of Directors and their effectiveness in guiding the Company towards accomplishing its aims and objectives.

Habib Sugar Mills Limited has implemented a strong governance framework that supports effective and prudent management of business matters, which is regarded as instrumental in achieving the Company's long-term success. The effective governance implemented by the Company is evident from the strong liquidity position and total profit of Rs. 2,245 million, including Realized Gain on Sale of Investments (shown directly in the Statement of Changes in Equity) (2024: Rs. 2,053 million).

The Federal Government has recently constituted a committee for complete de-regulation of the sugar industry and we are hopeful for a favorable decision in this regard. As a first step towards de-regulation, the Provincial Governments did not notify minimum support prices of sugarcane for the crushing season 2024-25 leaving sugarcane prices to be determined by market forces. If the sugar sector is completely de-regulated, not only the sugar sector would reap the benefits through open exports and better local prices of sugar but the growers will also get better prices for their cane crop.

During the financial year 2024-25, the Board met four (4) times. The Board has complied with all the regulatory requirements and acted in accordance with applicable laws and best practices.

As required under the Code of Corporate Governance, an annual evaluation of the Board of the Company was conducted. The purpose of this evaluation was to ensure that the overall performance and effectiveness of the Board are measured and benchmarked against expectations in the context of objectives set for the Company.

The Board ensured adequate representation of non-executive and independent directors on the Board and its Committees as required under the CCG. The members of the Board and its respective Committees possess adequate skills, experience and ability required to perform their responsibilities.

The Board has actively participated in strategic planning, risk management and policy development and ensured the integration of all policies and convergence to the Company's vision and mission. The Board also sets annual budgets, targets and goals for the management.

The Board and its Committees have diligently performed their duties and remained updated with respect to the achievement of the Company's objectives, goals, strategies and financial performance through regular presentations by the management. The Board held extensive and fruitful discussions to arrive at decisions and appropriate direction and oversight is provided to the management on a timely basis. Areas where improvements are required are duly considered and action plans are framed and implemented.

The Board has developed an environment of a clear and transparent system of governance by setting up an adequate and effective internal control system through self-assessment mechanisms and internal audit activities. Further, the Board ensured compliance with the best practices of corporate governance.

Finally, I wish to acknowledge the commitment and diligence of my fellow directors during our tenure of three years, which will be completed at the next Annual General Meeting of the Company, the executive team and all the employees of the Company for their hard work and contribution towards the growth of the Company.

Asghar D. Habib
Chairman

Karachi: December 17, 2025



Directors' Report to the members For the year ended September 30, 2025

Dear Members – Assalam-o-Alaikum

The Board of Directors are pleased to present their report along with the annual audited financial statements of your Company for the year ended September 30, 2025.

Financial Results

By the Grace of Almighty Allah, during the year under review, the operations of your Company resulted in total profit of Rs. 2,245.34 million including Realized Gain on Sale of Investments shown directly in the Statement of Changes in Equity (2024: Rs. 2,053.04 million). The summarized results and appropriations, as recommended by the Board, are as follows:

	September 30, 2025	September 30, 2024 (Rupees in Million)	Variance
Profit before levies and income tax	2,810.77	2,715.47	95.30
Taxation	(1,255.00)	(755.00)	(500)
Profit after tax for the year	1,555.77	1,960.47	(404.70)
Adjustments for:			
Actuarial gain / (loss) on Gratuity Fund Valuation	0.45	(1.86)	2.31
Realized gain on sale of investments	689.12	94.43	594.69
	689.57	92.57	597.00
Profit including Realized gain on sale of investments	2,245.34	2,053.04	192.30
Unappropriated profit brought forward	247.59	4.55	243.04
Profit available for appropriation	2,492.93	2,057.59	435.34
Cash Dividend Proposed @ 120% (September 30, 2024: @ 120%)	810.00	810.00	–
Transfer to General Reserve	1,500.00	1,000.00	(500.00)
	2,310.00	1,810.00	(500.00)
Unappropriated profit carried forward	182.93	247.59	(64.66)
Share Capital (No. of shares @ Rs. 5 each)	135,000,000	135,000,000	–
Earnings Per Share (EPS) – Basic and diluted			
EPS on profit after tax for the year (Rs)	11.52	14.52	(3.00)
EPS on profit after tax for the year including			



The overall performance of the Company for the period under review after considering the effect of Realized Gain on Sale of Investments (shown directly in the Statement of Changes in Equity) has improved compared to the preceding period.

Realized Gain on Sale of Investments

The Realized Gain on Sale of Investments (shown directly in the statement of changes in equity) significantly increased during the year under review to Rs. 689 million (2024: 94 million) for the reason that the Company had diverted its investment in the units of mutual funds on short-term basis from fixed deposits/saving accounts for securing better returns.

Other Earnings

In addition to the above, the Company also earned a dividend income of Rs. 503 million (2024: 968 million).

Taxation

The tax expense for the period under review increased by Rs. 500 million mainly due to change in the basis of tax on the income from exports. During the last year, only the last quarter's income was covered under the Normal tax whereas in the current year, all four quarters' income was covered under the Normal tax.

Division-Wise Performance

Sugar Division

The crushing season for 2024-25 commenced on November 20, 2024, and the plant operated up to March 5, 2025, for 106 days as against 110 days in the preceding season.

Unlike the previous practice, the Sindh Government did not issue a notification for fixing a minimum support price for the purchase of sugarcane for the crushing season 2024-25. The Company therefore, procured sugarcane from growers at prevailing market rates.

The comparative statistics of the division's operations are given below :

		2024-25	2023-24	Variance
Crushing duration	Days	106	110	(4)
Sugarcane crushed	M.Tons	839,005	1,065,705	(226,700)
Average sucrose recovery	%	9.92	10.63	(0.71)
Sugar production	M.Tons	83,198	113,286	(30,088)

The sugar division earned an operating profit of Rs. 1,468 million (2024: Rs. 844 million). The increase in operating profit was mainly attributable to higher quantum of sales due to carry over stocks.

Distillery Division

The division earned an operating profit of Rs. 635 million (2024: Rs. 784 million). The decrease in the profit was mainly due to depressed Ethanol selling prices in the international market and lower sales quantum.

The contribution of the Liquified Carbon Dioxide (CO₂) unit is included in the results of the division.



The Comparative statistics of the division's operations are given below:

		2024-25	2023-24	Variance
Ethanol				
Days of operation		324	346	(22)
Molasses processed	M.Tons	137,034	154,723	(17,689)
Average recovery	(%)	18.91	18.50	0.41
Ethanol production	M.Tons	25,914	28,618	(2,704)
Liquified Carbon Dioxide (CO₂)				
Days of operation		308	303	5
Liquified Carbon Dioxide (CO ₂) production	M. Tons	9,877	10,102	(225)

Textile Division

During the year under review, the division earned an operating profit of Rs. 3 million (2024: Rs. 15 million). The decrease in profit was mainly attributable to depressed selling prices and lower sales volume.

The comparative statistics of the division's operations are given below:

		2024-25	2023-24	Variance
Days of operation		296	320	(24)
Yarn consumed	Kgs	430,629	545,045	(114,416)
Finished goods production	Kgs	370,075	473,426	(103,351)

Future Prospects

The Pakistan Sugar Mills Association has requested the Federal Government to fully de-regulate the sugar sector so that the industry can operate under free market mechanism and also compete internationally through open exports. As a first step towards de-regulation, the Provincial Governments did not notify minimum support prices of sugarcane for the crushing season 2024-25 leaving sugarcane prices to be determined by market forces. Further, the Federal Government has recently constituted a committee for complete de-regulation of the sugar industry and we are hopeful for a favorable decision in this regard.

There has been a consistent upward trend in PSX-100 Index while interest rates have declined significantly over the last couple of years. In view of this scenario, the Company is focusing on optimal utilization of its surplus liquid funds as evident from substantial increase in the realized and unrealized gain on the investments of the Company in the shares of listed companies and the units of mutual funds.

Sugar Division

The sugar division commenced crushing operations on November 30, 2025, and up to December 16, 2025, the division crushed 112,513 M. Tons of sugarcane with an average sucrose recovery of 9.48% and sugar production of 10,667 M. Tons.

Distillery Division

During the current year up to December 16, 2025, the distillery division produced 3,424 M. Tons of ethanol and 1,364 M. Tons of Liquified Carbon Dioxide.

Textile Division

Efforts are being made to explore additional export markets to achieve higher sales volume and profitability.

Board and Management Committees

Audit Committee

The Company has established an Audit Committee as required under the Code of Corporate Governance. The Audit Committee comprises three members, all of them are independent non-executive directors. During the year, four meetings of the Audit Committee were held and the attendance at the meetings was as follows:



		No. of meetings attended
Mr. Farouq Habib Rahimtoola	Chairman	4
Mr. Sohail Hussain Haji	Member	3
Ms. Tyaba Muslim Habib	Member	4

Human Resources (HR) and Remuneration Committee

The Company has established an HR and Remuneration Committee as required under the Code of Corporate Governance. The Committee comprises three members, two of whom are non-executive directors. The CEO of the Company is also a member of the Committee. The Chairperson of the Committee is an independent non-executive director. During the year, 3 meetings of the Committee were held and the attendance at the meetings was as follows:

		No. of meeting attended
Ms. Tyaba Muslim Habib	Chairperson	3
Mr. Hasnain Habib	Member	3
Mr. Khursheed A. Jamal	Member	3

Corporate Social Responsibility

Habib Sugar Mills Limited's Corporate Social Responsibility (CSR) programme dates back to its inception in 1962. Responding to the needs of local communities, the Company's CSR portfolio has widened over the years to include social welfare, education, healthcare, infrastructural development and livelihood generation.

Community Investment and Welfare

As part of its core values, the Company places tremendous importance on contributing to the well-being of the communities surrounding the mills. As a responsible corporate citizen, the Company has regularly undertaken several welfare activities, viz., running of school up to secondary level, holding of eye camps, financial assistance to villagers in the surrounding area of the mills and supply of free ration, medical assistance and educational support to the needy people. The contribution of the Company to the social and economic uplift of the surrounding areas has been acknowledged at all levels.

The Company has employed persons with physical disabilities (differently able persons) in compliance with the Disabled Persons (Employment & Rehabilitation) Ordinance, 1981

HSM School has been running successfully for many years to impart quality education to the children of HSM employees. The school provides its students with a healthy, safe and conducive environment for learning. The school not only focuses on academics but also aims at the spiritual, social, moral and physical growth of its students.

During the year, the company continued its support of the Family Education Services Foundation (FESF), a non-profit organization, to run a school for deaf children at Nawabshah. Your Company has donated Rs. 40.00 million during the year, and at present, a large number of students are enrolled in the school. The campus is the first-ever educational facility of its kind for the deaf in Nawabshah and will enable deaf students to receive education in an environment that maximizes their potential and enhances their quality of life.

The Company also donated Rs. 15.53 million to different recognized charitable institutions, which are providing education and financial support to needy persons and establishing positive social trends in society.

Health, Safety and Environment

Being a responsible corporate citizen, the Company is fully committed to meeting all the standards concerning health, safety and the environment.



The Management of HSM believes that the protection of the environment is important for the survival of every person, and as such, the Company attaches utmost importance to providing a healthy atmosphere to its employees and residents of Nawabshah. Your Company continues to be conscious of its social responsibility, and the management has taken appropriate steps to achieve a pollution-free environment.

The fly ash removal systems installed in the boilers of the mills continue to operate satisfactorily, and the spread of black soot particles has been eliminated. The Company has installed a sugar factory wastewater treatment plant to remove oil, grease and total suspended solids from the wastewater. The project has since been completed, yielding satisfactory results.

The installation of slop treatment plant and carbon dioxide recovery plants are the manifestation of our social responsibility, which has helped us to reduce greenhouse gas emissions from our operations.

By the grace of Allah, the successful operations of these projects have helped us to achieve a pollution-free environment for the residents of Nawabshah.

In addition to the above, the Company is providing clean drinking water to nearby villagers and neighbors. The Company also ensures to provide regular Occupational Health Surveillance of employees conducted by Social Security / Peoples Medical Hospital Shaheed Benazirabad and Personnel Protective equipment provided to specified work to all employees for its proper utilization in the workplace.

Continuing the efforts to contribute to conserving the environment, the tree plantation drive of the Company is continuing in the factory premises and surrounding areas to make the area greener and improve the environmental ecology and promote environmental friendliness. During this activity, people were also briefed about the significance and benefits of tree plantation for the mitigation of climate change to build safer areas. The Company has so far planted approximately 5,000 trees, and further plantation of trees is under process. Contribution to the National Exchequer

Your Company contributed an amount of over Rs. 5,000 million to the Government treasury in the form of taxes, levies, sales-tax and excise duty in addition to precious foreign exchange earned, equivalent to Pak Rupees 6,529 million (US\$ 23 million) during the year under review from exports of sugar, ethanol and household textiles.

Auditors

The auditors, Messrs. Grant Thornton Anjum Rahman, Chartered Accountants, have completed their statutory audit assignment for the year ended on September 30, 2025, and are retiring at the conclusion of 64th Annual General Meeting. The retiring auditors have offered themselves for re-appointment for the upcoming year.

The Audit Committee and the Board of Directors have recommended the appointment of Messrs. Grant Thornton Anjum Rahman, Chartered Accountants, as auditors of the Company for the ensuing year for the consideration and approval of the members at the forthcoming Annual General Meeting.

Statement on Corporate and Financial Reporting Framework

- The financial statements prepared by the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements. Changes, if any, have been adequately disclosed, and accounting estimates are based on reasonable and prudent judgments.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements, and deviation therefrom, if any, has been adequately disclosed.



- The system of internal controls is sound in design and has been effectively implemented and monitored regularly.
- There are no significant 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.
- Key operating and financial data for the last six years in a summarized form is given on page 13.
- Information about the taxes and levies is given in the notes to the financial statements.

Value of investments, including profit accrued thereon and balances in deposit / current accounts of Provident Fund and Gratuity Fund as of September 30, 2025, were as follows:

	Rs.'000
Provident Fund	457,929
Gratuity Fund	196,600

During the year, four meetings of the Board of Directors were held, and the attendance by each Director was as follows:

Name of Director	Number of meetings attended
Mr. Asghar D. Habib	3
Mr. Murtaza Habib	4
Mr. Hasnain Habib	3
Mr. Farouq Habib Rahimtoola	4
Mr. Sohail Hussain Haji	3
Ms. Tyaba Muslim Habib	4
Mr. Muhammad Salman Husain Chawala	4
Mr. Khursheed A. Jamal	4

The pattern of shareholding and additional information regarding the pattern of shareholding is given on pages 65 and 66.

The shareholding of the Directors, CEO, CFO, Company Secretary and their spouses and minor children is given on Page 67.

Acknowledgement

The Directors of the Company would like to thank all the staff, shareholders, financial institutions and other stakeholders of the Company for their continued support and cooperation.

