



**COMPANY INFORMATION**

<b>BOARD OF DIRECTORS:</b>	Mohammad Afzal Sheikh Mohammad Amin Sheikh Mohammad Saeed Sheikh Mrs. Parveen Afzal Mrs. Farnaz Saeed Mrs. Nafisa Amin Mr. Asif Sajjad Mr. Kamal Subhani	Chairman Chief Executive Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director
<b>AUDIT COMMITTEE:</b>	Mr. Kamal Subhani Mrs. Farnaz Saeed Mr. Asif Sajjad Mr. Khurram Iftikhar	Chairman Member Member Secretary
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE:</b>	Mr. Kamal Subhani Mrs. Farnaz Saeed Mrs. Parveen Afzal Miss Samina Kokab	Chairman Member Member Secretary
<b>CFO / CHIEF ACCOUNTANT:</b>	Muhammad Tariq Amin	
<b>COMPANY SECRETARY:</b>	Miss Samina Kokab	
<b>AUDITORS:</b>	M/s. Tahir Siddiqi & Co., Chartered Accountants.	
<b>LEGAL ADVISOR:</b>	Mr. Umer Jamil (Advocate High Court)	
<b>SHARES REGISTRAR:</b>	Corplink (Private) Limited Wings Arcade, 1-K Commerical, Model Town , Lahore.	
<b>BANKERS:</b>	United Bank Limited. Meezan Bank Limited. Bank Alfalah Limited. Habib Metropolitan Bank Limited. Allied Bank Limited Soneri Bank Limited	
<b>REGISTERED OFFICE &amp; FACTORY SITE:</b>	92/3, 94A & 94B Phase III, Industrial Estate, Gadoon Amazai, District Swabi, (K.P.K) Tel: (0938) 270260 Fax: (0938) 270270	
<b>CORPORATE OFFICE:</b>	Al-Khair House, 43-T, Gulberg II, Lahore. Tel: (0342)-4311111 Fax: (042) 35716588, 35753719 Email: info@alkhairgadoon.com Website: www.alkhairgadoon.com	



**DIRECTORS' REVIEW REPORT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

On behalf of the board of directors of the Company, we are pleased to present before you Condensed Interim Financial Statements of the Company for the half year ended December 31 2025

**Operational Results**

During the half year ended 31 December, 2025 the Company remained on the track of progress and recorded net sales of Rs.686,610,543/- as compared to Rs.665,450,909/- for the same period of the last year with an increase of Rs.21.160 million (3.18%). During the period under review, the Company earned a gross profit of Rs.80,292,680/- and net profit of Rs.8,675,092/- as compared to gross profit of Rs.79,504,566/- and net profit of Rs.7,024,303/- respectively for the same period last year.

**Future Outlook**

The half-year period under review reflects satisfactory performance in terms of sales volume, with a marginal improvement in the Company's profitability. Despite this positive trend, economic pressures including rising labor costs, increased energy tariffs, and higher prices of imported raw materials have placed a significant burden on the local industry. Escalating input costs driven by inflation and higher conversion expenses remain a major challenge, particularly at the retail level, where reduced consumer purchasing power has adversely affected demand and, consequently, sales targets of foam and allied products.

The management of the Company remains fully cognizant of the prevailing challenges and is committed to overcoming them through strategies focused on improving operational efficiencies, realizing synergies, optimizing product mix, implementing effective cost control measures, and strengthening trade partnerships with customers.

Over the years, the Company has consistently demonstrated resilience in the face of heightened competition, volatility in raw material prices, and exchange rate fluctuations. Operational excellence and sound management practices have positioned the Company for sustainable growth and enhanced its ability to meet future challenges.

The Company remains committed to its core objectives of being socially responsible, financially sound, and operationally efficient.

**Appreciation**

We would like to acknowledge and appreciate the devoted and sincere services of our workers, staff members of the management team. We are grateful to our bankers and other stakeholders. We also thank for continued co-operation extended by our customers and retailers who are the key element of our Company.

