



Since
1956

70 Years of BUILDING THE FUTURE



Packages Limited



Packages Convertors
Limited



Bulleh Shah Packaging
(Pvt.) Limited



SEVEN DECADES OF BUILDING THE FUTURE.



DIC Pakistan Limited



Tri-Pack Films Limited



Starch Pack (Pvt.) Limited



OmyaPack (Pvt.) Limited



Packages Lanka
Limited



Chantler Packages



Packages Mall



ICI Holdings



Hoechst Pakistan Limited



Registered Office:

4th Floor, The Forum, Suite No. 416-422
G-20, Block No. 9, Clifton,
Khayaban-e-Jami, Karachi-75600, Pakistan
Tel: 92-21 35874047-49
Fax: 92-21 35860251

Head Office:

Shahrah-e-Roomi, P.O. Amer Sidhu
Lahore-54760, Pakistan
PABX: 92-42 35811541-46
Fax: 92-42 35811195



Introduction

The journey of Packages Limited has always been guided by a simple yet powerful belief; progress is most meaningful when it creates a better future for all. As we step beyond seven decades of excellence, we renew our commitment to driving sustainable growth, fostering innovation, and creating lasting impact across every community we touch.

Our vision for the future is anchored in a deep sense of responsibility towards the environment, our people, and future generations. By embracing forward-looking solutions, investing in technology, and fostering a culture of integrity and collaboration, we aspire to help shape a world that is not only more efficient, but also more inclusive and sustainable.

At Packages Limited, sustainability lies at the core of every decision being taken and this has been guiding our efforts to minimize environmental impact, promote resource efficiency, and advance circular economy practices across our entire Group operations.

This report envisages our continued efforts to evolve with purpose while building stronger businesses, empowering lives, and contributing to a future defined by resilience, opportunity, and shared success.



About Cover

Seventy years of purpose, progress, and possibilities.

Packages Limited marks a remarkable milestone, seven decades of creating a better tomorrow; shaping industries, empowering communities, and setting benchmarks in innovation, quality, and sustainability. From its beginnings as a packaging plant to becoming a diversified and trusted name as a conglomerate across the nation, journey of Packages Limited is a testament to resilience, vision, and an unwavering commitment to excellence.

This cover brings together the essence of that journey together with our people, while nurturing our planet and bringing prosperity through our businesses. As we celebrate this significant milestone, we look ahead with renewed purpose focused on responsible growth, sustainable practices, and creating meaningful impact. With innovation at our core and integrity as our guiding principle, we remain dedicated to building a future that delivers value for our stakeholders and contributes positively to society for generations to come.

Table of Contents

07	CEO's Message	44	Enterprise Risk Management Framework	Unconsolidated Financial Statements	186	Consolidated Statement of Changes in Equity			
08	Company Information	45	Related Party Transactions Policy	98	Chairman's Review	187	Consolidated Statement of Cash Flows		
10	About Us and Our Business	48	Information and Technology Policy	99	Directors' Report to the Shareholders on Unconsolidated Financial Statements – English	188	Notes to and Forming Part of Consolidated Financial Statements		
11	Vision & Mission Statement	50	Sustainability Policy	104	Independent Auditors' Report on Unconsolidated Financial Statements	296	Shareholders' Information		
14	Code of Conduct	52	Integrated Management Systems Policy	108	Unconsolidated Statement of Financial Position	299	Pattern of Shareholding		
21	Organizational Structure	54	Sustainability at Packages Group	110	Unconsolidated Statement of Profit or Loss	302	Details of Shareholding		
22	Group Structure	58	Environment, Health and Safety	111	Unconsolidated Statement of Comprehensive Income	304	Notice of 71 st Annual General Meeting – English		
24	Group Leadership	62	Stakeholders' Relationship and Engagement	112	Unconsolidated Statement of Changes in Equity	309	Proxy Form – English		
27	Historical Overview	65	Governance Framework	113	Unconsolidated Statement of Cash Flows	310	Proxy Form – Urdu		
30	Milestones	82	Report of Audit & Risk Management Committee	114	Notes to and Forming Part of Unconsolidated Financial Statements	311	Electronic Dividend Credit Mandate Form – English		
32	Products of our Group Companies	84	Independent Auditors' Review Report on Statement of Compliance with Code of Corporate Governance	Consolidated Financial Statements	176	Directors' Report to the Shareholders on Consolidated Financial Statements – English	312	Electronic Dividend Credit Mandate Form – Urdu	
33	Gender Pay Gap Statement	85	Statement of Compliance with Code of Corporate Governance	178	Independent Auditors' Report on Consolidated Financial Statements	182	Consolidated Statement of Financial Position	313	Request Form for Transmission of Annual Report and Notices – English
34	Significant Factors Affecting the External Environment	87	Six Years at a Glance	184	Consolidated Statement of Profit or Loss	185	Consolidated Statement of Comprehensive Income	314	Request Form for Transmission of Annual Report and Notices – Urdu
36	Geographical Presence	88	Horizontal and Vertical Analysis	186	Consolidated Statement of Changes in Equity	318	Notice of 71 st Annual General Meeting – Urdu	323	Directors' Report to the Shareholders on Unconsolidated Financial Statements - Urdu
37	Key Performance Indicators	93	Value Added and its Distribution	187	Consolidated Statement of Cash Flows	325	Directors' Report to the Shareholders on Consolidated Financial Statements – Urdu		
38	Awards and Certifications	94	Sources and Applications of Funds	188	Consolidated Statement of Profit or Loss				
40	Major Events			189	Consolidated Statement of Comprehensive Income				
42	Risks and Opportunities								