On behalf of the Board of Directors

Khursheed A. Jamal
Chief Executive

Murtaza Habib
Director

Karachi: December 17, 2025



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

Year ended September 30, 2025

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

1. The total numbers of Directors are Eight (8) as per the following:
 - a. Male: Seven (7)
 - b. Female: One (1)
2. The Composition of the Board is as follows:

a. Independent Directors	Mr. Farouq Habib Rahimtoola Mr. Sohail Hussain Haji Ms. Tyaba Muslim Habib
b. Non-Executive Directors	Mr. Asghar D. Habib Mr. Hasnain Habib Mr. Muhammad Salman Husain Chawala
c. Executive Directors	Mr. Murtaza Habib Mr. Khursheed A. Jamal
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of the significant policies along with the dates on which these were approved or amended have 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 Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The following Directors have either obtained certificates of Directors' Training Program or are exempted from the requirement of Directors' Training Program as per the Listed Companies (Code of Corporate Governance) Regulations, 2019:
Mr. Asghar D. Habib
Mr. Murtaza Habib
Mr. Hasnain Habib
Mr. Farouq Habib Rahimtoola
Mr. Sohail Hussain Haji
Mr. Muhammad Salman Husain Chawala
Ms. Tyaba Muslim Habib
Mr. Khursheed A. Jamal



10. The Board has approved appointment of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed Committees comprising of members given below:

Audit Committee	HR and Remuneration Committee
Mr. Farouq Habib Rahimtoola (Chairman)	Ms. Tyaba Muslim Habib (Chairperson)
Mr. Sohail Hussain Haji	Mr. Hasnain Habib
Ms. Tyaba Muslim Habib	Mr. Khursheed A. Jamal

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 (quarterly/halfyearly/yearly) of the committees were as per following :
 - a. Audit committee: four (4) meetings held during the year ended September 30, 2025
 - b. HR and Remuneration committee: three (3) meetings held during the year ended September 30, 2025.
15. The Board has set up an effective internal audit function supervised by a person who is an associate member of the Institute of Cost and Management Accountants of Pakistan (ACMA) and considered suitably qualified and experienced for the purpose and 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 (ICAP) 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 the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Asghar D. Habib
Chairman

Karachi: December 17, 2025

Independent Auditors' Review Report

To the members of Habib Sugar Mills Limited

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

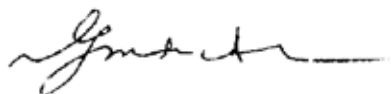
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Habib Sugar Mills Limited (the Company) for the year ended 30 September 2025 in accordance with the requirements of 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 with 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 30 September 2025.



Chartered Accountants

Place: Karachi

Date: 30 December 2025

UDIN: CR202510093LkFpd0NuO

INDEPENDENT AUDITORS' REPORT

To the members of Habib Sugar Mills Limited Report on the Audit of the Financial Statements

Opinion

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

Basis for Opinion

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

Key Audit Matters

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

Following are the Key audit matters:

Key audit matters	How the matter was addressed in our audit
Stock-in-trade	
<p>As disclosed in note 9 to the financial statements, stock in trade amounted to Rs. 2,057 million which constitutes approximately 9% of the total assets of the Company. These are valued at lower of cost or Net Realizable Value (NRV).</p> <p>Given the significance of stock in trade to the Company's total assets and the level of judgement and estimates involved, we have identified it as a key audit matter</p>	<p>Our key procedures amongst others included the following:</p> <ul style="list-style-type: none"> - obtained an understanding of controls over purchases and valuation of stock-in-trade and tested, on a sample basis, their design, implementation and operating effectiveness. - performed observation of inventory counts and physical inspection of the stock held at the premises of the Company. - assessed net realizable value by comparing management's estimation of future selling prices for the products with the selling prices achieved subsequent to the reporting period. - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.
Revenue recognition	
<p>As disclosed in note 21 to the financial statements the Company generates revenue from local and export sales.</p> <p>We identified revenue recognition and its reporting in the financial statements as a key audit matter primarily due it being a key performance indicator, inherent risk of material misstatement and the amount of audit efforts in relation to this area.</p>	<p>Our key procedures amongst others included the following:</p> <ul style="list-style-type: none"> - obtained an understanding of the Company's processes in place for revenue recognition and tested key controls. - performed analytical review procedures and other test of details over revenue including cut-off procedures to check that revenue has been recognized in the appropriate accounting period. - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

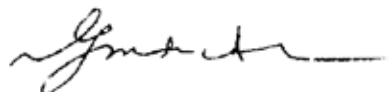
From the matters communicated with the Board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

Report on Other Legal and Regulatory Requirements

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

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

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



Chartered Accountants
Place: Karachi
Date: 30 December 2025
UDIN: AR202510093baj74QDV0




Statement of Financial Position as at September 30, 2025

	Note	2025 (Rupees in thousands)	2024
Assets			
Non-Current Assets			
Property, plant and equipment	6	2,125,198	2,092,699
Right-of-use assets		11,056	14,849
Long-term investments	7	6,832,921	3,542,201
Long-term loans		8,213	15,259
Long-term deposits		3,972	3,972
		<u>8,981,360</u>	<u>5,668,980</u>
Current Assets			
Stores and spare parts	8	424,519	353,120
Stock-in-trade	9	2,057,067	5,389,802
Trade debts	10	753,387	859,516
Loans and advances	11	1,274,506	774,407
Trade deposits and short-term prepayments		35,591	43,537
Accrued Profit		678	534
Other receivables		44,133	18,315
Short-term investments	12	7,374,109	5,780,392
Cash and bank balances	13	2,557,066	1,101,319
		<u>14,521,056</u>	<u>14,320,942</u>
Total Assets		<u>23,502,416</u>	<u>19,989,922</u>
Equity and Liabilities			
Share Capital and Reserves			
Authorised Share Capital 150,000,000 Ordinary shares of Rs. 5/- each		<u>750,000</u>	<u>750,000</u>
Issued, subscribed and paid-up capital	14	675,000	675,000
Reserves	15	16,768,423	12,498,094
Total Equity		<u>17,443,423</u>	<u>13,173,094</u>
Non-Current Liabilities			
Deferred taxation	16	593,800	328,500
Lease Liability		—	10,798
		<u>593,800</u>	<u>339,298</u>
Current Liabilities			
Trade and other payables	17	2,885,963	3,092,874
Contract liability	18	1,013,026	2,115,996
Short term borrowings	19	615,497	906,732
Unclaimed dividends		427,920	272,090
Accrued mark-up		—	1,917
Taxation - net		506,852	79,911
Current portion of lease Liability		15,935	8,010
		<u>5,465,193</u>	<u>6,477,530</u>
Total Equity and Liabilities		<u>23,502,416</u>	<u>19,989,922</u>
Contingencies and Commitments	20		

The annexed notes 1 to 39 form an integral part of these financial statements.


Amir Bashir Ahmed
Chief Financial Officer


Khursheed A. Jamal
Chief Executive


Murtaza H. Habib
Director




Statement of Profit or Loss for the year ended September 30, 2025

	Note	2025 (Rupees in thousands)	2024
Net sales and services	21	21,731,776	20,624,090
Cost of sales	22	(18,762,297)	(18,111,404)
Gross Profit		2,969,479	2,512,686
Selling and distribution expenses	23	(459,015)	(411,969)
Administrative expenses	24	(404,138)	(375,338)
Other operating expenses	25	(264,590)	(182,132)
Other income	26	934,504	1,204,638
		(193,239)	235,199
Operating Profit		2,776,240	2,747,885
Finance income / cost - net	27	34,533	(32,412)
Profit before levies and income tax		2,810,773	2,715,473
Levies - final tax		(76,126)	(237,248)
Profit before income tax		2,734,647	2,478,225
Taxation	28	(1,178,875)	(517,752)
Net profit for the year		1,555,772	1,960,473
Earnings per share - Basic and diluted (Rupees)	29	11.52	14.52

The annexed notes 1 to 39 form an integral part of these financial statements.


Amir Bashir Ahmed
Chief Financial Officer


Khursheed A. Jamal
Chief Executive


Murtaza H. Habib
Director




Statement of Comprehensive Income for the year ended September 30, 2025

	2025	2024
	(Rupees in thousands)	
Net profit for the year	1,555,772	1,960,473
Other comprehensive income		
Items that will not be reclassified subsequently to the statement of profit or loss		
Actuarial gain / (loss) on defined benefit plan - net of tax	451	(1,856)
Unrealised gain on re-measurement of investments at FVOCI - net of tax	3,524,106	1,921,526
	3,524,557	1,919,670
Total comprehensive income for the year	<u>5,080,329</u>	<u>3,880,143</u>

The annexed notes 1 to 39 form an integral part of these financial statements.


Amir Bashir Ahmed
Chief Financial Officer


Khursheed A. Jamal
Chief Executive


Murtaza H. Habib
Director




Statement of Changes in Equity for the year ended September 30, 2025

	Issued, subsc- ribed and paid-up Capital	Reserves			Unrealised gain on re-measurement of investment at FVOCI	Total Reserves	Total Equity
		Capital Reserve	General Reserve	Unappro- priated profit			
	(Rupees in thousands)						
Balance as on October 01, 2023	750,000	34,000	7,218,500	2,314,540	998,366	10,565,406	11,315,406
Realised gain on sale of investment	–	–	–	94,429	(94,429)	–	–
Transfer to general reserve	–	–	1,410,000	(1,410,000)	–	–	–
Net profit for the year	–	–	–	1,960,473	–	1,960,473	1,960,473
Other comprehensive income for the year	–	–	–	(1,856)	1,921,526	1,919,670	1,919,670
Total comprehensive income for the year	–	–	–	1,958,617	1,921,526	3,880,143	3,880,143
Final cash dividend for the year ended 30 September 2023 @120%	–	–	–	(900,000)	–	(900,000)	(900,000)
Cancellation of own shares purchased	(75,000)	–	(1,047,455)	–	–	(1,047,455)	(1,122,455)
Balance as on 30 September 2024	675,000	34,000	7,581,045	2,057,586	2,825,463	12,498,094	13,173,094
Realised gain on sale of investment	–	–	–	689,123	(689,123)	–	–
Transfer to general reserve	–	–	1,000,000	(1,000,000)	–	–	–
Net profit for the year	–	–	–	1,555,772	–	1,555,772	1,555,772
Other comprehensive income for the year	–	–	–	451	3,524,106	3,524,557	3,524,557
Total comprehensive income for the year	–	–	–	1,556,223	3,524,106	5,080,329	5,080,329
Final cash dividend for the year ended 30 September 2024 @120%	–	–	–	(810,000)	–	(810,000)	(810,000)
Balance as on September 30, 2025	675,000	34,000	8,581,045	2,492,932	5,660,446	16,768,423	17,443,423

The annexed notes 1 to 39 form an integral part of these financial statements.


Amir Bashir Ahmed
Chief Financial Officer


Khurshed A. Jamal
Chief Executive


Murtaza H. Habib
Director




Statement of Cash Flows for the year ended September 30, 2025

	Note	2025 (Rupees in thousands)	2024
Cash flows from operating activities			
Cash generated from operations	30	3,767,728	863,090
Profit / interest received - net		32,472	(3,676)
Income tax paid		(817,560)	(815,144)
Long-term loans		7,046	2,270
Net cash generated from operating activities		2,989,686	46,540
Cash flows from investing activities			
Fixed capital expenditure		(230,159)	(32,261)
Redemption / sale proceeds of investments		17,271,970	7,472,483
Dividend received		507,503	965,757
Purchase of investments		(18,150,269)	(6,523,332)
Sale proceeds of fixed assets		15,294	27,787
Net cash (used in) / generated from investing activities		(585,661)	1,910,434
Cash flows from financing activities			
Lease rentals paid		(2,874)	(9,235)
Buy back of own shares		—	(1,047,455)
Dividend paid		(654,169)	(823,335)
Net cash used in financing activities		(657,043)	(1,880,025)
Net increase in cash and cash equivalents		1,746,982	76,949
Cash and cash equivalents at the beginning of the year		194,587	117,638
Cash and cash equivalents at the end of the year		1,941,569	194,587
Cash and cash Equivalents			
Cash and bank balances	13	2,557,066	1,101,319
Short-term borrowings	19	(615,497)	(906,732)
		1,941,569	194,587

The annexed notes 1 to 39 form an integral part of these financial statements.


Amir Bashir Ahmed
Chief Financial Officer


Khursheed A. Jamal
Chief Executive


Murtaza H. Habib
Director



Notes to the Financial Statements for the year ended September 30, 2025

1 THE COMPANY AND ITS OPERATIONS

Habib Sugar Mills Limited is a public limited company incorporated in Pakistan on 08 February 1962, with its shares quoted on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacturing and marketing of refined sugar, ethanol, liquidified carbon dioxide (CO₂), household textiles, providing bulk storage facilities and trading of commodities. The business units of the Company are located as follows:

Registered office - 3rd Floor, Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi.

Plant and Mills - District Shaheed Benazirabad, Nawabshah (Sugar and Distillery Division) and D-140/B-1, Manghopir Road, S.I.T.E. Karachi (Textile Division).

Terminal - 60/1-B, Oil Installation Area, Keamari, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Accounting convention

These financial statements have been prepared on the basis of historical cost convention except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional and presentation currency

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

3 NEW ACCOUNTING STANDARDS

3.1 Accounting standards effective for the year

There are certain new standards and amendments that are mandatory for the Company's accounting period beginning on 01 October 2024, but are considered either to be not relevant or do not have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

3.2 Accounting standards not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's accounting periods beginning on / after 01 October 2025. However, the Company expects that these standards will not have any material impact on the future financial statements of the Company.



4 Significant accounting judgments, assumptions and estimates

The preparation of financial statements in conformity with approved accounting standards 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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

- a) Determining the useful lives and residual value of property, plant and equipment (Note 5.1 & 6);
- b) Classification and valuation of investments (Note 5.3 & 7);
- c) Impairment / adjustment of inventories to their net realizable value (Notes 5.6 & 9); and
- d) Recognition of tax and deferred tax (Note 5.16, 16 & 28);

5 MATERIAL ACCOUNTING POLICIES

5.1 Property, plant and equipment

Operating fixed assets

Freehold land is stated at cost. Other operating fixed assets, are stated at cost less accumulated depreciation / impairment (if any).

Depreciation is charged to statement of profit or loss applying the reducing balance method. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month the asset is in use. Assets residual values and useful lives are reviewed, and adjusted, if appropriate at each date of the statement of financial position date.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use. Gain or loss on disposal of assets is included in statement of profit or loss in the year the assets is derecognised.

Capital work-in-progress

Capital work-in-progress is stated at cost less impairment losses, if any. Items are transferred to the respective assets when available for intended use.

Major stores and spare parts

Major stores and spare parts qualify for recognition as property, plant and equipment when the Company expects to use these for more than one year. Transfers are made to relevant operating fixed assets category as and when such items are issued for use.

These are valued at cost less accumulated impairment, if any.

5.2 Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentive received. Right-of-use assets are depreciated on straight-line basis over the period of lease term.



5.3 Impairment of non-financial assets

The carrying amounts of the Company's non financial assets are reviewed annually to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and impairment losses are recognised in the statement of profit or loss. The recoverable is the higher of an asset's fair value less cost to disposals and value in use.

5.4 Stores and spare parts

These are valued at the lower of moving average cost and net realisable value.

5.5 Stock-in-trade

These are valued at lower of weighted average cost and net realisable value.

5.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

i) Initial recognition and measurement

On initial recognition, a financial asset is classified and measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVPL).

