

# PEOPLE TRUST US

CONDENSED INTERIM  
FINANCIAL INFORMATION  
FOR THE HALF YEAR ENDED  
31 DECEMBER **2025**

**70** YEARS  
OF TRUST & DEVOTION

70 YEARS  
OF TRUST & DEVOTION

# TABLE OF CONTENTS

CORPORATE INFORMATION	03
DIRECTORS' REVIEW REPORT	04
DIRECTORS' REVIEW REPORT (URDU)	07
INDEPENDENT AUDITOR'S REVIEW REPORT	11
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION	12
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS	13
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	14
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY	15
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS	16
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS	17
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS	31
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	32
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	33
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	34
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	35



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Mrs. Akhter Khalid Waheed  
Mr. Osman Khalid Waheed  
Mrs. Amna Piracha Khan  
Mrs. Munize Azhar Peracha  
Mr. Shahid Anwar  
Mr. Arshad Saeed Husain  
Mr. Suleman Ghani

Non-Executive Director  
Executive Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Independent Director

Chairperson  
Chief Executive Officer

## AUDIT COMMITTEE

Mr. Arshad Saeed Husain  
Mrs. Amna Piracha Khan  
Mr. Shahid Anwar  
Mr. Suleman Ghani

Chairman  
Member  
Member  
Member

## INVESTMENT COMMITTEE

Mr. Suleman Ghani  
Mr. Osman Khalid Waheed  
Mr. Shahid Anwar

Chairman  
Member  
Member

## HR & REMUNERATION COMMITTEE

Mr. Arshad Saeed Husain  
Mr. Osman Khalid Waheed  
Mrs. Munize Azhar Peracha  
Mr. Shahid Anwar

Chairman  
Member  
Member  
Member

## COMPANY SECRETARY

Syed Ghausuddin Saif

## LEGAL ADVISORS

Khan & Piracha

## REGISTERED OFFICE

197-A, The Mall,  
Rawalpindi, Pakistan.  
Telephone: +92-51-4252155-57  
Fax: +92-51-4252153  
Email: cs@ferozsons-labs.com

## CHIEF FINANCIAL OFFICER

Mr. Shahid Tofique

## SHARE REGISTRAR

CorpTec Associates (Pvt.) Limited  
503-E, Johar Town, Lahore, Pakistan  
Telephone: +92-42-35170336-37  
Fax: +92-42-35170338

## HEAD OF INTERNAL AUDIT

Mr. Rizwan Hameed Butt

## FACTORY

P.O. Ferozsons, Nowshera (KPK),  
Pakistan.  
Telephone: +92-923-614295, 610159  
Fax: +92-923-611302

## EXTERNAL AUDITORS

KPMG Taseer Hadi & Co.  
Chartered Accountants

## SALES OFFICE, KARACHI

House No. 9, Block 7/8,  
Maqbool Cooperative Housing  
Society, Shahr-e-Faisal,  
Karachi, Pakistan.  
Telephone: +92-21-34386852  
Fax: +92-21-34386754

## INTERNAL AUDITORS

EY Ford Rhodes  
Chartered Accountants

## HEAD OFFICE

5 K.M Sunder Raiwind Road,  
Lahore, Pakistan.  
Telephone: +92-42-36026700  
Fax: +92-42-36026701

## BANKERS

Allied Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Bank of Punjab - Taqwa  
BankIslami Pakistan Limited  
Faysal Bank Limited  
First Habib Modaraba  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
Meezan Bank Limited

## SALES OFFICE, LAHORE

43-Al Noor Building, Bank Square,  
The Mall, Lahore, Pakistan.  
Telephone: +92-42-37358194  
Fax: +92-42-37313680

# DIRECTORS' REVIEW REPORT ON CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

We are pleased to present a brief review of the Company's un-audited Standalone and Consolidated condensed interim financial information for the half year ended 31 December 2025. The consolidated condensed interim financial information incorporates the Company's 98% owned retail venture Farmacia and 57.36% owned subsidiary BF Biosciences Limited.

## Highlights of the Company's Individual and Consolidated Financial Results

A summary of operating results for the period is given below:

Standalone				Consolidated			
Half Year 31-Dec-25	Half Year 31-Dec-24	2nd Quarter 31-Dec-25	2nd Quarter 31-Dec-24	Half Year 31-Dec-25	Half Year 31-Dec-24	2nd Quarter 31-Dec-25	2nd Quarter 31-Dec-24

(Rupees in thousands)

Revenue - net	8,289,034	7,032,685	4,405,781	3,676,106	12,621,851	9,259,937	6,682,573	4,730,951
Gross profit	3,451,091	2,766,703	1,870,907	1,459,865	5,659,859	3,942,718	3,050,397	2,089,716
Profit before tax	597,171	413,590	299,786	215,098	1,141,218	687,800	610,418	327,377
Profit after tax	353,616	252,326	171,195	111,815	666,399	418,571	344,449	177,551
Earnings per share (Rupees)	8.13	5.80	3.93	2.57	12.14	8.53	6.19	3.46

## Financial and Operational Review

The Company's consolidated net sales closed at Rs. 12.62 billion, depicting a growth of 36% over the same period last year. On a standalone basis, the Company's net sales closed at Rs. 8.29 billion, with a growth of 18% over the same period last year.

In-market generic sales increased by 28% whereas institutional sales of generics and medical devices decreased by 1%. It is pertinent to note that the in-market generic sales growth is primarily volume-led.

The Company's Gross Profit (GP) registered a growth of 25% and GP margin also improved to 42%, compared to 39% during the same period last year. This growth in GP and improvement in GP margins reflects higher sales volumes and a favorable change in the sales mix.

Selling and distribution expenses increased by 31% due to expansion in field force and enhanced sales and field activities, while administrative expenses increased by 13% on account of inflationary impact.

Finance costs were 45% lower, primarily due to a reduction in short-term borrowing and an average decline of 600 basis points in the SBP policy rate during the period under review. Profit before tax amounted to Rs. 597.17 million, reflecting a growth of 44% compared to the same period last year.

Based on profit after tax, the standalone earnings per share (EPS) for the six months ended 31 December 2025 closed at Rs. 8.13, compared to Rs. 5.80 in the same period last year.

# DIRECTORS' REVIEW REPORT ON CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

## Review of BF Biosciences Limited (Subsidiary Company)

The sales of the subsidiary Company, BF Biosciences Limited closed at Rs. 5.10 billion (2024: Rs. 2.71 billion), depicting a growth of 88% over the same period last year. The profit after tax of the Company closed at Rs. 347.30 million (2024: Rs. 195.81 million), depicting an increase of 77%. Based on the profit after tax and weighted average number of shares, the earnings per share (EPS) for the half year ended 31 December 2025 translate to Rs. 3.93 (2024: Rs. 2.66), registering a growth of 48%. For details, please refer to subsidiary's published financials (PSX: BFBIO).

## Industry Review and Future Outlook

Pakistan's retail pharmaceutical market is valued at approximately Rs. 1.18 trillion, with a growth of around 16% (MAT – Dec 2025), largely driven by price adjustments amid inflationary pressures, with modest volumetric expansion. Moving forward, the same trend is expected to continue till the close of the financial year.

Afghanistan was one of Pakistan's major pharma export markets, accounting for roughly 35% of the country's pharmaceutical exports. The closure of the Afghan border has significantly impacted the industry's export sales and overall performance.

A key challenge faced by the Company relates to delays in recovery from government institutions, specifically in the medical devices segment. As at the balance sheet date, receivables from government entities amounted to approximately Rs. 2 billion, with a substantial portion outstanding for over one year against supplies made under duly awarded tenders. These prolonged delays have placed pressure on the Company's working capital and liquidity management. The management is actively following up with the relevant stakeholders for an early settlement of these past due receivables.

The management remains committed to addressing patients' unmet patient needs while continuing to diversify its chronic and specialty portfolios. The Company focuses on advancing product innovation, enhancing operational efficiencies, and investing in high-priority therapeutic areas to drive sustainable growth and long-term value creation.

## Acknowledgements

We want to acknowledge the consistent efforts and dedication of our employees towards achievement of the Company's objectives. We also thank our principals, business partners and valued customers for their continuous support and confidence in the Company.