**MUHAMMAD AFZAL SHEIKH**  
Chairman

**MUHAMMAD AMIN SHEIKH**  
Chief Executive

## ڈائریکٹرز کی جائزہ رپورٹ

برائے ششماہی مدت اختتام پذیر 31 دسمبر 2025ء

بورڈ آف ڈائریکٹرز کی جانب سے ہمیں یہ پیش کرتے ہوئے خوشی ہو رہی ہے کہ ہم آپ کے سامنے کمپنی کے 31 دسمبر 2025ء کو اختتام پذیر ہونے والی ششماہی مدت کے عبوری مالی بیانات پیش کر رہے ہیں۔

### عملی نتائج

31 دسمبر 2025ء کو اختتام پذیر ہونے والی ششماہی مدت کے دوران کمپنی ترقی کی راہ پر گامزن رہی اور اس نے 686,610,543 روپے کی خالص فروخت ریکارڈ کی، جبکہ گزشتہ سال کی اسی مدت میں خالص فروخت 665,450,909 روپے تھی، یوں 21.160 بلین روپے (3.18) فیصد اضافہ ہوا زیر جائزہ مدت کے دوران کمپنی نے 80,292,680 روپے کا مجموعی منافع اور 8,675,092 روپے کا خالص منافع حاصل کیا، جبکہ گزشتہ سال کی اسی مدت میں مجموعی منافع 79,504,566 روپے اور خالص منافع 7,024,303 روپے تھا۔

### مستقبل کا لامحہ عمل

زیر جائزہ ششماہی مدت فروخت کے حجم کے لحاظ سے تسلی بخش کارکردگی کی عکاسی کرتی ہے، جبکہ کمپنی کے منافع میں معمولی بہتری بھی دیکھنے میں آئی ہے۔ اس مثبت رجحان کے باوجود معاشی دباؤ— جن میں بڑھتی ہوئی مزدوری لاگت، توانائی کے نرخوں میں اضافہ، اور درآمدی خام مال کی بلند قیمتیں شامل ہیں— نے مقامی صنعت پر نمایاں بوجھ ڈالا ہے۔

افراط زر کے باعث بڑھتی ہوئی لاگت اور زیادہ تبدیلی (کنورژن) اخراجات ایک بڑا چیلنج بنے ہوئے ہیں، خاص طور پر ریٹیل سطح پر جہاں صارفین کی قوت خرید میں کمی نے طلب کو متاثر کیا ہے اور نتیجتاً نوم اور اس سے متعلقہ مصنوعات کی فروخت کے اہداف متاثر ہوئے ہیں۔

کمپنی کی انتظامیہ موجودہ چیلنجز سے پوری طرح آگاہ ہے اور انہیں موثر حکمتِ عملی کے ذریعے حل کرنے کے لیے پُر عزم ہے۔ ان حکمتِ عملیوں میں عملی کارکردگی میں بہتری، ہم آہنگی کے فوائد کا حصول، مصنوعات کے امتزاج کو بہتر بنانا، موثر لاگت کنٹرول اقدامات نافذ کرنا، اور صارفین کے ساتھ تجارتی شراکت داری کو مضبوط بنانا شامل ہیں۔

گزشتہ برسوں کے دوران کمپنی نے سخت مسابقت، خام مال کی قیمتوں میں اتار چڑھاؤ اور شرح مبادلہ کی غیر یقینی صورتحال کے باوجود مستقل مزاجی اور استحکام کا مظاہرہ کیا ہے۔ موثر انتظامی طریقہ کار اور عملی مہارت نے کمپنی کو پائیدار ترقی کے لیے مضبوط بنیاد فراہم کی ہے اور مستقبل کے چیلنجز کا مقابلہ کرنے کی صلاحیت کو بہتر بنایا ہے۔ کمپنی اپنے بنیادی مقاصد یعنی سماجی ذمہ داری، مالی استحکام اور عملی کارکردگی کے حصول کے لیے پُر عزم ہے۔