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVPL.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition, for an item not at FVPL.

ii) Subsequent measurement

Financial assets are subsequently classified into following categories:



a) At amortised cost

These are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in statement of profit or loss when the asset is derecognised, modified or impaired.

b) At FVOCI

These are subsequently measured at fair value with net changes recognized in other comprehensive income except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss, except for the investments in equity instruments

c) At FVPL

These are subsequently measured at fair value with net changes in fair value recognized in statement of profit or loss.

iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
 - a) the Company has transferred substantially all the risks and rewards of the asset, or
 - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

iv) Impairment / expected credit losses on financial assets

The Company measures expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. For trade debts, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. As per IFRS 9 the simplified approach, a provision matrix is applied on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. However, the company assess no impact of ECL in these financial statements.



Financial liabilities

i) Initial recognition and measurement

On initial recognition, financial liabilities are measured at amortised cost and FVPL. The classification of financial liabilities is determined by the nature of the contractual terms and, where relevant, the Company's designation at initial recognition. Financial liabilities are initially recognised at fair value, and in the case of financial liabilities not at FVPL, net of transaction costs.

ii) Subsequent measurement

Financial liabilities are subsequently measured as follows:

a) At amortised cost

These are subsequently measured using the EIR method. Gains and losses are recognised in statement of profit or loss when the liability is derecognised or modified.

b) At FVPL

The Company does not have any liabilities at FVPL during the current and last year and as of the reporting date.

iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Gains and losses on derecognition are recognised in statement of profit or loss.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

5.7 Cash and cash equivalents

These are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise of cash in hand, with banks on current, savings, treasury call and deposit accounts, net of short term borrowings under mark-up arrangements, if any.

5.8 Staff retirement benefits

5.8.1 Staff gratuity

The Company operates an approved defined benefit gratuity scheme for all permanent employees. Minimum qualifying period for entitlement to gratuity is five years continuous service with the Company. The scheme is funded and contributions to the fund are made in accordance with the recommendations of the actuary.

The latest actuarial valuation of the gratuity scheme was carried out as at 30 September 2025. The projected unit credit method, using the following significant assumptions, have been used for actuarial valuation.

Discount rate	11.75% per annum
Expected rate of increase in salaries	11.50% per annum

Based on the actuarial valuation of gratuity scheme as of 30 September 2025, the fair value of gratuity scheme assets and present value of liabilities were Rs. 196.67 million and Rs. 196.22 million respectively. The Company recognises the total actuarial gains and losses in the year in which they arise.



	2025	2024
	(Rupees in thousands)	
Net Employee Defined Benefit Obligation		
Present value of defined benefit obligation	196,220	177,678
Fair value of plan assets	(196,671)	(175,822)
Liability recognised in the statement of financial position	<u>(451)</u>	<u>1,856</u>
The movement in net defined benefit obligation is as follows:		
Opening balance	1,856	4,481
Net charge for the year	7,895	7,605
Contribution	(9,751)	(12,086)
Remeasurement recognized in OCI during the year	(451)	1,856
Closing balance	<u>(451)</u>	<u>1,856</u>
Amount Recognised in profit or loss		
Current service cost	8,170	6,911
Interest cost	21,366	24,199
Expected return on plan assets	(21,641)	(23,505)
	<u>7,895</u>	<u>7,605</u>
Amount recognised in OCI :		
Actuarial loss on obligation	(6,500)	4,746
Actuarial gain on plan asset	6,049	(2,890)
	<u>(451)</u>	<u>1,856</u>
The movement in present value of defined benefit obligation is as follows:		
Present value of defined benefit obligation at the beginning of the year	177,678	144,334
Current service cost	8,170	6,911
Interest cost	21,366	24,199
Benefits paid	(4,495)	(2,512)
Actuarial loss	(6,499)	4,746
Present value of defined benefit obligation at the end of the year	<u>196,220</u>	<u>177,678</u>
The movement in fair value of plan assets is as follows:		
Fair value of plan assets at the beginning of the year	175,822	139,853
Expected return on assets	21,641	23,505
Contributions	9,751	12,086
Benefits paid	(4,495)	(2,512)
Actuarial gain	(6,049)	2,890
Fair value of plan assets at the end of the year	<u>196,671</u>	<u>175,822</u>
Actual return on plan assets	<u>15,592</u>	<u>26,395</u>
Plan assets comprise:		
Term deposit receipts	37	–
Term Finance Certificates	–	100
Balance with Banks	196,634	175,722
Accrued interest	–	–
	<u>196,671</u>	<u>175,822</u>



Comparison of present value of defined benefit obligation, the fair value of plan assets and the surplus or deficit of gratuity fund is as follows:

As at September 30,	2025	2024	2023	2022	2021
		(Rupees in thousands)			
Present value of defined benefit					
Obligation	196,220	177,678	144,334	119,666	124,275
Fair value of plan assets	(196,671)	(175,822)	(139,853)	(118,093)	(123,466)
Deficit	(451)	1,856	4,481	1,573	809
Experience adjustment on obligation	9,580	(16,459)	(2,177)	(3,518)	(8,148)
Experience adjustment on plan assets	(6,049)	2,890	3,519	2,759	4,775

Sensitivity analysis

Significant assumption for the determination of the defined obligation are discount rate and expected salary increase. The possible changes in defined obligation due to change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant are as follows:

	(Rupees in thousand)
Discount Rate +1 %	189,260
Discount Rate -1 %	203,907
Long Term Salary Increases +1 %	202,970
Long Term Salary Increases -1 %	190,014

5.9 Provident fund

The Company operates a recognised provident fund scheme for all its permanent employees. Equal monthly contributions are made by the Company and the employees at the rate of 8.33% of basic salary plus applicable cost of living allowance.

5.10 Leases

Lease liability is initially measured at present value of the lease payments over the period of lease term, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also remeasured to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payment.

The lease liability is remeasured when the Company reassess the reasonable certainty of exercise of extension or termination option upon occurrence of either a significant event or a significant change in circumstance, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payment. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

A change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increase the scope of lease adding the right-to-use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.



5.11 Ijarah

Payments made under ijarah contract are charged to the profit or loss on straight line basis over the ijarah term as per Islamic Financial Accounting Standard 2.

5.12 Trade and other payables

These are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

5.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.14 Contract liability

Contract liability is an obligation of the Company to transfer goods and services to a customer for which the Company has received consideration from the customer. If the customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when payment is made. Contract liabilities are recognised in revenue when Company fulfils the performance obligation under the contract.

5.15 Unclaimed dividend

The Company recognises unclaimed dividend which was declared and remained unclaimed from the date it was due and payable. The dividend declared and remained unpaid from the date it was due and payable is recognised as unpaid dividend.

5.16 Taxation

5.16.1 Current tax / Levies

The charge for current taxation is computed in accordance with Income Tax Ordinance, 2001 (the Ordinance). The Company has elected to designate the amount computed in accordance with the Ordinance as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax is recognized as a levy.

5.16.2 Deferred

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which these can be utilized. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

5.17 Provisions

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



5.18 Contingencies

Contingencies are disclosed when Company has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of entity, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of recourse embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability.

5.19 Foreign currencies

Transactions in foreign currencies are translated into Pak Rupees which is the Company's functional and presentation currency, at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rates ruling on the statement of financial position date. Exchange gains and losses are included in statement of profit or loss.

5.20 Revenue recognition

Revenue is recognised when control of the asset is transferred to the customer. Revenue is measured at fair value of the consideration received or receivable and is recognised on the following basis:

- Revenue from sale of goods is recognised when or as control of goods have been transferred to a customer and the performance obligations are met. The credit limit in contract with customers ranges up to 150 days.
- Storage income is recorded when services are rendered.
- Profit on bank accounts / investments is recognised on accrual basis.
- Dividend income is recognised when the right to receive such payment is established.
- Other revenues are accounted when performance obligations are met.

5.21 Segment reporting

Segment reporting is based on operating (business) segments of the Company. These business segments are engaged in providing product or services which are subject to risks and rewards that are different from the risks and rewards of other segments.

5.22 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved.

5.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the 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.



	Note	2025 (Rupees in thousands)	2024
6. Property, plant and equipment:			
Operating fixed assets	6.1	1,962,107	2,092,699
Capital work-in-progress - plant and machinery		163,091	–
		<u>2,125,198</u>	<u>2,092,699</u>

6.1 Operating fixed assets

	COST			DEPRECIATION / AMORTIZATION			WRITTEN DOWN VALUE	
	As at Oct. 1, 2024	Additions / (deletions)	As at Sept. 30, 2025	As at Oct. 1, 2024	charge for the year	As at Sept. 30, 2025	As at Sept. 30, 2025	Rate of depreciation / amortization %
2025								
	(Rupees in thousands)							
Land								
Freehold - Sugar / Distillery division	319,969	–	319,969	–	–	–	319,969	–
Leasehold - Textile division	489	–	489	276	5	281	208	1.01
Buildings on freehold land								
Sugar division	115,143	–	115,143	92,384	2,276	94,660	20,483	10
Distillery division	21,243	–	21,243	19,520	172	19,692	1,551	10
Non-factory buildings	30,228	–	30,228	25,452	239	25,691	4,537	5
Buildings on leasehold land								
Textile division	19,335	–	19,335	18,136	120	18,256	1,079	10
Plant and machinery								
Sugar division	3,159,994	13,111	3,173,105	1,884,573	127,944	2,012,517	1,160,588	10
Distillery division - Note 6.1.1	1,384,341	–	1,384,341	988,452	39,589	1,028,041	356,300	10
Textile division	132,071	–	132,071	106,807	2,502	109,309	22,762	10
Railway siding - Sugar division	468	–	468	468	–	468	–	10
Electric, gas and water installations								
Sugar / Distillery division	8,808	–	8,808	8,575	23	8,598	210	10
Textile division	3,601	–	3,601	3,290	31	3,321	280	10
Furniture, fittings, electrical and office equipment								
Sugar / Distillery division	129,309	32,617 (543)	161,383	100,805	11,947 (426)	112,326	49,057	25
Textile division	11,642	–	11,642	10,894	248	11,142	500	25
Tractors / trolleys and agriculture implements								
Sugar division	7,245	9,216	16,461	3,833	1,368	5,201	11,260	20
Motor cars / vehicles								
Sugar / Distillery division	51,925	4,861 (2,915)	53,871	39,708	2,718 (1,829)	40,597	13,274	20
Textile division	873	–	873	812	12	824	49	20
Total	<u>5,396,684</u>	<u>59,805 (3,458)</u>	<u>5,453,031</u>	<u>3,303,985</u>	<u>189,194 (2,255)</u>	<u>3,490,924</u>	<u>1,962,107</u>	



2024	COST			DEPRECIATION / AMORTIZATION			WRITTEN DOWN VALUE	
	As at Oct. 1, 2023	Additions / (deletions)	As at Sept. 30, 2024	As at Oct. 1, 2023	charge for the year	As at Sept. 30, 2024	As at Sept. 30, 2024	Rate of depreciation / amortization %
(Rupees in thousands)								
Land								
Freehold - Sugar / Distillery division	319,969	–	319,969	–	–	–	319,969	–
Leasehold - Textile division	489	–	489	271	5	276	213	1.01
Buildings on freehold land								
Sugar division	115,143	–	115,143	89,855	2,529	92,384	22,759	10
Distillery division	21,243	–	21,243	19,329	191	19,520	1,723	10
Non-factory buildings	30,228	–	30,228	25,201	251	25,452	4,776	5
Buildings on leasehold land								
Textile division	19,335	–	19,335	18,003	133	18,136	1,199	10
Plant and machinery								
Sugar division	3,098,855	61,139	3,159,994	1,743,386	141,187	1,884,573	1,275,421	10
Distillery division	1,384,341	–	1,384,341	944,464	43,988	988,452	395,889	10
Textile division	132,071	–	132,071	104,027	2,780	106,807	25,264	10
Railway siding - Sugar division	468	–	468	468	–	468	–	10
Electric, gas and water installations								
Sugar / Distillery division	8,808	–	8,808	8,549	26	8,575	233	10
Textile division	3,601	–	3,601	3,255	35	3,290	311	10
Furniture, fittings, electrical and office equipment								
Sugar / Distillery division	119,181	10,368 (240)	129,309	93,156	7,860 (211)	100,805	28,504	25
Textile division	11,642	–	11,642	10,563	331	10,894	748	25
Tractors / trolleys and agriculture implements								
Sugar division	5,121	2,124	7,245	3,186	647	3,832	3,413	20
Motor cars / vehicles								
Sugar / Distillery division	51,001	7,238 (6,314)	51,925	37,070	3,196 (558)	39,708	12,217	20
Textile division	873	–	873	797	15	812	61	20
Total	5,322,369	80,869 (6,554)	5,396,684	3,101,580	203,174 (769)	3,303,985	2,092,699	



- 6.1.1** Plant and machinery of distillery division include storage tanks of the CO2 unit having written down value of Rs.7.34 (2024: Rs. 8.16) million installed at Coca Cola Beverages Pakistan Limited and Pakistan Beverages Limited premises for storage of Liquidified Carbondioxide.