CEO's Message

As we mark the 70th anniversary of Packages Group, we reflect on a legacy built on trust, resilience, and an unwavering commitment to excellence. Over seven decades, we have navigated multiple economic cycles by remaining anchored in long-term value creation, disciplined execution, and the ability to adapt to a changing environment.

In 2025, our focus remained clear: strengthening our core businesses, improving operational efficiency, and maintaining financial discipline. In an increasingly volatile global and domestic landscape, these priorities have enabled us to enhance resilience while positioning the Group for sustainable growth.

Sustainability continues to shape our strategic direction. We are embedding responsible practices across our operations—not as a compliance requirement, but as a fundamental driver of long-term competitiveness. From resource efficiency to product innovation, our approach is centered on creating value for all stakeholders while minimizing our environmental footprint.

As we celebrate this important milestone, I would like to thank our shareholders, business partners, and employees for their continued trust and commitment. Their support has been central to our journey thus far, and will remain critical as we build the next chapter of growth for Packages Group.

Syed Hyder Ali

Chief Executive Officer &
Managing Director

Company Information

Board of Directors*

Mr. Towfiq Habib Chinoy
(Chairman & Non-Executive Director)

Syed Hyder Ali
(Executive Director)

Syed Shahid Ali
(Non-Executive Director)

Mr. Hasan Askari
(Independent Director)

Mr. Atif Aslam Bajwa
(Non-Executive Director)

Ms. Saba Kamal
(Independent Director)

Mr. Tariq Iqbal Khan
(Non-Executive Director)

Syed Aslam Mehdi
(Executive Director)

Mr. Josef Meinrad Mueller
(Non-Executive Director)

Mr. Osman Khalid Waheed
(Independent Director)

Audit & Risk Management Committee

Mr. Hasan Askari	Chairman
Syed Shahid Ali	Member
Mr. Atif Aslam Bajwa	Member
Mr. Tariq Iqbal Khan	Member
Mr. Osman Khalid Waheed	Member
Mr. Soban Waqar	Secretary

Human Resource and Remuneration Committee

Ms. Saba Kamal	Chairperson
Syed Hyder Ali	Member
Mr. Hasan Askari	Member
Mr. Atif Aslam Bajwa	Member
Mr. Towfiq Habib Chinoy	Member
Mr. Josef Meinrad Mueller	Member
Mr. Jawad Gilani	Secretary

IT & Digitalization Committee

Ms. Saba Kamal	Chairperson
Mr. Atif Aslam Bajwa	Member
Mr. Osman Khalid Waheed	Member
Mr. Faizan Mahmood	Secretary

Sustainability Committee

Mr. Osman Khalid Waheed	Chairman
Ms. Saba Kamal	Member
Ms. Ayesha Aziz	Secretary

Executive Committee

Syed Hyder Ali	Chairman
Syed Aslam Mehdi	Member
Ms. Iqra Sajjad	Secretary

Advisor to the Board

Syed Babar Ali

Chief Executive Officer & Managing Director

Syed Hyder Ali

Chief Financial Officer

Mr. Khurram Raza Bakhtayari

Company Secretary

Ms. Iqra Sajjad

Rating Agency

PACRA

Company Credit Rating

Long-Term : AA+

Short-Term : A1+

Auditors

A.F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Hassan & Hassan (Advocates) - Lahore
Orr, Dignam & Co. – Karachi

Share Registrar

FAMCO Share Registration
Services (Pvt.) Limited
8-F, Near Hotel Faran, Nursery Block 6, P.E.C.H.S.
Shahrah-e-Faisal Karachi - 75400
PABX: (021) 34380101-5, 34384621-3
Fax: (021) 34380106
Email: info.shares@famcosrs.com

Handling Desk for Shareholders' Affairs (Corporate Secretarial & Corporate Affairs Department)

Mr. Ubaid Hussain / Ms. Suman Kishore
Tel: (021) 35874047-49 Ext: 237/233
Email: shares.desk@packages.com.pk

(Share Registrar)

Mr. Mustafa Zahoor
Tel: (021) 34380101-5
Fax: (021) 34380106
Email: info.shares@famcosrs.com.pk