### اظہار تشکر

ہم اپنے محنتی کارکنان اور انتظامی ٹیم کے ارکان کی مخلصانہ اور لگن سے انجام دی گئی خدمات کو سراہتے ہیں۔ ہم اپنے بیکاروں اور دیگر متعلقہ فریقین کے شکر گزار ہیں۔ ہم اپنے صارفین اور ریٹیلرز کے مسلسل تعاون پر بھی ان کے مشکور ہیں، جو ہماری کمپنی کا ایک اہم ستون ہیں۔

Muhammad Amr  
محمد امین شیخ  
چیف ایگزیکٹو

  
محمد افضل شیخ  
چیرمین

لاہور: 27 فروری، 2026

**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE MEMBERS OF AL-KHAIR GADOON LIMITED  
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Al-Khair Gadoon Limited as at December 31, 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

**Scope of Review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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.

The engagement partner on the review resulting in this independent auditor's review report is Tahir Siddiqi.

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2025**

	Note	Un-Audited December, 31 2025 Rupees	Audited June, 30 2025 Rupees
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	5	150,543,740	156,667,775
		<u>150,543,740</u>	<u>156,667,775</u>
<b>CURRENT ASSETS</b>			
Stores and Spares		3,716,111	4,603,877
Stock in Trade		358,366,008	411,554,165
Trade Debts		8,056,155	12,415,183
Advances, Deposits and Prepayments		17,743,946	94,561,315
Advance Taxes - Net		81,293,108	87,581,006
Cash and Bank Balances	11	51,380,145	32,106,299
		<u>520,555,473</u>	<u>642,821,845</u>
<b>TOTAL ASSETS</b>		<u><u>671,099,214</u></u>	<u><u>799,489,621</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
12,000,000 Ordinary shares of Rs. 10 each		<u>300,000,000</u>	<u>300,000,000</u>
Issued, Subscribed and Paid up Capital		<u>100,000,000</u>	<u>100,000,000</u>
Capital Reserves - Share Premium		<u>25,000,000</u>	<u>25,000,000</u>
Unappropriated Profit		<u>225,761,263</u>	<u>217,086,171</u>
<b>Shareholders' Equity</b>		<u>350,761,263</u>	<u>342,086,171</u>
<b>NON CURRENT LIABILITIES</b>			
Long Term Loan	6	-	-
Deferred Liabilities		<u>23,060,385</u>	<u>27,737,054</u>
		<u>23,060,385</u>	<u>27,737,054</u>
<b>CURRENT LIABILITIES</b>			
Current portion of Long Term Loan	6.1	<u>1,851,849</u>	<u>3,703,699</u>
Trade and Other Payables		<u>59,940,875</u>	<u>47,974,312</u>
Taxes Payable		<u>9,415,646</u>	<u>9,061,719</u>
Short Term Borrowings	7	<u>224,291,496</u>	<u>367,148,965</u>
Un-Claimed Dividend		<u>1,777,700</u>	<u>1,777,700</u>
		<u>297,277,566</u>	<u>429,666,395</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	8	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>671,099,214</u></u>	<u><u>799,489,621</u></u>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
MUHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MUHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD TARIQ AMIN  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Half Year Ended		Quarter Ended	
	Rupees	Rupees	Rupees	Rupees
	July -Dec,2025	July-Dec,2024	Oct-Dec,2025	Oct-Dec,2024
Sales - net	686,610,543	665,450,909	408,825,101	382,665,709
Cost of sales	(606,317,863)	(585,946,343)	(359,615,254)	(337,361,975)
<b>Gross profit</b>	<b>80,292,680</b>	<b>79,504,566</b>	<b>49,209,847</b>	<b>45,303,734</b>
Administrative expenses	(21,060,463)	(26,307,255)	(5,843,899)	(15,622,052)
Distribution expenses	(28,161,891)	(24,335,808)	(16,092,139)	(14,478,422)
	(49,222,354)	(50,643,063)	(21,936,038)	(30,100,474)
<b>Operating profit</b>	<b>31,070,326</b>	<b>28,861,503</b>	<b>27,273,809</b>	<b>15,203,260</b>
Finance cost	(17,109,650)	(17,379,118)	(6,516,739)	(6,346,061)
Other operating income/(Loss)	360,360	3,860,054	303,608	3,083,064
	(16,749,290)	(13,519,064)	(6,213,131)	(3,262,997)
<b>Profit before taxation</b>	<b>14,321,036</b>	<b>15,342,439</b>	<b>21,060,678</b>	<b>11,940,263</b>
Income tax expense	(5,645,944)	(8,318,136)	(2,173,626)	(4,783,321)
<b>Profit for the year - net</b>	<b>8,675,092</b>	<b>7,024,303</b>	<b>18,887,052</b>	<b>7,156,942</b>
Earnings per share - before tax (basic and diluted - Rupees)	1.43	1.53	2.11	1.19
Earnings per share - after tax (basic and diluted - Rupees)	0.87	0.70	1.89	0.72

