

MERIT
PACKAGING
LIMITED Since 1980
A Lakson Group Company

PROGRESSIVE **P**ACKAGING **S**OLUTIONS

Half Yearly Report December 31, 2025

SYMBOL OF PACKAGING EXCELLENCE

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CORPORATE INFORMATION

Board of Directors

Mr. Iqbal Ali Lakhani (Chairman)
Mr. Amin Mohammed Lakhani
Ms. Anushka Lakhani
Mr. Aftab Ahmad
Mr. Farrukh Shauket Ansari
Mr. Ahmed Munaf
Mr. Sheikh Asim Rafiq

Advisor

Mr. Sultan Ali Lakhani

Audit Committee

Mr. Sheikh Asim Rafiq (Chairman)
Mr. Amin Mohammed Lakhani
Mr. Farrukh Shauket Ansari

Human Resource and Remuneration Committee

Mr. Sheikh Asim Rafiq (Chairman)
Mr. Amin Mohammed Lakhani
Mr. Aftab Ahmad

Chief Executive Officer

Mr. Sabir Imtiaz

Chief Financial Officer

Mr. Umair Ahmed

Company Secretary

Mr. Mansoor Ahmed

Auditors

BDO Ebrahim & Co.
Chartered Accountants

Bankers - Conventional

Habib Bank Limited
National Bank of Pakistan
Soneri Bank Limited
MCB Bank Limited

Bankers - Islamic

Meezan Bank Limited
United Bank Limited – Ameen
Al-Baraka Bank (Pakistan) Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited - Islamic Banking
MCB Islamic Bank Limited

Shares Registrar

FAMCO Share Registration Services (Private)
Limited, 8-F, Near Hotel Faran, Nursery, Block-6,
P.E.C.H.S., Shakra-e-Faisal, Karachi.
Website: www.famcosrs.com
Email: info.shares@famcosrs.com
Phone: (021) 34380101- 5
Fax: (021) 34380106

Registered & Head Office

Lakson Square, Building No. 2, Sarwar Shaheed
Road, Karachi-74200, Pakistan.

Factory

17-B, Sector 29, Korangi Industrial Area, Karachi.

Marketing Divisions

CONTACT US
UAN: +9221 38892147 Ext. 1014, 1008 |
Phone Number: 0341-2464451
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Web: www.meritpack.com

DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

The Board of Directors here by present the financial results of the Company for the half-year ended December 31, 2025.

Financial performance at a glance:

	December 31,	
	2025	2024
	Rupees in millions	
Revenue	1,777	3,052
Gross profit	76	198
Operating (loss)/profit	(56)	71
Gain on disposal of Gravure	506	-
Profit/(loss) before levy and taxation	389	(30)
Minimum tax	(66)	(38)
Profit / (loss) before taxation	323	(68)
Taxation	(194)	-
Profit / (loss) after tax	129	(68)

Financial performance highlights:

During the period under review, the Company's net revenue stood at PKR 1,777 million, representing a 41.77% contraction (PKR 1,275 million) against the corresponding period last year. This topline decline is primarily attributable to reduced sales volumes in the Flexible Packaging segment following the strategic disposal of Gravure machinery. Consequently, the gross margin registered a decrease of PKR 121.6 million compared to the half-year ended December 31, 2024.

The Company recorded an operating loss of Rs. 56 million for the period, compared to an operating profit of Rs. 71 million during the same period last year. However, this was offset by a significant gain of Rs. 506 million realized from the disposal of Gravure machinery. Furthermore, finance costs were optimized, falling to Rs. 60 million (compared to Rs. 101 million last year) due to reduced reliance on running finance facilities—a direct result of the liquidity injected by the asset sale. Consequently, the Company achieved a profit before tax of Rs. 389 million.

In February 2026, the Company received a recovery notice for Super Tax pertaining to taxable income generated from the disposal of land and buildings in 2024. This assessment, amounting to Rs. 120 million, has been duly recognized and adjusted within the current financial statements. Furthermore, in compliance with prevailing tax laws, the Company has recorded an additional provision of Rs. 74 million on account of Super Tax for the current financial year.

Taking into account the above, the Company reported a net profit of PKR 129 million (EPS: Rs. 0.65) for the half year ended December 2025 as compared to the same period last year's net loss of PKR 68 million (LPS: Re. 0.34).