For and on behalf of the Board of Directors

  
**Mr. Osman Khalid Waheed**  
Chief Executive Officer

  
**Mrs. Akhter Khalid Waheed**  
Chairperson

26 February 2026

## بی ایف بائیو سائنسز لمیٹڈ (ذیلی کمپنی) کا جائزہ

ذیلی کمپنی، بی ایف بائیو سائنسز لمیٹڈ کی فروخت 5.10 ارب روپے (2024: 2.71 ارب روپے) پر بند ہوئی، جو گزشتہ سال کی اسی مدت کے مقابلے میں 88 فیصد اضافے کو ظاہر کرتی ہے اور کمپنی کا ٹیکس کے بعد منافع 347.30 ملین روپے (2024: 195.81 ملین روپے) رہا، جو 77 فیصد اضافے کی عکاسی کرتا ہے، جبکہ ٹیکس کے بعد منافع اور حصص کی اوسط تعداد کی بنیاد پر، 31 دسمبر 2025 کو ختم ہونے والی ششماہی کے لیے فی حصص آمدنی 3.93 روپے (2024: 2.66 روپے) بنتی ہے، جس میں 48 فیصد اضافہ ریکارڈ کیا گیا ہے، مزید تفصیلات کے لیے براہ کرم ذیلی کمپنی کے شائع شدہ مالی گوشوارے ملاحظہ کریں۔ (PSX: BFBIO)

## صنعتی جائزہ اور مستقبل کا نقطہ نظر

پاکستان کی خوردہ ادویات کی مارکیٹ کی مالیت کا تخمینہ تقریباً 1.18 ٹریلین روپے ہے، جس میں دسمبر 2025 تک کی سالانہ مدت کے دوران تقریباً 16 فیصد اضافہ ریکارڈ کیا گیا ہے جو کہ بنیادی طور پر مہنگائی کے دباؤ کے باعث قیمتوں میں ردوبدل اور فروخت کی مقدار میں معمولی اضافے کی وجہ سے ہے، جبکہ مستقبل میں مالی سال کے اختتام تک اسی رجحان کے جاری رہنے کی توقع ہے۔

افغانستان، پاکستان کی فارماسیو ٹیکل (ادویات) کی برآمدات کی بڑی منڈیوں میں سے ایک تھا، جو ملک کی مجموعی فارما برآمدات کے تقریباً 35 فیصد پر مشتمل تھا۔ افغان سرحد کی بندش نے صنعت کی برآمدی فروخت اور مجموعی کارکردگی کو نمایاں طور پر متاثر کیا ہے۔

کمپنی کو درپیش ایک بڑا چیلنج سرکاری اداروں سے ادائیگیوں کی وصولی میں تاخیر ہے، خاص طور پر طبی آلات کے شعبے میں۔ بیلنس شیٹ کی تاریخ تک، سرکاری اداروں سے واجب الوصول رقم تقریباً 2 ارب روپے تھیں، جس کا ایک بڑا حصہ باقاعدہ ٹینڈرز کے تحت کی گئی سپلائرز کے عوض ایک سال سے زائد عرصے سے زیر التوا ہے۔ ان طویل تاخیروں نے کمپنی کے ورکنگ کیمپس اور نقدی کے انتظام پر دباؤ ڈالا ہے۔ انتظامیہ ان بقایا جات کی جلد ادائیگی کے لیے متعلقہ فریقین کے ساتھ سرگرمی سے رابطے میں ہے۔

انتظامیہ مریضوں کی غیر تسلی بخش ضروریات کو پورا کرنے کے لیے پرعزم ہے، جبکہ اپنے خصوصی پورٹ فولیو میں تنوع لانے کا سلسلہ جاری رکھا جائے گا۔ کمپنی کی توجہ مصنوعات میں جدت لانے، آپریشنل کارکردگی کو بڑھانے اور اعلیٰ تر جینی علاج کے شعبوں میں سرمایہ کاری کرنے پر مرکوز ہے تاکہ پائیدار ترقی کو فروغ دیا جاسکے۔

## اظہار تشکر

ہم اپنے ملازمین کی کوششوں اور محنت کو تسلیم کرنا چاہتے ہیں جو انہوں نے کمپنی کے مقاصد کے حصول کے لیے کی ہیں۔ مزید برآں، ہم اپنے اصولی افراد، کاروباری شراکت داروں اور معزز گاہکوں کا بھی شکریہ ادا کرتے ہیں جو کمپنی میں اپنی مسلسل حمایت اور اعتماد فراہم کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

*A. K. Wahid*

مسز اختر خالد وحید

چیئر پرسن

*Qam*

جناب عثمان خالد وحید

چیف ایگزیکٹو آفیسر

26 فروری 2026

## 31 دسمبر 2025 کو اختتام پذیر ہونے والے چھ ماہ کی مجموعی (کنڈینسڈ) عبوری مالیاتی معلومات کے بارے میں ڈائریکٹرز کا جائزہ

ہم 31 دسمبر 2025 کو اختتام پذیر ہونے والے چھ ماہ کے لیے کمپنی کی غیر آڈٹ شدہ، انفرادی اور مجموعی (کنڈینسڈ) عبوری مالیاتی معلومات کا مختصر جائزہ پیش کرتے ہوئے مسرت کا اظہار کرتے ہیں۔ مجموعی (کنڈینسڈ) عبوری مالیاتی معلومات میں کمپنی کے 98 فیصد ملکیتی منصوبے فارمیسیا اور 57.36 فیصد ملکیت والی ذیلی کمپنی بی ایف بائیوسائنسز لمیٹڈ شامل ہیں۔

### کمپنی کے انفرادی اور مجموعی مالیاتی نتائج کی جھلکیاں

اس مدت کے مالی نتائج کا خلاصہ ذیل میں دیا گیا ہے۔

اجتماعی				انفرادی			
3 مہینے	3 مہینے	6 مہینے	6 مہینے	3 مہینے	3 مہینے	6 مہینے	6 مہینے
31-دسمبر-2024	31-دسمبر-2025	31-دسمبر-2024	31-دسمبر-2025	31-دسمبر-2024	31-دسمبر-2025	31-دسمبر-2024	31-دسمبر-2025

### روپے ہزار میں

4,730,951	<b>6,682,573</b>	9,259,937	<b>12,621,851</b>	3,676,106	<b>4,405,781</b>	7,032,685	<b>8,289,034</b>	آمدنی۔ خالص
2,089,716	<b>3,050,397</b>	3,942,718	<b>5,659,859</b>	1,459,865	<b>1,870,907</b>	2,766,703	<b>3,451,091</b>	مجموعی منافع
327,377	<b>610,418</b>	687,800	<b>1,141,218</b>	215,098	<b>299,786</b>	413,590	<b>597,171</b>	قبل از ٹیکس منافع
177,551	<b>344,449</b>	418,571	<b>666,399</b>	111,815	<b>171,195</b>	252,326	<b>353,616</b>	بعد از ٹیکس منافع
3.46	<b>6.19</b>	8.53	<b>12.14</b>	2.57	<b>3.93</b>	5.80	<b>8.13</b>	فی صص آمدنی (روپے)

### مالیاتی اور عملی جائزہ

کمپنی کی مجموعی خالص فروخت 12.62 بلین روپے پر بند ہوئی، جو کہ پچھلے سال کی اسی مدت کے مقابلے میں 36 فیصد اضافہ ظاہر کرتی ہے۔ انفرادی کمپنی کی خالص فروخت 8.29 بلین روپے پر بند ہوئی، جو کہ پچھلے سال کی اسی مدت کے مقابلے میں 18 فیصد اضافہ ظاہر کرتی ہے۔

مارکیٹ میں دستیاب جزک مصنوعات کی فروخت میں 28 فیصد اضافہ ہوا ہے، جبکہ ادارہ جاتی سطح پر جزک اور طبی آلات کی فروخت میں 1 فیصد کمی دیکھنے میں آئی ہے۔ یہ بات قابل ذکر ہے کہ مارکیٹ میں جینزک مصنوعات کی فروخت میں اضافہ بنیادی طور پر حجم (فروخت کی مقدار) کی مرہون منت ہے۔

کمپنی کے مجموعی منافع میں 25 فیصد اضافہ ریکارڈ کیا گیا ہے اور اس کی شرح بھی گزشتہ سال کی اسی مدت کے 39 فیصد کے مقابلے میں بہتر ہو کر 42 فیصد تک پہنچ گئی ہے جو کہ فروخت کی مقدار میں اضافے اور اشیاء کی فروخت کے تناسب میں سازگار تبدیلی کی عکاسی کرتی ہے۔

فروخت اور تقسیم کے اخراجات میں 31 فیصد اضافہ فیلڈ فورس میں توسیع اور فروخت و فیلڈ کی سرگرمیوں میں اضافے کے باعث ہوا ہے، جبکہ انتظامی اخراجات میں 13 فیصد اضافہ مہنگائی کے اثرات کی وجہ سے ہوا ہے۔

مالی اخراجات میں 45 فیصد کمی واقع ہوئی ہے جو بنیادی طور پر مختصر مدتی قرضوں میں کمی اور زیر جائزہ مدت کے دوران سیٹ بینک کی پالیسی شرح میں اوسطاً 600 بیس پوائنٹس کی گراؤٹ کے باعث ہے، جبکہ ٹیکس سے قبل منافع 597.17 بلین روپے رہا جو گزشتہ سال کی اسی مدت کے مقابلے میں 44 فیصد اضافے کی عکاسی کرتا ہے۔

ٹیکس کے بعد منافع کی بنیاد پر، 31 دسمبر 2025 کو ختم ہونے والے چھ ماہ کے لیے علیحدہ فی صص آمدنی (ای پی ایس) 8.13 روپے رہی، جو گزشتہ سال کی اسی مدت میں 5.80 روپے تھی۔





# OUR FINANCIAL STATEMENTS

# INDEPENDENT AUDITOR'S REVIEW REPORT



KPMG Taseer Hadi & Co.  
Chartered Accountants  
351 Shadman-1, Jail Road,  
Lahore 54000 Pakistan  
+92 (42) 111-KPMGTH (576484), Fax +92 (42) 3742 9907

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ferozsons Laboratories Limited

Report on the Review of Condensed Interim Unconsolidated Financial Statements

### Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of Ferozsons Laboratories Limited ("the Company") as at 31 December 2025 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, condensed interim unconsolidated statement of cash flows and notes to the condensed interim unconsolidated financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and fair presentation of the condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed 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 condensed interim financial statements are not prepared, in all material respects, in accordance with the 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 unconsolidated statement of profit or loss and condensed interim unconsolidated statement of comprehensive income for the three months period ended 31 December 2025 have not been reviewed by us.

