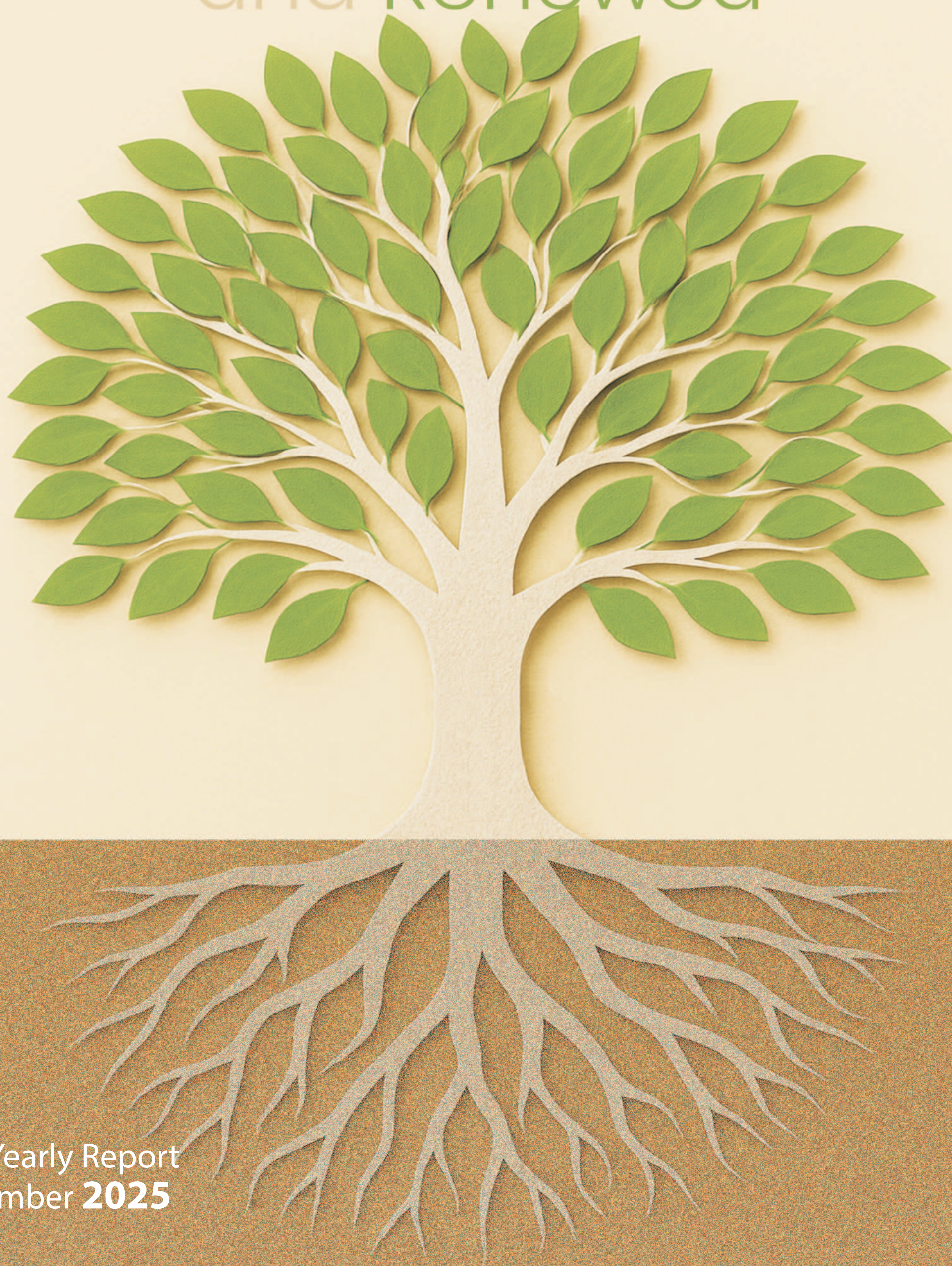
Century Paper & Board Mills Limited

Rooted, Resilient and Renewed



Half Yearly Report
December **2025**

Contents

Corporate Information

Board of Directors

Iqbal Ali Lakhani	- Chairman
Amin Mohammed Lakhani	
Babar Ali Lakhani	
Anushka Lakhani	
Asif Qadir	
Ali Aamir	
Aftab Ahmad	- Chief Executive Officer

Advisor
Sultan Ali Lakhani

Audit Committee

Ali Aamir	- Chairman
Amin Mohammed Lakhani	
Babar Ali Lakhani	

Human Resource & Remuneration Committee

Asif Qadir	- Chairman
Amin Mohammed Lakhani	
Anushka Lakhani	
Aftab Ahmad	

Sustainability Committee

Asif Qadir	- Chairman
Anushka Lakhani	
Aftab Ahmad	

Chief Financial Officer
Muhammad Rashid Dastagir
Email: rashid-dastagir@centurypaper.com.pk

Company Secretary
Mansoor Ahmed
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External Auditors
BDO Ebrahim & Co.
Chartered Accountants
Email: info@bdoebrahim.com.pk

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On behalf of the Board of Directors, we are pleased to present the performance review of your Company together with the unaudited financial statements for the period under review (July to December 2025) that ended on December 31, 2025.

OPERATIONS AND SALES REVIEW

During the period under review, the Company produced 91,177 metric tons (L.Y. 85,593 metric tons) including 42,410 metric tons for the 2nd quarter (L.Y. 43,015 metric tons). The sales volumes for the period under review stood at 95,246 metric tons (L.Y. 88,031 metric tons) including 44,056 metric tons for the 2nd quarter (L.Y: 43,969 metric tons). In terms of value, the net sales were recorded at Rs. 19,659 million (L.Y. Rs. 19,803 million).

The bullish market activity observed in 1st quarter did not sustain into the second period, as overall market demand remained somewhat subdued and the influx of lower-priced imports continued unabated. In addition, supply chain disruption due to transporter strikes in December 2025 adversely affected production and sales volumes for approximately two weeks. As a result, sales volume for the second period remained largely in line with the corresponding period of last year, with the overall volume growth for the period primarily attributable to stronger performance in the first quarter.

Capacity utilization of the packaging board machines, particularly PM-7, has shown improvement in response to better demand for its products. Utilization of PM-4 has also improved following the introduction of low-cost product variants. Management remained focused on developing cost-efficient products on energy-efficient machines to maintain competitiveness in a challenging market environment.