	Note	2025 (Rupees in thousands)	2024
6.2 Allocation of depreciation charge for the year			
Cost of sales			
Sugar division	22	138,282	149,067
Distillery division	22	42,908	46,931
Textile division	22	2,658	2,952
		<u>183,848</u>	<u>198,950</u>
Administrative expenses			
Sugar division	24	4,685	3,294
Distillery division	24	401	584
Textile division	24	260	346
		<u>5,346</u>	<u>4,224</u>
		<u>189,194</u>	<u>203,174</u>

- 6.3** Particulars of immovable property are as follows:

Particulars	Location	Total Area
Land	Nawabshah, District Shaheed Benazirabad	345.95 Acre
Land	D-140/B-1, Mangopir Road, S.I.T.E. Karachi	1.12 Acre
Land	60/1-B Oil Installation Area, Keamari, Karachi	4000 Sqm

	Note	2025 (Rupees in thousands)	2024
7. LONG TERM INVESTMENTS - at FVOCI			
Investments in related parties - Quoted	7.1	4,989,511	2,414,474
Investments in related parties - Un-Quoted	7.2	6,137	13,125
Investments in other companies - Quoted	7.3	1,837,273	1,114,602
		<u>6,832,921</u>	<u>3,542,201</u>



	Number of shares		Face value		2025	2024
	2025	2024	Rs.	Name of the Company	Note	(Rupees in thousands)
7.1 Investments in related parties - Quoted						
	24,136,691	24,136,691	10	Bank AL Habib Limited		4,919,782
	5,363,772	5,363,772	5	Habib Insurance Company Limited		69,729
						2,382,291
						32,183
						4,989,511
						2,414,474
7.2 Investments in related parties - Unquoted						
	1,249,999	1,249,999	10	UniEnergy Limited	7.3.1	6,137
						13,125
7.3 Investments in other companies - Quoted						
	10,000	—	10	Abbott Laboratories (Pakistan) Limited		12,628
	—	257,500	10	Agha Steels Limited		—
	—	340,000	10	Amreli Steels Limited		—
	254,629	127,000	10	Bank Alfalah Limited		27,841
	120,000	453,730	10	Cherat Cement Company Limited		44,231
	—	43,890	10	Cherat Packaging Limited		—
	—	375,400	10	D.G. Khan Cement Company Limited		—
	—	26,478	10	Dawood Lawrencepur Limited		—
	152,597	68,000	10	Engro Corporation Limited		39,571
	228,700	243,700	10	Engro Fertilizer Limited		50,698
	—	186,098	10	Engro Polymer & Chemical Limited		—
	143,148	90,600	10	Faran Sugar Mills Limited		7,846
	415,000	415,000	10	Fauji Cement Company Limited		25,336
	—	200,000	10	Fauji Fertilizer Bin Qasim Limited		—
	80,000	100,885	10	Fauji Fertilizer Company Limited		37,027
	—	157,759	10	Fauji Foods Limited		—
	12,100	12,100	10	GlaxoSmithKline Pakistan Limited		5,403
	—	54,000	10	Gul Ahmed Textile Mills Limited		—
	590,213	421,213	10	Habib Bank Limited		172,460
	1,089,467	882,500	10	Habib Metropolitan Bank Limited		126,694
	13,630	3,630	10	Haleon Pakistan Limited		12,296
	205,627	—	10	HLB Growth Fund		3,969
	12,350	12,350	10	Indus Motors Company Limited		27,877
	76,100	76,100	10	International Industries Limited		17,516
	507,676	824,676	10	International Steels Limited		64,439
	149,460	384,500	10	Javedan Corporation Limited		13,157
	2,910,000	2,910,000	3.5	K-Electric Limited		20,225
	615,600	95,120	2/10	Lucky Cement Limited		292,958
	565,000	440,000	10	Maple Leaf Cement Factory Limited		61,930
	146,837	171,837	10	MCB Bank Limited		52,418
	42,500	—	10	Meezan Bank Limited		18,529
	423,506	423,506	10	Mehran Sugar Mills Limited		29,815
	270,768	270,768	10	Mirpurkhas Sugar Mills Limited		10,154
	—	28,467	5	National Food Limited		—
	29,009	—	10	Nishat Power		1,050
	280,000	315,000	10	Oil and Gas Development Company Limited		77,624
	25,000	25,000	10	Packages Limited		17,581
	204,000	144,000	10	Pak Petroleum Limited		42,346
	—	15,000	10	Pakistan Aluminium Beverage Cans Limited		—
	—	200,000	10	Pakistan International Bulk Terminal Limited		—
	33,000	30,000	10	Pakistan Oil Fields Limited		24,408
	—	5,000	10	Pioneer Cement Limited		—
	200,000	230,000	10	Power Cement Limited		3,796
	20,000	—	10	Shifa International Hospitals Limited		10,878
	34,000	—	2	Systems Limited		5,143
	711,503	711,503	5	Thal Limited		409,121
	60,000	300,458	10	The Hub Power Company Limited		14,359
	65,736	125,736	10	The Searle Company Limited		7,692
	—	81,083	10	TPL Insurance Limited		—
	125,000	90,000	5/10	United Bank Limited		48,258
						1,837,273
						6,832,921
						1,114,602
						3,542,201



7.3.1 The fair value of the investments in UniEnergy Limited has been determined on the net assets value due to the limited financial information available.

7.4 The aggregate cost of the above investments is Rs. 884.78 (2024: Rs. 884.76) million.

	Note	2025 (Rupees in thousands)	2024 (Rupees in thousands)
8. STORES AND SPARE PARTS			
Stores		282,592	218,546
Spare parts		206,751	199,398
		<u>489,343</u>	<u>417,944</u>
Provision for obsolescence and slow moving		(64,824)	(64,824)
		<u>424,519</u>	<u>353,120</u>
9. Stock-in-trade			
Raw materials			
Distillery division		425,826	264,037
Textile division		16,868	20,765
		<u>442,694</u>	<u>284,802</u>
Work-in-process			
Sugar division		2,658	2,456
Textile division		92,252	93,637
		<u>94,910</u>	<u>96,093</u>
Finished goods			
Sugar division		886,864	4,319,216
Distillery division		574,468	651,568
Textile division		614	23,899
		<u>1,461,946</u>	<u>4,994,683</u>
Bagasse		57,517	14,224
		<u>2,057,067</u>	<u>5,389,802</u>
10. TRADE DEBTS - considered good			
Export – Secured against export documents		41,380	101,426
Local – Unsecured		712,007	758,090
	10.1	<u>753,387</u>	<u>859,516</u>
10.1 The aging of trade debts at September 30, is as follows :			
Not yet due		709,336	639,599
up to 90 days		36,094	211,981
91 to 180 days		7,957	7,936
		<u>753,387</u>	<u>859,516</u>
11. LOANS AND ADVANCES - considered good			
Loans - secured			
Current maturity of long-term loans		8,138	8,896
Advances - unsecured			
Suppliers		1,266,368	765,511
		<u>1,274,506</u>	<u>774,407</u>



	Note	2025 (Rupees in thousands)	2024
12. SHORT-TERM INVESTMENTS			
At FVOCI	12.1	2,051,745	5,780,392
At FVPL	12.2	5,322,364	—
		<u>7,374,109</u>	<u>5,780,392</u>

12.1 At FVOCI

ABL Cash Fund		976,042	1,033,123
AL Habib Cash Fund		—	2,043,522
AL Habib Fixed Return Fund		—	287,769
Alfalah GHP Sovereign Fund		558,736	1,102,564
MCB - Pakistan Income Enhancement Fund		—	529,018
MCB - Pakistan Sovereign Fund		516,967	784,396
		<u>2,051,745</u>	<u>5,780,392</u>

12.2 At FVPL

AL Habib Government Securities Fund		2,118,077	—
AL Habib Money Market Fund		1,342,405	—
Alfalah Financial Sector Income Plan 1		145,598	—
Alfalah GHP Income Fund		154,386	—
Alfalah GHP Income Multiplier Fund		117,076	—
Alfalah GHP Stock Fund		96,194	—
Alfalah MTS Fund		100,401	—
MCB Cash Management Optimizer		34,068	—
MCB Government Securities Plan 1		509,018	—
MCB Investment Saving Plan 1		705,141	—
		<u>5,322,364</u>	<u>—</u>

12.3 The aggregate cost of the units of mutual funds is Rs. 7,227.95 (2024: Rs. 5,539.38) million.

	Note	2025 (Rupees in thousands)	2024
13. CASH AND BANK BALANCES			
Cash in hand		353	470
Balances with banks in:			
Current accounts		148,694	78,375
Treasury call accounts	13.1	2,360,019	974,474
Term deposit receipts	13.2	48,000	48,000
	13.3	<u>2,556,713</u>	<u>1,100,849</u>
		<u>2,557,066</u>	<u>1,101,319</u>



- 13.1** Profit rates on treasury call accounts ranged between 8.00% to 14.00% (2024: 14.00% to 20.60%) per annum.
- 13.2** Profit rates on term deposit receipts ranged between 8.00% to 13.00% (2024: 13.00 to 19.50%) per annum. Maturity of these term deposit receipts is one month.
- 13.3** This includes Rs. 2,397.29 (2024: Rs.886.29) million kept with Bank AL Habib Limited - a related party.

			2025	2024
			(Rupees in thousands)	
14. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL				
	2025	2024		
	Number of shares			
	10,136,700	10,136,700	Ordinary shares of Rs. 5/- each fully paid in cash	50,684
	139,863,000	139,863,300	Ordinary shares of Rs. 5/- each issued as bonus shares	699,316
				750,000
	(15,000,000)	(15,000,000)	Cancellation of own shares purchased	(75,000)
	135,000,000	135,000,000		675,000

- 14.1** Issued, subscribed and paid-up capital of the Company includes 14,896,001 ordinary shares of Rs.5/- each held by related parties at the end of the year.
- 14.2** Voting rights, Board Selection, right of first refusal and block voting are in proportion to the shareholding.

	Note	2025	2024
		(Rupees in thousands)	
15. RESERVES			
Capital:			
Share premium		34,000	34,000
Revenue:			
General Reserve		8,581,045	7,581,045
Unappropriated profit		2,492,932	2,057,586
Unrealised gain on re-measurement of investments at FVOCI		5,660,446	2,825,463
		16,734,423	12,464,094
		16,768,423	12,498,094

16. DEFERRED TAXATION

Deferred tax liability on taxable temporary differences:

- accelerated tax depreciation	316,000	330,500
- re-measurement of investments	352,800	73,000
	668,800	403,500

Deferred tax asset on deductible temporary differences:

- provisions	(69,000)	(67,500)
- others	(6,000)	(7,500)
	(75,000)	(75,000)
	593,800	328,500



	Note	2025 (Rupees in thousands)	2024
16.1 Charge for the year			
- recognised in profit or loss account		20,000	62,000
- recognised in other comprehensive income		245,300	86,000
		<u>265,300</u>	<u>148,000</u>
17 TRADE AND OTHER PAYABLES			
Creditors		2,057,656	2,112,260
Accrued liabilities		446,419	508,101
Sales tax payable		–	173,507
Payable to Employees Gratuity Fund		–	1,856
Gas Infrastructure Development Cess		138,680	109,555
Workers' Profit Participation Fund (WPPF)	17.1	181,465	149,311
Workers' Welfare Fund	17.2	60,248	32,442
Income-tax deducted at source		1,495	5,842
		<u>2,885,963</u>	<u>3,092,874</u>
17.1 Workers' Profit Participation Fund			
Balance at the beginning of the year		149,311	161,518
Interest on funds utilized in the Company's business		3,961	5,361
		<u>153,272</u>	<u>166,879</u>
Payments during the year		(153,272)	(166,879)
		<u>–</u>	<u>–</u>
Charge for the year	25	181,465	149,311
Balance at the end of the year		<u>181,465</u>	<u>149,311</u>
17.2 Workers' Welfare Fund			
Balance at the beginning of the year		32,442	43,231
Payments during the year		(26,194)	(37,789)
		<u>6,248</u>	<u>5,442</u>
Charge for the year	25	54,000	27,000
Balance at the end of the year		<u>60,248</u>	<u>32,442</u>



18 CONTRACT LIABILITY

Revenue recognised during the year from amounts included in contract liability at beginning of the year amounting to Rs. 2,104.19 million (2024: 1,567.31 million).

19 SHORT-TERM BORROWINGS - secured

The aggregate financing facility available from commercial banks amounted to Rs.17,346 million (2024: Rs.13,846 million). These financing facilities are secured by way of registered charge against hypothecation of stock-in-trade, stores and spares, assignment of trade debts and other receivables. The rate of mark-up charged during the year was 2.00% to 12.50% (2024: 2.00% to 22.54%) per annum.

20 CONTINGENCIES AND COMMITMENTS

- 20.1** The Competition Commission of Pakistan (CCP) passed an order in 2021 whereby penalties had been levied on 84 sugar mills including a penalty of Rs. 493.66 million on the Company equivalent to 5% of the total turnover of Rs. 9,873.13 million as per the audited financial statements for the year ended 30 September 2019 on account of alleged 'anti-competitive activities in the sugar industry'. Uptill the last year ended on September 30, 2024 the matter was pending before the Competition Appellate Tribunal and the High Court.

During the year, the CCP Tribunal vide order dated May 21, 2025 held that the Chairperson had no right to exercise a casting vote in quasi-judicial proceedings and remanded back the case to the CCP. As per the lawyer's advice, the sugar mills filed an appeal before the Supreme Court against the CCP Tribunal's order.

The Supreme Court vide order dated September 18, 2025 had also confirmed that the Chairperson had no right to exercise the casting vote in quasi-judicial proceedings. The Supreme Court had also set-aside the portion of the decision of the CCP Tribunal whereby the matter was remanded back to the CCP, instead, the Supreme Court had remanded back the matter to the CCP Tribunal.

The CCP Tribunal in its order dated 28 October 2025 held that in light of setting-aside of the casting vote by the CCP Tribunal and the Supreme Court, the CCP's penalty order is not enforceable. The appeal of the sugar mills was accordingly allowed to be withdrawn by the CCP Tribunal. The CCP has now filed a review application before the Supreme Court against the Supreme Court's order dated 18 September 2025, which is currently pending. The Company, in view of legal advice, expects a favourable outcome, accordingly, no provision has been made in these financial statements.

- 20.2** The Company has provided counter guarantees to Bank AL Habib Limited, a related party, amounting to Rs: 1,100 million (2024: Rs. 600 million) against agriculture finance facilities to the growers supplying sugarcane to the mills and guarantees of Rs. 3,137.61 million (2024: Rs. 2,691.93 million) issued by the banks in favour of third parties on behalf of the Company. These guarantees are secured by way of registered charge against hypothecation of stores and spares, stock-in-trade, assignment of trade debts and other receivables.

- 20.3** Lease rentals under Ijarah agreements in respect of vehicles, payable over the following next four years, are as follows:

	2025	2024
	(Rupees in thousands)	
Year ending September 30		
2026	73,989	47,639
2027	66,447	40,097
2028	39,524	13,175
2029	14,472	—
	<u>194,432</u>	<u>100,911</u>

21. Segment operating results and related information

(Rupees in thousands)



	Note	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Local sales		18,469,295	13,565,823	916,866	950,108	7,619	5,378	–	1,296,661	19,393,780	15,817,970
Less: Sales tax / Federal excise duty		3,949,417	1,960,136	141,737	148,532	1,374	968	–	197,783	4,092,528	2,307,419
		14,519,878	11,605,687	775,129	801,576	6,245	4,410	–	1,098,878	15,301,252	13,510,551
Export sales		769,123	164,869	5,151,895	6,019,304	563,425	702,149	–	365,481	6,484,443	7,251,803
Less: Export duty, freight and commission		–	–	23,762	31,535	31,336	54,556	–	54,884	55,098	140,975
		769,123	164,869	5,128,133	5,987,769	532,089	647,593	–	310,597	6,429,345	7,110,828
		15,289,001	11,770,556	5,903,262	6,789,345	538,334	652,003	–	1,409,475	21,730,597	20,621,379
Terminal Storage income - net		–	–	1,179	2,711	–	–	–	–	1,179	2,711
Net sales and services		15,289,001	11,770,556	5,904,441	6,792,056	538,334	652,003	–	1,409,475	21,731,776	20,624,090
Less: Cost of sales	22	13,301,192	10,472,319	4,970,917	5,729,777	490,188	591,714	–	1,317,594	18,762,297	18,111,404
Gross profit		1,987,809	1,298,237	933,524	1,062,279	48,146	60,289	–	91,881	2,969,479	2,512,686
Selling and distribution expenses	23	150,414	114,485	271,840	254,070	36,761	34,219	–	9,195	459,015	411,969
Administrative expenses	24	368,929	339,283	26,810	24,016	8,399	11,127	–	913	404,138	375,338
		519,343	453,768	298,650	278,086	45,160	45,346	–	10,108	863,153	787,307
Other operating expenses	25									(264,590)	(182,132)
Other income	26									934,504	1,204,638
								–		669,914	1,022,506
Operating profit		1,468,465	844,469	634,874	784,193	2,986	14,943	–	81,773	2,776,239	2,747,885

- Sugar division is engaged in manufacturing of refined sugar.
- Distillery division is engaged in manufacturing of ethanol, liquidified carbon dioxide (CO₂) and providing bulk storage facilities.
- Textile division is engaged in manufacturing of household textiles.
- Trading division is engaged in trading of commodities viz sugar / molasses / bagasse / liquidified carbon dioxide (CO₂) as and when opportunity occurs.