The engagement partner for the review resulting in this independent auditor's report is Rehan Chughtai.

KPMG Taseer Hadi & Co.  
Chartered Accountants

Lahore

Date: 26 February 2026

UDIN: RR202510183cLMHDmltx

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

RR0526

## Ferozsons Laboratories Limited

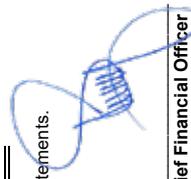
Condensed Interim Unconsolidated Statement of Financial Position  
As at 31 December 2025

	Un-audited 31 December 2025	Audited 30 June 2025		Un-audited 31 December 2025	Audited 30 June 2025
				----- Rupees -----	
				----- Rupees -----	
<b>EQUITY AND LIABILITIES</b>					
<b>Share capital and reserves</b>					
Authorized share capital 150,000,000 (2025: 150,000,000) ordinary shares of Rs. 10 each	1,500,000,000	1,500,000,000		6,109,536,970	6,322,793,986
Issued, subscribed and paid up capital	434,690,520	434,690,520		10,088,542	23,644,069
Capital reserve	321,843	321,843		448,555,269	428,536,102
Revaluation surplus on property, plant and equipment - net of tax	2,956,505,142	3,043,578,504		82,782,779	30,987,166
Accumulated profit	6,153,530,987	5,886,718,190		6,650,963,560	6,805,961,323
	<b>9,545,048,492</b>	<b>9,365,309,057</b>			
<b>Non current liabilities</b>					
Long term loans - secured	102,011,081	113,085,333		211,652,687	110,979,476
Long term musharaka - secured	139,829,080	167,505,671		5,074,618,881	4,925,439,120
Deferred grant	26,740,251	33,181,577		2,357,875,418	2,097,262,852
Deferred taxation	900,520,218	978,568,188		231,357,276	158,050,821
	<b>1,169,100,630</b>	<b>1,292,340,769</b>		137,597,218	194,490,091
				143,015,917	238,552,201
				331,701,010	398,675,869
				422,324,874	402,631,388
				446,699,200	345,584,088
				<b>9,356,842,481</b>	<b>8,871,665,906</b>
<b>Current liabilities</b>					
Current portion of:					
- Long term loans - secured	21,632,686	20,649,201			
- Long term musharaka - secured	50,081,816	47,046,072			
- Deferred grant	13,398,473	14,381,958			
Trade and other payables	2,760,463,101	2,224,133,875			
Contract liabilities	166,879,057	319,467,819			
Short term borrowings - secured	2,114,199,590	2,218,996,474			
Unclaimed dividend	105,077,333	99,116,101			
Accrued mark-up	61,924,863	76,185,903			
	<b>5,293,656,919</b>	<b>5,019,977,403</b>			
				<b>16,007,806,041</b>	<b>15,677,627,229</b>
<b>Contingencies and commitments</b>					
				<b>16,007,806,041</b>	<b>15,677,627,229</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer

Director

## Ferozsons Laboratories Limited

### Condensed Interim Unconsolidated Statement of Profit or Loss (Un-audited)

For the half year and quarter ended 31 December 2025

	Note	Half year ended		Quarter ended	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
----- Rupees -----					
Revenue - net	15	<b>8,289,033,748</b>	7,032,685,165	<b>4,405,781,462</b>	3,676,106,265
Cost of sales	16	<b>(4,837,942,252)</b>	(4,265,982,079)	<b>(2,534,874,177)</b>	(2,216,241,677)
<b>Gross profit</b>		<b>3,451,091,496</b>	2,766,703,086	<b>1,870,907,285</b>	1,459,864,588
Administrative expenses		<b>(480,738,350)</b>	(423,921,230)	<b>(241,236,178)</b>	(218,157,111)
Selling and distribution expenses		<b>(2,175,267,820)</b>	(1,664,524,241)	<b>(1,215,948,760)</b>	(924,365,157)
Other expenses		<b>(95,063,277)</b>	(64,537,566)	<b>(68,406,500)</b>	(45,048,077)
Other income		<b>49,119,122</b>	75,653,704	<b>26,521,202</b>	59,960,413
<b>Profit from operations</b>		<b>749,141,171</b>	689,373,753	<b>371,837,049</b>	332,254,656
Finance cost		<b>(151,970,283)</b>	(275,783,784)	<b>(72,051,133)</b>	(117,157,036)
<b>Profit before taxation, final tax and minimum tax differential</b>		<b>597,170,888</b>	413,589,969	<b>299,785,916</b>	215,097,620
Minimum tax differential and final tax		<b>(10,446,446)</b>	(13,431,470)	<b>(5,508,158)</b>	(4,649,855)
<b>Profit before taxation</b>		<b>586,724,442</b>	400,158,499	<b>294,277,758</b>	210,447,765
Taxation		<b>(233,108,799)</b>	(147,832,435)	<b>(123,082,461)</b>	(98,632,608)
<b>Profit after taxation</b>		<b>353,615,643</b>	252,326,064	<b>171,195,297</b>	111,815,157
Earnings per share - basic and diluted		<b>8.13</b>	5.80	<b>3.93</b>	2.57

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

## Ferozsons Laboratories Limited

### Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the half year and quarter ended 31 December 2025

	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	----- Rupees -----			
Profit after taxation	353,615,643	252,326,064	171,195,297	111,815,157
<b>Total comprehensive income for the period</b>	<b>353,615,643</b>	<b>252,326,064</b>	<b>171,195,297</b>	<b>111,815,157</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director



## Ferozsons Laboratories Limited

### Condensed Interim Unconsolidated Statement of Cash Flows (Un-audited)

For the half year ended 31 December 2025

	Half year ended	
	31 December 2025	31 December 2024
	Rupees	
<b>Note</b>		
Profit before taxation	586,724,442	400,158,499
Adjustments for non - cash and other items		
Depreciation on property, plant and equipment	11.1 321,474,374	306,252,658
Amortisation of intangible assets	13,555,527	8,474,588
Expected credit loss allowance	37,104,698	21,061,750
Reversal of net realizable value	(11,780,000)	(38,885,078)
Gain on disposal of property, plant and equipment	(2,497,414)	(6,417,824)
Finance costs	151,970,283	275,783,784
Unrealized gain on re-measurement of short term investments to fair value	(19,670,099)	(41,545,148)
Dividend income	(32,882)	(28,565)
Profit on bank deposits	(2,548,418)	(2,353,106)
Share in profit of Farmacia	(20,019,167)	(13,408,592)
Provision for Workers' Profit Participation Fund	36,505,868	22,354,596
Provision for Central Research Fund	6,528,811	4,516,080
Workers' Welfare Fund	16,863,740	11,147,355
Minimum tax differential and final tax	10,446,446	13,431,470
	537,901,767	560,383,968
<b>Cash generated from operations before working capital changes</b>	<b>1,124,626,209</b>	<b>960,542,467</b>
<b>Effect on cash flow due to working capital changes</b>		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(100,673,211)	(23,620,924)
Stock in trade	(160,959,761)	(326,951,563)
Trade debts	(294,026,184)	(399,628,819)
Loans and advances	(73,306,455)	(140,837,368)
Deposits and prepayments	56,892,873	(40,190,149)
Other receivables	99,227,364	4,565,357
	(472,845,374)	(926,663,466)
(Decrease) / Increase in current liabilities		
Trade and other payables	556,823,982	1,100,053,139
Contract liability	(152,588,762)	(89,272,816)
	404,235,220	1,010,780,323
<b>Cash generated from operations</b>	<b>1,056,016,055</b>	<b>1,044,659,324</b>
Tax paid	(254,628,356)	(193,558,401)
Workers' Profit Participation Fund paid	(54,146,207)	(35,251,527)
Central Research Fund paid	(10,092,515)	(6,626,135)
<b>Net cash generated from operating activities</b>	<b>737,148,977</b>	<b>795,791,791</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(131,450,823)	(238,505,800)
Proceeds from sale of property, plant and equipment	25,730,879	7,819,740
Dividend income received	32,882	28,565
Profit on bank deposits received	2,548,418	2,353,107
Short term investments - net	-	(2,250,016,952)
Long term advances and deposits	(51,795,613)	(144,675)
<b>Net cash used in investing activities</b>	<b>(154,934,257)</b>	<b>(2,478,466,015)</b>
<b>Cash flow from financing activities</b>		
Long term loan repaid	7 (17,515,578)	(9,629,636)
Long term loan received	-	32,374,000
Long term musharaka received	-	90,002,620
Long term musharaka paid	8 (24,640,847)	(22,915,341)
Finance cost paid	(166,231,323)	(343,701,541)
Dividend paid	(167,914,976)	(126,194,628)
<b>Net cash used in financing activities</b>	<b>(376,302,724)</b>	<b>(380,064,526)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>205,911,996</b>	<b>(2,062,738,750)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(1,873,412,386)</b>	<b>(2,138,759,967)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(1,667,500,390)</b>	<b>(4,201,498,717)</b>
Cash and cash equivalents comprise of the following		
Cash and bank balances	446,699,200	317,364,647
Short term borrowings - secured	(2,114,199,590)	(4,518,863,364)
	(1,667,500,390)	(4,201,498,717)

