

BIBOJEE GROUP



# Half-Yearly Accounts December 31, 2025 (Un-Audited)



**GAMMON PAKISTAN LIMITED**

## **COMPANY INFORMATION**

### **Chairman**

Lt Gen Ali Kuli Khan Khattak (Retd) Chairman

### **Board of Directors**

Mr. Khalid Kuli Khan Khattak	Director
Mrs. Ayesha Alamzeb Durrani	Director
Mr. Muhammad Kuli Khan Khattak	Director
Mr. Sikandar Kuli Khan Khattak	Director
Mr. Kamal Abdullah Malik	Independent Director
Brig Humayun Malik (Retd)	Independent Director

### **Chief Executive Officer**

Mr. Khalid Kuli Khan Khattak

### **Audit Committee**

Mr. Kamal Abdullah Malik	Chairman
Mr. Muhammad Kuli Khan Khattak	Member
Mr. Sikandar Kuli Khan Khattak	Member

### **HR Committee**

Brig Humayun Malik (Retd)	Chairman
Mrs. Ayesha Alamzeb Durrani	Member
Mr. Sikandar Kuli Khan Khattak	Member

### **Company Secretary**

Officiating

### **Chief Financial Officer**

Mr. Ghulam Murtaza Khurshid

### **Internal Auditor**

Mr. Salman Khan ACA

### **External Auditor**

M/S Rizwan & Co.  
Chartered Accountants Islamabad

### **Legal Advisor**

Chanda Law Associates  
Rawalpindi Advocates

### **Stock Exchange**

The Gammon Pakistan Limited  
is a listed Company and  
Its shares are traded on  
Pakistan Stock Exchange Limited

### **Bankers**

Askari Bank Limited  
Bank Alfalah Limited  
Bank of Punjab  
Habib Bank Limited  
Allied Bank Limited  
Silk Bank Limited  
National Bank of Pakistan

### **Registered Office**

Gammon House  
400/2, Peshawar Road, Rawalpindi  
Tel: 051-5477326-7  
Fax: 051-5477511  
E-mail: (i) gammon1@dsl.net.pk  
(ii) Info@gammonpakistan.com

### **Share Registrar**

Vision Consulting Limited  
5-C, 2nd Floor, LDA Flats,  
Lawrence Road, Lahore  
Tel: +92-42-36283096-97  
Email: [shares@vcl.com.pk](mailto:shares@vcl.com.pk)  
Web: [www.vcl.com.pk](http://www.vcl.com.pk)

## DIRECTORS REPORT

The Directors of your Company have pleasure in presenting their report, together with Un-Audited Financial Statements for the Half Year ended December 31, 2025.

## PERFORMANCE REVIEW

The principal activity of the Company is all type of construction specially Buildings and Bridges. The highlights of the Company's financial results as compared to the preceding period are as follows:

<b>Particulars (Q2 – 2026)</b>	<b>July – Dec 2025 (Rupees)</b>	<b>July – Dec 2024 (Rupees)</b>
Contract Income	-	-
Contract Expenditure	<b>(573,125)</b>	(387,874)
Net contract Loss	<b>(573,125)</b>	(387,874)
Profit/(Loss) before taxation	<b>2,037,765</b>	(608,821)
Taxation	<b>5,763,635</b>	36,044
Profit/(Loss) after tax	<b>(3,725,870)</b>	(572,777)

## FINANCIAL PERFORMANCE

During the half year ended 31 December 2025, the Company did not record any contract income. The operating environment for the construction sector continued to remain challenging, with limited project activity, cautious investment behaviour, and persistent cost pressures. For the six-month period under review, the Company reported an operating loss of **Rs. 29.87 million** compared to an operating loss of **Rs. 18.39 million** in the corresponding period last year. The increase in operating loss primarily reflects administrative expenses and depreciation charges incurred during the period. Other income amounting to **Rs. 31.91 million** partially offset the operating loss. However, after accounting for taxation, the Company recorded a net loss of **Rs. 3.73 million** for the half year ended 31 December 2025, compared to a net loss of **Rs. 0.57 million** in the corresponding period of the previous year. Earnings per share for the period stood at **(Rs. 0.13)** compared to **(Rs. 0.02)** last year.

The economic conditions during the reporting period continued to remain difficult for the construction and infrastructure sector. Although certain macroeconomic indicators exhibited relative stability, overall business activity remained subdued. High operating costs, constrained development spending, and slower project initiation across both public and private sectors continued to affect market dynamics. These factors have contributed to

reduced opportunities for new contract acquisition. Despite these challenges, management remains focused on maintaining financial discipline, controlling costs, and exploring viable business opportunities.

The Company continues to pursue recovery of outstanding receivables, claims, and retention monies from completed projects. Following progress achieved during the first quarter, further follow-up efforts are underway for settlement of the remaining dues relating to the Maritime Technologies Complex (MTC) project. The management is also actively engaged with the concerned authorities for recovery and final billing of the Old Bannu Road (OBR) Structure and Bridges Project. Realization of these outstanding amounts remains a key priority, as successful recoveries will support the Company's liquidity position and financial stability.

### **OVERALL OUTLOOK**

The Directors recognize that the prevailing economic conditions and limited project activity continue to impact the Company's financial performance. Management remains committed to improving operational efficiency, strengthening liquidity management, and identifying potential revenue-generating opportunities. The Board will continue to closely monitor developments in the economic environment and evaluate strategic measures aimed at improving the Company's performance.

### **ACKNOWLEDGMENT**

The Board acknowledges with appreciation the continued efforts, dedication, and commitment of the Company's management, engineers, and employees during the period under review. We also extend our sincere gratitude to our bankers, clients, and suppliers for their cooperation, support, and confidence in the Company.