Future prospects

The market of packaging industry remains competitive. The Company's management is making its efforts to implementing strategies to enhance the Company's resilience and operational readiness throughout challenging period.

Acknowledgment

The management would like to express its gratitude to all customers, financial institutions, staff members, suppliers, and shareholders who have been associated with the Company for their continued support and cooperation. It would like to especially thank its sponsors for their continued support during the turbulent times and guidance to drive the Company towards growth and advancement.

On behalf of the Board of Directors



Iqbal Ali Lakhani
Chairman

Karachi: February 25, 2026



Sabir Imtiaz
Chief Executive



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Pakistan

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS MERIT PACKAGING LIMITED

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **MERIT PACKAGING 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 changes in equity, condensed interim statement of cash flows and notes to the condensed interim financial statements for the half year ended December 31, 2025 (here-in-after referred as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial statements. Our responsibility is to express a conclusion on these 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 Statements 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 interim financial statements is not prepared, in all material respects, in accordance with approved 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 quarter 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 27, 2026
UDIN: RR202510166rfCQldpTD


BDO EBRAHIM & Co.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	(Un-audited)	(Audited)
		December 31, 2025	June 30, 2025
Rupees in thousands			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	5	2,285,225	2,349,701
Capital work in progress	6	5,310	11,949
		2,290,535	2,361,650
Right-of-use assets		118,794	125,852
Intangible assets		15	61
Long-term deposits		12,249	12,249
		2,421,593	2,499,812
CURRENT ASSETS			
Stores and spares		160,626	97,483
Stock-in-trade		418,870	545,652
Trade debts	7	658,029	792,651
Loans and advances		83,755	39,753
Trade deposits and short-term prepayments		72,259	71,609
Other receivables	8	24,402	23,676
Tax refund due from Government authorities		306,643	322,095
Taxation - net		121,469	127,015
Cash and bank balances	9	16,852	2,657
		1,862,905	2,022,589
Assets classified as held for sale	10	-	494,341
		4,284,498	5,016,742
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 (June 30, 2025: 200,000,000) ordinary shares of Rs. 10/- each		2,000,000	2,000,000
Issued, subscribed and paid-up capital			
199,958,427 (June 30, 2025: 199,958,427) ordinary shares of Rs. 10/- each		1,999,584	1,999,584
Capital reserves			
Surplus on revaluation of property, plant and equipment		705,305	942,873
Share Premium Reserve		298,325	298,325
Revenue reserves			
General reserves		106,800	106,800
Accumulated losses		(1,399,643)	(1,766,666)
Equity portion of loan - associated company		691,149	691,149
		2,401,520	2,272,065
NON-CURRENT LIABILITIES			
Sub-ordinated loan		250,000	250,000
Long-term financing	11	-	-
Lease liability		130,223	133,617
		380,223	383,617
CURRENT LIABILITIES			
Trade and other payables		1,308,333	1,445,040
Mark-up accrued		10,431	21,952
Short-term borrowings		177,421	841,327
Current portion of long-term financing	11	-	46,824
Current portion of lease liability		6,441	5,787
Un-claimed dividend		129	129
		1,502,755	2,361,059
		4,284,498	5,016,742
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	12		

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



Amin Mohammed Ikhani
Director



Sabir Imtiaz
Chief Executive Officer



Umair Ahmed
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2025 (UNAUDITED)

	Note	Half year ended December 31,		Quarter ended December 31,	
		2025	2024	2025	2024
		Rupees in thousands		Rupees in thousands	
Revenue	13	1,777,075	3,052,033	840,337	1,532,247
Cost of sales		(1,700,728)	(2,854,084)	(828,846)	(1,433,495)
Gross profit		76,347	197,949	11,491	98,752
General and administrative expenses		(95,190)	(82,333)	(53,131)	(38,041)
Selling and distribution expenses		(47,696)	(53,517)	(25,943)	(28,505)
Other operating expenses		(10,895)	(5,887)	(7,534)	(3,025)
Other income		21,316	14,551	6,353	5,710
		(132,465)	(127,186)	(80,255)	(63,861)
Operating (loss)/profit		(56,118)	70,763	(68,764)	34,891
Gain on disposal of assets classified as held for sale	10	505,660	-	-	-
Financial charges		(60,414)	(100,634)	(25,884)	(48,748)
Profit/(loss) before levy and taxation		389,128	(29,871)	(94,648)	(13,857)
Levy		(66,152)	(38,341)	(54,372)	(19,379)
Profit/(loss) before taxation		322,976	(68,212)	(149,020)	(33,236)
Taxation	14	(193,521)	-	(193,521)	-
Profit/(loss) for the period		129,455	(68,212)	(342,541)	(33,236)
			(Rupee)		(Rupee)
Earning/(loss) per share - basic and diluted	15	0.65	(0.34)	(1.71)	(0.17)