The annexed notes from 1 to 22 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

# Ferozsons Laboratories Limited

## Notes to the Condensed Interim Unconsolidated Financial Statements

For the half year ended 31 December 2025

### 1 REPORTING ENTITY

Ferozsons Laboratories Limited ("the Company") was incorporated as a private limited company on 28 January 1954 and was converted into a public limited company on 08 September 1960. The Company is listed on Pakistan Stock Exchange and is primarily engaged in the imports, manufacture and sale of pharmaceutical products and medical devices. Its registered office is situated at 197-A, The Mall, Rawalpindi and the manufacturing facility is located at Nowshera, Khyber Pakhtunkhwa.

### 2 BASIS OF PREPARATION

#### 2.1 Separate financial statements

These condensed interim unconsolidated financial statements ("these financial statements") are the separate financial statements of the Company in which investment in subsidiaries are accounted for as per the requirements of International Accounting Standard 27 Separate Financial Statement. Consolidated condensed interim financial statements of the Company are prepared and presented separately.

The Company has following major investments:

<u>Name of the company / firm</u>	<u>Shareholding</u>
- BF Biosciences Limited (Subsidiary)	57.36%
- Farmacia (Partnership)	98%

#### 2.2 Statement of compliance

These financial statements 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 Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### 2.3 Basis of accounting

- 2.3.1** These financial statements comprises the condensed interim unconsolidated statement of financial position of the Company as at 31 December 2025, condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows together with the notes forming part thereof.

**2.3.2** These financial statements does not include all of the information and disclosures required for annual unconsolidated financial statements for the year ended 30 June 2025 ("annual financial statements") prepared in accordance with IFRS Accounting standards and should be read in conjunction with the annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

**2.3.3** Comparative unconsolidated statement of financial position's numbers are extracted from annual financial statements, whereas numbers for condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows are stated from unaudited condensed interim unconsolidated financial statements of the Company for the period ended 31 December 2024.

**2.3.4** These financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited ("PSX").

## **2.4 Judgements and estimates**

The preparation of these financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to annual financial statements.

## **3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of these financial statements are same as those applied in the preparation of annual financial statements.

## **4 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN THAT HAVE BECOME EFFECTIVE IN THE CURRENT PERIOD**

There are certain interpretations and amendments to accounting and reporting standards as applicable in Pakistan effective from accounting periods beginning on or after January 1, 2025. These are either considered not to be relevant or do not have any material effect on the Company's operations and are therefore not detailed in these financial statements. However, PSX through the circular number PSX/N-1419 dated 24 December 2025 required the relevant listed companies including the Company to report Shariah disclosures in their half yearly and annual financial statements. Accordingly such disclosure has been reported in note 19 to these financial statements.

## **5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO EXISTING ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN THAT ARE NOT YET EFFECTIVE**

Following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto effective for accounting periods beginning on or after 01 January 2026:

- Lack of Exchangeability (amendments to IAS 21)
- Amendments to the Classification and Measurement of Financial Instruments - amendments to IFRS 9 Financial Instrument and IFRS 7 Financial Instrument Disclosure

- IFRS 18 "Presentation and Disclosure in the Financial Statements"
- IFRS-19 "Subsidiaries without Public Accountability: Disclosures"
- Annual improvement to IFRS Accounting Standards - Amendments to:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures;
  - IFRS 9 Financial Instruments;
  - IAS 7 Statement of Cash flows

The management is in the process of assessing the impact of these amendments and interpretation on the Company's financial statements. Other accounting standards and amendments to accounting standards that have been issued but are not yet effective are not expected to have a significant impact on the Company's financial statements.

## 6 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	Un-audited 31 December 2025 (Number of shares)	Audited 30 June 2025	Un-audited 31 December 2025 (Rupees)	Audited 30 June 2025
<b><u>Issued, subscribed and paid-up share capital</u></b>				
Voting ordinary shares of Rs. 10 each fully paid up in cash	1,441,952	1,441,952	14,419,520	14,419,520
Voting ordinary shares of Rs. 10 each issued in lieu of NWF Industries Limited and Sargodha Oil and Flour Mills Limited since merged	119,600	119,600	1,196,000	1,196,000
Voting ordinary shares of Rs. 10 each issued as bonus shares	41,907,500	41,907,500	419,075,000	419,075,000
	<b>43,469,052</b>	43,469,052	<b>434,690,520</b>	434,690,520

KFW Factors (Private) Limited, an associated company holds 11,933,194 (30 June 2025: 11,933,194) ordinary shares of Rs. 10 each of the Company, representing 27.45% (30 June 2025: 27.45%) of the equity held.

## 7 LONG TERM LOANS - SECURED

During the period, the Company has made repayments amounting to Rs 17.52 million (31 December 2024: 9.63 million). All terms and conditions applicable on long term loans availed are same as those disclosed in annual financial statements of the Company.

## 8 LONG TERM MUSHARAKA - SECURED

During the period, the Company has made repayments amounting to Rs 24.64 million (31 December 2024: 22.92 million). All terms and conditions applicable on long term musharaka availed are same as those disclosed in annual financial statements of the Company.

## 9 SHORT TERM BORROWINGS - SECURED

All terms and conditions applicable on short term borrowings availed are same as those disclosed in annual financial statements.

## 10 CONTINGENCIES AND COMMITMENTS

Except as mentioned below, there is no significant change in commitments or the status of the contingencies as reported in annual financial statements.

### 10.1 Commitments

During the period, the Company has entered into two new Ijarah arrangements for vehicles with Bank Islami Pakistan Limited and Bank of Punjab Limited. Aggregate commitments for these two Ijarah arrangements amounts to Rs. 281.79 million.

The contractual payment obligations relating to Ijarah commitments with all banks are as follows:

		<b>Un-audited 31 December 2025</b>	Audited 30 June 2025
<b>Future payments under Ijarah:</b>	<b>Note</b>	-----Rupees-----	
Not later than one year		<b>105,107,228</b>	55,128,345
Later than one year but not later than five years		<b>377,620,870</b>	216,086,563
		<b>482,728,098</b>	271,214,908

## 11 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	11.1	<b>6,003,741,243</b>	6,287,263,660
Capital work-in-progress		<b>105,795,727</b>	35,530,326
		<b>6,109,536,970</b>	6,322,793,986

### 11.1 Operating fixed assets

#### Cost

Opening balance at beginning of the period / year	<b>7,447,118,657</b>	7,036,058,135
Additions made during the period / year	<b>61,185,422</b>	489,309,068
Disposals made during the period / year	<b>(65,334,685)</b>	(78,248,546)
Closing balance at end of the period / year	<b>7,442,969,394</b>	7,447,118,657

#### Less: Accumulated depreciation

Opening balance at beginning of the period / year	<b>1,159,854,997</b>	596,604,885
Depreciation charge for the period / year	<b>321,474,374</b>	623,031,903
On disposals	<b>(42,101,220)</b>	(59,781,791)
Closing balance at end of the period / year	<b>1,439,228,151</b>	1,159,854,997
	<b>6,003,741,243</b>	6,287,263,660

## 12 LONG TERM INVESTMENTS - RELATED PARTIES

### Related parties - at cost

Farmacia (Partnership firm)	12.1	<b>296,555,309</b>	276,536,142
BF Biosciences Limited	12.2	<b>151,999,960</b>	151,999,960
		<b>448,555,269</b>	428,536,102

**12.1** This represents the Company's 98% share in "Farmacia", a subsidiary partnership duly registered under the Partnership Act, 1932 and engaged in operating retail pharmacy.

**12.2** BF Biosciences Limited has been set up for establishing a Biotech Pharmaceutical Plant to manufacture mainly Cancer and Hepatitis related medicines. The Company was formed pursuant to signing of an agreement between M/s Ferozsons Laboratories Limited and M/s Grupo Empresarial Bagó S.A. The company holds 57.36% (30 June 2025: 57.36%) of equity of the subsidiary.