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
MUHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MUHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD TARIQ AMIN  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Issued, Subscribed and Paid up			Total
	Share Capital	Share Premium	Unappropriated Profit	
	(-----Rupees-----)			
<b>Balance as at 1 July 2024</b>	100,000,000	25,000,000	197,385,190	322,385,190
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	17,145,371	17,145,371
Other CURRENT ASSETS	-	-	2,555,611	2,555,611
	-	-	19,700,982	19,700,982
<b>Balance as at 30 June 2025</b>	<b>100,000,000</b>	<b>25,000,000</b>	<b>217,086,172</b>	<b>342,086,171</b>
<b>Balance as at 1 July 2025</b>				
<b>Comprehensive income for the period</b>				
Profit for the year	-	-	8,675,092	8,675,092
Other comprehensive (loss) for the Period	-	-	-	-
	-	-	8,675,092	8,675,092
<b>Balance as at 31 December 25</b>	<b>100,000,000</b>	<b>25,000,000</b>	<b>225,761,264</b>	<b>350,761,263</b>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
MUHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MUHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD TARIQ AMIN  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE QUARTER ENDED DECEMBER 31, 2025**

	Note	July -Dec 2025 Rupees	July -Dec 2024 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash (used in) / generated from operations	10	190,572,240	9,491,650
Finance cost paid		(19,932,567)	(21,472,255)
WPPF paid		(1,036,500)	-
Income tax (paid) / refunds received		(8,877,939)	(1,837,441)
Sales tax (paid) / refunds received		4,974,146	4,778,191
Warranty and claims paid		-	(475,123)
Gratuity paid		(130,920)	(2,535,312)
		<u>(25,003,780)</u>	<u>(21,541,940)</u>
<b>Net cash (u) CURRENT ASSETS</b>		<b>165,568,460</b>	<b>(12,050,290)</b>
<b>Cash flows from investing activities</b>			
Fixed capital expenditure		(1,585,294)	(2,836,100)
Proceed from disposal of fixed assets		-	871,798
<b>Net cash (used in) investing activities</b>		<b>(1,585,294)</b>	<b>(1,964,302)</b>
<b>Cash flows from financing activities</b>			
Short term borrowings		(144,709,321)	14,334,577
Long Term Loans		-	(3,703,699)
<b>Net cash generated / (used in) financing activities</b>		<b>(144,709,321)</b>	<b>10,630,878</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>19,273,845</b>	<b>(3,383,714)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>32,106,299</b>	<b>42,234,842</b>
<b>Cash and cash equivalents at the end of the year</b>	11	<b>51,380,144</b>	<b>38,851,128</b>

The annexed notes from 1 to 15 form an integral part of these financial statements.