FINANCIAL PERFORMANCE

The Company posted a gross profit of Rs. 980 million (L.Y. Rs. 1,803 million) for the period under review. Notwithstanding the increase in sales volumes, gross profit declined during the period due to margin compression arising from reduced selling prices. These price adjustments, undertaken in the previous year, were necessary to maintain competitiveness against lower-priced imports of the circumvented product. The impact of lower margins was partially mitigated by favorable movements in raw material and fuel costs; however, this relief was insufficient to fully offset the pressure on profitability. Accordingly, the operating profit for the period under review was recorded at Rs. 440 million (L.Y. Rs. 1,328 million).

The finance cost for the period ended December 31, 2025, decreased significantly to Rs. 558 million (L.Y. Rs. 955 million), reflecting the impact of lower interest rates and efficient management of working capital utilization.

The Company reported a loss before tax of Rs. 117 million for the period, compared to a profit before tax of Rs. 372 million in the corresponding period last year. After tax, the Company recorded a loss of Rs. 271 million, as against a profit after tax of Rs. 201 million in the corresponding period last year.

EARNINGS PER SHARE

The basic earnings per share (EPS) for the period under review was reported at Rs. (0.68), compared to Rs. 0.50 in the corresponding period of last year. There is no dilution effect on the earnings per share for the Period under review.

NEAR TERM OUTLOOK

During the period, Pakistan's economy exhibited relative macroeconomic stabilization, with easing inflation and exchange rate stability supported by the prudent monetary stance of the State Bank of Pakistan and continued engagement with the International Monetary Fund. However, Large-Scale Manufacturing (LSM) performance remained subdued and uneven, reflecting weak domestic demand and persistent import competition. This muted industrial environment constrained demand growth for paper and board products and continued to exert pressure on margins despite some relief in input and energy costs.

On January 7, 2026, the National Tariff Commission (NTC) issued its final determination extending the existing 29.02% anti-dumping duty on imports of Two-Side Coated Bleached Paperboard from China (PCT codes 4810.9290 and 4810.9900) until February 27, 2027. Management believes this measure will help curb the influx of low-priced imports and provide level playing field to domestic industry.

On the cost side, local input prices are expected to remain relatively stable. Although imported raw material and fuel prices have begun to trend upward, the Company has secured sufficient inventories at favorable rates for the next few months. While working capital requirements may increase due to inventory build-up, the impact on finance costs is expected to remain contained in view of lower prevailing interest rates.

In light of these developments, management is cautiously optimistic that product margins will gradually improve in the ensuing quarters, with a corresponding positive impact on profitability.

ACKNOWLEDGMENTS

The Directors wish to acknowledge the devotion of the employees of all cadres and are appreciative of their dedication and commitment. They also extend heartfelt appreciation to the Company's suppliers, customers and bankers for their continued confidence and support.

On behalf of the Board of Directors

IQBAL ALI LAKHANI
Chairman

AFTAB AHMAD
Chief Executive Officer

Karachi: February 19, 2026

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی طرف سے 31 دسمبر 2025ء کو ختم ہونے والی مدت کے لیے آپ کی کمپنی کی کارکردگی کا جائزہ مع غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

پیداوار اور فروخت کا جائزہ

زیرِ جائزہ مدت کے دوران کمپنی نے مجموعی طور پر 91,177 میٹرک ٹن پیداوار حاصل کی (گزشتہ سال: 85,593 میٹرک ٹن) جس میں سے 42,410 میٹرک ٹن دوسری سہ ماہی میں حاصل کی گئی (گزشتہ سال: 43,015 میٹرک ٹن)۔ اسی مدت کے دوران فروخت کا حجم 95,246 میٹرک ٹن رہا (گزشتہ سال: 88,031 میٹرک ٹن)۔ جس میں سے 44,056 میٹرک ٹن دوسری سہ ماہی میں فروخت ہوا (گزشتہ سال 43,969 میٹرک ٹن)۔ سیلز ویلیو 19,659 ملین روپے رہی (گزشتہ سال 19,803 ملین روپے)۔

پہلی سہ ماہی میں مارکیٹ میں آنے والی مثبت سرگرمیاں دوسری سہ ماہی میں برقرار نہ رہ سکی، کیونکہ مجموعی پیداوار نسبتاً کمزور رہی اور کم قیمت درآمدات کا سلسلہ بدستور جاری رہا۔ مزید برآں، دسمبر 2025 میں ٹرانسپورٹرز کی ہڑتال کے باعث سپلائی چین میں خلل پیدا ہوا جس میں تقریباً دو ہفتوں تک پیداوار اور فروخت کے حجم پر منفی اثرات مرتب ہوئے۔ نتیجتاً دوسری سہ ماہی میں فروخت کا حجم گزشتہ سال کی اسی سہ ماہی کے تقریباً مساوی رہا، جبکہ مجموعی اضافہ بنیادی طور پہلی سہ ماہی کی بہتر کارکردگی کا نتیجہ تھا۔

پیکجنگ بورڈ مشینوں PM-7 کی مصنوعات کی بہتر طلب کے باعث پیداواری شرح میں اضافہ ہوا۔ جبکہ PM4 پر کم قیمت مصنوعات کی پیداوار سے اس کے حجم میں بہتری ہوئی۔ انتظامیہ مسابقتی ماحول میں برتری برقرار رکھنے کے لیے توانائی موثر مشینوں پر لاگت موثر مصنوعات کی تیاری پر مسلسل توجہ رکھے ہوئے ہے۔

مالی کارکردگی

زیرِ جائزہ مدت میں کمپنی نے 980 ملین روپے کا مجموعی منافع حاصل کیا (گزشتہ سال: 1,803 ملین روپے)۔ اگرچہ فروخت کے حجم میں اضافہ ہوا، تاہم کم فروختی قیمتوں کے باعث منافع کے مارجن میں کمی واقع ہوئی جس کے نتیجے میں مجموعی منافع کم رہا۔ یہ قیمتوں میں ایڈجسٹمنٹ گزشتہ سال کم قیمت درآمدات کے مقابل مسابقت برقرار رکھنے کے لئے گزشتہ سال کی گئی۔

خام مال اور ایندھن کی قیمتوں میں سازگار رجحانات نے جزوی ریلیف فراہم کیا، تاہم یہ بہتری منافع پر پڑنے والے دباؤ کو مکمل طور پر کم نہ کر سکی۔ نتیجتاً آپریٹنگ منافع 440 ملین روپے رہا (گزشتہ سال: 1,328 روپے)۔ زیرِ جائز مدت کے لئے مالی اخراجات نمایاں طور پر کم ہو کر 558 ملین روپے رہے (گزشتہ سال: 995 ملین روپے)، جو کم شرح سود اور ورکنگ کیپیٹل کے موثر انتظام کا نتیجہ ہے۔