2025 2024
(Rupees in thousands)



21.1 Country wise sales are as follows:

Pakistan	15,302,474	13,513,262
Netherland	2,454,396	3,827,298
UAE	990,690	505,340
Saudi Arabia	937,174	339,361
Taiwan	621,491	516,365
Thailand	532,377	334,728
United Kingdom	263,232	322,588
Vietnam	235,550	—
South Africa	231,425	277,364
South Korea	80,743	665,631
Japan	43,639	—
Holland	37,389	47,641
Bangladesh	1,196	—
Ivory Coast	—	109,643
Afghanistan	—	164,869
	<u>21,731,776</u>	<u>20,624,090</u>

The above revenue information is based on the location of customers

Of the Company's total revenue, three customer accounts for more than 10%.

21.2 Information on assets, liabilities and capital expenditure by segment is as follows:

	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Segment assets	6,417,045	7,352,406	2,559,018	1,873,807	196,100	192,317	—	—	9,172,162	9,418,530
Unallocated assets									14,330,254	10,571,392
									<u>23,502,416</u>	<u>19,989,922</u>
Segment liabilities	3,806,406	3,870,485	113,356	1,908,760	65,542	207,059	—	2,529	3,985,304	5,988,833
Unallocated liabilities									2,073,690	827,995
									<u>6,058,994</u>	<u>6,816,828</u>
Capital expenditure	230,159	32,261	—	—	—	—	—	—	<u>230,159</u>	<u>32,261</u>

(Rupees in thousands)



	Note	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
22. Cost of sales											
Raw material consumed		9,558,522	12,206,309	3,981,613	4,665,029	317,801	428,431	–	–	13,857,936	17,299,769
Salaries, wages and other benefits	22.1	609,578	565,204	177,032	169,545	10,608	10,324	–	–	797,218	745,073
Process chemicals		95,738	140,460	62,594	60,689	–	–	–	–	158,332	201,149
Packing material		100,211	144,880	–	–	25,489	29,919	–	–	125,700	174,799
Dyeing, weaving and other charges		–	–	–	–	58,052	69,569	–	–	58,052	69,569
Stores and spare parts consumed		193,602	216,695	69,277	59,516	–	–	–	–	262,879	276,211
Provision for obsolescence and slow moving stores & spares		–	6,000	–	2,000	–	–	–	–	–	8,000
Rent, rates, taxes and lease rentals		48,538	37,865	29,106	22,680	2,048	2,771	–	–	79,692	63,316
Water, fuel and power		131,699	123,139	258,340	198,808	47,802	69,986	–	–	437,841	391,933
Repairs and maintenance		368,198	347,669	209,104	157,352	5,547	5,670	–	–	582,849	510,691
Legal and professional charges		3,240	4,705	–	–	–	–	–	–	3,240	4,705
Insurance		10,410	16,235	8,678	10,057	749	300	–	–	19,837	26,592
Postage, telephone and stationery		5,675	4,794	2,165	1,403	–	–	–	–	7,840	6,197
Depreciation / amortization	6.2	138,282	149,067	42,908	46,931	2,658	2,952	–	–	183,848	198,950
Other manufacturing expenses		84,619	62,396	53,000	32,352	4,617	2,171	–	–	142,236	96,919
Duty drawback / Rebate		–	–	–	–	(9,853)	(11,828)	–	–	(9,853)	(11,828)
Bagasse sale		(8,047)	(27,618)	–	–	–	–	–	–	(8,047)	(27,618)
Bagasse transferred to distillery division		(326,023)	(145,872)	–	–	–	–	–	–	(326,023)	(145,872)
Molasses transferred to distillery division		(1,145,200)	(1,313,004)	–	–	–	–	–	–	(1,145,200)	(1,313,004)
		310,520	332,615	912,204	761,333	147,717	181,834	–	–	1,370,441	1,275,782
Manufacturing cost		9,869,042	12,538,924	4,893,817	5,426,362	465,518	610,265	–	–	15,228,377	18,575,551
Opening stock of work-in-process		2,456	1,826	–	–	93,637	79,539	–	–	96,093	81,365
Closing stock of work-in-process		(2,658)	(2,456)	–	–	(92,252)	(93,637)	–	–	(94,910)	(96,093)
		(202)	(630)	–	–	1,385	(14,098)	–	–	1,183	(14,728)
Cost of goods manufactured		9,868,840	12,538,294	4,893,817	5,426,362	466,903	596,167	–	–	15,229,560	18,560,823
Opening stock of finished goods		4,319,216	2,253,241	651,568	954,983	23,899	19,446	–	–	4,994,683	3,227,670
Purchases		–	–	–	–	–	–	–	1,317,594	–	1,317,594
Closing stock of finished goods		(886,864)	(4,319,216)	(574,468)	(651,568)	(614)	(23,899)	–	–	(1,461,946)	(4,994,683)
		3,432,352	(2,065,975)	77,100	303,415	23,285	(4,453)	–	1,317,594	3,532,737	(449,419)
		13,301,192	10,472,319	4,970,917	5,729,777	490,188	591,714	–	1,317,594	18,762,297	18,111,404

22.1 Salaries, wages and other benefits include a sum of Rs.17.43 million (2024: Rs. 17.12 million) in respect of staff retirement benefits.



(Rupees in thousands)

		Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
Note		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
23. SELLING AND DISTRIBUTION EXPENSES											
Salaries, wages and other benefits	23.1	11,514	11,125	12,659	10,076	15,258	15,662	–	–	39,431	36,863
Insurance		10,737	4,202	4,054	2,750	89	165	–	–	14,880	7,117
Rent, rates, taxes and lease rentals		9,316	7,117	5,871	4,572	–	–	–	–	15,187	11,689
Transport, freight, handling and forwarding expenses		112,521	85,420	240,151	231,512	6,069	9,707	–	9,195	358,741	335,834
Other expenses		6,326	6,621	9,105	5,160	15,345	8,685	–	–	30,776	20,466
		150,414	114,485	271,840	254,070	36,761	34,219	–	9,195	459,015	411,969

23.1 Salaries, wages and other benefits include a sum of Rs. 2.06 (2024: Rs. 2.05) million in respect of staff retirement benefits.

		Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
24. ADMINISTRATIVE EXPENSES		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Salaries, wages and other											
benefits	24.1	182,135	157,377	12,659	11,117	5,751	8,547	—	615	200,545	177,656
Insurance		4,374	4,705	439	58	189	137	—	—	5,002	4,900
Repairs and maintenance		11,358	10,034	463	1,260	51	88	—	—	11,872	11,382
Postage, telephone and stationery		9,969	6,867	847	817	645	548	—	—	11,461	8,232
Travelling and vehicle running expenses		44,965	54,105	1,007	434	764	532	—	—	46,736	55,071
Rent, rates, taxes and lease rentals		9,662	7,116	5,371	4,631	—	—	—	—	15,033	11,747
Water, electricity and gas		5,140	7,419	635	731	44	173	—	—	5,819	8,323
Fees, subscription and periodicals		9,196	8,339	603	1,054	609	45	—	—	10,408	9,438
Legal and professional charges		14,063	12,934	2,500	80	—	7	—	—	16,563	13,021
Directors' meeting fee		1,240	680	—	—	—	—	—	—	1,240	680
Depreciation - note 6.2		4,685	3,294	401	282	260	346	—	—	5,346	3,922
Depreciation on Right-of-use assets		11,055	7,423	—	—	—	—	—	—	11,055	7,423
Auditors' remuneration	24.2	2,427	1,695	937	978	86	94	—	203	3,450	2,970
Donations	24.3	55,000	43,000	—	—	—	—	—	—	55,000	43,000
Other expenses		3,660	14,890	948	2,117	—	566	—	—	4,608	17,573
		368,929	339,878	26,810	23,559	8,399	11,083	—	818	404,138	375,338

24.1 Salaries, wages and other benefits include a sum of Rs. 8.89 (2024: Rs. 8.87) million in respect of staff retirement benefits.



	Sugar Division		Distillery Division		Textile Division		Trading Division		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
24.2 Auditors' remuneration										
Statutory audit fee	1,407	1,084	543	626	50	60	–	130	2,000	1,900
Code of corporate governance	246	143	95	82	9	8	–	17	350	250
Half yearly review fee	457	314	177	181	16	17	–	38	650	550
Out of pocket expenses	317	154	122	89	11	9	–	18	450	270
	<u>2,427</u>	<u>1,695</u>	<u>937</u>	<u>978</u>	<u>86</u>	<u>94</u>	<u>–</u>	<u>203</u>	<u>3,450</u>	<u>2,970</u>

	Note	2025 (Rupees in thousands)	2024
24.3 Donations			
Al-Sayyeda Benevolent Trust		6,000	6,000
Habib Medical Trust		8,000	6,000
Family Education Services Foundation		40,000	30,000
Markaz-e-umeed		1,000	1,000
		<u>55,000</u>	<u>43,000</u>
None of the Directors or their spouses had any interest in the above donee's fund.			
25. Other operating expenses			
Workers' Profit Participation Fund	17.1	181,465	149,311
Workers' Welfare Fund	17.2	54,000	27,000
Others		29,125	5,821
		<u>264,590</u>	<u>182,132</u>
26. Other income			
Income from financial assets			
Dividend income	26.1	503,411	968,308
Unrealized gain on remeasurement of investments as FVPL		106,059	–
Gain on redemption of investments at FVPL		121,173	–
Exchange gain - net		66,792	196,886
		<u>797,435</u>	<u>1,165,194</u>
Income from non financial assets			
Gain on disposal of fixed assets		14,091	22,002
Sugar freight subsidy		100,741	–
Others		22,237	17,442
		<u>137,069</u>	<u>39,444</u>
		<u>934,504</u>	<u>1,204,638</u>



26.1 Dividend income includes dividend received from the following related parties:

	2025 (Rupees in thousands)	2024
Bank AL Habib Limited	410,324	398,255
Habib Insurance Company Limited	5,364	3,352
	<u>415,688</u>	<u>401,607</u>
27. Finance income / (cost) - net		
Profit on treasury call accounts	211,639	375,874
Profit on term deposits receipts	5,902	8,942
Interest on Government Securities	—	14,396
Interest on loan to employees	1,151	1,451
	<u>218,692</u>	<u>400,663</u>
Less:		
Mark-up / interest on:		
Short-term borrowings	(143,246)	(379,365)
Workers' Profit Participation Fund	(3,961)	(5,359)
Lease Liability	(5,460)	(4,030)
Bank charges	(31,492)	(44,321)
	<u>(184,159)</u>	<u>(433,075)</u>
	<u>34,533</u>	<u>(32,412)</u>
28. Taxation		
current	1,173,375	455,752
Deferred tax	5,500	62,000
	<u>1,178,875</u>	<u>517,752</u>
28.1 Reconciliation of tax charge for the year		
Profit before income tax	<u>2,734,647</u>	<u>2,478,225</u>
Corporate tax rate	<u>29%</u>	<u>29%</u>
Tax on accounting profit at applicable rate	793,047	718,685
Tax effect of timing differences	5,500	62,000
Tax effect of lower tax rates	(57,766)	(503,252)
Tax effect of tax credits / income exempt from tax and unused tax losses	(45,322)	(17,180)
Tax effect of Super Tax	378,500	218,000
Tax effect of inadmissible expenses	104,916	39,499
	<u>385,828</u>	<u>(200,933)</u>
	<u>1,178,875</u>	<u>517,752</u>

28.2 The income tax return for the Tax year 2025 (financial year ended 30 September 2024) has been filed.



	Note	2025 (Rupees in thousands)	2024
29. EARNINGS PER SHARE - Basic and diluted			
Net profit for the year		<u>1,555,772</u>	<u>1,960,473</u>
		Number of shares	
Number of ordinary shares of Rs. 5/- each		<u>135,000,000</u>	<u>135,000,000</u>
Earnings per share - Basic and diluted (Rupees)		<u>11.55</u>	<u>14.52</u>
30. CASH GENERATED FROM OPERATIONS			
Profit before levies and incomes tax		2,810,773	2,715,473
Adjustment for non-cash charges and other items			
Depreciation / amortization		200,249	210,597
Provision for obsolescence and slow moving stores and spares		–	(8,000)
Gain on disposal of operating fixed assets		(14,091)	(22,002)
Finance cost - net		(34,533)	32,412
Dividend income		(503,411)	(968,308)
Unrealized gain on remeasurement of investments as FVPL		(106,059)	–
Gain on redemption of investments at FVPL		(121,173)	–
Others		29,125	5,812
		(549,893)	(749,480)
Working capital changes	30.1	<u>1,506,848</u>	<u>(1,102,903)</u>
		<u>3,767,728</u>	<u>863,090</u>
30.1 Working capital changes			
Decrease / (increase) in current assets			
Stores and spare parts		(71,399)	42,141
Stock-in-trade		3,332,735	(1,432,669)
Trade debts		106,129	301,226
Loans and advances		(500,099)	(588,299)
Trade deposits and short-term prepayments		7,946	20,550
Other receivables		(29,458)	(3,011)
		2,845,854	(1,660,062)
(Decrease) / increase in current liabilities			
Trade and other payables		(236,036)	56,944
Contract liability		(1,102,970)	500,215
		(1,339,006)	557,159
		<u>1,506,848</u>	<u>(1,102,903)</u>



31. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2025				2024			
	Chief Execu- tive	Direc- tors	Execu- tives	Total	Chief Execu- tive	Direc- tors	Execu- tives	Total
	(Rupees in thousands)							
Managerial remuneration	30,000	14,880	148,951	193,831	30,000	14,060	147,002	191,062
Perquisites:								
Bonus	1,612	–	20,727	22,339	3,226	–	24,315	27,541
Retirement benefits	2,010	1,066	10,117	13,193	1,977	990	10,234	13,201
Others	661	1,909	2,567	5,137	700	2,343	3,213	6,256
	<u>34,283</u>	<u>17,855</u>	<u>182,362</u>	<u>234,500</u>	<u>35,903</u>	<u>17,393</u>	<u>184,764</u>	<u>238,060</u>
Number of persons	<u>1</u>	<u>1</u>	<u>35</u>	<u>37</u>	<u>615,497</u>	<u>1</u>	<u>35</u>	<u>615,533</u>

31.1 The Chief Executive Officer (CEO), directors and certain executives of the Company have also been provided with the free use of Company owned and maintained cars.

31.2 Six non-executive directors have been paid fees of Rs. 1.24 (2024: Rs. 0.68 million) for attending Board and other meetings.

32. FINANCIAL RISK MANAGEMENT

The Company is exposed to the following risks:

32.1 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counter parties and continually assessing the credit worthiness of counter parties.