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



Amin Mohammed Ikhani
Director



Sabir Imtiaz
Chief Executive Officer



Umair Ahmed
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR AND QUARTER ENDED
DECEMBER 31, 2025 (UNAUDITED)

	Half year ended December 31,		Quarter ended December 31,	
	2025	2024	2025	2024
	Rupees in thousands		Rupees in thousands	
Profit/(loss) for the period	129,455	(68,212)	(342,541)	(33,236)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	<u>129,455</u>	<u>(68,212)</u>	<u>(342,541)</u>	<u>(33,236)</u>

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



Amin Mohammed Ikhani
Director



Sabir Imtiaz
Chief Executive Officer



Umair Ahmed
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	Capital Reserves				Revenue Reserves		Equity portion of loan from associated company	Total
	Issued, subscribed and paid-up capital	Surplus on revaluation of property, plant and equipment	Share Premium Reserve	General Reserve	Accumulated losses			
Balance as at July 01, 2024 (Audited)	1,999,584	973,961	298,325	106,800	(1,244,708)	789,950	2,923,912	
Total comprehensive income for the period ended December 31, 2024	-	-	-	-	(68,212)	-	(68,212)	
Loss for the period	-	-	-	-	-	-	-	
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation	-	(32,196)	-	-	32,196	-	-	
Transaction with owners	-	-	-	-	-	(98,801)	(98,801)	
Equity portion of loan	-	-	-	-	-	-	-	
Balance as at December 31, 2024 (Unaudited)	1,999,584	941,765	298,325	106,800	(1,280,724)	691,149	2,756,899	
Balance as at July 01, 2025 (Audited)	1,999,584	942,873	298,325	106,800	(1,766,666)	691,149	2,272,065	
Total comprehensive income for the period ended December 31, 2025	-	-	-	-	129,455	-	129,455	
Profit for the period	-	-	-	-	-	-	-	
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation	-	(27,718)	-	-	27,718	-	-	
Disposal during the period including asset held for sale	-	(209,850)	-	-	209,850	-	-	
	-	(237,568)	-	-	237,568	-	-	
Balance as at December 31, 2025 (Unaudited)	1,999,584	705,305	298,325	106,800	(1,399,643)	691,149	2,401,520	

Rupees in thousands

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



Amin Mohammed Iakhani
Director



Sabir Imtiaz
Chief Executive Officer



Umair Ahmed
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UNAUDITED)

	Note	December 31,	
		2025	2024
		Rupees in thousands	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in)/generated from operations	16	(116,751)	139,760
Income taxes paid		(60,606)	(16,395)
Finance cost paid		(56,674)	(88,426)
Net cash flows (used in)/generated from operating activities		(234,031)	34,939
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures		(25,217)	(141,410)
Proceeds from disposal of operating fixed asset		2,173	-
Proceeds from disposal of non-current assets held for sale		1,000,000	-
Net cash generated from/ (used in) investing activities		976,956	(141,410)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing - net		(46,824)	(46,824)
Payment against lease liability		(18,000)	(21,000)
Net cash used in financing activities		(64,824)	(67,824)
Net increase/(decrease) in cash and cash equivalents		678,101	(174,295)
Cash and cash equivalents at beginning of the period		(838,670)	(619,002)
Cash and cash equivalents at end of the period		(160,569)	(793,297)
CASH AND CASH EQUIVALENTS:			
Cash and bank balances	9	16,852	4,125
Short-term borrowings		(177,421)	(797,422)
		(160,569)	(793,297)

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.