کمپنی زیرِ جائزہ مدت میں قبل از ٹیکس 117 ملین روپے کا خسارہ رپورٹ کیا، گزشتہ سال اسی مدت میں 372 ملین روپے کا قبل از ٹیکس منافع حاصل ہوا تھا۔ بعد از ٹیکس کمپنی نے 271 ملین روپے کا خسارہ ریکارڈ کیا، جبکہ گزشتہ سال اسی مدت میں 201 ملین روپے کا بعد از ٹیکس منافع حاصل ہوا تھا۔

فی حصص آمدنی

زیرِ جائزہ مدت میں فی شیئر آمدنی منفی 0.68 روپے رپورٹ کی گئی جو کہ گذشتہ سال اسی مدت میں 0.50 روپے تھی۔ زیرہ جائزہ مدت میں فی شیئر آمدنی کمزور پڑنے کے آثار نہیں ہیں۔

ڈائریکٹرز کا جائزہ

قریبی مدتی منظر نامہ

زیرِ جائزہ مدت کے دوران پاکستان کی معیشت میں نسبتاً استحکام دیکھنے میں آیا، جس میں افراطِ زر میں کمی و رشرح مبادلہ میں استحکام شامل ہے۔ یہ پیش رفت اسٹیٹ بینک آف پاکستان کی محتاط پالیسی اور بین الاقوامی مالیتی فنڈ (IMF) کے ساتھ جاری تعاون کا نتیجہ ہے۔ تاہم (LSM) بڑے پیمانے کی صنعت کی کارکردگی کمزور اور غیر مستحکم رہی۔ جو محدود مقامی طلب اور درآمدی مسابقت کے تسلسل کی عکاسی کرتی ہے اس صنعتی ماحول نے کاغذ اور بورڈ کی مصنوعات کی طلب میں اضافہ محدود رکھا اور مارجنز پر دباؤ برقرار رہا، اگرچہ خام مال اور توانائی لاگت میں جزوی بہتری آئی۔

7 جنوری 2026 کو نیشنل ٹیرف کمیشن (NTC) کی طرف سے شرح منافع نے چین سے دوطرفہ کوٹڈ بلیچڈ پیپر بورڈ (PCT کوڈز 4810.9290 اور 4810.9900) کی درآمدات پر بھی 29.02 فیصد اینٹی ڈمپنگ ڈیوٹی نافذ کی گئی جو 27 فروری تک ہے۔ انتظامیہ کے نزدیک یہ اقدام کم قیمت درآمدات کی روک تھام اور مقامی صنعت کے لئے مساوی مسابقتی ماحول فراہم کرنے میں معاون ثابت ہوگا۔

لاگت کے حوالے سے مقامی ان پٹس خام مال کی قیمتیں نسبتاً مستحکم رہنے کی توقع ہے۔ اگرچہ درآمدی خام مال اور ایندھن کی قیمتوں میں اضافے کا رجحان ظاہر ہونا شروع ہوگیا ہے، تاہم کمپنی نے آئندہ چند ماہ کے لئے مناسب نرخوں پر وافر ذخیرہ یقینی بنالیا ہے۔ انوینٹری میں اضافے کے باعث ورکنگ کیپیٹل کی ضروریات میں اضافہ ممکن ہے، تاہم کم شرح سود کے پیش نظر مالی اخراجات پر اس کا اثر محدود رہنے کی توقع ہے۔

مذکورہ پیش رفت کے تناظر میں انتظامیہ محتاط طور پر پُرامید ہے کہ آئندہ سہ ماہیوں میں مصنوعات کے شرح منافع میں تدریجی بہتری آئے گی، جس کے نتیجے میں منافع بخش کارکردگی پر مثبت اثرات ہوں گے۔

اظہار تشکر

آپ کے ڈائیرکٹرز کمپنی کے عملے اور ملازمین کی محنت اور پُرخلوص کارکردگی کا اعتراف کرتے ہیں۔ وہ مسلسل سرپرستی اور وابستگی پر اپنے سپلائیرز، کسٹمرز اور بینکوں کو خراج تحسین پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

اقبال علی لاکھانی
چیئرمین

آفتاب احمد
چیف ایگزیکٹو آفیسر

کراچی: فروری 19 ، 2026

Independent Auditor's Report on Review of Condensed Interim Financial Statements to the Members

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **CENTURY PAPER & BOARD MILLS LIMITED** ("the Company") as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the condensed interim financial statements for the half year ended December 31, 2025 (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial statements. Our responsibility is to express a conclusion on this interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: February 19, 2026
UDIN: RR202510166Yf4vPoNsI

BDO EBRAHIM & CO.
Chartered Accountants
Engagement Partner: Tariq Feroz Khan

Condensed Interim Statement of Financial Position

as at December 31, 2025

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees in thousands)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	8	**10,807,537**	10,932,307
Intangible assets		**11,359**	15,390
Long-term advances		**10,139**	11,176
Long-term deposits		**14,751**	14,753
		10,843,786	10,973,626
CURRENT ASSETS			
Stores and spares	9	**3,852,047**	3,757,040
Stock-in-trade	10	**6,878,743**	6,523,944
Trade debts		**5,431,977**	5,378,407
Advances		**133,004**	49,513
Trade deposits and short term prepayments	11	**531,573**	639,504
Other receivables		**83,086**	137,459
Tax refunds due from Government	12	**842,404**	563,589
Taxation - net		**805,387**	691,893
Short-term investment		**-**	321,044
Cash and bank balances	13	**1,219,312**	865,791
		19,777,533	18,928,184
TOTAL ASSETS		**30,621,319**	29,901,810
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,000,000,000 (June 30, 2025: 1,000,000,000) ordinary shares of Rs. 10 each		**10,000,000**	10,000,000
Issued, subscribed and paid-up capital			
401,712,926 (June 30, 2025: 401,712,926) ordinary shares of Rs. 10 each		**4,017,129**	4,017,129
Reserves		**9,126,973**	9,398,268
		13,144,102	13,415,397
NON - CURRENT LIABILITIES			
Long-term financing	14	**1,602,348**	2,298,013
Lease liabilities against right of use assets		**92,749**	98,159
Deferred taxation		**432,857**	525,845
Deferred capital grant	15	**63,808**	89,200
		2,191,762	3,011,217
CURRENT LIABILITIES			
Trade and other payables	16	**6,285,075**	4,587,226
Short-term borrowings	17	**7,227,020**	7,094,892
Interest and mark-up accrued	18	**190,326**	187,612
Unclaimed dividend		**1,510**	1,546
Current portion of :			
Long-term lease liabilities against right of use assets		**13,841**	15,507
Deferred capital grant	15	**56,701**	69,409
Long-term financing	14	**1,510,982**	1,519,004
		15,285,455	13,475,196
TOTAL EQUITY AND LIABILITIES		**30,621,319**	29,901,810
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The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