Concentrations of credit risk arise when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The maximum exposure to credit risk at the reporting date is as follows:

	2025	2024
	(Rupees in thousands)	
Trade debts	753,387	859,516
Other receivables	44,133	18,315
Investments	14,207,030	9,322,592
Cash and bank balances	2,557,066	1,101,319
	<u>17,561,616</u>	<u>11,301,742</u>



Quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or the historical information about counter party default rates as shown below:

	2025 (Rupees in thousands)	2024
32.1.1 Trade debts		
Customers with no defaults in the past one year	<u>753,387</u>	<u>859,516</u>
32.1.2 Bank Balances		
A1+	2,548,487	1,097,905
A2	<u>8,226</u>	<u>2,944</u>
	<u>2,556,713</u>	<u>1,100,849</u>

32.2 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured except for the fair valuation of the Company's Investments carried at fair value. Under market risk the Company is exposed to interest rate risk, currency risk and equity price risk.

32.2.1 Interest rate risk

This represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates.

At the date of the statement of financial position, the bank balances of Rs. 2,408.02 million (2024: Rs. 1,022.47 million) are subject to interest rate risk. Applicable interest rates have been indicated in note 13 to these financial statements. Company's profit before levies and income tax for the year would have been Rs. 24.08 million (2024: Rs. 10.22 million) higher / lower if interest rates have been 1% higher / lower while holding all other variables constant.

32.2.2 Foreign currency risk

Foreign currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currency. The Company's exposure to foreign currency risk is as follows:

		2025 (Respective Currency)	2024
Trade debts	\$	47,186	364,529

The following significant exchange rates have been applied at the reporting dates:

Exchange rates	buying \$	281.25	277.55
	selling \$	281.75	278.05

The foreign currency exposure is partly covered as the outstanding balance at the year end is determined in respective currency which is converted into rupees at the exchange rate prevailing at the date of the statement of financial position.



Sensitivity analysis:

The following table demonstrates the sensitivity of the Company's profit before levies and income tax and the Company's equity to a reasonably possible change in the foreign currency exchange rate, with all other variables held constant.

	Change in Foreign Currency rate (%)	Effect on profit before levies and income tax (Rupees in thousands)	Effect on equity
September 30, 2025	+10	1,327	810
	-10	(1,327)	(810)
September 30, 2024	+10	9,183	5,602
	-10	(9,183)	(5,602)

32.2.3 Equity price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Company manages the equity price risk through diversification and placing limits on individual and total investments. Reports on the investment portfolio are submitted to the Company's senior management on a regular basis. The Investment Committee of the Company reviews and approves policy decisions.

At the date of the statement of financial position, the exposure to investment at fair value was Rs.14,207.03 million (2024: Rs. 9,322.60 million).

32.3 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company continually monitors its liquidity position and ensures availability of funds by maintaining flexibility by keeping committed credit lines available.

Year ended September 30, 2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
(Rupees in thousands)						
Trade and other payables	–	1,106,908	1,924,182	–	–	3,031,090
Contract liability	–	1,013,026	–	–	–	1,013,026
Lease Liability	–	15,935	–	–	–	15,935
Short term borrowings	–	615,497	–	–	–	615,497
	–	2,751,366	1,924,182	–	–	4,675,548
Year ended September 30, 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
(Rupees in thousands)						
Trade and other payables	–	1,137,249	1,955,625	–	–	3,092,874
Contract liability	–	2,115,995	–	–	–	2,115,995
Lease Liability	–	8,010	–	–	–	8,010
Short term borrowings	–	906,732	–	–	–	906,732
	–	4,167,986	1,955,625	–	–	6,123,611



32.4 Capital risk management

The company finances its investments portfolio through management of its working capital and equity with a view to maintaining an appropriate mix between various sources of finance to minimise risk. The primary objective of the Company's capital management is to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital.

2025
(Rupees in thousands)

32.5 FINANCIAL INSTRUMENTS BY CATEGORY

32.5.1 Financial assets

At FVPL

- Investments in units of mutual funds	5,322,364	—
--	-----------	---

At FVOCI

- Investments in related parties	4,995,648	2,427,599
- Investments in other companies	1,837,273	1,114,602
- Investments in units of mutual funds	2,051,745	5,780,392
	<u>8,884,666</u>	<u>9,322,592</u>

At amortised cost

- Loans and advances	1,274,506	774,407
- Deposits	4,623	4,823
- Trade debts	753,387	859,516
- Profit accrued	678	534
- Other receivables	44,133	18,315
- Cash and bank balance	2,557,066	1,101,319
	<u>4,634,393</u>	<u>2,758,914</u>
	<u>13,519,059</u>	<u>12,081,507</u>

32.5.2 Financial liabilities

At amortised cost

- Trade and other payables	2,885,963	3,092,874
- Unclaimed dividend	427,921	272,090
	<u>3,313,884</u>	<u>3,364,964</u>

32.5.3 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

Financial assets which are tradeable in an open market are revalued at the market prices prevailing on the date of the statement of financial position. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The Company uses the following hierarchy for disclosure of the fair value of financial instruments by valuation techniques:

Level 1: Quoted prices in active markets for identical assets.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset either directly or indirectly.

Level 3: inputs for the asset that are not based on observable market data.



2025				
	Level 1	Level 2 (Rupees in thousands)	Level 3	Total
Long-term investments	6,826,784	–	6,137	6,832,921
Short-term investments	–	7,374,109	–	7,374,109
	6,826,784	7,374,109	6,137	14,207,030
2024				
	Level 1	Level 2 (Rupees in thousands)	Level 3	Total
Long-term investments	3,529,076	–	13,125	3,542,201
Short-term investments	–	5,780,392	–	5,780,392
	3,529,076	5,780,392	13,125	9,335,717

During the year, there were no transfers between levels.

33. Capacity and production

		2025		2024	
		Quantity	Working days	Quantity	Working days
33.1 Sugar division					
Crushing capacity	11,000	M.Tons Per Day		11,000	M. Tons Per Day
Crushing based on actual working days	1,166,000	M. Tons	106	1,210,000	M. Tons 110
Actual crushing	839,005	M. Tons	106	1,065,705	M. Tons 110
Sucrose recovery	9.92	%		10.63	%
Sugar production	83,198	M. Tons		113,286	M. Tons

Sugar unit operated below capacity due to lesser availability of sugarcane.

33.2 Distillery division

a) Ethanol

Capacity	34,000	M. Tons	300	34,000	M. Tons	300
Actual production	25,914	M. Tons	324	28,618	M. Tons	346

During the year, plant operated below capacity due to lower availability of Molasses.

b) Liquidified carbon dioxide (CO₂)

Capacity	18,000	M. Tons	300	18,000	M. Tons	300
Actual production	9,877	M. Tons	308	10,102	M. Tons	303

During the year, CO₂ plants operated below capacity due to lower availability of raw gas.

33.3 Textile division

Capacity	560,000	Kgs.	300	560,000	Kgs.	300
Actual production	370,075	Kgs.	296	473,426	Kgs.	320

The actual production of the textile division is lower due to selective orders and depressed market sentiment.



	2025 (Number)	2024
34. NUMBER OF EMPLOYEES		
Number of employees including contractual employees at 30 September	599	584
Average number of employees including contractual employees during the year	595	581

**35. STATEMENT OF GENDER PAY GAP
IN COMPLIANCE WITH SECP'S CIRCULAR NO. 10 OF 2024**

Mean Gender Gap	$\frac{(A-B)}{A} \times 100$	$\frac{461-399}{461} \times 100$	13.45%	27.12%
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Where A: The mean hourly rate of pay of all male full pay relevant employees

Where B: The mean hourly rate of pay of all female full pay relevant employees

Median Gender Gap	$\frac{(C-D)}{C} \times 100$	$\frac{(253-285)}{253} \times 100$	(12.65%)	14.03%
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Where C: The Median hourly rate of pay of all male full pay relevant employees

Where D: The Median hourly rate of pay of all female full pay relevant employees

36. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated entities, group companies, entities with common directorship, retirement benefit funds, directors and key management personnel. Material transactions with related parties during the year other than those which have been disclosed elsewhere in these financial statements, are as follows:

<u>Name of related parties</u>	<u>Nature of transactions</u>	2025 (Rupees in thousands)	2024
Bank Al Habib Limited	Profit on Treasury call account	187,986	370,145
	Dividend received	410,324	398,255
	Dividend paid	56,492	56,492
	Bank charges	23	246
Al Habib Assets Management	Purchase of units	6,148,904	2,188,054
	Dividend received	22,617	220,550
	Sale of units	5,255,980	2,986,214
	Capital gain	251,306	19,171
Habib Insurance Company Limited	Insurance premium paid	51,307	55,355
	Insurance claim received	44,615	3,428
	Dividend received	5,364	3,352
	Dividend paid	26,693	26,693
Habib Mercantile Company Limited	Dividend paid	3,064	3,064
Habib & Sons (Pvt.) Limited	Dividend paid	3,128	3,128
Retirement benefit funds	Contribution to retirement funds	25,156	24,100

Transactions with related parties are carried out under normal commercial terms and conditions.



37. Investment out of provident fund has been made in accordance with the provisions of section 218 of the Act and the Rules formulated for this purpose.

38. DIVIDEND

The Board of Directors of the Company in their meeting held on 17 December 2025 have proposed a final cash dividend of Rs. 6.00 per share (120%) for the year ended 30 September 2025. The approval of the members for the proposed final cash dividend will be obtained at the Annual General Meeting of the Company to be held on 27 January 2026.

39. GENERAL

39.1 Figures have been rounded off to the nearest thousand rupees.

39.2 These financial statements were authorised for issue on 17 December, 2025 by the Board of Directors of the Company.

39.3 Corresponding figures have been reclassified wherever necessary for better presentation.

A handwritten signature in black ink, appearing to read 'Amir Bashir Ahmed'.

Amir Bashir Ahmed
Chief Financial Officer

A handwritten signature in black ink, appearing to read 'Khursheed A. Jamal'.

Khursheed A. Jamal
Chief Executive

A handwritten signature in black ink, appearing to read 'Murtaza H. Habib'.

Murtaza H. Habib
Director



Pattern of Shareholding as at September 30, 2025

Number of Shareholders	Size of Shareholding		Total Number of Shares held
	From	To	
1504	1	100	34,261
790	101	500	219,187
424	501	1,000	320,155
1124	1,001	5,000	2,553,229
206	5,001	10,000	1,486,812
95	10,001	15,000	1,174,623
54	15,001	20,000	952,980
46	20,001	25,000	1,033,842
27	25,001	30,000	749,163
17	30,001	35,000	554,595
15	35,001	40,000	571,288
14	40,001	45,000	601,080
8	45,001	50,000	388,099
9	50,001	55,000	478,564
7	55,001	60,000	405,993
7	60,001	65,000	443,704
3	65,001	70,000	198,766
8	70,001	75,000	574,143
4	75,001	80,000	316,158
8	85,001	90,000	699,973
4	90,001	95,000	366,769
3	95,001	100,000	300,000
2	100,001	105,000	200,413
3	105,001	110,000	325,410
3	110,001	115,000	338,302
1	115,001	120,000	119,900
2	120,001	125,000	248,132
1	125,001	130,000	125,757
2	130,001	135,000	264,664
2	140,001	145,000	283,590
2	145,001	150,000	297,020
1	150,001	155,000	154,671
1	155,001	160,000	159,720
1	160,001	165,000	165,000
2	170,001	175,000	343,745
4	175,001	180,000	713,572
1	185,001	190,000	185,779
3	200,001	205,000	602,347
2	205,001	210,000	411,584
1	215,001	220,000	215,862
2	245,001	250,000	495,078
1	285,001	290,000	289,337
1	290,001	295,000	291,658
2	295,001	300,000	596,472
1	300,001	305,000	302,687
2	305,001	310,000	616,536
2	320,001	325,000	641,765
2	325,001	330,000	657,539
1	340,001	345,000	340,630
2	390,001	395,000	783,658
2	395,001	400,000	797,377
2	420,001	425,000	843,564
1	435,001	440,000	437,166
1	445,001	450,000	445,536
1	450,001	455,000	453,980
4	465,001	470,000	1,872,556
1	510,001	515,000	510,668
3	520,001	525,000	1,567,933
1	530,001	535,000	533,647
1	555,001	560,000	557,127
1	570,001	575,000	572,918
1	580,001	585,000	584,000
1	585,001	590,000	588,605
1	595,001	600,000	597,032
1	650,001	655,000	654,552
1	780,001	785,000	780,825
3	865,001	870,000	2,598,556
1	950,001	955,000	952,368
1	970,001	975,000	970,127
2	1,030,001	1,035,000	2,064,634



Pattern of Shareholding as at September 30, 2025

Number of Shareholders	From	Size of Shareholding To	Total Number of Shares held
1	1,035,001	1,040,000	1,039,263
1	1,080,001	1,085,000	1,080,889
2	1,180,001	1,185,000	2,364,087
1	1,185,001	1,190,000	1,189,501
1	1,265,001	1,270,000	1,266,939
2	1,285,001	1,290,000	2,577,784
1	1,415,001	1,420,000	1,418,565
1	1,430,001	1,435,000	1,430,064
2	1,455,001	1,460,000	2,916,402
1	1,595,001	1,600,000	1,600,000
1	1,730,001	1,735,000	1,734,994
1	1,865,001	1,870,000	1,866,906
1	2,945,001	2,950,000	2,949,500
1	2,950,001	2,955,000	2,950,500
1	3,110,001	3,115,000	3,111,000
1	3,540,001	3,545,000	3,541,018
1	3,740,001	3,745,000	3,741,357
1	4,445,001	4,450,000	4,448,758
1	6,545,001	6,550,000	6,546,806
1	8,315,001	8,320,000	8,319,847
1	9,415,001	9,420,000	9,415,312
1	26,510,001	26,515,000	26,513,125
4,482			135,000,000

Shareholders' Category	Number of Shareholders	Number of Shares held	Percentage
General Public (Local)	4,294	53,617,984	39.72
General Public (Forigen)	125	8,064,470	5.97
Insurance Companies	2	4,448,928	3.30
Joint Stock Companies	38	38,401,168	28.44
Financial Institutions	7	16,044,526	11.88
Modaraba Companies	1	10,400	0.01
Charitable Trusts	12	14,402,547	10.67
Societies	2	9,976	0.01
Corporate Law Authority	1	1	0.00
	4,482	135,000,000	100.00



Pattern of Shareholding as at September 30, 2025

Additional Information

Shareholders' Category	Number of Shareholders	Number of Shares Held	
Associated companies, undertakings and related parties			
Habib Mercantile Co. (Pvt.) Ltd.	1	510,668	
Habib & Sons (Pvt.) Ltd.	1	521,263	
Bank AL Habib Ltd.	1	9,415,312	
Habib Insurance Co. Ltd.	1	4,448,758	
NIT and ICP			
National Investment (Unit) Trust (NIT)	1	739	
Investment Corporation of Pakistan	1	731	
Directors, CEO and their spouses and minor children			
Asghar D. Habib	Chairman	1	3,821,357
Murtaza Habib	"	1	3,581,018
Hasnain Habib	"	1	5,000
Farouq Habib Rahimtoola	"	1	5,000
Sohail Hussain Haji	"	1	5,000
Muhammad Salman Husain Chawala	"	-	—
Tyaba Muslim Habib	"	1	10,000
Khursheed A. Jamal	Chief Executive	1	1,000
Mrs. Tahira Asghar D. Habib W/o Mr. Asghar D. Habib		1	3,558,671
Executives		1	49
Public Sector Companies and Corporations	36		37,369,237
Banks, Development Finance Institutions, Non Banking Financial Institutions. Insurance Companies, Takaful, Modarabas and Pension Funds			
	6		6,638,314
General Public			
a). Local	4,285		42,630,889
b). Foreign	125		8,064,470
Others			
Charitable & Other Trusts	12		14,402,547
Societies	2		9,976
Government Institution	1		1
	4,482		135,000,000
Shareholders holding 10% or more voting rights			
ICOM Industrie Und Handels, Schaan Principality of Liechtenstein			
	26,513,125		