## 13 STOCK IN TRADE

This includes inventories of raw materials and work in progress written down to their net realizable value by Rs. 43.30 million (30 June 2025: Rs. 20.93 million) and finished goods written down to their net realizable value by Rs. 51.41 million (30 June 2025: Rs. 85.56 million).

## 14 TRADE DEBTS

This includes expected credit loss allowance amounting to Rs. 326.28 million (30 June 2025: Rs. 292.87 million).

	<b>Half year ended (un-audited)</b>	
	<b>31 December 2025</b>	<b>31 December 2024</b>
	----- Rupees -----	
<b>15 REVENUE - NET</b>		
<b>Gross sales:</b>		
Local	<b>9,249,034,186</b>	7,666,639,581
Export	<b>558,149,616</b>	527,119,147
	<b>9,807,183,802</b>	8,193,758,728
 Toll manufacturing	 <b>53,466,800</b>	 -
<b>Less:</b>		
Sales returns	<b>(83,861,486)</b>	(62,432,969)
Discounts	<b>(1,395,582,927)</b>	(1,040,980,957)
Sales tax	<b>(92,172,441)</b>	(57,659,637)
	<b>(1,571,616,854)</b>	(1,161,073,563)
	<b>8,289,033,748</b>	7,032,685,165

### 15.1 Disaggregation of revenue (net sales)

#### Primary geographical markets

Pakistan	<b>7,730,884,132</b>	6,505,566,018
Afghanistan	<b>187,582,590</b>	229,188,977
Sri Lanka	<b>230,164,613</b>	125,185,244
Philippines	<b>61,693,158</b>	69,648,948
Myanmar	<b>37,757,968</b>	44,695,948
Kenya	<b>15,856,920</b>	21,501,314
Kyrgyzstan	<b>6,431,509</b>	16,505,216
Others	<b>18,662,858</b>	20,393,500
	<b>8,289,033,748</b>	7,032,685,165

## 16 COST OF SALES

Cost of goods manufactured	<b>3,287,222,937</b>	2,995,486,238
Finished stock:		
Opening - net of provision	<b>2,716,058,433</b>	2,219,562,963
Purchases made during the period	<b>1,141,898,045</b>	1,252,670,796
Closing - net of provision	<b>(2,307,237,163)</b>	(2,201,737,918)
	<b>1,550,719,315</b>	1,270,495,841
	<b>4,837,942,252</b>	4,265,982,079

The Company in the normal course of business carries out transactions with various related parties which include subsidiaries, associated companies, entities over which directors are able to exercise influence, staff retirement fund, directors and other key management personnel. Transactions with related parties during the period are as follows:

Name of parties	Relationship	Transactions	Half year ended (un-audited)	
			31 December 2025	31 December 2024
			Rs.	
<b>Farmacia</b>	98% owned subsidiary partnership firm	Sale of medicines - net of returns and discounts	115,570,636	160,820,393
		Payment received against sale of medicine	115,570,636	160,820,393
		Rentals	3,759,516	3,417,744
		Share of profit reinvested	20,019,167	13,408,592
<b>BF Biosciences Limited (BFBIO)</b>	57.36% owned subsidiary company	Sale of medicines - net of returns and discounts	840,313,375	584,840,213
		Payment received against sale of medicine	840,313,375	584,840,213
		Purchase of medicines	29,926,436	6,570,613
		Payment made against purchase of medicine	29,926,436	6,570,613
		Expenses incurred by the Company on behalf of BFBIO - net	-	3,136,074
		Reimbursement of expenses from BFBIO - net	-	15,762,277
		Receipts received by BFBIO on behalf of the Company - net	4,508,558	12,626,203
		Expenses incurred by BFBIO on behalf of the Company - net	5,425,153	-
		Reimbursement of expenses to BFBIO - net	916,595	-
		Corporate guarantee income	3,510,000	3,510,000
		Payment received against corporate guarantee income	3,510,000	3,510,000
<b>Key Management Personnel</b>	Key management personnel	Remuneration including benefits and perquisites	48,209,022	44,133,538
		Cash dividend paid	8,064	6,048
		Advance given against salary	629,188	-
<b>Employees Provident Fund</b>	Post employment benefit fund	Contribution towards employees' provident fund	47,175,777	43,622,884
<b>KFW Factors (Private) Limited</b>	Common directorship	Cash dividend paid	47,732,776	35,799,582
<b>Osman Khalid Waheed</b>	Chief Executive Officer	Remuneration including benefits and perquisites	39,985,089	33,824,349
		Cash dividend paid	13,610,988	10,208,241
		Advance given against salary	-	500,000
		Meeting Fee	350,000	110,000
<b>Directors other than CEO</b>	Non-Executive Directors	Meeting Fee	2,200,000	750,000
		Reimbursement of expenses	108,450	87,000
		Rental expense paid for building in use	5,027,686	2,816,781
		Cash dividend paid	4,474,712	3,356,034
<b>Khan and Piracha</b>	Common directorship	Payment made against services received	-	390,000
<b>National Management Foundation (LJMS)</b>	Common directorship	Event sponsorship	-	5,000,000
		Donation	4,000,000	-
<b>Lahore Biennale Foundation (LBF)</b>	Common directorship	Donation	-	2,500,000

## 18 FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

18.1 The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements.

### 18.2 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability

#### Valuation techniques used in determination of fair values within level 2

<b>Short term investments</b>	Fair values of short term investments are determined based on their net asset values as published at the close of reporting period.
<b>Property, plant and equipment</b>	Freehold land, buildings on freehold land and plant and machinery are revalued on a periodic basis using professional valuers.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	Carrying Amount			Fair Value			
	Fair value through statement of profit or loss	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
<b>31 December 2025 (Un-audited)</b>							
<b>Financial assets measured at fair value:</b>							
Short term investments	422,324,874	-	-	422,324,874	-	422,324,874	-
<b>Financial assets not measured at fair value</b>							
Trade debts	-	2,357,875,418	-	2,357,875,418	-	-	-
Loans and advances	-	33,191,730	-	33,191,730	-	-	-
Deposits	-	114,312,232	-	114,312,232	-	-	-
Other receivables	-	33,237,504	-	33,237,504	-	-	-
Bank balances	-	446,699,200	-	446,699,200	-	-	-
	-	<b>2,985,316,084</b>	-	<b>2,985,316,084</b>	-	-	-
<b>Financial liabilities measured at fair value</b>							
<b>Financial liabilities not measured at fair value</b>							
Trade and other payables	-	-	2,525,668,692	2,525,668,692	-	-	-
Unclaimed dividend	-	-	105,077,333	105,077,333	-	-	-
Long term loans - secured	-	-	123,643,767	123,643,767	-	-	-
Long term musharaka - secured	-	-	189,910,896	189,910,896	-	-	-
Short term borrowings - secured	-	-	2,114,199,590	2,114,199,590	-	-	-
Accrued mark-up	-	-	61,924,863	61,924,863	-	-	-
	-	-	<b>5,120,425,141</b>	<b>5,120,425,141</b>	-	-	-

	Carrying Amount		Fair Value				
	Fair value through statement of profit or loss	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
	402,631,388	-	-	-	-	402,631,388	-
----- Rupees -----							
<b>30 June 2025 (Audited)</b>							
<b>Financial assets measured at fair value:</b>							
Short term investments	-	-	-	-	-	-	-
<b>Financial assets not measured at fair value</b>							
Trade debts	-	2,097,262,852	-	2,097,262,852	-	-	-
Loans and advances	-	41,591,580	-	41,591,580	-	-	-
Deposits	-	177,954,398	-	177,954,398	-	-	-
Other receivables	-	94,103,986	-	94,103,986	-	-	-
Bank balances	-	345,584,088	-	345,584,088	-	-	-
	-	2,756,496,904	-	2,756,496,904	-	-	-
<b>Financial liabilities measured at fair value:</b>							
<b>Financial liabilities not measured at fair value</b>							
Trade and other payables	-	-	1,977,815,374	1,977,815,374	-	-	-
Unclaimed dividend	-	-	99,116,101	99,116,101	-	-	-
Long term loans - secured	-	-	133,734,534	133,734,534	-	-	-
Long term musharaka - secured	-	-	214,551,743	214,551,743	-	-	-
Short term borrowings - secured	-	-	2,218,996,474	2,218,996,474	-	-	-
Accrued mark-up	-	-	76,185,903	76,185,903	-	-	-
	-	-	4,720,400,129	4,720,400,129	-	-	-

### 18.3 Fair value of property, plant and equipment

Freehold land, buildings on freehold land and plant and machinery have been carried at revalued amounts determined by professional valuers based on their assessment of market value. The valuations are conducted by the valuation experts appointed by the Company. The valuation experts used a market based approach to arrive at the fair value of the Company's properties. This revaluation was carried out by Asif Associates (Private) Limited (Independent valuer and consultant).