IQBAL ALI LAKHANI	**AFTAB AHMAD**	**MUHAMMAD RASHID DASTAGIR**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Condensed Interim Statement of Profit or Loss

for the period ended December 31, 2025 (Un-audited)

	Note	Half year ended		Quarter ended	
		December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
		(Rupees in thousands)			
Turnover - net	20	**19,659,524**	19,803,166	**9,022,218**	9,670,930
Cost of sales	21	**(18,678,984)**	(18,000,566)	**(8,621,142)**	(8,899,291)
Gross profit		**980,540**	1,802,600	**401,076**	771,639
General and administrative expenses		**(555,073)**	(517,424)	**(267,916)**	(245,167)
Selling expenses		**(56,195)**	(55,413)	**(29,040)**	(28,217)
Distribution expenses		**(76,211)**	(98,087)	**(42,169)**	(50,470)
Other operating charges					
Workers' Profit Participation Fund		**-**	(20,002)	**1,312**	(6,736)
Workers' Welfare Fund		**-**	(7,601)	**499**	(2,560)
Others		**(25,414)**	(20,748)	**(16,921)**	(12,167)
		(25,414)	(48,351)	**(15,110)**	(21,463)
Other income		**172,816**	244,313	**86,189**	144,113
Operating profit		**440,463**	1,327,638	**133,030**	570,435
Finance cost	22	**(557,816)**	(955,392)	**(274,819)**	(445,204)
(Loss) / Profit before income tax and levy		**(117,353)**	372,246	**(141,789)**	125,231
Levy-Minimum tax differential	23	**(246,929)**	(110,390)	**(120,434)**	(110,390)
(Loss) / Profit before income tax		**(364,282)**	261,856	**(262,223)**	14,841
Taxation					
Current		**-**	(205,168)	**10,488**	(148,354)
Prior		**-**	(7,900)	**-**	(7,900)
Deferred		**92,987**	151,769	**(32,855)**	194,701
		92,987	(61,299)	**(22,367)**	38,447
(Loss) / Profit for the period		**(271,295)**	200,557	**(284,590)**	53,288
(Loss) / Earnings per share - basic and diluted (Rupee)	24	**(0.68)**	0.50	**(0.71)**	0.13

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

IQBAL ALI LAKHANI
Chairman / Director

AFTAB AHMAD
Chief Executive Officer

MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income

for the period ended December 31, 2025 (Un-audited)

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
	(Rupees in thousands)			
(Loss) / Profit for the period	**(271,295)**	200,557	**(284,590)**	53,288
Other comprehensive income / (loss)	**-**	-	**-**	-
Total comprehensive (loss) / income for the period	**(271,295)**	200,557	**(284,590)**	53,288

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

IQBAL ALI LAKHANI
Chairman / Director

AFTAB AHMAD
Chief Executive Officer

MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Condensed Interim Statement of Cash Flows

for the period ended December 31, 2025 (Un-audited)

	Note	Half year ended December 31, 2025	Half year ended December 31, 2024
		(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated / (used in) from operations	25	**1,845,220**	(327,289)
Finance cost paid		**(517,002)**	(929,159)
Taxes paid		**(360,423)**	(675,542)
Gratuity paid		**(6,415)**	(38,991)
Workers' Profit Participation Fund paid		**(1,691)**	(62,774)
Long-term advances		**1,037**	(10,638)
Net cash generated from / (used in) operating activities		**960,726**	(2,044,393)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		**(321,014)**	(67,659)
Proceeds from sale of property, plant and equipment		**9,500**	26,851
Net cash (used in) investing activities		**(311,514)**	(40,808)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing from banking companies		**(741,787)**	(776,467)
Principle paid on lease liability		**(7,076)**	(7,966)
Net cash (used in) financing activities		**(748,863)**	(784,433)
Net (decrease) in cash and cash equivalents		**(99,651)**	(2,869,635)
Cash and cash equivalents at the beginning of the period		**(5,908,057)**	(3,515,668)
Cash and cash equivalents at the end of the period		**(6,007,708)**	(6,385,303)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	13	**1,219,312**	779,418
Short term highly liquid investment		**-**	303,411
Short-term borrowings	17	**(7,227,020)**	(7,468,132)
		(6,007,708)	(6,385,303)

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

IQBAL ALI LAKHANI	**AFTAB AHMAD**	**MUHAMMAD RASHID DASTAGIR**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Condensed Interim Statement of Changes in Equity

for the period ended December 31, 2025 (Un-audited)

	Issued, subscribed and paid-up capital	Reserves									Total
		Capital				Revenue		Total	Sub - total		
	Ordinary share capital	Share premium	Merger reserve	Redemption reserve	Total	General reserve	Unappro- priated profit				
	(Rupees in thousands)										
Balance as at July 1, 2024 (Audited)	4,017,129	1,822,122	7,925	1,070,913	2,900,960	5,800,000	963,797	6,763,797	9,664,757		13,681,886
Total comprehensive income for the period ended December 31, 2024											
Profit for the period	-	-	-	-	-	-	200,557	200,557	200,557		200,557
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	-		-
Balance as at December 31, 2024 (Un-audited)	4,017,129	1,822,122	7,925	1,070,913	2,900,960	5,800,000	1,164,354	6,964,354	9,865,314		13,882,443
Balance as at July 1, 2025 (Audited)	4,017,129	1,822,122	7,925	1,070,913	2,900,960	5,800,000	697,308	6,497,308	9,398,268		13,415,397
Total comprehensive income for the period ended December 31, 2025											
Loss for the period	-	-	-	-	-	-	(271,295)	(271,295)	(271,295)		(271,295)
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	-		-
Balance as at December 31, 2025 (Un-audited)	**4,017,129**	**1,822,122**	**7,925**	**1,070,913**	**2,900,960**	**5,800,000**	**426,013**	**6,226,013**	**9,126,973**		**13,144,102**

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

IQBAL ALI LAKHANI
Chairman / Director

AFTAB AHMAD
Chief Executive Officer

MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

1. STATUS AND NATURE OF BUSINESS

Century Paper & Board Mills Limited ("the Company") was incorporated in Pakistan as a public limited company on August 2, 1984 under the repealed Companies Ordinance, 1984 (now Companies Act 2017) and its ordinary shares are listed on Pakistan Stock Exchange (PSX). The Company is engaged in manufacturing and marketing of paper, board and related products.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical Location and addresses of the Company's business units / immovable assets including Mills / Plant are as under:

Business Unit	Address
- Registered office	Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan.
- Mills (Plant)	62 KM, Lahore-Multan Highway, N-5, District Kasur, Pakistan.
- Regional office	14-Ali Block, New Garden Town, Lahore, Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements are unaudited but subject to limited scope review by auditors and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017.