For and on behalf of Board of Directors



**Khalid Kuli Khan Khattak**  
(Chief Executive Officer)



**Director**

## ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کو یہ خوشی ہے کہ وہ 31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے لیے اپنی رپورٹ، غیر آڈٹ شدہ مالی بیانات کے ہمراہ، پیش کر رہے ہیں۔

## کارکردگی کا جائزہ

کمپنی کی بنیادی سرگرمی ہر قسم کی تعمیرات ہے، خصوصاً عمارتوں اور پلوں کی تعمیر۔ گزشتہ مدت کے مقابلے میں کمپنی کے مالی نتائج کے نمایاں نکات درج ذیل ہیں:-

تفصیلات (Q2 – 2026)	جولائی تا دسمبر 2025 (روپے)	جولائی تا دسمبر 2024 (روپے)
کنٹریکٹ آمدنی	-	-
کنٹریکٹ اخراجات	(573,125)	(387,874)
خالص کنٹریکٹ نقصان	(573,125)	(387,874)
ٹیکس کے قبل منافع / (نقصان)	2,037,765	(608,821)
ٹیکسیشن (محصولات)	5,763,635	36,044
ٹیکس کے بعد منافع / (نقصان)	(3,725,870)	(572,777)

## مالی کارکردگی

31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے دوران کمپنی نے کسی بھی معاہدے سے آمدنی ریکارڈ نہیں کی۔ تعمیراتی شعبے کے لیے کاروباری ماحول بدستور چیلنجنگ رہا، جس میں محدود منصوبہ جاتی سرگرمی، محتاط سرمایہ کاری کا رجحان اور مسلسل لاگتی دباؤ شامل رہے۔ زیر جائزہ چھ ماہ کی مدت کے دوران کمپنی نے 29.87 ملین روپے کا آپریٹنگ خسارہ رپورٹ کیا، جبکہ گزشتہ سال اسی مدت میں یہ خسارہ 18.39 ملین روپے تھا۔ آپریٹنگ خسارے میں اضافہ بنیادی طور پر انتظامی اخراجات اور فرسودگی کے چارجز کی وجہ سے ہوا جو اس مدت کے دوران برداشت کیے گئے۔ دیگر آمدنی 31.91 (Depreciation) ملین روپے رہی جس نے جزوی طور پر آپریٹنگ خسارے کو کم کیا۔ تاہم، ٹیکس کی ایڈجسٹمنٹ کے بعد کمپنی نے 31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے لیے 3.73 ملین روپے کا خالص خسارہ رپورٹ کیا، جبکہ گزشتہ سال اسی مدت میں خالص خسارہ 0.57 ملین روپے تھا۔

(Earnings per Share) اس مدت کے دوران فی حصص آمدنی

(0.13 روپے) رہی، جبکہ گزشتہ سال یہ (0.02 روپے) تھی۔

رپورٹنگ مدت کے دوران معاشی حالات تعمیرات اور انفراسٹرکچر کے شعبے کے لیے بدستور مشکل رہے۔ اگرچہ بعض معاشی اشاریوں میں نسبتاً استحکام دیکھا گیا، تاہم مجموعی کاروباری سرگرمی محدود رہی۔ بلند آپریٹنگ لاگت، ترقیاتی اخراجات میں کمی، اور سرکاری و نجی دونوں شعبوں میں منصوبوں کے آغاز کی رفتار سست رہنے سے مارکیٹ کے حالات متاثر ہوئے۔ ان عوامل کے نتیجے میں نئے معاہدوں کے حصول کے مواقع محدود رہے۔ ان چیلنجز کے باوجود انتظامیہ مالی نظم و ضبط برقرار رکھنے، اخراجات پر قابو پانے اور قابل عمل کاروباری مواقع تلاش کرنے پر توجہ مرکوز کیے ہوئے ہے۔

کمپنی مکمل شدہ منصوبوں سے متعلق بقایا وصولیوں، کلیمز اور ریٹینشن منی کی وصولی کے لیے کوششیں جاری رکھے ہوئے ہے۔ پہلے سہ ماہی کے دوران حاصل ہونے والی پیش رفت کے بعد میری ٹائم ٹیکنالوجیز منصوبے سے متعلق باقی ماندہ واجبات کی وصولی کے لیے مزید اقدامات جاری ہیں۔ اسی (MTC) کمپلیکس اسٹرکچر اینڈ برج منصوبے کی وصولیوں اور (OBR) طرح انتظامیہ متعلقہ حکام کے ساتھ پرانا بنوں روڈ حتمی بلنگ کے سلسلے میں بھی سرگرم عمل ہے۔ ان بقایا جات کی وصولی کمپنی کی ترجیحات میں شامل ہے، کیونکہ کامیاب وصولیاں کمپنی کی لیکویڈٹی پوزیشن اور مالی استحکام کو مضبوط بنانے میں مددگار ثابت ہوں گی۔

### مجموعی جائزہ

ڈائریکٹرز اس امر کو تسلیم کرتے ہیں کہ موجودہ معاشی حالات اور محدود منصوبہ جاتی سرگرمیاں کمپنی کی مالی کارکردگی کو متاثر کر رہی ہیں۔ انتظامیہ آپریشنل کارکردگی میں بہتری، لیکویڈٹی مینجمنٹ کو مضبوط بنانے اور ممکنہ آمدنی کے مواقع کی نشاندہی کے لیے پرعزم ہے۔ بورڈ معاشی حالات میں ہونے والی پیش رفت کا مسلسل جائزہ لیتا رہے گا اور کمپنی کی کارکردگی بہتر بنانے کے لیے مناسب حکمت عملی پر غور کرتا رہے گا۔

### اظہارِ تشکر

بورڈ زیر جائزہ مدت کے دوران کمپنی کی انتظامیہ، انجینئرز اور ملازمین کی مسلسل محنت، لگن اور وابستگی کو سراہتا ہے۔ ہم اپنے بینکاروں، کلائنٹس اور سپلائرز کے تعاون، حمایت اور کمپنی پر اعتماد کے لیے ان کے شکر گزار ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

خالد قلی خان خٹک  
(چیف ایگزیکٹو آفیسر)

ڈائریکٹر

## INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Gammon Pakistan Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

### *Introduction*

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

### *Scope of Review*

We conducted our review in accordance with the 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.