Bankers & Lenders

Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
Faysal Bank Limited
Standard Chartered Bank (Pakistan) Limited
Citibank N.A. Pakistan Branch
Bank Al-Habib Limited
Habib Metropolitan Bank Limited
JS Bank Limited
International Finance Corporation (IFC)

Offices

Registered Office

4th Floor, The Forum
Suite No. 416 - 422, G-20, Block 9
Khayaban-e-Jami, Clifton
Karachi - 75600, Pakistan
PABX: (021) 35874047-49
Fax: (021) 35860251

Head Office

Shahrah-e-Roomi, P.O. Amer Sidhu
Lahore - 54760, Pakistan
PABX: (042) 35811541-46
Fax: (042) 35811195

Web Presence

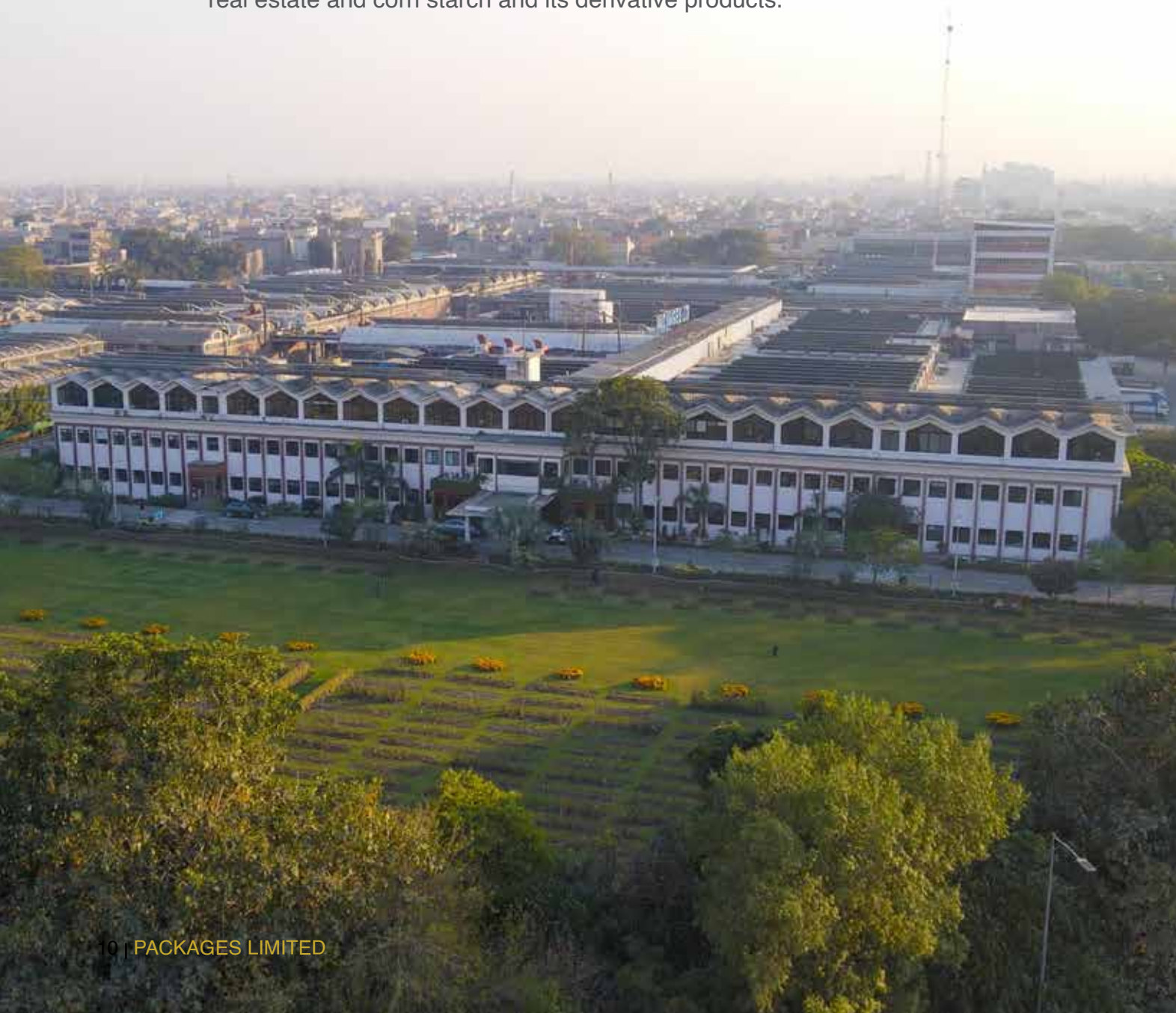
www.packages.com.pk

*In alphabetical order by last name

About Us and Our Business

Packages Limited was founded in 1956 with a promise! The promise to create a better tomorrow for our people, our planet and prosperity for everyone. Inspired by these principles, today Packages Group is one of Pakistan's leading business conglomerates. Given the extent of our businesses, ensuring a sustainable operating environment is our top priority. All of Packages Group's companies are aligned with the core values of Care, Respect, Lead, Honesty and Courage and have come together to create one of the leading examples of sustainability sensitivity in Pakistan.