These condensed interim financial statements of the Company for the half year ended December 31, 2025 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act , 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required for the complete set of annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2025 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2025, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the un-audited condensed interim financial statements for the half year ended December 31, 2024.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2025 and December 31, 2024 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half-years ended December 31, 2025 and December 31, 2024.

3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention unless stated otherwise.

3.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4. MATERIAL ACCOUNTING POLICIES AND CHANGES THEREIN

The accounting policies applied and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2025:

4.1 Changes in accounting standards, interpretations and evaluation of accounting and reporting standards

a) Standards, amendments and interpretations to approved accounting standards that are effective during the period ended December 31, 2025

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2025, but are considered not to be relevant or did not have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2026, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements except for:

-The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

5. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2025 except as stated in note 7 to financial statements.

6. TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2025, have been made using the best estimated effective tax rate applicable to expected total annual earnings. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Any tax charged under Income Tax Ordinance, 2001 which is not based on taxable income is classified as levy in the condensed interim statement of profit or loss as these levies fall under the scope of IFRIC 21/IAS 37.

7. CHANGE IN ACCOUNTING ESTIMATE

During the period, the management has reassessed its accounting estimate for depreciation and estimated useful lives of its certain assets, namely the Coated Duplex Board Machine (PM-7), Gas-Fired Co-power Generation Plant (COGEN-II) and Coal-Fired Co-power Generation Plant (COGEN-III) and accordingly made revision. Management has determined, based on the confirmation of technical department, that this change is necessary to better reflect the pattern in which future economic benefits of the assets are expected to be consumed.

The revision constitutes a change in accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The change has been accounted for propectively from the date of reassessement. Accordingly, depreciation expense for the current and future periods has been adjusted.

As a result, the Company's depreciation expense for the period has decreased by Rs. 110.59 million, and the carrying amount of plant and machinery has correspondingly increased by Rs. 110.59 million. Further, deferred tax liabilities have increased by Rs. 36.5 million. Consequently, the net after-tax effect is a decrease in the loss for the period by Rs. 74.09 million.

		Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
			(Rupees in thousands)	
8.	**PROPERT, PLANT AND EQUIPMENT**			
	Operating Fixed Assets	8.1	**10,014,969**	10,412,750
	Capital work-in-progress	8.2	**427,604**	357,038
	Capital spares	8.3	**364,964**	162,519
			10,807,537	10,932,307
8.1	**Operating Fixed assets**			
	Fixed assets	8.1.1	**9,919,878**	10,307,353
	Right-of-use assets	8.1.4	**95,091**	105,397
			10,014,969	10,412,750
8.1.1	Fixed assets			
	Opening net book value (NBV)		**10,307,353**	10,632,126
	Additions during the period / year at cost	8.1.2	**75,204**	837,102
			10,382,557	11,469,228
	Disposals during the period / year at NBV		**(6,278)**	(18,822)
	Depreciation charge for the period / year		**(456,401)**	(1,143,053)
			(462,679)	(1,161,875)
	Closing net book value (NBV)		**9,919,878**	10,307,353
8.1.2	Detail of additions (at cost) during the period / year are as follows:			
	Freehold land		**30,280**	71,251
	Buildings on freehold land		**-**	7,176
	Plant and machinery		**3,244**	673,044
	Vehicles		**30,730**	66,500
	IT equipments		**10,601**	8,866
	Electrical and other equipments		**350**	10,265
			75,204	837,102

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees in thousands)	
8.1.3 Right-of-use assets			
Opening net book value (NBV)		**105,397**	16,696
Additions during the period / year		**-**	104,640
Depreciation charge for the period / year		**(10,306)**	(15,939)
		95,091	105,397
8.2 Capital Work in Progress			
This comprises of:			
Building		**6,515**	8,350
Plant and machinery		**421,089**	348,688
	8.2.1	**427,604**	357,038
8.2.1 Movement of carrying amount is as follows:			
Opening balance		**357,038**	856,358
Additions (at cost) during the period / year		**70,566**	101,999
		427,604	958,357
Transfer to operating fixed assets during the period / year		**-**	(601,319)
Closing balance		**427,604**	357,038
8.3 Capital spares			
Opening		**162,519**	110,731
Addition		**205,689**	119,168
Transfer to PPE		**(3,244)**	(67,380)
Closing		**364,964**	162,519
9. STORES AND SPARES			
In hand			
Stores		**1,532,142**	1,609,229
Spares		**884,413**	908,631
Fuel		**1,257,718**	845,862
		3,674,273	3,363,722
In transit		**236,584**	452,128
		3,910,857	3,815,850
Provision for slow moving stores and spares		**(58,810)**	(58,810)
		3,852,047	3,757,040

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees in thousands)	
10. STOCK-IN-TRADE			
Raw materials			
in hand		**3,153,174**	4,051,733
in transit		**2,193,630**	1,144,532
		5,346,804	5,196,265
Work-in-process		**41,830**	37,526
Finished goods		**1,490,109**	1,290,153
		6,878,743	6,523,944
11. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Deposits	11.1	**185,910**	184,810
Prepayments		**98,734**	15,050
Minimum tax - levy		**246,929**	439,644
		531,573	639,504

11.1 This includes an amount of Rs. 182.36 million (June 30, 2025: Rs 182.36 million) to Universal Gas Distribution Company (Private) Limited (UGDCL) as security deposit against contract for supply of gas at concessional rate. This represents short term deposits in the normal course of business and does not carry any interest or mark-up.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
12. TAX REFUNDS DUE FROM GOVERNMENT			
Income tax	12.1	**438,464**	438,464
Sales tax		**403,940**	125,125
		842,404	563,589