Amin Mohammed Ikhani
Director



Sabir Imtiaz
Chief Executive Officer



Umair Ahmed
Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025 (UNAUDITED)

1 NATURE AND STATUS OF THE COMPANY

1.1 Merit Packaging Limited (“the Company”) was incorporated on January 28, 1980 in Pakistan as a public limited company under the Companies Act, 2017 (repealed Companies Ordinance, 1984) and is listed on the Pakistan Stock Exchange. The Company is mainly engaged in the manufacture and sale of printing and packaging materials.

1.2 Geographical Location and Addresses of Business Units

The geographical location and addresses of the Company’s business units / immovable assets are as under:

Business Unit	Address
- Registered office	Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan.
- Factory	Plot No. 17-B, Sector 29, Korangi Industrial Township, Karachi, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim 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 Standard Board (IASB) as notified under the Companies Act, 2017 and

- Provisions of and directives issued under the Companies Act, 2017.

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

These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Act. These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2025.

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 audited annual financial statements.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for revaluation of certain property, plant and equipment at fair value and recognition of certain employees retirement benefits at present value.

2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupee (‘Rupees’ or ‘Rs.’) which is the functional and presentation currency of the Company.

3 MATERIAL ACCOUNTING POLICIES INFORMATION

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

3.1 Changes in accounting standards, interpretations and amendments to 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 annual accounting periods beginning on January 01, 2025, but are considered not to be relevant or to 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 approved accounting 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 annual accounting periods beginning on or after January 1, 2026, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

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 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.

4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and incomes and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial statements, 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 were applied to the audited annual financial statements as at and for the year ended June 30, 2025.

	Note	(Un-audited)	(Audited)
		December 31, 2025	June 30, 2025
		Rupees	in thousands
5 OPERATING FIXED ASSETS			
Opening net book value (NBV)		2,349,700	2,805,924
Transfer from capital work in progress/additions during the period / year at cost	5.1	31,856	219,948
Written off during the period		(4,053)	(1,853)
Revaluation surplus recognized during the period / year		-	39,428
Classified as held for sale		-	(494,341)
		2,377,503	2,569,106
Disposals during the period / year at NBV		(527)	(203)
Depreciation charge for the period / year		(91,751)	(219,203)
		(92,278)	(219,406)
Closing net book value (NBV)		2,285,225	2,349,700
5.1 Detail of additions (at cost) during the period / year are as follows:			
Building / improvements on leasehold land		18,871	83,914
Plant and machinery		9,832	116,295
Furniture and fixtures		-	6,532
Office equipment		414	8,185
Computer equipment		668	3,203
Electrical installation		2,071	1,819
		31,856	219,948

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	Rupees in thousands	
6	CAPITAL WORK-IN-PROGRESS		
		5,310	2,403
		-	9,546
	6.1	<u>5,310</u>	<u>11,949</u>
6.1	Movement in capital work in progress is as follows:		
		11,949	115,560
		25,217	116,337
		<u>37,166</u>	<u>231,898</u>
		(31,856)	(219,948)
		<u>5,310</u>	<u>11,949</u>
7	TRADE DEBTS		
		102,606	389,497
		555,423	403,154
		<u>658,029</u>	<u>792,651</u>
		48,681	48,681
		(48,681)	(48,681)
		-	-
		<u>658,029</u>	<u>792,651</u>
8	OTHER RECEIVABLES		
		1,291	86
	8.1	21,847	23,589
		1,264	1
		<u>24,402</u>	<u>23,676</u>
8.1	This represents insurance claimed receivable from Century Insurance Company Limited, an associated Company.		
9	CASH AND BANK BALANCES	(Un-audited) December 31, 2025	(Audited) June 30, 2025
		Rupees in thousands	
		180	1,257
		121	915
		1,236	484
		<u>1,357</u>	<u>1,400</u>
		15,315	-
		<u>16,852</u>	<u>2,657</u>
10	ASSETS CLASSIFIED AS HELD FOR SALE		
		-	489,993
		-	4,348
	10.2	<u>-</u>	<u>494,341</u>
10.1	During the year ended June 30, 2025 the Company classified its plant and machinery, including related electric installation, with a carrying amount of Rs. 494.340 million, being the fair value of assets classified as held for sale, with the objective to make further investment in offset printing segment. In terms of requirements of IFRS 5, the company determined the fair values immediately before their transfer to assets held for sale on the basis of a fair valuation carried out on May 02, 2025 by Joseph Lobo (Pvt.) Limited.		