### *Basis for Qualified Conclusion*

We believe that the procedures we have performed are sufficient and appropriate to provide a basis for our qualified conclusion and we report that:

- a) Contract receivables amounting to Rupees 30.330 million, allowance of expected credit loss amounting to Rupees 122.543 million, net contract assets amounting to Rupees 65.049 million, as disclosed in notes 10, 10.1, 11 to the unconsolidated condensed interim financial statements and joint venture partner's advances amounting to Rupees 30.059 million as disclosed in the unconsolidated condensed interim statement of financial position respectively could not be verified in absence of direct confirmations from the involved parties. Further, there are no written efforts available to recover/settle these old balances. The consequential cumulative effect of this matter has neither been determined nor adjusted in these unconsolidated condensed interim financial statements.
- b) As fully explained in note 14.2 to the unconsolidated condensed interim financial statements, after lapse of considerable time the company could not make the arrangement to pay the provident fund amounting to Rupees 1.563 million to the relevant employees as instructed by the Securities and exchange Commission of Pakistan, and unclaimed dividend as disclosed in the

unconsolidated condensed interim statement of financial position amounting to Rupees 1.442 million has not been kept in unpaid dividend account under Section 244 of the Companies Act, 2017. The effect of these matters has not been adjusted appropriately in these unconsolidated condensed interim financial statements.

### **Qualified Conclusion**

Based on our review, except for the effect of matters discussed in paragraphs (a) & (b) of Basis for Qualified Conclusion above, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### **Emphasis of Matter**

Without further qualifying our conclusion:

- a) we also draw attention to the Note 21.3 to the unconsolidated condensed interim financial statements which explains that certain financial transactions pertaining to the ex-CFO of the Company are under investigation internally as well as by external agency and the impact of such investigation, if any, will be accounted for in the period during which such investigation is completed.

### **Other Matter**

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

The engagement partner on the review resulting in this independent auditor's review report is **Imran Bashir FCA**.

Islamabad      **27 FEB 2026**  
Date:

  
Rizwan & Company  
Chartered Accountants

UDIN: RR202510140eYvF3RwdM

**GAMMON PAKISTAN LIMITED  
UN-CONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
31 DECEMBER 2025  
(UN-AUDITED)**

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2025 (UN-AUDITED)**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>December 31, 2025</b>	<b>June 30, 2025</b>
	<b>NOTE</b>	<b>Rupees</b>	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment			
Operating fixed assets	7	125,159,990	126,881,653
Investment property	8	365,339,500	365,339,500
Long term investments	9	189,340,000	189,340,000
Long term security deposits		<u>1,350,600</u>	<u>1,350,600</u>
		<b>681,190,090</b>	<b>682,911,753</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		7,924,259	12,354,604
Contract receivables	10	30,330,364	44,457,835
Contract asset	11	65,049,779	65,049,779
Loans and advances		83,974,961	84,637,299
Other receivables		6,627,882	2,597,489
Tax refunds due from Government		109,121,866	102,905,519
Cash and bank balances	12	<u>2,499,019</u>	<u>1,946,260</u>
		<b>305,528,129</b>	<b>313,948,785</b>
<b>TOTAL ASSETS</b>		<b><u>986,718,219</u></b>	<b><u>996,860,538</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	13	282,662,310	282,662,310
Capital reserves			
Share premium reserve		15,380,330	15,380,330
Revaluation surplus on property, plant and equipment		110,063,117	111,066,181
		<u>125,443,447</u>	<u>126,446,511</u>
Revenue reserve			
Accumulated profit		373,317,822	376,040,628
		<b>781,423,579</b>	<b>785,149,449</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred liability		4,407,874	4,642,963
Deferred taxation		15,363,522	9,599,887
		<u>19,771,396</u>	<u>14,242,850</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	154,021,472	165,966,468
Unclaimed dividends		1,442,230	1,442,230
Joint venture partner's advances		30,059,542	30,059,542
		<u>185,523,244</u>	<u>197,468,240</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>986,718,219</u></b>	<b><u>996,860,538</u></b>
<b>CONTINGENCIES AND COMMITMENTS</b>	15	-	-