12.1 There has been no significant change in the status as set out in note 16 to the annual financial statements of the Company for the year ended June 30, 2025.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
13. CASH AND BANK BALANCES			
Cash at bank			
Current account		**201,566**	317,991
Term deposits	13.1	**826,769**	440,000
		1,028,335	757,991
Cheques in hand		**188,737**	104,800
Cash in hand		**2,240**	3,000
		1,219,312	865,791

13.1 This represents term deposit carries profit at the rate of 8% to 9.75% (June 30, 2025: 7% to 10.50%) per anum held under lien with the bank as security for bank guarantee (open-ended) as referred in note 19.1.1.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees in thousands)	
14. LONG TERM FINANCING			
From banking companies - secured			
Utilized under mark-up arrangements financed by:			
Islamic mode			
Faysal Bank Limited - Musharaka	14.1	**229,647**	255,685
Bank Islami Pakistan Limited	14.1	**165,388**	176,112
		395,035	431,797
Conventional mode			
Syndicated - Consortium of Banks	14.3	**569,317**	700,989
Habib Metropolitan Bank Limited	14.3	**104,192**	109,145
JS Bank Limited	14.3	**280,886**	299,186
Allied Bank Limited - Term Loan	14.4	**13,900**	25,900
		968,295	1,135,220
Other Term Loan			
Islamic mode - Meezan Bank Limited	14.2	**1,750,000**	2,250,000
		3,113,330	3,817,017
Current portion:			
Islamic mode		**(1,130,805)**	(1,130,805)
Conventional mode		**(380,177)**	(388,199)
		(1,510,982)	(1,519,004)
		1,602,348	2,298,013

Borrowed Rs. in Million	Banks	Purpose	Rate of Mark-up	Tenor	Repayment Installments	Principal Outstanding Rs. in million

14.1 Islamic Temporary Economic Refinance Facility (ITERF) Schemes of the State Bank of Pakistan

500	Faysal Bank Ltd.	Balancing, Modernization and Replacement (BMR) of plant and machinery	2.20%	7 Years	20 Quarterly	239,046
250	Bank Islami Pak Ltd.		3.05%	10 Years	32 Quarterly	192,011

The finance facility is secured by way of mortgage of immovable properties and / or First Pari Passu Hypothecation Charge over the Fixed Assets of the Company along with 25% Margin.

14.2 Diminishing Musharaka Financing

4,000	Meezan Bank Ltd.	To rationalize use of short term working capital limits.	3 months KIBOR + 0.15%	5 Years	16 Quarterly	175,000

The finance facility is secured by way of First Pari Passu Hypothecation Charge over all present and future movable fixed assets (including Plant & Machinery) of the Company with 25% margin. The effective markup rate was 11.25% (2025: 16.46%).

14.3 Temporary Economic Refinance Facility (TERF) Scheme of the State Bank of Pakistan

1,500	Syndicated - Consortium of Banks	Balancing, Modernization and Replacement (BMR) of plant and machinery	2.20%	7 Years	20 Quarterly	600,254
200	Habib Metropolitan Bank Ltd.		4.50%	10 Years	32 Quarterly	120,337
400	JS Bank Ltd.		5%	10 Years	32 Quarterly	319,082

The finance facility is secured by way of mortgage of immovable properties and / or First Pari Passu Hypothecation Charge over the Fixed Assets of the Company along with 25% Margin.

Borrowed Rs. in Million	Banks	Purpose	Rate of Mark-up	Tenor	Repayment Installments	Principal Outstanding Rs. in million

14.4 Renewable energy finance facility scheme of the State Bank of Pakistan

Borrowed Rs. in Million	Banks	Purpose	Rate of Mark-up	Tenor	Repayment Installments	Principal Outstanding Rs. in million
400	Allied Bank Ltd.	Solar Grid Panels	2.75% to 4.50%	7 Years	28 Quarterly	13,900

This term loan is secured by way of first hypothecation charge over all assets belonging to the Company with 25% margin.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees in thousands)	
15. DEFERRED CAPITAL GRANT			
Capital grant	15.1	**120,509**	158,609
Current portion shown under current liability		**(56,701)**	(69,409)
		63,808	89,200

15.1 Following is the movement in government grant during the period / year:

	Note	December 31, 2025	June 30, 2025
Opening balance		**158,609**	251,820
Amortized during the period / year	15.1.1	**(38,100)**	(93,211)
Closing balance		**120,509**	158,609

15.1.1 This represents government grant recognized on long term financing facilities obtained under SBP Refinance Scheme from certain banks under "Islamic / Temporary Economic Refinance Facility (I/TERF)" (Refer note 15) and amortized on a systematic basis over the respective tenor of loans.

16. TRADE AND OTHER PAYABLES

	Note	December 31, 2025	June 30, 2025
Creditors	16.1	**2,900,958**	1,743,833
Foreign bills payable		**782,708**	542,984
Accrued liabilities		**1,637,828**	1,311,654
Contract liabilities		**145,744**	71,260
Employee leave encashments		**123,729**	125,139
Workers' Profit Participation Fund		**-**	1,691
Workers' Welfare Fund		**69,283**	71,276
Minimum tax - levy		**246,929**	439,644
Provident fund payable		**13,804**	13,016
Other liabilities		**364,092**	266,729
		6,285,075	4,587,226

16.1 The aggregate amount of the outstanding balance of associated companies / undertakings is Rs. 81.12 million (June 30, 2025: Rs. 28.58 million).

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees in thousands)	
17. SHORT TERM BORROWINGS			
From banking companies - secured			
Running finances			
Conventional mode		**2,991,211**	3,621,373
Islamic mode		**2,881,004**	2,323,519
	17.1	**5,872,215**	5,944,892
Money market			
Conventional mode		**1,000,000**	700,000
Islamic mode		**-**	450,000
	17.2	**1,000,000**	1,150,000
Import credit facilities	17.3	**354,805**	-
		7,227,020	7,094,892

17.1 The Company has available aggregate short term running finance facilities from various banking companies under mark-up arrangements amounting to Rs. 15,000 million (June 30, 2025: Rs. 15,000 million). Markup rates are linked with KIBOR from one to three months plus spread ranging from 0.05% to 1.50% (June 30, 2025: from 0.05% to 1.50%) per annum.

17.2 Short-term money market loans have been arranged as a sub-limit of the running finance facility.

17.3 The Company has available aggregate sub-limits for FE loans under facilities for running finance and letters of credit amounting to Rs.10,430 million (June 30, 2025: Rs. 10,430 million).