Carrying value of freehold land, buildings on freehold land and plant and machinery which were revalued on 30 June 2024 is as follows:

	Level 2	
	Unaudited	Audited
	31 December	30 June
	2025	2025
	Rupees	
Freehold land	1,637,700,000	1,637,700,000
Buildings on freehold land	1,394,687,757	1,473,494,406
Plant and machinery	2,468,364,890	2,609,971,142

19 SHARIAH DISCLOSURE

<u>Description</u>	<u>Explanation</u>	Note	Un-audited 31 December 2025 Rupees	Audited 30 June 2025 Rupees
<b>Statement of financial position - Liability side</b>				
Short term financing - secured	Financing obtained as per Islamic mode Mark-up accrued on conventional loan		1,371,019,365 16,148,558	1,685,882,949 27,479,371
Long term financing before deferred grant	Financing obtained as per Islamic mode Mark-up accrued on conventional loan		276,656,350 1,235,495	309,183,150 1,365,297
<b>Statement of financial position - Asset side</b>				
Cash and bank balances	Shariah compliant bank deposits and bank balances		445,861,116	325,721,745
<b>Statement of profit or loss</b>				
Revenue - net	Revenue earned from shariah compliant business segment	15	8,289,033,748	7,032,685,165
<b>Other income / expense</b>				
From shariah compliant transactions				
- Profit paid on Islamic mode of financing;			93,954,861	139,707,083
- Profit earned			18,730	38,002
<b>Source and detailed breakup of other income</b>				
Earned from non- shariah compliant transactions			25,742,669	47,398,817
Earned from shariah compliant transactions			23,376,453	28,254,887

**Relationship with Shariah-compliant financial institutions with balances outstanding at period end**

<u>Name</u>	<u>Relationship</u>
Bank Islami Pakistan Limited	Borrowing arrangement
Meezan Bank Limited	Bank deposits and borrowing arrangement
Faysal Bank Limited	Borrowing arrangement
First Habib Modaraba	Borrowing arrangement

## 20 SUBSEQUENT EVENT

The Board of Directors of the Company in its meeting held on 26 February 2026 has approved an interim cash dividend of Rs. Nil per share (31 December 2024: Rs. Nil per share), amounting to Rs. Nil (31 December 2024: Rs. Nil).

## 21 GENERAL

Figures have been rounded off to nearest rupee.

## 22 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company on 26 February 2026.



Chief Executive Officer



Chief Financial Officer



Director







# CONSOLIDATED FINANCIAL STATEMENTS

Ferozsons Laboratories Limited  
Condensed Interim Consolidated Statement of Financial Position  
As at 31 December 2025

	Un-audited 31 December 2025	Audited 30 June 2025
	Rupees	
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Authorized share capital 150,000,000 (2025: 150,000,000) ordinary shares of Rs. 10 each	1,500,000,000	1,500,000,000
Issued, subscribed and paid up capital	434,690,520	434,690,520
Capital reserve	321,843	321,843
Revaluation surplus on property, plant and equipment - net of tax	3,438,249,404	3,543,841,204
Accumulated profits	8,855,745,206	8,396,342,572
<b>Equity attributable to owners of the Company</b>	<b>12,729,006,973</b>	<b>12,375,196,139</b>
<b>Non-controlling interests</b>	<b>2,230,204,287</b>	<b>2,091,492,320</b>
	<b>14,959,211,260</b>	<b>14,466,688,459</b>
<b>Non current liabilities</b>	<b>1,257,420,358</b>	<b>1,418,820,425</b>
Long term loans - secured	193,336,933	229,111,824
Long term musharaka - secured	292,933,228	351,552,962
Deferred grant	1,500,471,879	1,486,659,972
Deferred taxation	3,244,162,398	3,486,145,183
<b>Current liabilities</b>	<b>342,108,461</b>	<b>334,669,603</b>
Current portion of:	65,275,320	61,075,146
- Long term loans - secured	121,055,951	128,490,379
- Deferred grant	5,342,500,260	3,346,868,600
Trade and other payables	306,198,386	340,839,485
Contract liabilities	2,195,872,634	2,248,359,022
Short term borrowings - secured	105,077,333	99,116,101
Unclaimed dividend	74,557,152	92,695,474
Accrued mark-up	8,552,645,497	6,652,113,810
<b>Contingencies and commitments</b>	<b>26,756,019,155</b>	<b>24,604,947,452</b>

The annexed notes from 1 to 20 form an integral part of these condensed interim consolidated financial statements.

  
Chief Executive Officer

  
Chief Financial Officer

	Un-audited 31 December 2025	Audited 30 June 2025
	Rupees	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	11,397,661,536	11,556,822,174
Intangible assets	13,218,427	27,627,559
Investment property	79,371,992	79,371,992
Long term advances and deposits	160,607,562	42,835,216
	11,650,859,517	11,706,656,941
<b>Current assets</b>	<b>299,677,743</b>	<b>205,910,578</b>
Stores, spare parts and loose tools	7,705,659,046	6,600,503,373
Stock in trade	2,992,362,357	2,301,227,364
Trade debts	406,687,542	255,608,821
Loans and advances	268,190,398	284,042,284
Deposits and prepayments	188,284,794	285,309,001
Other receivables	554,568,511	612,129,972
Advance income tax - net	1,848,214,798	1,661,032,001
Short term investments	841,514,449	692,527,117
Cash and bank balances	15,105,159,638	12,898,290,511
	<b>26,756,019,155</b>	<b>24,604,947,452</b>

  
Director

# Ferozsons Laboratories Limited

## Condensed Interim Consolidated Statement of Profit or Loss (Un-audited)

For the half year and quarter ended 31 December 2025

	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	Note ----- Rupees -----			
Revenue - <i>net</i>	13 12,621,851,496	9,259,937,017	6,682,572,869	4,730,951,335
Cost of sales	14 (6,961,992,184)	(5,317,218,885)	(3,632,175,561)	(2,641,235,449)
<b>Gross profit</b>	<b>5,659,859,312</b>	<b>3,942,718,132</b>	<b>3,050,397,308</b>	<b>2,089,715,886</b>
Administrative expenses	(572,079,276)	(466,195,315)	(284,236,654)	(240,765,255)
Selling and distribution expenses	(3,637,450,105)	(2,441,529,678)	(1,961,091,435)	(1,388,895,764)
Other expenses	(188,110,996)	(100,447,885)	(134,350,372)	(52,768,925)
Other income	102,266,686	118,648,391	50,568,749	91,576,790
<b>Profit from operations</b>	<b>1,364,485,621</b>	<b>1,053,193,645</b>	<b>721,287,596</b>	<b>498,862,732</b>
Finance cost	(203,072,804)	(365,394,089)	(98,387,326)	(171,485,876)
<b>Profit before income tax, final tax and minimum tax differential</b>	<b>1,161,412,817</b>	<b>687,799,556</b>	<b>622,900,270</b>	<b>327,376,856</b>
Minimum tax differential and final tax	(20,194,468)	(13,643,912)	(12,482,280)	(214,295)
<b>Profit before taxation</b>	<b>1,141,218,349</b>	<b>674,155,644</b>	<b>610,417,990</b>	<b>327,162,561</b>
Taxation	(474,819,340)	(255,584,535)	(265,968,492)	(149,611,828)
<b>Profit after taxation</b>	<b>666,399,009</b>	<b>418,571,109</b>	<b>344,449,498</b>	<b>177,550,733</b>
<b>Attributable to:</b>				
Owners of the Group	527,687,042	370,849,647	268,996,824	150,454,296
Non-controlling interests	138,711,967	47,721,462	75,452,674	27,096,437
<b>Profit after taxation</b>	<b>666,399,009</b>	<b>418,571,109</b>	<b>344,449,498</b>	<b>177,550,733</b>
Earnings per share - <i>basic and diluted</i>	<b>12.14</b>	<b>8.53</b>	<b>6.19</b>	<b>3.46</b>

The annexed notes from 1 to 20 form an integral part of these condensed interim consolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

Ferozsons Laboratories Limited  
 Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)  
 For the half year and quarter ended 31 December 2025

	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	----- Rupees -----			
<b>Profit after taxation</b>	<b>666,399,009</b>	418,571,109	<b>344,449,498</b>	177,550,733
<b>Total comprehensive income for the period</b>	<b>666,399,009</b>	418,571,109	<b>344,449,498</b>	177,550,733
<b>Attributable to:</b>				
Owners of the Group	<b>527,687,042</b>	370,849,647	<b>268,996,824</b>	150,454,296
Non-controlling interests	<b>138,711,967</b>	47,721,462	<b>75,452,674</b>	27,096,437
	<b>666,399,009</b>	418,571,109	<b>344,449,498</b>	177,550,733

The annexed notes from 1 to 20 form an integral part of these condensed interim consolidated financial statements.