The Board of Directors in its meeting held on June 03, 2025 approved the disposal of above asset and later the shareholders in its extra-ordinary general meeting dated June 27, 2025 approved the same. Accordingly, subsequent to the year ended June,30 2025 the Company entered into an Asset Sale Agreement with Kompas Pakistan (Private) Limited which interalia caters the purchase of potential customers and goodwill of the business.

- 10.2** During the period ended December 31, 2025, the Company disposed of the asset previously classified as held for sale and received proceeds of Rs. 1,000 million. The transaction resulted in a gain of Rs. 505.606 million, which has been recognized in the statement of profit or loss for the period.

11	LONG TERM FINANCING	(Un-audited)		(Audited)	
		December 31, 2025		June 30, 2025	
Rupees in thousands					
	Secured - From banking companies				
	Islamic mode				
	Dubai Islamic Bank Pakistan Limited	-			46,824
	Less: Current portion shown under current liabilities	-			(46,824)
		-			-

12 CONTINGENCIES AND COMMITMENTS

- 12.1** There were no significant contingencies and commitments as at December 31, 2025. (June 30, 2025: Nil) except for the following:

- 12.1.1** During the reporting period the Board of Directors of the Company held an emergent meeting on October, 30 2025 and removed the previous Chief Executive Officer of the company owing to certain governance matters. The Company is currently assessing the possibility of initiating legal proceedings against the former Chief Executive Officer. At this stage, the matter remains subject to further evaluation and legal process, and the outcome cannot be determined with sufficient certainty.

13	REVENUE	Note	Half year ended December 31,		Quarter ended December 31,	
			2025	2024	2025	2024
Rupees in thousands						
	Gross sales					
	Local sales		2,069,765	3,558,352	975,901	1,777,305
	Export sales		30,095	38,596	12,394	26,957
			2,099,860	3,596,948	988,295	1,804,262
	Less:					
	Sales tax		(314,456)	(542,419)	(145,845)	(270,952)
	Sales return		(8,329)	(2,496)	(2,113)	(1,063)
			(322,785)	(544,915)	(147,958)	(272,015)
			1,777,075	3,052,033	840,337	1,532,247

14 TAXATION

Current	14.1	73,572	-	73,572	-
Prior	14.2	119,949	-	119,949	-
		193,521	-	193,521	-

- 14.1** This represents provision for super tax for the period ended December 31, 2025 primarily arising from gain on disposal of the asset classified as held for sale.

- 14.2** This represents amount of super tax charged on gain arising out of disposal of land and building in tax year 2024. Subsequent to the period ended December 31, 2025 the Company has made a partial payment toward the liability.

15	EARNING/(LOSS) PER SHARE - BASIC AND DILUTED	Note	Half year ended December 31,		Quarter ended December 31,	
			2025	2024	2025	2024
Rupees in thousands						
	Earning/(loss) for the period		129,455	(68,212)	(342,541)	(33,236)
	Weighted average number of ordinary shares (in thousand)		199,958	199,958	199,958	199,958
	Earnings/(loss) per share (Rupee)	15.1	0.65	(0.34)	(1.71)	(0.17)

15.1 There is no dilutive effect on the basic earnings / (loss) per share of the Company during the reporting period.

		Half year ended December 31,	
		2025	2024
16	CASH GENERATED FROM OPERATIONS	Note	Rupees in thousands
	Profit / (loss) before taxation		389,128 (29,871)
	Adjustment for non-cash and other items:		
	Financial charges		60,414 100,634
	Depreciation		98,809 115,548
	Amortization		46 46
	Written of property, plant and equipment		4,053 -
	Profit on disposal of property, plant and equipment including held for sale		(507,306) -
			(343,984) 216,228
	Profit before working capital changes		45,144 186,357
	Working capital changes	16.1	(161,895) (46,597)
			(116,751) 139,760
16.1	Working capital changes		
	(Increase) / decrease in current assets:		
	Stores and spares		(63,143) (33,575)
	Stock-in-trade		126,782 (180,530)
	Trade debts		134,622 (292,104)
	Loans and advances		(44,002) (1,134)
	Trade deposits and short term prepayments		(650) 64,547
	Other receivables		(726) (737)
	Tax refund due from Government authorities		15,452 (66,556)
			168,333 (510,089)
	(Decrease) / increase in current liabilities:		
	Trade and other payables (excluding provision for taxation)		(330,228) 463,492
			(161,895) (46,597)