  
MUHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MUHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD TARIQ AMIN  
CHIEF FINANCIAL OFFICER

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEARLY ENDED DECEMBER 31, 2025 (Un-Audited)**

**1 LEGAL STATUS AND OPERATIONS**

Al-Khair Gadoon Limited (the Company) was incorporated on August 27, 1990 as a Private Limited Company under the Companies Ordinance, 1984 (the Ordinance) [now Companies Act, 2017] and converted into Public Limited Company on August 31, 1995 and is listed on the Pakistan Stock Exchange Limited. It is primarily engaged in manufacturing of foam and allied products. The company's registered office is located at 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK and corporate office is located at Al-khair house, 43-T, Gulberg-II, Lahore. The manufacturing plant of the company is located at 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK and 94-A, 94-B, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK.

**2 BASIS OF PREPARATION**

**2.1 STATEMENT OF COMPLIANCE**

These condensed interim financial statements of the Company for the half year ended December 31, 2025 have been prepared in accordance with 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 comprises of:

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

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

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2025.
- 2.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2025 and 2024 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2025 and 2024.

**3 SIGNIFICANT ACCOUNTING POLICIES**

- 3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in preparation of annual audited financial statements for the year ended June 30, 2025 except as stated in note 3.2 (a) below.

**3.2 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards**

- (a) **Standards and amendments to published approved accounting and reporting standards which are effective during the half year ended December 31, 2025**

There were certain amendments to accounting and reporting standards which became mandatory for the company during the period. However, these amendments in the standards did not have any significant impact on the financial reporting of the company and therefore have not been disclosed in these condensed interim financial statements.

**(b) New standards and amendments to published approved accounting and reporting standards that are not yet effective**

There are new standard and certain amendments and interpretation to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after Jan 01, 2025. However, these standard, amendments and interpretations will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

**4 ACCOUNTING ESTIMATES AND JUDGMENTS**

- 4.1** The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires exercising judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.
- 4.2** During the preparation of 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 for the year ended June 30, 2025.
- 4.3** The provision for taxation for the half year ended December 31, 2025 has been made on an estimated basis.

**5 PROPERTY, PLANT & EQUIPMENT**

	Note	31-Dec-25 Un-Audited Rupees	30-Jun-25 Audited Rupees
<b>Operating Assets</b>			
Book value at the beginning of the period / year		<b>156,667,779</b>	177,248,161
Addition during the period / year	5.1	<b>1,585,294</b>	7,068,000
Deletion during the period / year	5.2	-	(10,532,566)
		<b>158,253,073</b>	173,783,595
Depreciation charged during the period / year		<b>(7,709,331)</b>	(17,115,816)
Book value at the end of the period / year		<b>150,543,740</b>	156,667,775
		<b>Additions</b>	<b>Additions</b>
5.1 Following additions were made during the period			
Plant and Machinery		<b>1,073,500</b>	249,000
Tools and Equipment		<b>135,594</b>	-
Office Equipment		<b>45,000</b>	-
Furniture and Fixture		-	129,700
Computers		<b>331,200</b>	464,900
Vehicle		-	6,224,400
		<b>1,585,294</b>	7,068,000
5.2 Following deletion were made during the period			
Plant and Machinery		-	10,532,566
		-	10,532,566



**6 LONG TERM LOAN**

	<b>31-Dec-25</b>	30-Jun-25
	<b>Un-Audited</b>	Audited
	<b>Rupees</b>	Rupees
6.1 Long Term Loan (Sindh Bank)-Secured	-	3,703,699
Less: Current portion of long term loan	<u>(1,851,849)</u>	<u>(3,703,699)</u>
	<u>-</u>	<u>-</u>

There is no material change in the terms and conditions of the long term loans as disclosed in the annual audited financial statements as at and for the year ended June 30, 2025.