The Company is listed at the Pakistan Stock Exchange Limited since 1965. Packages Limited is an investment holding company having investment in numerous subsidiaries, joint ventures and other companies engaged in various business including packaging materials, tissue and consumer products, industrial inks, papers & paperboard products, pharmaceutical products, biaxially oriented polypropylene and cast polypropylene films, calcium carbonate products, life & general insurance, power generation, real estate and corn starch and its derivative products.



Vision

Position ourselves to be a regional player of quality packaging and consumer products

Improve on contemporary measures including cost, quality, service, speed of delivery and mobilization

Keep investing in technology, systems and human resource to effectively meet the challenges every new dawn brings

Develop relationships with all our stakeholders based on sustainable cooperation, upholding ethical values, which the shareholders, management and employees represent and continuously strive for

Mission Statement

To be a leader in the markets we serve by providing quality products and superior service to our customers, while learning from their feedback to set even higher standards for our products

To be a Company that continuously enhances its superior technological competence to provide innovative solutions to customer needs

To be a Company that attracts and retains outstanding people by creating a culture that fosters openness and innovation, promotes individual growth and rewards initiative and performance

To be a Company which combines its people, technology, management systems and market opportunities to achieve profitable growth while providing fair returns to its investors

To be a Company that endeavors to set the highest standards in corporate ethics in serving the society

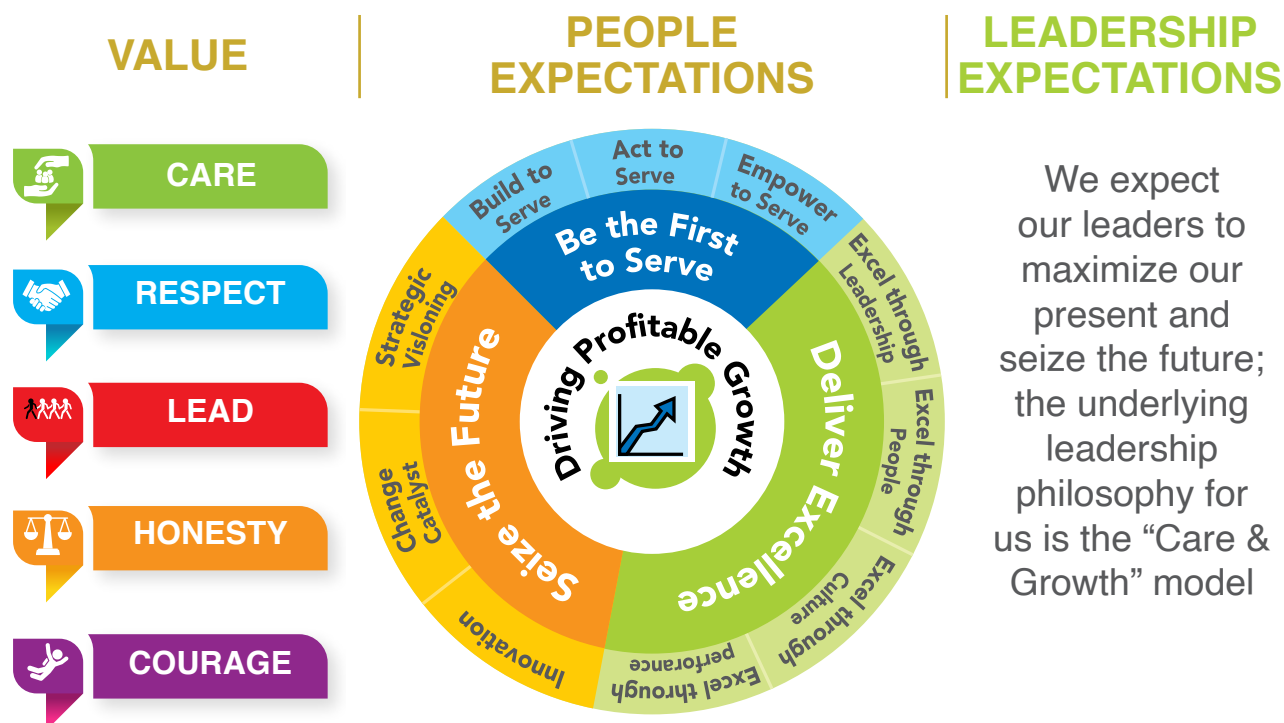
CODE OF CONDUCT

The way we do business.

CREATING A BETTER TOMORROW

Our Values

Values are reasons which we regard as higher than our self-interests.