17 TRANSACTIONS WITH RELATED PARTIES

17.1 The related parties comprise of related group companies, local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

Nature of transaction	Nature of Relation	Basis of Relation	(Un-audited)			
			Half year ended December 31,		Quarter ended December 31,	
			2025	2024	2025	2024
Rupees in thousands						
Sale of goods, services and reimbursement of expenses						
Colgate Palmolive Pakistan Limited	Associated company	Common Director	312,634	1,250,722	51,605	548,000
Century Paper & Board Mills Limited	Associated company	Common Director	53,073	72,358	26,689	36,584
Caraway (Private) Limited	Associated company	Common Director	2,161	5,504	1,535	3,166
Siza Foods (Private) Limited	Associated company	Common Director	-	5,275	-	2,274
Purchase of goods, services and reimbursement of expenses						
Century Paper & Board Mills Limited	Associated company	Common Director	1,236,630	1,452,844	457,211	669,112
Century Insurance Company Limited	Associated company	Common Director	19,283	11,681	6,245	6,268
Princeton Travels (Private) Limited	Associated company	Common Director	579	413	471	191
Lakson Business Solutions Limited	Associated company	Common Director	-	566	-	-
Siza Services (Private) Limited	Associated company	Common Director and 24.20% shares held	20,720	23,508	10,360	10,209
Cyber Internet Services (Private) Limited	Associated company	Common Director	2,083	2,036	1,565	1,228
Sybrid (Private) Limited	Associated company	Common Director	107	516	107	441
Markup on sub-ordinated loan						
Siza (Private) Limited	Associated company	Common Director	11,705	8,383	5,832	8,383
Premier Fashions (Private) Limited	Associated company	Common Director	2,926	2,096	1,458	2,096
Rent & other allied charges						
Hassanali & Gulbaro Lakhani Foundation	Associated company	Trustee	224	229	124	102
Others						
Remuneration and other benefits	Key Management Personnel		12,709	14,236	5,868	7,398
Contribution to Staff Retirement Benefit Plans	Employees Fund		4,533	5,600	1,746	2,811

	(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Rupees in thousands	
17.2 Period / year end balances:		
Receivable from associated companies	102,606	389,497
Payable to associated companies	894,196	862,739
Sub-ordinated loan	250,000	250,000

17.3 The above transactions with related parties are in the normal course of business, at contracted rates as per duly approved by the Board of Directors.

18 SEGMENT REPORTING

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

19 FAIR VALUE HIERARCHY

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

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

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

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

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

The following table shows the fair values of non-financial asset including their level in the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	Rupees in thousands			
December 31, 2025 (Unaudited)				
- Plant and machinery	-	-	2,062,786	2,062,786
June 30, 2025 (Audited)				
- Plant and machinery	-	-	2,127,652	2,127,652

There are no transfers during the reporting period.

As of the reporting date, none of the financial instruments of the Company are carried at fair value.

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

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

21 SHARIAH COMPLIANCE STATUS DISCLOSURE

Disclosures in relation to the statement of financial position - Assets

Bank balances that are shariah-compliant

Disclosures in relation to the statement of financial position - Liability

Long term financing as per Islamic mode

Short term financing as per islamic mode

Markup accrued on conventional mode of financing

(Un-audited)	(Audited)
December 31,	June 30,
2025	2025
Rupees in thousands	
15,436	915
-	46,824
99,787	349,976
10,016	20,270

Disclosures in relation to the statement of profit or loss and other comprehensive income

Profit paid on islamic mode of financing

Markup paid on conventional mode of financing

Profit earned on saving accounts from shariah-compliant banks

Other income non-compliant

Half year ended December 31,	
2025	2024
Rupees in thousands	
19,125	42,707
25,749	33,448
2,045	-
19,271	13,608