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



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2025 (UN-AUDITED)**

		<b>UN-AUDITED</b>			
		<b>HALF YEAR ENDED</b>		<b>QUARTER ENDED</b>	
		<b>December 31,</b>		<b>December 31,</b>	
		2025	2024	2025	2024
<b>NOTE</b>		-----Rupees-----			
	Contract income	-	-	-	-
	Contract expenditure	(573,125)	(387,874)	(355,055)	(190,878)
	<b>Net contract profit/(loss)</b>	<b>(573,125)</b>	<b>(387,874)</b>	<b>(355,055)</b>	<b>(190,878)</b>
	Operating expenses				
	Depreciation	(1,879,471)	(328,210)	(1,638,821)	(156,194)
	Administrative expenses	(27,419,757)	(17,678,877)	(15,344,074)	(10,749,638)
	Operating (loss)	(29,872,353)	(18,394,961)	(17,337,950)	(11,096,710)
	Other income	31,913,250	17,791,128	24,924,794	8,882,844
	Finance cost	(3,132)	(4,988)	4	(2,088)
	<b>Profit/(loss) before tax &amp; levies</b>	<b>2,037,765</b>	<b>(608,821)</b>	<b>7,586,848</b>	<b>(2,215,954)</b>
	Minimum tax - Levy	-	-	-	-
		2,037,765	(608,821)	7,586,848	(2,215,954)
	Taxation-current	5,763,635	36,044	5,863,635	309,257
	<b>(Loss) / Profit after taxation</b>	<b>(3,725,870)</b>	<b>(572,777)</b>	<b>1,723,213</b>	<b>(1,906,697)</b>
	<b>Earnings per share:</b>				
	Earnings per share - basic and diluted	16	(0.13)	(0.02)	0.06
			(0.07)		(0.07)

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

  
**CHIEF EXECUTIVE**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2025 (UN-AUDITED)**

<b>UN-AUDITED</b>			
<b>HALF YEAR ENDED</b>		<b>QUARTER ENDED</b>	
<b>December 31,</b>		<b>December 31,</b>	
<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
-----Rupees-----			

(Loss) / Profit after taxation	<b>(3,725,870)</b>	(572,777)	<b>1,723,213</b>	(1,906,697)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / Income for the period	<u><b>(3,725,870)</b></u>	<u>(572,777)</u>	<u><b>1,723,213</b></u>	<u>(1,906,697)</u>

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 (UN-AUDITED)**

Share capital	Reserves			Total	
	Capital		Revenue		
	Share premium	Revaluation surplus on property, plant and equipment	Accumulated Profits		
Issued, subscribed and paid-up capital					
<b>Rupees</b>					
Balance as at July 1, 2024	282,662,310	15,380,330	382,426,284	167,280,714	847,749,638
Total comprehensive income for the period					
Profit/(Loss) for the period	-	-	-	(572,777)	(572,777)
Transfer from revaluation surplus on property, plant and equipment:					
- on account of incremental depreciation-net of deferred tax	-	-	(652,696)	652,696	-
Balance as at December 31, 2024	282,662,310	15,380,330	381,773,588	167,360,633	847,176,861
<b>Balance as at July 1, 2025</b>	<b>282,662,310</b>	<b>15,380,330</b>	<b>111,066,181</b>	<b>376,040,628</b>	<b>785,149,448</b>
<b>Total comprehensive income for the period</b>					
Profit/(Loss) for the period	-	-	-	(3,725,870)	(3,725,870)
Transfer from revaluation surplus on property, plant and equipment:					
- on account of incremental depreciation-net of deferred tax	-	-	(1,003,064)	1,003,064	-
<b>Balance as at December 31, 2025</b>	<b>282,662,310</b>	<b>15,380,330</b>	<b>110,063,117</b>	<b>373,317,822</b>	<b>781,423,578</b>

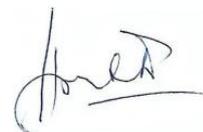
The annexed notes from 1 to 24 form an integral part of these financial statements.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**GAMMON PAKISTAN LIMITED**  
**UN-CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2025 (UN-AUDITED)**

		<b>UN-AUDITED</b>	
		<b>HALF YEAR ENDED</b>	
		<b>December 31, 2025</b>	<b>December 31, 2024</b>
<b>NOTE</b>	<b>Rupees</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	<b>20</b>	<b>4,524,652</b>	220,251
Profit before working capital changes			
Changes in working capital:			
<b>Decrease / (increase) in current assets</b>			
Stores, spares and loose tools		4,430,345	(14,600)
Loans and advances		662,338	(16,022,349)
Contract receivable		14,127,471	-
Other receivables		(4,030,393)	303,210
<b>Increase/(Decrease) in current liabilities</b>			
Trade & other payable		(11,944,996)	14,972,980
		<b>3,244,766</b>	(760,759)
Net cash generated / (used in) from operations		<b>7,769,418</b>	(540,508)
Financial cost paid		(3,132)	(4,988)
Gratuity paid		(266,248)	(449,600)
Income tax paid		(6,216,348)	(2,470,635)
		<b>(6,485,728)</b>	(2,925,223)
Net cash generated / (used in) operating activities		<b>1,283,690</b>	(3,465,731)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of fixed operating assets		(741,801)	(26,000)
Proceeds from disposal of assets		10,870	-
Long term security deposits		-	2,400,000
Net cash generated from investing activities		<b>(730,931)</b>	2,374,000
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
		-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>552,759</b>	(1,091,731)
<b>Cash and cash equivalents at the beginning of the period</b>		<b>1,946,260</b>	3,101,414
<b>Cash and cash equivalents at the end of the period</b>	<b>12</b>	<b>2,499,019</b>	2,009,683

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



**CHIEF EXECUTIVE**



**CHIEF FINANCIAL OFFICER**



**DIRECTOR**

**GAMMON PAKISTAN LIMITED**  
**NOTES TO THE UN-CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2025**

**1 STATUS AND NATURE OF BUSINESS**

The Company was incorporated under the repealed Companies Act, 1913 (now the Companies Act, 2017) on August 12, 1947 as a Public Company Limited by shares. Its shares are quoted on Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited in which Lahore and Islamabad stock exchanges have merged). It is principally engaged in the execution of civil construction works. The registered office of the Company is situated at Gammon House, 400/2 Peshawar Road, Rawalpindi. The Company is a subsidiary of Bibojee Services (Private) Limited.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These unconsolidated 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 Standards Board (IASB) as notified under the Companies Act, 2017; and 'Provisions of, directives and notifications issued under the Companies Act, 2017. Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2025. Comparative unconsolidated condensed interim statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2025 and comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows are extracted from unaudited condensed interim financial statements for the six months ended December 31, 2024.