LEADERSHIP EXPECTATIONS

We expect our leaders to maximize our present and seize the future; the underlying leadership philosophy for us is the “Care & Growth” model



Syed Babar Ali

“ We will re-gain the business we loose, if we keep the trust. ”

Syed Hyder Ali

“ Honesty forms core of the Packages group, which is the foundation of our success along with care, respect, leadership and courage. ”

Syeda Henna Babar Ali

“ To be honest, sincere and truthful towards the organization and your colleagues in adversity, even if it is detrimental to your personal agenda. ”

Code of Conduct

Packages Group has built a reputation for conducting its business with integrity, in accordance with the highest standards of ethical behavior and in compliance with the laws and regulations that govern our operations. This reputation is among our most valuable assets and ultimately depends upon the individual actions of each of our employees.

Packages Group's Code of Conduct has been prepared to assist each of us in our efforts to not only maintain but also enhance this reputation. It provides guidance for business conduct in several areas and refers to more detailed corporate policies for further direction.

The adherence of all employees to the highest standards of integrity and ethical behavior is mandatory and benefits all stakeholders, which include customers, communities, shareholders and ourselves.

All Group companies ensure compliance with the Code of Conduct by providing appropriate information, preventive measures, and control tools and ensuring transparency in all transactions and behaviors by taking corrective measures, if and as required.

The Packages Code of Conduct applies to all Packages Group companies, employees, business partners, suppliers, vendors, financial advisers, agents, affiliates, and others who act for us within all sectors, regions, areas, and functions. As per the regulatory guidelines, there is a separate document outlining the Code of Conduct for external directors of the Group.

CARE

Fairness and consideration are integral to our culture.

- We provide care through empathy, fairness, trust, and openness.
- We care for the communities in which we exist; we are conscious of the impact of our activities on our environment.
- We strive to improve our lives and the lives of others; we care for and grow people.
- We care for all our customers; we succeed when our customer succeeds!

Health and Safety:

The health and safety of our employees is paramount. We are committed to maintaining a safe and healthy workplace by adhering to stringent safety standards, providing necessary training, and promoting a safety culture.

We are dedicated to promoting a safe and healthy environment both within the company and in the communities where we operate. This includes adhering to environmental regulations and supporting sustainable practices.

Environment, Sustainability and Governance:

We conduct our business with integrity, ensuring that our operations are sustainable and contribute positively to society and the environment. We are committed to fair trade practices, ethical sourcing, and minimizing our environmental impact. We encourage Environmental, Social, and Governance (ESG) practices as a fundamental part of our business approach. This includes developing and implementing policies that address key sustainability issues, engaging with stakeholders, and continuously improving our practices to meet our organizational goals and societal expectations. The Packages Group Sustainability Policy reflects this commitment.

Diversity and Inclusion:

We celebrate diversity and are committed to building an inclusive workplace where all individuals feel valued and respected. We believe diversity drives innovation and enhances our ability to serve our global customers.

Human Rights:

We are committed to respecting and promoting human rights in all aspects of our business. This includes the prohibition of child labor and forced labor, promotion of diversity, including gender equality and women's rights, and respect for people's right to access and use their natural resources and the right to health. We ensure our operations do not infringe on the rights of individuals and communities. We actively contribute to the protection of these rights.

Third-Party/ Supplier Engagement:

We are committed to fair and responsible sourcing practices. Our relationships with suppliers and business partners are based on mutual respect, and we select suppliers based on objective criteria, including quality, reliability, and adherence to ethical practices.

- We expect our suppliers to share our commitment to ethical conduct.
- We communicate clearly with our suppliers/third parties.
- We listen to all our suppliers/third parties and seek to engage with them constructively.

There is a separate Code of Conduct for our suppliers to ensure adherence to our values and commitments.

RESPECT

We treat people with respect and dignity.

Equal Opportunity Employer:

Packages Group recognizes the value of striving for an equal opportunity, equal treatment, and a dynamic environment where diversity is valued as a source of enrichment and opportunity. All phases of the employment relationship – including recruitment, hiring, training, promotion, compensation, benefits, transfers,

layoffs, and leaves of absence will be carried out by all managers without regard to race, color, religion, gender, age, ethnicity, national origin, or disability.

Abuse of Alcohol or Drugs and Gambling:

All employees shall personally contribute to promoting and maintaining a climate of common respect in the workplace. Particular attention should be paid to respecting the feelings of others.

No employee in the Packages Group shall work under the effect of alcohol or drugs, or substances with similar effects.

It is strictly prohibited to:

- Hold, consume, offer, or give alcohol or drugs for any reason at work or in the workplace.
- Smoke in areas where smoking is not allowed.
- Engage in gambling or betting within the workplace.

Workplace Harassment:

We believe that it is the right of every employee at Packages Group to work in a dignified environment. To achieve this and to promote a harmonized work culture, we will provide equal opportunities for development and growth regardless of gender, race, color, creed, or religion.