بورڈ میٹنگز میں حاضری:

سال کے دوران بورڈ کی 4 میٹنگز ہوئیں:

اجلاس میں شرکت کی تعداد

ڈائریکٹر کا نام

3

مسٹر اصغر ڈی حبیب

4

مسٹر مرتضیٰ حبیب

3

مسٹر حسنین حبیب

4

مسٹر فاروق حبیب رحیم تولا

3

مسٹر سہیل حسین حاجی

4

مسز طیبہ مسلم حبیب

4

مسٹر محمد سلمان حسین چاؤلہ

4

جناب خورشید اے۔ جمال

ڈائریکٹر کا انتخاب:

موجودہ ڈائریکٹر کی مدت 25 جنوری 2026ء کو مکمل ہو جائے گی لہذا تین سال کی مدت کے لئے ڈائریکٹر کا انتخاب 27 جنوری 2026ء کو ہونے والی 64 ویں سالانہ جنرل میٹنگ میں کیا جائے گا۔ بورڈ ڈائریکٹر کی تعداد سات (7) مقرر کی ہے۔ ریٹائرڈ ہونے والے ڈائریکٹر کے نام درج ذیل ہیں۔

مسٹر اصغر ڈی حبیب

مسٹر مرتضیٰ حبیب

مسٹر حسنین حبیب

مسٹر فاروق حبیب رحیم تولا

مسٹر سہیل حسین حاجی

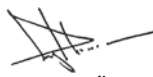
مسز طیبہ مسلم حبیب


مسٹر محمد سلمان حسین چاؤلہ

اظہار تشکر:

ڈائریکٹر تمام عملے، میسرز ہولڈرز، مالیاتی اداروں اور دیگر اسٹیک ہولڈرز کا ان کے مسلسل تعاون کے لئے شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹر کی جانب سے


مرتضیٰ حبیب
ڈائریکٹر


خورشید اے۔ جمال
چیف ایگزیکٹو

کراچی مورخہ 17 دسمبر 2025ء



ملز کے بوائے میں راکھ دور کرنے لئے سسٹم نصب کیا گیا ہے جو کہ مستقل طور پر کامیابی سے چل رہا ہے اور کالے ذرے مکمل طور پر غائب ہو گئے ہیں۔ کمپنی نے شوگر فیکٹری میں ایک آلودہ پانی کا ٹریٹمنٹ پلانٹ بھی لگایا ہے تاکہ آئل گریس اور دیگر سیال مادے کو اس پانی سے خارج کیا جاسکے۔ یہ پروجیکٹ مکمل ہونے کے بعد کامیابی سے اطمینان بخش نتائج حاصل کر رہا ہے۔ SLOP ٹریٹمنٹ پلانٹ اور کاربن ڈائی آکسائیڈ ریکوری پلانٹس کی تنصیب ہماری معاشرتی ذمہ داری ہے کہ ہمارے نکاسی کے عمل سے ہمارے ڈسٹری کے آپریشن سے گرین ہاؤس گیسز کو کم کرنے میں مددگار ہے۔

اللہ تعالیٰ کے کرم سے ان پروجیکٹس کے کامیاب آپریشن کے تحت نواب شاہ کے لوگوں کے لئے آلودگی سے پاک ماحول فراہم کرنے میں مدد ملی ہے۔ مزید یہ کہ کچی قرب و جوار کے دیہات کے لوگوں کو صاف پانی بھی فراہم کر رہا ہے۔ کمپنی سوشل سیکورٹی/پینشنرز میڈیکل ہسپتال شہید بینظیر آباد کے ذریعے ملازمین کی باقاعدہ پیشہ ورانہ صحت کی نگرانی اور کام کی جگہ پر اس کے مناسب استعمال کے لیے تمام ملازمین کو مخصوص کام کے لیے فراہم کردہ پرسنل پروجیکٹس آلات فراہم کرنے کو یقینی بناتی ہے۔ ماحولیات کے تحفظ میں اپنا حصہ ڈالنے کی کوششوں کو جاری رکھتے ہوئے، کمپنی کی جانب سے فیکٹری کے احاطے اور آس پاس کے علاقوں میں دخت لگانے کی مہم جاری ہے تاکہ علاقے کو سرسبز و شاداب بنایا جاسکے اور ماحولیات کی ماحولیات کو بہتر بنایا جاسکے اور ماحول دوست بنایا جاسکے۔ اس سرگرمی کے دوران لوگوں کو محفوظ علاقوں کی تعمیر کے لیے موسمیاتی تبدیلیوں کو کم کرنے کے لئے درخت لگانے کی اہمیت اور فوائد کے بارے میں بھی آگاہ کیا گیا۔ اب تک کمپنی نے تقریباً 5000 درخت لگائے ہیں مزید شجرکاری کا کام جاری ہے۔

قومی خزانے میں حصہ:

آپ کی کمپنی نے ٹیکسوں، لیویز اور ڈیوٹی کی مد میں سرکاری خزانے میں 5,000 ملین روپے کا حصہ ڈالا، اس کے علاوہ، چینی، اتھنول اور ٹیکسٹائل کی برآمدات سے 6,529 ملین روپے (23 ملین امریکی ڈالر) کے مساوی قیمتی زرمبادلہ کمایا۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز گرانٹ تھورنٹن انجمن رحمان، چارٹرڈ اکاؤنٹنٹس، 64 ویں سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہو رہے ہیں اور انہوں نے دوبارہ تقرری کے لئے خود کو پیش کیا ہے، بورڈ نے ان کی دوبارہ تقرری کی سفارش کی ہے۔ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز گرانٹ تھورنٹن انجمن رحمان چارٹرڈ اکاؤنٹنٹس کو آنے والی جنرل میٹنگ میں بطور آڈیٹر نامزد کرنے کی سفارشات اور منظوری دی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیان:

۱۔ کمپنی کے تیار کردہ مالیاتی گوشوارے اس کے معاملات، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔

۲۔ کمپنی کے حساب کتاب کی مناسب کتابیں رکھی گئی ہیں۔

۳۔ بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) کی پیروی کی گئی ہے۔

۴۔ اندرونی کنٹرول کا نظام ڈیزائن میں مضبوط ہے اور اسے منوثر طریقے سے نافذ اور مانیٹر کیا جاتا ہے۔

۵۔ کمپنی کے بطور 'گوئیگ کنسرن' (جاری رہنے والی کمپنی) کام جاری رکھنے کی صلاحیت کے بارے میں کوئی اہم شکوک نہیں ہیں۔

۶۔ گزشتہ چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا صفحہ نمبر پر دیا گیا ہے۔

فنڈز کی ویلیو (30 ستمبر 2025 تک):

(روپے ہزاروں میں)

424,619

197,037

پروڈیٹ فنڈ:

گریجویٹ فنڈ:



ٹیکسٹائل ڈویژن:

فروخت کے حجم اور منافع کو بڑھانے کے لئے اضافی برآمدی منڈیوں کی تلاش کے لئے کوششیں جاری ہیں۔

بورڈ اور منجھٹ کمیٹیاں

آڈٹ کمیٹی:

کمپنی نے کوڈ آف کارپوریٹ گورننس کے تحت ایک آڈٹ کمیٹی قائم کی ہے جس میں تین ممبران شامل ہیں، اور وہ سب آزادانہ ایگزیکٹو ڈائریکٹرز ہیں۔ اجلاسوں میں حاضری درج ذیل تھی۔

اجلاس میں شرکت کی تعداد

4	چیئر مین	مسٹر فاروق حبیب رحیم تولا
3	ممبر	مسٹر سہیل حسین حاجی
4	ممبر	مسٹر طیبہ مسلم حبیب

ہیومن ریسورس HR اور ریمونیشن کمیٹی:

کمپنی نے کوڈ آف کارپوریٹ گورننس کے تحت ایچ آر کمیٹی قائم کی ہے۔ کمیٹی تین ممبران پر مشتمل ہے، جن میں سے دو نان ایگزیکٹو ڈائریکٹرز ہیں۔ کمپنی کے سی ای او (CEO) بھی کمیٹی کے ممبر ہیں۔ کمیٹی کی چیئر پرسن ایک آزادانہ ایگزیکٹو ڈائریکٹر ہیں۔ حاضری درج ذیل تھی۔

اجلاس میں شرکت کی تعداد

3	چیئر پرسن	مسٹر طیبہ مسلم حبیب
3	ممبر	مسٹر حسنین حبیب
3	ممبر	مسٹر خورشید اے جمال

کارپوریٹ سوشل ریسپانسیبلٹی (CSR):

حبیب شوگر ملز لمیٹڈ کا سی ایس آر پروگرام 1962 میں اس کے قیام سے شروع ہوتا ہے، مقامی کمیونٹیز کی ضروریات کو مد نظر رکھتے ہوئے کمپنی کے سی ایس آر رپورٹ فولیو میں سماجی بہبود، تعلیم، صحت، انفراسٹرکچر کی ترقی اور روزگار کی فراہمی شامل ہے۔

کیونٹی انویسٹمنٹ اور ویلفیئر:

کمپنی ملاز کے اطراف کی کمیونٹیز کی فلاح و بہبود کو بہت اہمیت دیتی ہے۔ ایک ذمہ دار کارپوریٹ شہری کے طور پر، کمپنی ثانوی سطح تک اسکول چلانے، آئی کیمپ لگانے، دیہوتیوں کو مالی امداد اور مفت راشن کی فراہمی، اور ضرورت مندوں کو طبی و تعلیمی مدد فراہم کرنے جیسے فلاحی کام باقاعدگی سے انجام دے رہی ہے۔ کمپنی نے معذور افراد کے روزگار کے آرڈیننس 1981 کے مطابق معذور افراد کو ملازمتیں فراہم کی ہیں۔ HSM اسکول ملازمین کے بچوں کو معیاری تعلیم فراہم کر رہا ہے۔ کمپنی نے نواب شاہ میں بہرے بچوں کے اسکول کے لئے فیملی ایجوکیشن سروسز فاؤنڈیشن (FESF) 40 ملین روپے کا عطیہ دیا ہے۔ اس کے علاوہ دیگر تعلیمی و سماجی اداروں کو 15.53 ملین روپے کے عطیات دیئے گئے۔

صحت، حفاظت اور ماحولیات:

ایک ذمہ دار کارپوریٹ شہری ہوتے ہوئے صحت، حفاظت اور ماحولیاتی آلودگی کے تمام معیاری اقدامات کرنے کا عزم رکھتی ہے۔ HSM کی انتظامیہ اس بات پر یقین رکھتی ہے کہ ماحولیاتی آلودگی سے محفوظ رہنا ہر آدمی کے لئے ضروری ہے اور اس کے لئے کمپنی ضروری سمجھتی ہوئے اپنے ملازمین اور نواب شاہ کے رہائشی افراد کو صحت مند ماحول فراہم کرتی ہے اور آپ کی کمپنی مسلسل اس بات کو اپنی معاشرتی ذمہ داری سمجھتے ہوئے ضروری اقدامات کرتی ہے تاکہ اس بات کو یقینی بنایا جائے کہ آلودگی سے پاک ماحول فراہم کیا جائے۔



مانع کاربن ڈائی آکسائیڈ (CO2) یونٹ کا حصہ بھی اس ڈویژن کے نتائج میں شامل ہے۔

ڈویژن کے آپریشنز کے تقابلی اعداد و شمار:

تفصیل	25-2024	24-2023	فرق
استھنول:			
آپریشن کے دن	324	346	(22)
ملاس کا استعمال (میٹرک ٹن)	135,354	154,723	(19,369)
اوسط ریکوری (%)	19.15	18.50	0.65
استھنول کی پیداوار (میٹرک ٹن)	25,914	28,618	(2,704)
مانع کاربن ڈائی آکسائیڈ (CO2)			
آپریشن کے دن	308	303	5
پیداوار (میٹرک ٹن)	9,877	10,102	(225)

ٹیکسٹائل ڈویژن:

زیر نظر سال کے دوران، ڈویژن نے 3 ملین روپے کا آپریٹنگ منافع حاصل کیا (2024: 15 ملین روپے) منافع میں کمی کی بنیادی وجہ فروخت کی قیمتوں میں کمی اور فروخت کا کم حجم تھا۔
ڈویژن تقابلی جائزہ درج ذیل ہے:

تفصیل	25-2024	24-2023	فرق
آپریشن کے دن	296	320	(24)
یارن کا استعمال (کلوگرام)	430,629	545,045	(114,416)
تیار مصنوعات کی پیداوار (کلوگرام)	370,075	473,426	(103,351)

مستقبل کے امکانات

پاکستان شوگر ملز ایسوسی ایشن نے وفاقی حکومت سے درخواست کی ہے کہ شوگر سیکٹر کو مکمل طور پر ڈی ریگولیٹ (آزاد) کیا جائے تاکہ صنعت آزاد مارکیٹ کے تحت کام کر سکیں اور بین الاقوامی سطح پر مقابلہ کر سکیں۔ ڈی ریگولیشن کی طرف پہلے قدم کے طور پر، صوبائی حکومتوں نے گنے کی کم از کم امدادی قیمت مقرر نہیں کی جس سے قیمتوں کا تعین مارکیٹ کی قوتوں پر چھوڑ دیا گیا۔ مزید برآں، وفاقی حکومت نے حال ہی میں شوگر انڈسٹری کی مکمل ڈی ریگولیشن کے لئے ایک کمپنی تشکیل دی ہے اور ہم اس حوالے سے مثبت فیصلے کے لئے پرامید ہیں مزید یہ کہ PSX-100 انڈیکس میں مسلسل اضافہ دیکھا گیا ہے جبکہ گزشتہ دو سالوں میں شرح سود میں نمایاں کمی آئی ہے۔ اس صورتحال میں، کمپنی اپنے زائد منافع فنڈز کے بہترین استعمال پر توجہ مرکوز کر رہی ہے جیسا کہ لسٹڈ کمپنیوں کے حصص اور میوچل فنڈز میں سرمایہ کاری پر حاصل شدہ اور غیر حاصل شدہ منافع میں خاطر خواہ اضافے سے ظاہر ہے۔

موجودہ صور حال (شوگر ڈویژن):

شوگر ڈویژن نے 2 دسمبر 2025 کو کرشنگ آپریشنز کا آغاز کیا اور 16 دسمبر 2025 تک ڈویژن نے 9.48% کی اوسط سکروڈ ریکوری کے ساتھ 112,513 میٹرک ٹن گنے کی کرشنگ کی اور 10,667 میٹرک ٹن چینی تیار کی۔

ڈٹلری ڈویژن:

رواں سال 16 دسمبر 2025 تک، ڈٹلری ڈویژن نے 3.424 میٹرک ٹن استھنول اور 1,364 میٹرک ٹن مانع کاربن ڈائی آکسائیڈ پیدا کی۔