**7 SHORT TERM BORROWINGS**

	<b>31-Dec-25</b>	30-Jun-25
	<b>Un-Audited</b>	Audited
	<b>Rupees</b>	Rupees
Banking Companies-Secured		
BAFL - Finance Against Imported Material	<b>154,186,155</b>	297,043,624
Loan from Directors - Unsecured	<b>70,105,342</b>	70,105,341
	<u><b>224,291,497</b></u>	<u>367,148,965</u>

7.1 This represents the interest free loan received from directors to meet working capital requirement of the Company. It is unsecured and interest free which is repayable on demand.

**8 CONTINGENCIES AND COMMITMENTS**

**8.1 Contingencies**

There has been an amount of Rs.40.231 Million which is appearing as credit by LESCO during the year which seems to be an erroneous mistake on the part of LESCO. Any future liability if arises will be provided at that time.

**8.2 Commitments**

Commitments in respect of letter of credits for raw materials at the terminal date were Rs.10.965 M (June 30, 2025 Rs.95.056 M)

**9 TRANSACTIONS WITH RELATED PARTIES**

There were no related parties transaction during the period.

The transactions with related parties are executed on arms' length prices. Directors are interested to the extent of their directorship/shareholding. There is no change in nature of relationship with related parties as reported in the financial statement for the preceding financial year ended June 30, 2025.

**10 CASH GENERATED FROM OPERATIONS**

	<b>31-Dec-25</b>	<b>31-Dec-24</b>
	<b>Un-Audited</b>	Un-Audited
	<b>Rupees</b>	Rupees
Profit before taxation	<b>14,321,036</b>	15,342,439
Adjustments for non cash items:		
Depreciation on property, plant and equipment	<b>7,709,331</b>	8,774,657
Finance cost	<b>17,109,650</b>	17,379,118
Provision for loss Allowance	<b>335,673</b>	6,557,626
	<u><b>25,154,654</b></u>	<u>32,711,401</u>
<b>Operating profit before working capital changes</b>	<b>39,475,690</b>	48,053,840
<b>Decrease/(increase) in current assets</b>		
Stores and spares	<b>887,766</b>	(1,967,840)
Stock-in-trade	<b>53,188,157</b>	1,814,154
Trade debts	<b>4,540,654</b>	9,273,665
Advances, deposits and prepayments	<b>76,817,369</b>	(66,065,118)
	<u><b>135,433,946</b></u>	<u>(56,945,139)</u>
<b>(Decrease)/increase in current liabilities</b>		
Trade and other payables	<b>15,662,604</b>	18,382,949
<b>Net cash flow from Operating Activities</b>	<u><b>190,572,240</b></u>	<u>9,491,650</u>



	<b>31/Dec/25</b>	<b>30/Jun/25</b>
	<b>Un-Audited</b>	<b>Audited</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>11 CASH AND BANK BALANCES</b>		
Cash in hand	405,614	2,993,737
Cash at banks - in current accounts	38,116,414	5,464,653
Cash at banks - in profit bearing accounts	12,858,117	30,392,738
	<u>51,380,145</u>	<u>38,851,128</u>

**12 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

The carrying value of all financial assets and liabilities in these financial statements approximate their fair values.

**13 FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risk: market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement for the year ended June 30, 2025.

There has been no change in Company's sensitivity to these risks since June 30, 2025 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

There have been no significant changes in the business or economic circumstances during the period that would have affected the fair values of the financial assets of the Company. Further, no re-classifications in the categories of financial assets have been made since June 30, 2025.

**14 GENERAL**

Figures have been rounded off to the nearest rupee and previous period's figures have been re-classified where necessary.

**15 DATE OF AUTHORIZATION**

The Condensed interim financial statements were authorized for issue on February 27, 2026 by the board of directors of the company.

MUHAMMAD AFZAL SHEIKH  
CHAIRMAN

MUHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE OFFICER

MUHAMMAD TARIQ AMIN  
CHIEF FINANCIAL OFFICER