'Harassment' means any unwelcome sexual advance, request for sexual favors or other verbal or written communication or physical conduct of a sexual nature, or sexually demeaning attitudes, causing interference with work performance or creating an intimidating, hostile or offensive work environment, or an attempt to punish the complainant for refusal to comply with such a request or when such behavior is made a condition for employment. Its scope covers both male and female employees.

There are three significant manifestations of harassment in the work environment:

a) Abuse of authority:

A demand by a person in authority, such as a supervisor, for sexual favors in order for the complainant to keep or obtain certain job benefits, whether it is a wage increase, a promotion, a training opportunity, a transfer, or the job itself.

b) Creating a hostile environment:

Any unwelcome sexual advance, request for sexual favors, or other verbal or physical conduct of a sexual nature, interferes with an individual's work performance or creates an intimidating, hostile, abusive, or offensive work environment. The typical "hostile environment" claim generally requires a finding of a pattern of offensive conduct; however, in cases where the harassment is particularly severe, such as in cases involving physical contact, a single offensive incident will constitute a violation.

c) Retaliation:

The refusal to grant a sexual favor can result in retaliation, which may include limiting the employee's options for future promotions or training, distorting the evaluation reports, generating gossip against the employee, or other ways of limiting access to their rights. Such behavior is also a part of the harassment.

Process of Filing a Complaint:

1. The employee (the victim) shall raise a complaint in accordance with the Anti-Harassment Policy of the respective group company. The complainant may wish to discuss the case with the immediate supervisor for guidance in this regard.
2. The Chief Anti-Harassment Officer (CAHO), usually the HR Head of the respective company, will study the complaint in detail and determine if the complaint comes under the purview of the Anti-Harassment Policy. If the complaint is outside the purview of the Anti-Harassment Policy, the complainant would be informed accordingly by giving reason(s). In case the complaint is found to be under the purview of the Anti-Harassment Policy, the CAHO will then forward the complaint to the Special Inquiry Committee established for this purpose. During this course, the CAHO may contact the complainant by phone or may require the complainant to meet in person to clarify the complaint details.
3. To prevent misuse of this policy, the basic requirement for the implementation of its clauses and formal undertaking of an inquiry, the following two prerequisites must be met:

- Allegations must be supported by at least one witness, or if no witness is available, by written, recorded, pictorial, or circumstantial evidence.
- The complainant shall declare and disclose their full name and correct identity at the time of filing the complaint, which will be kept confidential at all times.
- Anonymous or conditional complaints will not be processed.
- All complaints shall be reported and investigated in accordance with this policy and any other applicable laws and regulations on Harassment.

Furthermore, harassment can occur in a variety of circumstances, such as:

- Advances, propositions, suggestions, or pressure for social activities outside of work, where it has been made clear that these are unwelcome.
- Conduct which is discriminatory, intimidating, physically or verbally abusive, including the display of explicit material, humour or comments of a sexual or racial nature or related to a person's abilities or disabilities, whether directed specifically at any particular individual or not.

- Spreading malicious rumours or insulting someone by word or behaviour on the grounds of age, race, gender, or disability.
- Unfair treatment or misuse of power and position.
- Making threats or comments about job security without a foundation.

For further details, please refer to the anti-harassment policy.

Email, Computers, and Network Security:

- Protection of the Company's assets and proprietary information.
- All employees must follow the Group's policy to limit internet use to official business purposes during work hours.
- All employees using the Company's Internet connection and e-mail accounts are acting as representatives of Packages and must conduct themselves professionally to avoid damaging the Company's reputation.

The introduction of viruses or malicious tampering with any computer system is expressly prohibited.

No employee shall visit illegal or unethical sites or distribute illegal or unethical material. Obscene, derogatory, or racially intolerant websites and material are also forbidden.

Activities that compromise network security are strictly forbidden.

The disclosure of system IDs, passwords, or information that could compromise or breach our network security is not allowed. Employees shall not place Company material, such as copyrighted software or internal correspondence, on any publicly accessible Internet computer without proper permission.

The Company reserves the right to inspect the computer system of any employee of Packages Group for violations of this policy.

Packages Group's physical and intangible assets, as well as its proprietary information, are the key to the Packages Group's success. They should be used only to achieve business goals and should be protected to preserve their value. Any use of the Group Company's assets or proprietary information by any employee in other business or personal activities is forbidden. All Group Company assets and proprietary information must be returned to the Group Company on cessation of employment.

Employees may have access to significant proprietary or confidential information (in written, electronic, or other formats as part of their jobs). It should not be disclosed to anyone outside Packages Group without the express permission of their supervisor.

It is the duty of every employee to protect, use, and operate all the corporate assets (all movable and immovable assets) with the utmost care, due diligence,

and honesty. If any employee observes misuse or mishandling of corporate assets by other employees/individuals, the matter should be immediately reported to the management of the respective Group Company.

All Group employees are responsible for the security and proper use of the Company's physical and intangible assets under their control and of third-party assets in their care.