22 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

23 GENERAL

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

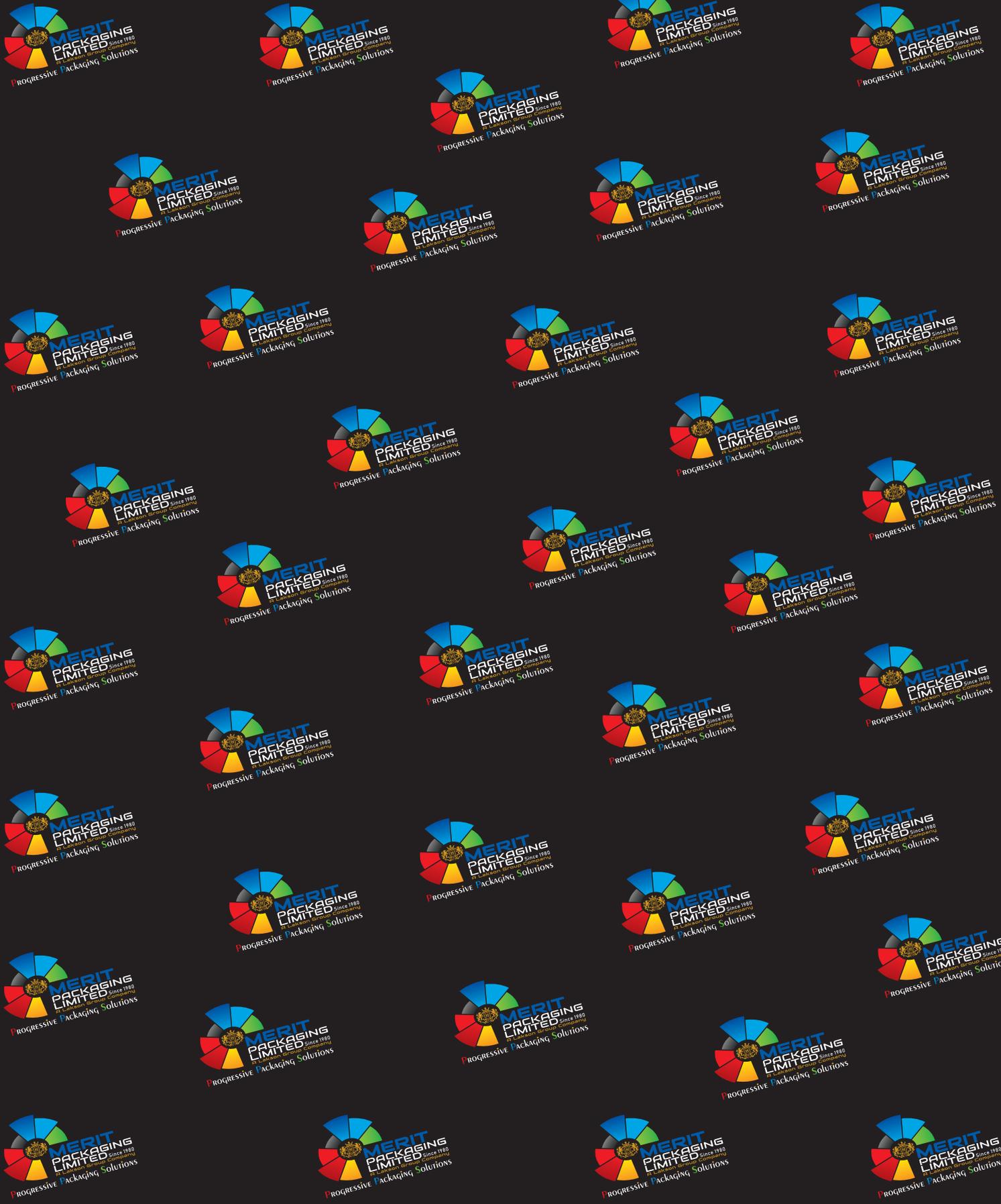
24 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 25, 2026 by the Board of Directors of the Company.

Amin Mohammed Ikhani
Director

Sabir Imtiaz
Chief Executive Officer

Umair Ahmed
Chief Financial Officer



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