  
 Chief Executive Officer

  
 Chief Financial Officer

  
 Director



Ferozsons Laboratories Limited  
Condensed Interim Consolidated Statement of Cash Flows (Un-audited)  
For the half year ended 31 December 2025

		<u>Half year ended</u>	
		31 December 2025	31 December 2024
Note	-----	Rupees -----	
<b><u>Cash flow from operating activities</u></b>			
		1,141,218,349	674,155,644
		<i>Profit before taxation</i>	
		<i>Adjustments for non - cash and other items</i>	
	10.1	506,986,777	403,332,630
		14,409,132	9,035,846
		70,620,955	27,311,572
		11,125,917	12,861,235
		(4,182,320)	(6,533,359)
		196,340,582	363,265,372
		(71,620,998)	(82,199,753)
		(16,760,172)	-
		(32,882)	(28,565)
		20,194,468	13,643,912
		(8,309,618)	(21,259,755)
		72,238,217	41,809,316
		13,233,535	8,016,283
		29,475,325	17,731,236
		<u>833,718,918</u>	<u>786,985,970</u>
		<u>1,974,937,267</u>	<u>1,461,141,614</u>
<b>Cash generated from operations before working capital changes</b>			
<b><u>Effect on cash flow due to working capital changes</u></b>			
<i>(Increase) / decrease in current assets</i>			
		(93,767,165)	(60,244,718)
		(1,116,281,590)	(929,859,342)
		(761,755,948)	(490,625,590)
		(151,078,721)	(207,434,842)
		15,851,886	83,057,907
		97,024,207	7,965,127
		<u>(2,010,007,331)</u>	<u>(1,597,141,458)</u>
<i>Increase / (decrease) in current liabilities</i>			
		1,983,411,600	1,659,293,592
		(34,641,099)	(69,585,536)
		<u>1,913,700,437</u>	<u>1,453,708,212</u>
<b>Cash generated from operations</b>			
		(423,640,440)	(374,661,030)
		(84,782,207)	(42,541,527)
		(17,944,812)	(12,940,472)
		<u>1,387,332,978</u>	<u>1,023,565,183</u>
<b><u>Cash flow from investing activities</u></b>			
		(372,198,240)	(422,753,166)
		-	(5,121,630)
		32,882	28,565
		28,554,423	7,986,741
		(117,772,346)	(144,675)
		8,309,618	21,259,755
		(98,801,627)	(3,974,384,494)
		<u>(551,875,290)</u>	<u>(4,373,128,904)</u>
<b><u>Cash flow from financing activities</u></b>			
		-	1,855,198,135
		-	183,554,428
	7	(31,574,717)	(34,471,927)
		-	32,374,000
	6	(231,626,069)	(213,789,002)
		(202,868,206)	(410,464,351)
		(167,914,976)	(126,194,628)
		<u>(633,983,968)</u>	<u>1,286,206,655</u>
		<u>201,473,720</u>	<u>(2,063,357,066)</u>
		<u>(1,555,831,905)</u>	<u>(2,191,969,793)</u>
		<u>(1,354,358,185)</u>	<u>(4,255,326,859)</u>
<b>Cash and cash equivalents comprise of the following:</b>			
		841,514,449	505,621,374
		(2,195,872,634)	(4,760,948,233)
		<u>(1,354,358,185)</u>	<u>(4,255,326,859)</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim consolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

# Ferozsons Laboratories Limited

## Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)

For the half year ended 31 December 2025

### 1 The Group and its operation

Ferozsons Laboratories Limited ("the Holding Company") was incorporated as a private limited company on 28 January 1954 and commenced its commercial operations in 1956. The Company was converted into a public limited company on 08 September 1960. The Holding Company is listed on the Pakistan Stock Exchange Limited and is primarily engaged in the imports, manufacture and sale of pharmaceuticals products and medical devices. Its registered office is situated at 197-A, The Mall, Rawalpindi and the manufacturing facility is located at Nowshera, Khyber Pakhtoon Khwa.

"The Group" consists of the following subsidiaries:

Company / Entity	County of incorporation	Nature of business	Effective holding %	
			31 December 2025	30 June 2025
BF Biosciences Limited	Pakistan	Import, manufacturing and sale of pharmaceutical products	57.36	57.36
Farmacia	Pakistan	Sale and distribution of medicines and other related products	98	98

The registered office of the BF Biosciences Limited is situated at 197-A, The Mall, Rawalpindi and the production facility is located at 5 KM- Sunder Raiwind Road Lahore.

The head office of the Farmacia is situated at Fatima Memorial Hospital, Shadman, Lahore

### 2 Basis of preparation

#### 2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 with the requirements of IAS 34 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### 2.2 Separate financial statements

These condensed interim consolidated financial statements have been prepared from the information available in the condensed interim standalone financial statements of the Holding Company for the period ended 31 December 2025 and the condensed interim financial statements of the subsidiaries for the period ended 31 December 2025.

#### 2.3 Basis of accounting

2.3.1 These condensed interim consolidated financial statements comprises the condensed interim consolidated statement of financial position of the Group as at 31 December 2025, condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows together with the notes forming part thereof.

2.3.2 These condensed interim consolidated financial statements does not include all of the information and disclosures required for annual consolidated financial statements for the year ended 30 June 2025 ("annual financial statements") prepared in accordance with IFRS Accounting standards and should be read in conjunction with the annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

2.2.3 Comparative consolidated statement of financial position's numbers are extracted from the annual audited consolidated financial statements of the Holding Company for the year ended 30 June 2025, whereas numbers of condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows are stated from unaudited condensed interim consolidated financial statements of the Holding Company for the six months period ended 31 December 2024.

2.2.4 These condensed interim consolidated financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited ("PSX").

## 2.4 Judgements and estimates

The preparation of these condensed interim consolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to annual financial statements.

## 3 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are same as those applied in the preparation of the annual consolidated financial statements.

## 4 Standards, interpretations and amendments to existing accounting and reporting standards as applicable in Pakistan that have become effective in the current period

There are certain interpretations and amendments to accounting and reporting standards as applicable in Pakistan effective from accounting periods beginning on or after January 1, 2025. These are either considered not to be relevant or do not have any material effect on the Group's operations and are therefore not detailed in these condensed interim consolidated financial statements. However, PSX through the circular number PSX/N-1419 dated 24 December 2025 required the relevant listed companies including the Group to report Shariah disclosures in their half yearly and annual financial statements. Accordingly such disclosure has been reported in note 17 to these condensed interim consolidated financial statements.

## 5 Standards, interpretations and amendments to existing accounting and reporting standards as applicable in Pakistan that are not yet effective

Following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto effective for accounting periods beginning on or after 01 January 2026:

- Lack of Exchangeability (amendments to IAS 21)
- Amendments to the Classification and Measurement of Financial Instruments - amendments to IFRS 9 Financial Instrument and IFRS 7 Financial Instrument Disclosure
- IFRS 18 "Presentation and Disclosure in the Financial Statements"
- IFRS-19 "Subsidiaries without Public Accountability: Disclosures"
- Annual improvement to IFRS Accounting Standards - Amendments to:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures;
  - IFRS 9 Financial Instruments;
  - IAS 7 Statement of Cash flows

The management is in the process of assessing the impact of these amendments and interpretation on the Group's financial statements. Other accounting standards and amendments to accounting standards that have been issued but are not yet effective are not expected to have a significant impact on the Group's financial statements.

## 6 Long term loans - secured

During the period, the Group has made repayments amounting to Rs 231.63 million (31 December 2024: 213.79 million). All terms and conditions applicable on long term loans availed are same as those disclosed in annual consolidated financial statements.

## 7 Long term musharaka - secured

During the period, the Group has made repayments amounting to Rs 31.57 million (31 December 2024: 34.47 million). All terms and conditions applicable on long term musharaka availed are same as those disclosed in annual consolidated financial statements.

## 8 Short term borrowings - secured

All terms and conditions applicable on short term borrowings availed are same as those disclosed in the annual consolidated financial statements.

## 9 Contingencies and commitments

Except as mentioned below, there is no significant change in commitments or the status of the contingencies as reported in annual consolidated financial statements.

### 9.1 Commitments

During the period, the Group has entered into two new Ijarah arrangements for vehicles with Bank Islami Pakistan Limited and Bank of Punjab Limited. Aggregate commitments for these new Ijarah arrangements amounts to Rs. 480.22 million.