زیر نظر مدت کے دوران کمپنی کی مجموعی کارکردگی، سرمایہ کاری کی فروخت پر حاصل شدہ منافع کے اثرات کو مد نظر رکھتے ہوئے، گزشتہ مدت کے مقابلے میں بہتری رہی ہے۔

سرمایہ کاری کی فروخت پر حاصل شدہ منافع (Realized Capital Gain):

سرمایہ کاری کی فروخت پر حاصل شدہ منافع زیر نظر سال کے دوران نمایاں طور پر بڑھ کر 689 ملین روپے (2024: 94 ملین روپے) ہو گیا کیونکہ کمپنی نے بہتر منافع حاصل کرنے کے لئے فکسڈ ڈیپازٹس / سیونگ اکاؤنٹس سے فنڈز نکال کر مختصر مدت کے لیے میوچل فنڈز کے یونٹس میں سرمایہ کاری کی تھی۔

دیگر آمدنی:

مذکورہ بالا کے علاوہ کمپنی نے 503 ملین روپے کی ڈیویڈنڈ آمدنی بھی حاصل کی (2024: 968 ملین روپے)

ٹیکسیشن:

زیر نظر مدت کے لیے ٹیکس اخراجات میں 500 ملین روپے کا اضافہ ہوا، جس کی بنیادی وجہ برآمدات سے ہونے والی آمدنی پر ٹیکس کی بنیاد میں تبدیلی ہے۔ گزشتہ سال صرف آخری سہ ماہی کی آمدنی 'ناٹل ٹیکس' کے تحت تھی جبکہ رواں سال چاروں سہ ماہیوں کی آمدنی 'ناٹل ٹیکس' کے تحت ہوگی۔

کارکردگی بلحاظ ڈویژن

شوگر ڈویژن:

سال 2024-25 کا کرشنگ سیزن 20 نومبر 2024 کو شروع ہوا اور پلانٹ 5 مارچ 2025 تک 106 دن تک چلا، جبکہ گزشتہ سیزن میں یہ 110 دن چلا تھا۔ ماضی کی روایت کے برعکس، حکومت سندھ نے کرشنگ سیزن 2024-25 کے لیے گنے کی خریداری کی کم از کم امدادی قیمت (Support Price) کا نوٹیفکیشن جاری نہیں کیا۔ اس لیے کمپنی نے کاشتکاروں سے مارکیٹ کی مروجہ شرحوں پر گنا خریدا۔

ڈویژن کے آپریشنز کے تقابلی اعداد و شمار:

تفصیل	25-2024	24-2023	فرق (Variance)
کرشنگ کا دورانیہ (دن)	106	110	(4)
گنے کی کرشنگ (میٹرک ٹن)	839,005	1,065,705	(226,700)
اوسط سکروز ریکوری (%)	9.92	10.63	(0.71)
چینی کی پیداوار (میٹرک ٹن)	83.198	113,286	(30,088)

شوگر ڈویژن نے 1,468 ملین روپے کا آپریٹنگ منافع حاصل کیا (2024: 844 ملین روپے)۔ آپریٹنگ منافع میں اضافے کی بنیادی وجہ گزشتہ اسٹاک کی موجودگی کے باعث فروخت کی زیادہ مقدار تھی۔

ڈسٹری ڈویژن:

اس ڈویژن نے 635 ملین روپے کا آپریٹنگ منافع حاصل کیا (2024: 784 ملین روپے)۔ منافع میں کمی کی بنیادی وجہ عالمی مارکیٹ میں اتھنول کی فروخت کی قیمتوں میں کمی اور فروخت کی کم مقدار تھی۔



ممبران کے لئے ڈائریکٹرز رپورٹ برائے سال ختم شدہ 30 ستمبر 2025

معزز ممبران، السلام علیکم

بورڈ آف ڈائریکٹرز آپ کی کمپنی کی 30 ستمبر 2025 کو ختم ہونے والے سال کی سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مالیاتی نتائج:

اللہ تعالیٰ کے فضل و کرم سے، زیر نظر سال کے دوران، آپ کی کمپنی کے آپریشنز کے نتیجے میں کل 2,245.34 ملین روپے کا منافع ہوا جس میں سرمایہ کاری کی فروخت پر حاصل شدہ منافع (Realized Capital Gain) بھی شامل ہے جسے براہ راست 'اسٹیٹمنٹ آف چیجرز' میں دکھایا گیا ہے (2,053.04:2024 ملین روپے) کمپنی کی کارکردگی کے نتائج اور بورڈ کی سفارش کے مطابق تصرفات درج ذیل ہیں۔

(اعداد و شمار ملین روپوں میں)

تفصیل

فرق (Variance)	30 ستمبر 2024	30 ستمبر 2025
95.30	2,715.47	2,810.77
(500)	(755.00)	(1,255.00)
(404.70)	1,960.47	1,555.77
2.31	(1.86)	0.45
594.69	94.43	689.12
597.00	92.57	689.57
192.30	2,053.04	2,245.34
243.04	4.55	247.59
435.34	2,057.59	2,492.93
—	810.00	810.00
(500.00)	1,000.00	1,500.00
(500.00)	1,810.00	2,310.00
(64.66)	247.59	182.93
—	135,000,000	135,000,000
(3.00)	14.52	11.52

لیویز اور انکم ٹیکس سے پہلے منافع

ٹیکسیشن

منافع بعد از ٹیکس

ایڈجسٹمنٹس برائے:

گربجوئی فنڈ کی ویلوشن پرائیکچر ریل نقصان

سرمایہ کاری کی فروخت پر حاصل شدہ منافع (نقصان)

منافع بشمول سرمایہ کاری سے حاصل شدہ منافع

غیر منقسمہ منافع براڈ فارورڈ

تصرف کے لئے دستیاب منافع

تجویز کردہ نقد منافع بحساب 120% (ڈیویڈنڈ) (2024: 120%)

جنرل ریزرو میں منتقلی

غیر منقسمہ منافع کیری فارورڈ

شیر کپٹل (5 روپے فی شیر کے حساب سے تعداد)

فی شیر آمدنی (EPS) - بنیادی اور معتدل



چیرمین کی رپورٹ

کمپنی کے حصص یافتگان (شیئرز ہولڈرز) کو بورڈ آف ڈائریکٹرز کی کارکردگی اور کمپنی کے اغراض و مقاصد کے حصول کی طرف رہنمائی کرنے میں ان کی تائید پر یہ رپورٹ پیش کرنا میرے لیے باعث مسرت ہے۔ حبیب شوگر ملز لمیٹڈ نے ایک مضبوط گورننس فریم ورک نافذ کیا ہے جو کاروباری معاملات کے منوثر اور محتاط انتظام میں مدد فراہم کرتا ہے، جسے کمپنی کی طویل مدتی کامیابی کے حصول میں کلیدی تصور کیا جاتا ہے۔

کمپنی کی جانب سے نافذ کردہ منوثر گورننس اس کی مضبوط نقد رقم (لیکویڈیٹی) کی پوزیشن اور کل 2,245 ملین روپے کے منافع سے واضح ہے، جس میں سرمایہ کاری کی فروخت پر حاصل شدہ منافع (جو براہ راست 'ایسٹینٹ آف چیئرمان ایکویٹی' میں دکھایا گیا ہے) شامل ہے (2024: 2,053 ملین روپے)۔

وفاقی حکومت نے حال ہی میں شوگر انڈسٹری کی مکمل ڈی ریگولیشن (آزاد کرنے) کے لیے ایک کمپنی تشکیل دی ہے اور ہم اس سلسلے میں ایک سازگار فیصلے کے لئے پرامید ہیں۔ ڈی ریگولیشن کی طرف پہلے قدم کے طور پر، صوبائی حکومتوں نے کرٹنگ سیزن 2024-25 کے لئے کم از کم امدادی قیمت مقرر نہیں کی جس سے گئے کی قیمتوں کا تعین مارکیٹ کی قوتوں کے فیصلوں پر چھوڑ دیا۔ اگر شوگر سیکٹر کو مکمل طور پر ڈی ریگولیٹ کر دیا گیا تو نہ صرف شوگر سیکٹر کھلی برآمدات اور چینی کی بہتر مقامی قیمتوں کے ذریعے فوائد حاصل کرے گا بلکہ کاشتکاروں کو بھی ان کی گئے کی فصل کی بہتر قیمتیں ملیں گی۔

مالی سال 2024-25 کے دوران، بورڈ کے چار (4) اجلاس ہوئے۔ بورڈ نے تمام ریگولیٹری تقاضوں کی تعمیل کی ہے اور متعلقہ قوانین اور بہترین طریقوں کے مطابق کام کیا ہے۔ کوڈ آف کارپوریٹ کے تحت کمپنی کے بورڈ کی سالانہ جانچ (CCG) کا انعقاد کیا گیا۔ اس جانچ کا مقصد یہ یقینی بنانا تھا کہ بورڈ کی مجموعی کارکردگی اور منوثریت کو کمپنی کے مقرر کردہ مقاصد کے تناظر میں توقعات کے مطابق ماپا اور جانچا جائے۔

بورڈ اور اس کی کمیٹیوں میں نان ایگزیکٹو اور آزاد ڈائریکٹرز کی مناسب نمائندگی کو یقینی بنایا جیسا کہ کوڈ آف کارپوریٹ گورننس کے تحت ضروری ہے۔ بورڈ اور اس کی متعلقہ کمیٹیوں کے ارکان اپنی ذمہ داریاں نبھانے کے لئے مطلوبہ مناسب مہارت، تجربہ اور قابلیت رکھتے ہیں۔ بورڈ نے حکمت عملی کی منصوبہ بندی، رسک مینجمنٹ اور پالیسی کی ترقی میں فعال طور پر حصہ لیا اور یہ یقینی بنایا کہ تمام پالیسیاں کمپنی کے وژن اور مشن کے ساتھ ہم آہنگ ہوں۔

بورڈ سالانہ بجٹس، اہداف اور مقاصد کو بھی انتظامیہ کیلئے طے کرتا ہے۔ بورڈ اور اس کی کمیٹیوں نے تدریجی سے اپنے فرائض انجام دیئے ہیں اور انتظامیہ کی جانب سے باقاعدہ پیشکشوں کے ذریعے کمپنی کے مقاصد، اہداف، حکمت عملیوں اور مالیاتی کارکردگی کے حوالے سے باخبر ہیں۔ بورڈ نے فیصلہ کرنے کے لئے وسیع اور نتیجہ خیز بحث کی اور انتظامیہ کو مناسب سمت اور نگرانی بروقت فراہم کی گئی ہے۔

جن شعبوں میں بہتری کی ضرورت ہے ان پر باقاعدہ غور کیا جاتا ہے اور ایکشن پلان بنا کر ان پر عمل درآمد کیا جاتا ہے۔ بورڈ نے خود احتسابی کے طریقہ کار اور اندرونی آڈٹ کی سرگرمیوں کے ذریعے ایک مناسب اور منوثر اندرونی کنٹرول کا نظام قائم کر کے گورننس کا ایک واضح اور شفاف ماحول تیار کیا ہے۔ مزید برآں، بورڈ نے کارپوریٹ گورننس کے بہترین طریقوں کی تعمیل کو یقینی بنایا۔

آخر میں اپنے ساتھی ڈائریکٹرز کی وابستگی اور محنت کا اعتراف کرتا ہوں جن کی تین سالہ مدت اگلے سالانہ اجلاس عام کے ہونے تک مکمل ہو جائے گی۔ مزید برآں میں ایگزیکٹو ٹیم اور کمپنی کے تمام ملازمین کی محنت اور کمپنی کی ترقی میں ان کے تعاون کا بھی اعتراف کرتا ہوں۔

اصغر ڈی حبیب
چیرمین

کراچی مورخہ 17 دسمبر 2025ء



Form of Proxy

The Company Secretary
Habib Sugar Mills Limited
Imperial Court, 3rd Floor
Dr. Ziauddin Ahmed Road
KARACHI – 75530

I/We of
a member(s) of HABIB SUGAR MILLS LIMITED and holding
ordinary shares, as per Folio No. and /or CDC Participant's
I.D. Numbers
and Account / Sub-Account No.
hereby appoint of
or failing him of
another member of the Company to vote for me / us and on my / our behalf at the
64th Annual General Meeting of the Company to be held on Tuesday, January 27, 2026 and
at any adjournment thereof.

As witness my / our hand this day of 2026

Rs. Five
Revenue
Stamp

.....
SIGNATURE OF MEMBER(S)

1. Witness Signature:
Name:
Address:
CNIC/Passport No:

2. Witness Signature:
Name:
Address:
CNIC/Passport No:

A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as a proxy to attend and vote on his / her behalf.

Any individual beneficial owner of CDC, entitled to attend and vote at this meeting must bring his / her National Identity Card, Account and Participant's ID Numbers to prove his / her identity, and in case of proxy, must enclose attested copies of his / her National Identity Card, Account and Participant's ID Numbers. Representatives of corporate members should bring the usual documents as required for such purpose.

The instrument appointing a proxy should be signed by the member or by his attorney duly authorised in writing. If the member is a corporation its common seal (if any) should be affixed to the instrument.

The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a notarially certified copy thereof, should be deposited at the registered office of the Company at least 48 hours before the time of the meeting.



پراکسی فارم

کمپنی سیکریٹری

حبیب شوگر ملز لمیٹڈ

امپیریل کورٹ، تیسری منزل،

ڈاکٹر ضیاء الدین روڈ، کراچی۔ ۷۵۵۳۰

میں / ہم

ساکن

میں بحیثیت ممبر حبیب شوگر ملز لمیٹڈ

عام شیئرز جن کے شیئرز رجسٹر فوئیو نمبر _____ اور / یا سی ڈی سی پارٹیشنس آئی ڈی نمبر _____

اور ڈیلی اکاؤنٹ نمبر _____ بذریعہ ہذا

ساکن

اور اگر ان کے لئے ممکن نہ ہو تو _____ ساکن

کو بطور اپنا / ہمارا پراکسی مقرر کرتا / کرتی ہوں تاکہ بروز منگل ۲۷ جنوری ۲۰۲۶ء کو منعقد کئے جانے والے کمپنی کے ۶۴ ویں سالانہ اجلاس عام میں میری / ہماری جگہ ووٹ دے سکیں۔

ممبر کے دستخط

دستخط
مبلغ ۵ روپے
کے ڈاک ٹکٹ

دستخط _____ مورخہ _____

گواہان:

دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر _____

پاسپورٹ نمبر _____

دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر _____

پاسپورٹ نمبر _____

نوٹ:

(۱) ہر وہ ممبر جسے اجلاس بلڈ میں شرکت کرنے اور ووٹ دینے کا حق حاصل ہے اپنے بجائے شرکت کرنے اور ووٹ دینے کے لئے کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا / کر سکتی ہے

(۲) سی ڈی سی شیئرز ہولڈرز اور ان کے پراکسیز لازمی طور پر اس پراکسی فارم کے ساتھ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کریں۔

(۳) موثر العمل ہونے کے لئے پراکسیز اجلاس کے وقت انعقاد سے کم از کم ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں لازماً وصول ہو جائیں۔ پراکسی کو کمپنی کا رکن ہونا ضروری ہے۔