LEAD

Public Activities and Relationships with Stakeholders: Agreements with all our stakeholders working with any of Packages Group company in any capacity including business partners, suppliers, vendors, financial advisers, agents or consultants shall clearly specify the services to be performed for the Company, the amount to be paid, and all other relevant terms and conditions. All payments and transactions shall be supported by documents.

Code of Conduct Compliance:

Packages Group will enforce this Code of Conduct by investigating any reports of misconduct or rules being broken. Where infringements are established, actions will be taken to prevent this from happening again. This process will be full and fair for everyone involved. We will ensure confidentiality for anyone reporting violations. Those reporting potential wrongdoings in good faith will not be fired, suspended or discriminated against. No action will be taken against anyone accused of wrongdoing until the matter has been duly investigated.

If it is established that the Code of Conduct has been broken, Packages Group may take disciplinary action and or, in serious cases, terminate employment.

Code of Conduct for Partners:

We also require all agents, consultants, vendors, and business partners who are working on behalf of Packages Group to comply with these same laws and practices that define our conduct and how we do business (including Packages Group Supplier Sustainability Requirements).

How to Report:

If you have any questions about issues related to this Code of Conduct, you may wish to contact your supervisor first or send your questions to the Head of Internal Audit of your company. Packages Group is recognized for its strong cultural and ethical values. Likewise, it expects all its employees to demonstrate exemplary conduct in all professional interactions. Compromising on ethics undermines trust and leads to long-term failure.

Ask Before You Act:

It's important that you fully understand the Code of Conduct and what it means for you. You must take responsibility for learning the rules and ensuring that they are followed everywhere you work.

If you need more information or advice on the Code of Conduct, don't hesitate to get in touch with someone who can help you. Such people include your supervisor, Head of Internal Audit, or Head of HR of the respective Group Company.

This Code of Conduct is a summary of the key ethical policies, principles, and guidelines relating to Packages Group operations. The company's official policies and guidelines are available on the intranet portal of the respective companies.

Note: Certain jobs within Packages Group are covered by further specific policies and guidelines that need to be understood in addition to the rules set out in this Code of Conduct.

HONESTY

Responsible Business:

- We comply with all applicable local, national and international laws, regulations and voluntary commitments wherever we do business.
- We conduct business transactions that serve the best interests of Packages Group and the community.
- We have zero tolerance for corrupt activities of any kind, either in our own operations or when we work with partners.
- We support free and fair competition by never becoming involved in price-fixing, market sharing or other anti-competitive practices.
- We protect the Company's valuable property and safeguard confidential information.
- We clearly communicate with our stakeholders.
- We listen to all our stakeholders and seek to engage with them constructively.

Ethics, Transparency, Fairness, and Professionalism:

In conducting business, Packages Group is inspired by and complies with the principles of loyalty, fairness, transparency, and efficiency.

Any action, transaction, and negotiation performed, and generally, the conduct of all employees in the performance of their duties, is inspired by the highest principles of fairness, completeness, and transparency of information, clarity and truthfulness of all accounting documents, in compliance with applicable laws in force and internal regulations.

Bribes, illegitimate favors, and requests for personal gain, whether for oneself or others, either directly or through third parties, are prohibited without any exception.

It is prohibited to pay or offer, directly or indirectly, money and material benefits and other advantages of any kind to third parties, whether representatives of governments, public officers or private employees, to influence or reward actions taken in their official capacity.

Conflict of Interest:

Packages Group expects all employees to be free from actual or potential conflicts of interest.

A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence or appear to influence an employee's judgment or actions while conducting the business in which the employee has

a prime responsibility towards the Company and is expected to avoid activities or transactions that clash directly with the interest of the Company. Such situations can arise in a number of ways.

Some of the specifically forbidden situations are outlined below. This list is, however, neither exhaustive nor all-inclusive. In case of doubt, management advice should be sought. For further information, please refer to the Conflict of Interest Policy.

- Any employee or their family member in a position to exert influence, having an interest in any organization supplying goods or services to the Company.
- Any employee conducting personal business activities on the Company premises or using Company facilities for such purposes.
- Gaining personally from, performing any work for, or serving as a consultant, advisor, employee, or director of any competitor, supplier, or customer.

Any employee serving as an officer or Chief Executive Officer (CEO) of any other company, or in any management capacity for, or as a consultant to, any individual, firm, or company seeking to do business with any Group Company or its affiliate, except with the knowledge and prior consent of top management of the Group Company.

For the purpose of this Code, family includes spouse, parents, children, grandparents, grandchildren, cousins, aunt/uncle, niece/nephew, domestic partner, siblings, step/half family relations, in-laws, or a person living in one house or any other person with such a close bond as to suggest a conflict in the employment. For further details, please refer to the Family Relations Policy.