These arrangements are secured by way of pari-passu hypothecation charges created on stock-in-trade, stores and spares and trade debts of the Company.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees in thousands)	
18. INTEREST AND MARK-UP ACCRUED			
Long-term financing from Banks			
Islamic mode		**3,923**	5,292
Conventional mode		**8,964**	8,750
		12,887	14,042
Short-term borrowings from Banks			
Islamic mode		**86,684**	74,710
Conventional mode		**90,755**	98,860
		177,439	173,570
		190,326	187,612

19. CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

Except for the matter described below, there were no material change in the status of contingencies as reported in the annual financial statements as at and for the year ended June 30, 2025.

19.1.1 During the period, Sui Northern Gas Pipelines Limited (SNGPL) has raised a demand amounting to Rs. 153.593 million for the period December 2015 to June 2022, representing arrears arising from the final determination of RLNG prices by the Oil and Gas Regulatory Authority (OGRA). The Company has challenged the said demand before the Lahore High Court, which has granted a stay order restraining the recovery of the amount. In compliance with the directions of the Court, the Company has submitted post-dated cheques aggregating Rs. 153.593 million. Based on legal advice obtained and management's assessment of the merits of the case, no provision has been recognized in these condensed interim financial statements.

19.2 Guarantees

Guarantees have been issued by banks on behalf of the Company in the normal course of business aggregating to Rs. 1,667.00 million (June 30, 2025: Rs. 1,566.96 million) including guarantee relating to Sindh Infrastructure Cess amounting to Rs. 950 million (June 30, 2025: Rs. 850 million) furnished to Excise and Taxation Department.

19.3 Commitments

Letters of credit other than for capital expenditure at the end of the period amounted to Rs. 2,541.99 million (June 30, 2025: Rs. 900.06 million).

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
	(Un-audited)		(Un-audited)	
	(Rupees in thousands)			
20. TURNOVER				
Local turnover	**23,169,805**	23,324,691	**10,621,145**	11,379,258
Sales tax	**(3,510,281)**	(3,521,525)	**(1,598,927)**	(1,708,328)
Net turnover	**19,659,524**	19,803,166	**9,022,218**	9,670,930

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
	(Un-audited)		(Un-audited)	
	(Rupees in thousands)			

21. COST OF SALES

Materials consumed	**12,856,246**	12,111,887	**5,792,607**	5,982,258
Fuel and power	**3,550,512**	3,604,659	**1,691,157**	1,832,202
Depreciation on property, plant and equipment	**413,452**	521,543	**150,981**	258,724
Salaries, wages and other benefits	**802,035**	766,875	**403,546**	380,974
Stores and spares consumption	**540,473**	567,200	**271,686**	259,233
Repairs and maintenance	**77,866**	106,602	**38,835**	65,429
Packing expenses	**562,150**	498,359	**260,024**	235,439
Insurance	**74,906**	60,014	**38,119**	30,752
Rent, rates and taxes	**5,604**	5,126	**2,809**	2,516
Manufacturing cost	**18,883,244**	18,242,265	**8,649,764**	9,047,527
Work-in-process				
Opening stock	**37,526**	139,428	**32,619**	127,947
Closing stock	**(41,830)**	(138,828)	**(41,830)**	(138,828)
	(4,304)	600	**(9,211)**	(10,881)
Cost of goods manufactured	**18,878,940**	18,242,865	**8,640,553**	9,036,646
Finished goods				
Opening stock	**1,290,153**	1,289,163	**1,470,698**	1,394,107
Closing stock	**(1,490,109)**	(1,531,462)	**(1,490,109)**	(1,531,462)
	(199,956)	(242,299)	**(19,411)**	(137,355)
	18,678,984	18,000,566	**8,621,142**	8,899,291

22. FINANCE COST

Long-term financing				
Islamic mode	**136,129**	308,363	**64,041**	132,431
Conventional mode	**45,448**	59,219	**22,601**	28,730
	181,577	367,582	**86,642**	161,161
Short term borrowings				
Islamic mode	**168,308**	164,206	**86,609**	83,884
Conventional mode	**187,536**	415,425	**90,383**	197,202
	355,844	579,631	**176,992**	281,086
Workers' Profit Participation Fund	**73**	2,492	**73**	16
Bank charges and commission	**13,816**	4,561	**7,903**	2,435
Finance cost on Leases	**6,506**	1,126	**3,209**	506
	557,816	955,392	**274,819**	445,204

23. MINIMUM TAX DIFFERENTIAL

This represents portion of minimum tax under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

	Half year ended		Quarter ended	
	December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
	(Un-audited)		(Un-audited)	
	(Rupees in thousands)			

24. EARNINGS PER SHARE - BASIC AND DILUTED

The basic earnings per share as required under "IAS 33 Earnings per share" is given below:-

	Note	Half year ended December 31, 2025	Half year ended December 31, 2024	Quarter ended December 31, 2025	Quarter ended December 31, 2024
(Loss) / profit for the period		**(271,295)**	200,557	**(284,590)**	53,288
Weighted average number of ordinary shares (in thousands)		**401,713**	401,713	**401,713**	401,713
Basic (loss) / earnings per share (Rupee)	24.1	**(0.68)**	0.50	**(0.71)**	0.13

24.1 There is no dilutive effect on the basic earnings per share of the Company.

	Note	Half year ended **December 31, 2025**	Half year ended December 31, 2024
		(Rupees in thousands)	

25. CASH GENERATED FROM OPERATIONS

	Note	**December 31, 2025**	December 31, 2024
Profit before income taxation		**(364,282)**	261,856
Adjustment for non cash charges and other items:			
Depreciation on property, plant and equipment		**466,710**	574,312
Amortization of intangible assets		**4,033**	5,122
Gain on disposal of operating fixed assets		**(3,223)**	(19,726)
Provision for gratuity		**25,899**	32,490
Workers' Profit Participation Fund		**-**	20,002
Minimum tax differential		**246,929**	110,390
Finance cost		**557,816**	955,391
Amortization of deferred income - government grants		**(38,100)**	(49,838)
Working capital changes	25.1	**949,438**	(2,217,288)
		2,209,502	(589,145)
		1,845,220	(327,289)

25.1 Changes in working capital

	December 31, 2025	December 31, 2024
(Increase) in current assets		
Stores and spares	**(95,007)**	225,206
Stock-in-trade	**(354,799)**	(1,755,012)
Trade debts	**(53,570)**	(387,365)
Advances	**(83,491)**	23,917
Trade deposits and short-term prepayments	**107,931**	29,443
Other receivables	**34,890**	(31,150)
Tax refunds due from Government	**(278,815)**	(150,725)
	(722,861)	(2,045,686)
Increase / (decrease) in current liabilities		
Trade and other payables	**1,672,299**	(171,602)
	949,438	(2,217,288)