These unconsolidated condensed interim financial statements are unaudited but subject to the limited scope review by auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017. The condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 31 December 2025 and 31 December 2024 are neither audited nor reviewed.

**2.2 Basis of measurement**

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for certain fixed assets which have been stated at revalued amount and staff retirement benefit at present value.

These unconsolidated condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

**2.3 Functional and presentation currency**

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

**3 MATERIAL ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

- 3.1 The material accounting policies adopted and methods of computation followed in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of financial statements for the year ended June 30, 2025.
- 3.2 The preparation of these unconsolidated condensed interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2025. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant effect on these unconsolidated condensed interim financial statements.
- 3.5 The Company's significant risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Company for the year ended June 30, 2025.
- 3.6 The accounting policies applied in these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2025.

**4 TAXATION**

The provision for taxation for the half year and quarter ended December 31, 2025 has been made using the estimated effective tax rate applicable to expected total annual earnings.

**5 ESTIMATES**

The preparation of unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards for interim financial reporting applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's material accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the unconsolidated condensed interim financial statements, are the same as those that were applied to the financial statements for the year ended June 30, 2025.

**6 RELATED PARTY TRANSACTIONS**

Transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions.

		Unaudited	Audited
		December 31, 2025	June 30, 2025
		Rupees	
<b>7</b>	<b>OPERATING FIXED ASSETS</b>		
	Opening written down value	126,881,653	264,259,416
	Add: Additions during the period / year	741,801	55,506,294
	Add: Revaluation Surplus	-	1,499,765
		741,801	57,006,059
	Less: Depreciation charged during the period / year	(2,452,596)	(1,461,822)
	Less: Deletions - NBV	(10,870)	(192,922,000)
		<b>125,159,988</b>	<b>126,881,653</b>

NOTE

7.1 Detail of additions (at cost) during the period / year are as follows:

		Unaudited	Audited
		December 31, 2025	June 30, 2025
		Rupees	
	Buildings on freehold land	-	35,449,494
	Plant and Machinery	-	7,300,000
	Furniture and Fixture	341,801	191,300
	Motor Vehicles,Cycles and Boats	375,000	9,847,500
	Solar System with grid	-	2,487,000
	Computers and accessories	25,000	231,000
		<b>741,801</b>	<b>55,506,294</b>

NOTE

**8 INVESTMENT PROPERTY**

	Gammon House - land and building	8.2	<b>365,339,500</b>	<b>365,339,500</b>
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8.1 The movement in this account is as follows:

	Opening balance		365,339,500	357,646,440
	Less: Transfer during the year		-	-
	Net fair value gain on revaluation	8.3	-	7,693,060
			<b>365,339,500</b>	<b>365,339,500</b>

8.2 This represents part of Gammon House which is held to earn rentals and for capital appreciation and shown under the head "Investment property". The Company has adopted fair value model for valuation. The shareholders in the AGM has approved the resolution of the company that the Gammon House be demolished and a multi-storey high rise building be constructed at its place.

8.3 The company, as of June 30, 2025, had revalued all of its investment property. The revaluation exercise was carried out by an independent valuer, Impulse (Private) Limited, and the revaluation resulted in a gain of of Rs.7,693,060 in net adjustment to the fair value as on that date.

		Unaudited	Audited
		December 31, 2025	June 30, 2025
		Rupees	

NOTE

**9 LONG TERM INVESTMENTS**

**Unquoted Subsidiaries**

	Gammon Pakistan Precast (Private) Limited	9.1	<b>189,340,000</b>	<b>189,340,000</b>
	18,934,000 ordinary shares (June 30, 2025: 18,934,000) of Rs. 10 each			

9.1 The Company held 69.996% (June 30, 2025: 69.996%) shares of Gammon Pakistan Precast (Pvt) Limited as on December 31, 2025.

		Unaudited	Audited
		December 31, 2025	June 30, 2025
		Rupees	
<b>10</b>	<b>CONTRACT RECEIVABLES</b>		
	Unsecured - considered good		
	Against billings		
	- completed contracts	58,718,715	76,107,566
	Provision for expected credit loss	10.1	
		<u>(56,123,425)</u>	<u>(73,512,276)</u>
		2,595,290	2,595,290
	Against retention money		
	- completed contracts	64,163,814	79,929,396
	Provision for expected credit loss	10.1	
		<u>(36,428,740)</u>	<u>(38,066,851)</u>
		27,735,074	41,862,545
	Joint venture		
	- against billings	17,054,553	17,054,553
	- against retention money	12,936,380	12,936,380
		29,990,933	29,990,933
	Provision for expected credit loss	10.1	
		<u>(29,990,933)</u>	<u>(29,990,933)</u>
		-	-
		<u>30,330,364</u>	<u>44,457,835</u>

10.1 Management, in previous periods, carried out an exercise to identify long outstanding receivable balances comprising progress billings and retention monies which were not likely to be received and accordingly recognised an expected credit loss of Rs. 141.50 million as at 30-June-2025. During the current financial period, as a result of write-off of such long outstanding balances and receipts against retention outstanding balances, provision for expected credit loss has accordingly reduced to Rs. 122.54 million.