The contractual payment obligations relating to Ijarah commitments with all banks are as follows:

		<b>Un-audited 31 December 2025</b>	<b>Audited 30 June 2025</b>
<b>Future payments under Ijarah:</b>	<i>Note</i>	<b>-----Rupees-----</b>	
Not later than one year		<b>150,500,286</b>	60,851,577
Later than one year but not later than five years		<b>558,932,052</b>	237,444,939
		<b>709,432,338</b>	298,296,516

## 10 Property, plant and equipment

Operating fixed assets	<i>10.1</i>	<b>11,080,379,772</b>	11,388,260,712
Capital work-in-progress		<b>317,281,764</b>	168,561,462
		<b>11,397,661,536</b>	11,556,822,174

### 10.1 Operating fixed assets

#### Cost

Opening balance at beginning of the period / year	<b>12,896,660,738</b>	8,781,321,507
Additions / transfers during the period / year	<b>223,477,938</b>	4,203,503,267
Disposals during the period / year	<b>(70,378,469)</b>	(88,164,036)
Closing balance at end of the period / year	<b>13,049,760,207</b>	12,896,660,738

#### Less: Accumulated depreciation

Opening balance at beginning of the period / year	<b>1,508,400,026</b>	661,418,019
Depreciation for the period / year	<b>506,986,775</b>	915,608,782
On disposals	<b>(46,006,366)</b>	(68,626,775)
Closing balance at end of the period / year	<b>1,969,380,435</b>	1,508,400,026
<b>Operating fixed assets - net book value</b>	<b>11,080,379,772</b>	11,388,260,712

## 11 Stock in Trade

This includes inventories of raw materials and work in progress written down to their net realizable value by Rs. 142.56 million (30 June 2025: Rs. 83.75 million) and finished goods written down to their net realizable value by Rs. 86.94 million (30 June 2025: Rs. 134.47 million).

## 12 Trade Debts

This includes expected credit loss allowance amounting to Rs. 380.80 million (30 June 2025: Rs. 314.24 million).

Half year ended (Un-audited)	
31 December 2025	31 December 2024
----- Rupees -----	

### 13 Revenue - net

#### Gross sales:

Local	13,916,988,732	10,078,513,987
Export	638,201,667	582,981,910
	<u>14,555,190,399</u>	<u>10,661,495,897</u>

#### Toll manufacturing

99,375,518	2,227,824
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#### Less:

Sales returns	(103,652,987)	(74,738,800)
Discounts	(1,804,789,529)	(1,260,227,413)
Sales tax	(124,271,905)	(68,820,491)
	<u>(2,032,714,421)</u>	<u>(1,403,786,704)</u>

#### Revenue from contracts with customers

<u>12,621,851,496</u>	<u>9,259,937,017</u>
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### 13.1 Disaggregation of revenue (net sales)

#### Primary Geographical Markets:

Pakistan	11,983,649,829	8,676,955,107
Sri Lanka	238,710,178	125,185,244
Afghanistan	198,612,990	261,698,977
Philippines	61,693,158	69,648,948
Myanmar	37,757,968	44,695,948
Kenya	24,391,213	21,501,314
Nepal	17,236,698	22,238,994
Cambodia	7,807,358	-
Mauritania	6,702,173	-
Kyrgyzstan	6,431,509	16,505,216
Others	38,858,422	21,507,269
	<u>12,621,851,496</u>	<u>9,259,937,017</u>

### 14 Cost of sales

#### Cost of goods manufactured

5,479,883,120	4,100,958,272
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#### Finished stock:

Opening - net of provision	3,019,357,660	2,392,888,111
Purchases made during the period	1,225,585,354	1,329,686,530
Closing - net of provision	(2,762,833,950)	(2,506,314,028)
	<u>1,482,109,064</u>	<u>1,216,260,613</u>
	<u>6,961,992,184</u>	<u>5,317,218,885</u>

**Related party transactions**

The Group's related parties include associated companies, entities over which directors are able to exercise influence, staff retirement fund, directors and key management personnel. Transactions with related parties are as follows:

Name of parties	Relationship	Transactions	Half year ended (Un-audited)	
			31 December 2025	31 December 2024
				-----Rs.-----
<b>Bago Laboratories Pte. Limited</b>	Associated Company	Purchase of medicine	312,737,476	8,464,593
		Payment made against purchase of medicine	102,178,765	12,678,206
<b>Employees Provident Fund</b>	Post employment benefit fund	Contribution towards employees' provident fund	65,281,453	52,648,626
<b>Key Management Personnel</b>	Key management personnel	Remuneration including benefits and perquisites	54,137,704	48,905,632
		Advance given against salary	629,188	-
		Cash dividend	8,064	6,048
<b>KFW Factors (Private) Limited</b>	Common directorship	Cash dividend	47,732,776	35,799,582
		Share of profit of Farmacia reinvested	408,554	273,645
<b>Osman Khalid Waheed</b>	Chief Executive Officer-Holding Company & Non-Executive Director - Subsidiary Company	Remuneration including benefits and perquisites	39,985,089	33,824,349
		Cash Dividend	13,610,988	10,208,241
		Advance given against salary	-	500,000
		Meeting fee	1,000,000	410,000
<b>Akhtar Khalid Waheed</b>	Chief Executive Officer-Subsidiary Company & Non-Executive Director - Holding Company	Meeting fee	650,000	310,000
		Cash Dividend	20,000	15,000
<b>Directors other than CEOs</b>	Non-Executive Directors	Cash Dividend	4,454,712	3,341,034
		Reimbursement of expenses	108,450	87,000
		Meeting fee	4,450,000	1,940,000
		Rental expense paid for building in use	5,027,686	2,816,781
<b>Khan and Piracha</b>	Common directorship	Payment made against services received	-	390,000
<b>Lahore Biennale Foundation (LBF)</b>	Common directorship	Donation	-	2,500,000
<b>National Management Foundation (LUMS)</b>	Common directorship	Donations	4,000,000	500,000
		Payment made against services received	500,000	-
		Event sponsorship	-	5,000,000

## 16 Financial risk management and fair value of financial instruments

16.1 The Group's financial risk management objective and policies are consistent with that disclosed in the annual consolidated financial statements.

### 16.2 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Group is current bid price.

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability

#### Valuation techniques used in determination of fair values within level 2

<b>Short term investments</b>	Fair values of short term investments are determined based on their net asset values as published at the close of reporting period.
<b>Property, plant and equipment</b>	Freehold land, buildings on freehold land and plant and machinery are revalued on a periodic basis using professional valuers.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Carrying Amount		Fair Value		
	Fair value through statement of profit or loss	Financial assets at amortised cost	Other financial liabilities	Total	
<b>31 December 2025 (Un-audited)</b>					
<b>Financial assets measured at fair value:</b>					
Short term investments	1,848,214,798	-	-	1,848,214,798	-
<b>Financial assets not measured at fair value</b>					
Trade debts	-	2,992,362,357	-	2,992,362,357	-
Loans and advances	-	34,063,730	-	34,063,730	-
Deposits	-	234,562,594	-	234,562,594	-
Other receivables	-	33,237,504	-	33,237,504	-
Cash and bank balances	-	841,514,449	-	841,514,449	-
	-	4,135,740,634	-	4,135,740,634	-
<b>Financial liabilities measured at fair value</b>					
<b>Financial liabilities not measured at fair value</b>					
Trade and other payables	-	-	4,971,678,530	4,971,678,530	-
Unclaimed dividend	-	-	105,077,333	105,077,333	-
Long term loans - secured	-	-	1,599,528,819	1,599,528,819	-
Long term musharaka - secured	-	-	258,612,253	258,612,253	-
Short term borrowings - secured	-	-	2,195,872,634	2,195,872,634	-
Accrued mark-up	-	-	74,557,152	74,557,152	-
	-	-	9,205,326,721	9,205,326,721	-



17 Shariah disclosure

<u>Description</u>	<u>Explanation</u>	Note	Un-audited 31 December 2025 Rupees	Audited 30 June 2025 Rupees
<b>Statement of financial position - Liability side</b>				
Short term financing - secured	Financing obtained as per Islamic mode Mark-up accrued on conventional loan		1,373,381,128 16,209,884	1,693,211,685 27,946,678
Long term financing before deferred grant	Financing obtained as per Islamic mode Mark-up accrued on conventional loan		345,357,707 12,169,054	384,818,377 16,673,068
<b>Statement of financial position - Asset side</b>				
Cash and bank balances	Shariah compliant bank deposits and bank balances		566,414,347	388,802,484
<b>Statement of profit or loss</b>				
Revenue - net	Revenue earned from shariah compliant business segment	13	12,621,851,496	9,259,937,017
<b>Other income / expense</b>				
From shariah compliant transactions				
- Profit paid on Islamic mode of financing;			100,641,702	164,348,493
- Profit earned			24,070	75,898
<b>Source and detailed breakup of other income</b>				
Earned from non- shariah compliant transactions			96,699,599	95,742,156
Earned from shariah compliant transactions			5,567,087	11,818,472
<b>Relationship with Shariah-compliant financial institutions with balances outstanding at period end</b>				
<b>Name</b>		<b>Relationship</b>		
Bank Islami Pakistan Limited		Bank deposits and borrowing arrangement		
Meezan Bank Limited		Bank deposits and borrowing arrangement		
Faysal Bank Limited		Bank deposits and borrowing arrangement		
First Habib Modaraba		Borrowing arrangement		

**18 Subsequent event**

The Board of Directors of the Holding Company in its meeting held on 26 February 2026 has approved an interim cash dividend of Rs. Nil per share (31 December 2024: Rs. Nil per share), amounting to Rs. Nil (31 December 2024: Rs. Nil).

**19 General**

Figures have been rounded off to nearest rupee.

**20 Date of authorization for issue**

The Board of Directors of the Holding Company in its meeting held on 26 February 2026 has authorized to issue these condensed interim consolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

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