26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties and associated company / undertakings comprise of group company, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and other associated company / undertakings other than those disclosed elsewhere in these condensed interim financial statements are as follows:

Nature of transaction	Nature of Relation	Basis of Relation	Half year ended		Quarter ended	
			December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
			(Un-audited)		(Un-audited)	
			(Rupees in thousands)			
Sale of goods, Services and Reimbursement of expenses						
Merit Packaging Limited	Associated company	Common Director	**1,229,520**	1,473,309	**472,866**	687,565
Colgate Palmolive (Pakistan) Limited	Associated company	Common Director	**684,342**	606,430	**343,335**	290,078
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	**1,825**	18,610	**1,294**	1,517
Cyber Internet Services (Private) Limited	Associated company	Common Director	**3,585**	2,598	**2,014**	2,220
SIZA Foods (Private) Limited	Associated company	Common Director	**285**	285	**278**	190
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	**145**	208	**145**	151
Sybrid (Private) Limited	Associated company	Common Director	**424**	246	**424**	246
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	**-**	79	**-**	39
Purchase of goods, services and reimbursement of expenses						
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	**230,716**	203,677	**22,231**	15,885
Merit Packaging Limited	Associated company	Common Director	**52,418**	68,058	**32,146**	34,990
Lakson Business Solutions Limited	Associated company	Common Director	**-**	4,050	**-**	348
Hassanali and Gulbanoo Lakhani Foundation	Associated undertaking	Trustee	**3,727**	4,758	**1,754**	2,237
Princeton Travels (Private) Limited	Associated company	Common Director	**5,227**	4,451	**3,346**	3,567
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	**3,208**	3,105	**1,604**	1,553

Nature of transaction	Nature of Relation	Basis of Relation	Half year ended		Quarter ended	
			December 31, 2025	December 31, 2024	**December 31, 2025**	December 31, 2024
			(Un-audited)		(Un-audited)	
			(Rupees in thousands)			
Cyber Internet Services (Private) Limited	Associated company	Common Director	**39,349**	16,726	**17,609**	10,579
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	**345**	96	**64**	-
Colgate Palmolive (Pakistan) Limited	Associated company	Common Director	**45**	55	**18**	27
Express Publications (Private) Limited	Associated company	Common Management	**1,865**	1,465	**1,865**	459
Sybrid (Private) Limited	Associated company	Common Director	**1,245**	1,280	**548**	276
SIZA Foods (Private) Limited	Associated company	Common Director	**337**	-	**-**	-
Rent and other allied charges						
Hassanali and Gulbanoo Lakhani Foundation	Associated undertaking	Trustee	**4,985**	4,721	**2,471**	3,149
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	**3,515**	2,970	**1,993**	1,184
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	**467**	503	**232**	248
SIZA Commodities (Private) Limited	Associated company	Common Director and 9.76% shares held	**120**	111	**60**	56
Purchase of short term investments						
Lakson Investment Company Limited	Associated company	Common Director	**-**	3,500,000	**-**	2,000,000
Sale proceeds on redemption of short term investments						
Lakson Investment Company Limited	Associated company	Common Director	**-**	3,578,556	**-**	2,560,031
Others						
Contribution to Staff Retirement Benefit Plans	Employees Fund		**66,545**	72,021	**33,418**	35,824
Remuneration and other benefits	Key Management Personnel		**287,968**	255,894	**142,631**	123,614

	December 31, 2025	June 30, 2025 (Audited)
	(Rupees in thousands)	
26.1 Period / year end balances		
Receivable from related parties	**995,995**	1,026,486
Payable to related parties	**81,093**	28,578
Prepayment to related parties	**-**	15,050
Payable from retirement benefit plan	**38,251**	58,525

27. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2025.

28. DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSBILE BUSINESS ACTIVITIES

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

		Note	December 31, 2025	June 30, 2025 (Audited)
			(Rupees in thousands)	
Statement of Financials Position				
Assets				
Cash and Bank Balances	Non - Shariah	13	**1,219,312**	865,791
Liabilities				
Long-term Financing				
From banking companies - secured	Shariah compliant		**2,145,035**	2,681,797
	Non - Shariah		**968,295**	1,135,220
		14	**3,113,330**	3,817,017
Deferred Capital Grant	Shariah compliant		**20,315**	27,448
	Non - Shariah		**43,493**	61,752
		15	**63,808**	89,200
Short-Term Borrowings	Shariah compliant		**2,881,004**	2,773,519
	Non - Shariah		**4,346,016**	4,321,373
		17	**7,227,020**	7,094,892
Interest and Mark-up Accrued	Shariah compliant		**90,607**	80,002
	Non - Shariah		**99,719**	107,610
		18	**190,326**	187,612
Statement of Profit or Loss				
Turnover - net	Sharia compliant	20	**19,659,524**	19,803,166
Finance cost	Shariah compliant		**304,437**	472,569
	Non - Shariah		**253,379**	482,823
		22	**557,816**	955,392
Scrap sales	Shariah compliant		**94,806**	64,488
Profit on deposit, investment and other income	Non - Shariah		**78,010**	179,825
			172,816	244,313

The Company has relationships with banks, having Islamic window operations, in respect of availling borrowing facilities amounting to Rs 5.136 million (June 30, 2025: Rs 5.562 million).

29. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim financial statements approximate their fair values. Fair value is the amount for which asset could be exchanged or liability settled between knowledgeable, willing parties in an arm length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

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

	Level 1	Level 2	Level 3	Level 4
	(Rupees in '000)			
December 31, 2025				
Investments				
Market Treasury Bills	-	-	-	-
	-	-	-	-
June 30, 2025				
Investments				
Market Treasury Bills	-	321,044	-	321,044

Transfers during the period

There were no transfers amongst levels during the period.

30. OPERATING SEGMENTS

These condensed interim financials statements have been prepared on the basis of single reportable segment.

31. NUMBER OF EMPLOYEES

The number of employees as at period ended December 31, 2025 was 1,565 (June 30, 2025: 1,550) and average number of employees during the period was 1,527 (June 30, 2025: 1,569).

32. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 19, 2026 by the Board of Directors of the Company.

33. CORRESPONDING FIGURES

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison and better presentation.

34. GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.

IQBAL ALI LAKHANI	**AFTAB AHMAD**	**MUHAMMAD RASHID DASTAGIR**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

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