		Unaudited	Audited
		December 31, 2025	June 30, 2025
		Rupees	
<b>11</b>	<b>CONTRACT ASSETS</b>		
	Net Construction contracts-analyzed as current	11.1	
		<u>65,049,779</u>	<u>65,049,779</u>

11.1 The Company receive payments from customers based on a billing schedule, as established in the contracts. Contract assets relate to the conditional right to consideration for completed performance obligations under the contract. Contract receivables are recognised when the right to consideration becomes unconditional. In addition, contract assets have been recognized in line with the initial application of IFRS -15.

		Unaudited	Audited
		December 31, 2025	June 30, 2025
		Rupees	
<b>12</b>	<b>CASH AND BANK BALANCES</b>		
	Cash in hand	1,547,918	1,020,385
	Cash at bank - local currency		
	Current accounts	51,153	25,927
	PLS accounts	12.1	10,505
	Deposit accounts	12.2	889,443
		951,101	925,875
		<u>2,499,019</u>	<u>1,946,260</u>

12.1 The PLS accounts remained dormant during the financial period. Consequently, no profit was accrued or credited to these accounts, and their balances remained unchanged from those reported in the previous year (30-June-2025 : Nill).

12.2 The entire balance as at December 31, 2025 and June 30, 2025 is under a bank's lien against guarantees issued by the bank.

Unaudited	Audited
December 31, 2025	June 30, 2025
<b>Rupees</b>	

**13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

**13.1 Issued, subscribed and paid up capital**

22,627,320 (June 30, 2025: 22,627,320) ordinary shares of Rs.10/- each fully paid in cash	<b>226,273,200</b>	226,273,200
2,562,845 (June 30, 2025: 2,562,845) bonus shares of Rs.10/- each fully paid in cash	<b>25,628,450</b>	25,628,450
3,076,066 (June 30, 2025: 3,076,066) ordinary shares of Rs.10/- each fully paid in cash (against conversion of loans)	<b>30,760,660</b>	30,760,660
	<b>282,662,310</b>	282,662,310

**13.2 Authorized share capital**

This represents 30,000,000 (June 30, 2025: 30,000,000) ordinary shares of Rs. 10 each amounting to Rs.300,000,000 (June 30, 2025: Rs. 300,000,000).

13.3 Bibojee Services (Private) Limited (the holding company) holds 20,369,056 (June 30, 2025: 20,369,056) shares, i.e. 72.06% of the Company's issued, subscribed and paid-up capital.

Unaudited	Audited
December 31, 2025	June 30, 2025
<b>Rupees</b>	

**NOTE**

**14 TRADE AND OTHER PAYABLES**

Sundry creditors		<b>25,749,908</b>	37,248,580
Directors Current account	<b>14.1</b>	<b>26,577,114</b>	26,577,114
Advance rent		<b>2,539,864</b>	2,539,864
Due to sub-contractors		<b>22,191,277</b>	16,999,998
Accrued expenses		<b>29,801,349</b>	36,190,143
Due to employees and others	<b>14.2</b>	<b>6,289,573</b>	6,444,973
Taxes payables		<b>4,129,171</b>	3,222,579
Joint venture partner's share of profit		<b>1,620,715</b>	1,620,715
Other provisions	<b>14.3</b>	<b>35,122,500</b>	35,122,500
Workers Welfare Fund payable		<b>1</b>	1
		<b>154,021,472</b>	165,966,468

14.1 This includes advances paid by directors in order to meet day to day expenses from Chairman Gen. (Rtd) Mr. Ali Kuli Khan and Director Khalid Kuli Khan amounting to Rs 22,553,800/- (2025: Rs 22,553,800) and Rs 4,023,314/- ( 2025: Rs 4,023,314 ) respectively which are interest free and reimbursable on demand.

14.2 This balance includes amounts aggregating Rs. 1.563 million (2025: Rs. 1.563 million) payable in respect of the loans obtained from the Company's Employees' Provident Fund (the Fund) during the period from 1995 to 1999. The SECP, during May 2008, had issued show-cause notices to some of the existing directors as well as ex-directors under various sections of the repealed Companies Ordinance, 1984 (the Ordinance). The SECP, vide its three orders dated 25 June, 2009, had imposed penalties aggregating Rs. 1.005 million under various sections of the Ordinance on some of the existing directors and ex-directors in their personal capacity.

The SECP has also directed the Company's Chief Executive to distribute the amount of Rs. 9.153 million to members of the provident fund trust including the employees / directors / ex-directors of the Company at the time of closure of provident fund trust in the year 1987 as per their entitlement and to submit an Auditors' certificate confirming that all outstanding money of the fund has been paid to the members in accordance with the provisions of section 227 of the repealed Ordinance. The Company opened a separate bank account and transferred the entire amount into it. Furthermore, an amount of Rs. 7.589 million were paid to members up to December 31, 2019.

- 14.3 These represent provisions made for the potential liability, in respect of borrowings of Saudi Riyals 2.50 million and Saudi Riyals 5 million during the year 1986 for the Saudi Operations of the company, that the company may have to incur as a result of settlement of overseas dues of National Bank of Pakistan in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No.19 of 05 June,1997 (For further detail please refer note 15.2(a) of these financial statements).

## **15 CONTINGENCIES AND COMMITMENTS**

### **15.1 Contingent assets**

The Company had lodged a claim with National Highway Authority amounting Rs. 201.177 million (2025: Rs. 201.177 million) against M/s Bayinder for recovery of losses suffered by the Company attributable to the cessation of work at Islamabad - Peshawar Motorway Project.

### **15.2 Contingent liabilities**

- a) The National Bank of Pakistan (NBP) vide its letter number NBP/CORP/2022/107 has categorically confirmed that the company does not owe any amount in respect of overseas dues of NBP and the e-CIB portal of the State Bank of Pakistan has also not reported any overdue amount. Therefore, outcome of the case pending before the Sindh High Court since 2000 cannot be determined at this stage. However the legal advisor is confident of a favourable outcome.

In view of the above and since the company has made provision for the contingent liability (note 14.3 above) in accordance with the Incentive Scheme under the State Bank of Pakistan's Circular No. 19 of 05 June, 1997, the management is of the opinion that there is no further requirement for any provision on this account as no adverse effect is expected. The same has been endorsed by the Company's Board of Directors (BOD) and the legal advisor in his opinion. Furthermore, the BOD has agreed to settle any liability that may arise consequent upon the outcome of the above matter.

- b) Regarding tax year 2015 Best judgment assessment was made against the company under section 121 of the Income Tax Ordinance, 2001 determining tax chargeable at Rupees 46,282,156/- and tax payable of Rupees. 22,636,470/- The Commissioner Inland Revenue (Appeals) who upheld the assessment order of Deputy Commission Inland Revenue. Later on, the Appellate Tribunal Inland Revenue remanded back the case to the assessing officers which is yet to set for hearing. Legal counsel of the company is confident of a favorable decision in due course of time.

Punjab Revenue Authority completed its proceedings against the company for nonpayment of Rupees 68,290,380/- as provincial tax during the tax periods from June 2013 to March 2018. The case is pending before the Appellate Tribunal Punjab Revenue Authority. Legal counsel of the company is confident of a favorable decision in due course of time.

Proceedings under section 161/205 of the Income Tax Ordinance, 2001 were initiated and completed against the company for the tax year 2016 and 2018 by determining tax payable of Rupees 1,677,422/- and Rupees 16,764,436/- respectively. The cases have been heard by the Commissioner Inland Revenue (Appeals) whose decision is awaited. Legal counsel of the company is confident of a favorable decision in due course of time.

- c) In the ordinary course of business various parties have filed legal cases against the Company, which have not been admitted as liabilities; accordingly, no provision has been considered necessary against these claims till their final outcome. The legal advisor of the Company is of the opinion that these cases are expected to be decided in favor of the Company and therefore no provision has been made in these financial statements for any liability that may arise consequent upon the result of above law suits.

- d) The Company received a notice under section 161(1A) of the Income Tax Ordinance, 2001, for the tax year 2022. The case, involving a potential tax exposure of Rs. 12.793 million, is currently pending before the Assistant/Deputy Commissioner, Federal Board of Revenue (FBR). Based on the advice of its tax, the management believes that it has strong grounds to support its position and expects a favourable outcome.
- e) For Tax Year 2016, the Federal Board of Revenue (FBR) raised a demand of Rs. 168 million under section 122(5A) of the Income Tax Ordinance, 2001. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication. Based on the advice of its tax and legal advisors, the management believes that it has strong grounds to support its position and expects a favourable outcome.
- f) An appeal previously filed before the Lahore High Court involving a tax demand of Rs. 44.675 million was dismissed on the grounds of limitation. The Company has now filed a petition before the Honourable Supreme Court of Pakistan. The Company's legal counsel remains confident of a favourable outcome.
- g) Another case for Tax Year 2019 was decided by the Commissioner (Appeals) FBR, whereby the demand was modified to Rs. 2.223 million.

### 15.3 Commitments

The Company's commitments as at balance sheet date are as follows:

- (a) Guarantees issued by a commercial bank and insurance companies in respect of financial and operational obligations of the Company to various institutions and corporate bodies, aggregate Rs. 50.062 million (2025: Rs. 50.062 million).
- (b) There were no commitments for capital expenditures as at the balance sheet date (2025: Nil).

### 16 EARNINGS PER SHARE- BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	<b>UN-AUDITED</b>			
	<b>HALF YEAR ENDED</b>		<b>QUARTER ENDED</b>	
	<b>December 31, 2025</b>	<b>December 31, 2024</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
(Loss) / Earnings after taxation-(Rupees)	<u><b>(3,725,870)</b></u>	<u><b>(572,777)</b></u>	<u><b>1,723,213</b></u>	<u><b>(1,906,697)</b></u>
Weighted average number of ordinary shares	<u><b>28,266,231</b></u>	<u><b>28,266,231</b></u>	<u><b>28,266,231</b></u>	<u><b>28,266,231</b></u>
Earnings per share - (Rupees)	<u><b>(0.13)</b></u>	<u><b>(0.02)</b></u>	<u><b>0.06</b></u>	<u><b>(0.07)</b></u>

### 17 TRANSACTIONS WITH RELATED PARTIES

- 17.1 The related parties, subsidiary and associated undertakings of the Company comprise of group companies, other associate companies, subsidiary companies, directors and key management personnel. Transactions with related parties, subsidiary and associated undertakings during the period are as follows:

UN-AUDITED			
HALF YEAR ENDED		QUARTER ENDED	
December 31,		December 31,	
2025	2024	2025	2024
-----Rupees-----			

**Relation with the Company****Nature of transaction****Subsidiary Company**Gammon Pakistan Precast  
(Private) Limited

Loan Provided	<b>87,336,217</b>	<b>17,583,403</b>	80,142,217	13,514,418
Repayments	<b>(19,273,132)</b>	<b>(2,743,650)</b>	(7,508,193)	(694,582)

**Associated Companies**

Ghandhara Nissan Limited

Rental income	<b>2,657,346</b>	2,415,768	1,328,673	1,207,884
Payment received	<b>(2,657,346)</b>	(2,415,768)	(1,328,673)	(1,207,884)

Gandhara Industries Limited

Rental income	<b>2,657,346</b>	2,415,768	1,328,673	1,207,884
Payment received	-	(2,415,768)	-	(1,207,884)

Bannu Wollen Mill Limited

Rental income	<b>3,684,660</b>	3,349,692	1,842,330	1,674,846
Payment received	<b>(3,684,660)</b>	(3,349,692)	(1,842,330)	(1,674,846)

Kissa Khani (pvt) Limited

Rental income	<b>2,400,000</b>	-	1,200,000	-
Rental received	<b>2,400,000</b>	-	1,200,000	-

17.2 Balances receivable / payable with related parties are disclosed in respective notes.

**18 FINANCIAL RISK MANAGEMENT**

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

**19 FAIR VALUE MEASUREMENT**

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates.

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.

Financial assets which are traded in an open market are revalued at the market prices prevailing at the close of trading on the reporting date. The estimated fair value of all other financial assets and liabilities is not considered to be significantly different from book values as the items are either short-term in nature or periodically repriced.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" 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:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The management assessed that the carrying value of cash and short term deposits, trade debts, other receivables trade and other payables and other current liabilities approximate their fair values largely due to the short term maturities of these instruments. Fair value is determined on the basis of objective evidence at each reporting date.

**Transfers during the period**

During the six month period to December 31, 2025, there were no transfers into or out of Level 3 fair value measurements.

As at December 31, 2025 and June 30, 2025 the Company held financial instruments carried at fair value which comprising, investment property and operating fixed assets, are measured at fair value.

- 19.1 The investment property was valued on June 30, 2025 carried out by external independent valuers M/s Impulse (Private) Limited. The fair value of investment property is categorized as level 3 recurring fair value measurement due to significant unobservable inputs used in the valuation. A reconciliation of the opening and closing balance is provided below:

	<b>Unaudited</b>	Audited
	<b>December 31, 2025</b>	June 30, 2025
	<b>Rupees</b>	
Opening balance (level 3 recurring fair value)	<b>365,339,500</b>	357,646,440
Less: Transfer during the year	-	-
Fair value loss recognized in profit and loss	-	7,693,060
Closing balance (level 3 recurring fair value)	<b><u>365,339,500</u></b>	<b><u>365,339,500</u></b>

- 19.2 The Company has revalued its freehold land, buildings on June 30, 2025 and plant and machinery on June 30, 2019 by independent valuer M/s Impulse (Private) Limited on the basis of market values of similar properties. The fair value of free hold land, buildings and plant and machinery is a level 3 recurring fair value measurement.

**Valuation techniques used to derive level 2 fair values - Land and building**

Fair value of land and building has been derived using a sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. Moreover value of building also depends upon the type of construction, age and quality. The most significant input in this valuation approach is price / rate per square foot in particular locality. This valuation is considered to be level 3 in fair value hierarchy due to significant unobservable inputs used in the valuation.

**Valuation techniques used to derive level 3 fair values-Plant and machinery and other fixed assets**

In the absence of current prices in an active market, the fair value is determined by taking into account the following factors:

- Make, model, country of origin and etc.;
- Operational capacity;
- Present physical condition;
- Resale prospects; and
- Obsolescence.

The valuation is considered to be level 3 in the fair value hierarchy due to the above unobservable inputs used in the valuation. Most significant input in this valuation is the current replacement cost which is adjusted for factors above.

Had there been no revaluation, the net book value of the specific classes of operating assets would have been as follows:

Unaudited	Audited
December 31, 2025	June 30, 2025
Rupees	

Freehold land	120,988	120,988
Buildings on freehold land	38,382,066	38,382,066
Plant and machinery	8,618,699	8,623,263
Furniture and fixture	1,493,176	1,161,988
Computers and accessories	1,299,810	1,282,307
Motor vehicles, cycles and boats	10,471,218	10,119,655
Construction equipments	273,403	273,403

Unaudited	
Half year ended	
2025	2024
Rupees	

**NOTES**

**20 PROFIT BEFORE WORKING CAPITAL CHANGES**

Profit/(Loss) before taxation		2,037,765	(608,821)
<b>Adjustment for:</b>			
Depreciation	7	2,452,596	716,084
Staff retirement benefits - gratuity (net)		31,159	108,000
Finance cost		3,132	4,988
		2,486,887	829,072
Profit before working capital changes		4,524,652	220,251

**21 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS**

**21.1 Post Balance Sheet Event**

No significant events have occurred after the balance sheet date that would require adjustment to, or disclosure in, these financial statements.

**21.2 Management Assessment of Going Concern**

Although the company has reported an operating loss of Rs 29.87 million due to non-availability of profitable contracts/projects during the period, it has managed to meet the day to day working capital requirements and to repay all the administrative cost through the rental income earned from investment properties. However, the management is confident of the Company's ability to continue as a going concern based on its concentrated effort to re-profile the operational activities and utilization of improved liquidity in cost efficient operational levels of machinery and related projects. The Company undertook significant operational measures in order to generate liquidity and profitable projects/ventures which are amply disclosed in note 45.1 to the audited financial statements.

**21.3 Investigation against EX-CFO**

Based on in-house internal audit report the EX-CFO of the company during the period from 01 January 2018 to 29 December 2020 was involved in certain financial transactions amounting to Rs 26.804 million, which is being investigated internally. Moreover, FIR has been lodged against him subsequent to June 30, 2021. The transactions mainly done out of books and the impact of such investigation/FIR, if any, will be accounted for in the period during which such case is completed.

**22 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the period.

**23 DATE OF AUTHORIZATION**

These condensed interim financial statements were authorized for issue on 27 Feb 2026 by the Board of Directors of the Company.

**24 GENERAL**

Figures have been rounded off to the nearest rupee.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

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