- Using Group equipment, assets, or time to engage in non-Group activities, unless expressly authorized in writing by the CEO of your Group Company.
- Engaging in any financial transaction with, or possessing or controlling any financial interest in, any competitor, customer, or supplier whose securities are publicly traded on a stock exchange.
- Family members can work in the Packages Group, provided they are not working in the same unit or in any capacity where one position might be able to influence the other. If the employee's family member has applied for a position at Packages Group, then the employee will not be allowed to participate in the selection or recruitment of that position.
- In case a family relationship develops within the organization or within a Group company after employment, the employee will be required to inform Human Resources (HR) in writing immediately.
- Accepting compensation or anything of material value (equivalent to Rs. 10,000 or above) from third parties that have or propose to have a business relationship with any Group.

Reporting Conflicts:

Any actual or potential conflict of interest has to be reported in writing to HR.

- Any employee or their family member in a position to exert influence, having an interest in any organization supplying goods or services to the Company.
- Any employee conducting personal business activities on the Company premises or using Company facilities for such purposes.
- Gaining personally from, performing any work for, or serving as a consultant, advisor, employee, or director of any competitor, supplier, or customer.
- Any employee serving as an officer or Chief Executive Officer (CEO) of any other company, or in any management capacity for, or as a consultant to, any individual, firm, or company seeking to do business with any Group Company or its affiliate, except with the knowledge and prior consent of top management of the Group Company.

Confidentiality:

Employees shall not keep or make copies of correspondence, documents, records, or lists of clients or customers without prior approval of the Head of Department.

An employee shall not disclose or reveal any information on behalf of the Company to print or electronic media, or any other information medium, unless they are authorized to do so.

All copies of correspondence, documents, records, and lists of clients or customers shall be surrendered to the Company when an individual leaves the Company's employment or is no longer affiliated or connected with the Company.

Company information and records should be kept within the Company premises and on approved Company devices, e.g., laptops.

Unpublished information may be disclosed to external organizations or individuals only on a "need-to-know" basis, upon explicit management approval.

Corruption:

We show zero tolerance for any kind of corrupt activities. Taking or giving bribes is strictly prohibited in our Group Companies. We comply vigorously with the relevant anti-bribery laws.

It is also our policy to require all our stakeholders working for, or representing, any of the Packages Group Companies in any capacity — including business partners, suppliers, vendors, consultants, financial advisers, and agents — to comply with these laws and practices.

Non-compliance with anti-bribery legislation can have serious legal consequences for Packages Group and the individuals involved. It is also important to remember that offering or accepting gifts, hospitality, or expense payments is prohibited if they are of unreasonably high value — more than Rs. 10,000 (this amount to be reviewed every year) — or could inappropriately affect business transactions.

Allowed:

- Gifts or hospitality must never consist of cash or cash equivalents. Gifts or hospitality should not be extravagant or excessively valuable. The maximum value should not exceed Rs. 10,000.
- Gifts or hospitality should not be offered in ways that make recipients feel that the giver expects something in return.
- Gifts or hospitality should be given and accepted openly in front of others, to make it clear that there is nothing to hide.
- Packages Group always pays the travel and accommodation expenses of the Company's own personnel.
- Normal business courtesies such as paying for a meal or sharing a taxi may be considered as reasonable hospitality.
- Any gift or hospitality that is of greater value and can potentially impact the business dealings should be immediately reported to the supervisor and surrendered to HR for appropriate action.

Professional Relationships:

Every employee of Packages Group needs to maintain a professional relationship with suppliers, customers, and other stakeholders. They need to ensure that Packages Group inculcates the value of professionalism in all its subsidiaries and among its employees. All employees working in the Packages Group and dealing directly with suppliers and customers need to make sure that professional relationships come before any personal interest of the employee. Being in business, everyone has to ensure their professional commitment and uphold the reputation of the Group.

Anti-Fraud Policy:

Fraud is defined as an intentional false representation or concealment of a material fact for the purpose of securing an unfair or unlawful gain. Fraud that may involve any of the following matters must be reported. This list is only for reference purposes and should not be considered exhaustive:

Misrepresentation of facts;

- Misappropriation, theft, or misuse of the Company's assets such as money, equipment, or supplies;
- Unlawfully obtained revenue and/or assets;
- Falsification of revenue, costs, and expenses;
- Making a profit as a result of insider knowledge of the Company's activities;
- Bribery or corruption;
- Disclosing confidential and proprietary information to outside parties;
- Forgery or alteration of documents;
- Paying excessive prices or fees to third parties with the aim of personal gain;
- Accepting or offering kickbacks or gifts intended to, or which may appear to, influence business judgment.

Fraud in all its forms is wrong and is unacceptable to the Group. All stakeholders must carry out their activities/business in such a way that it prevents fraud from occurring.

Confidentiality and Non-Retaliation:

All reported instances of fraud, including the identity of those providing information, will be kept confidential in order to conduct an appropriate, fair, and thorough investigation. Necessary protection will be provided to the informant. No retaliatory action against any individual for reporting in good faith under this policy will be tolerated. However, false reports will be subject to disciplinary action.

Blacklisting:

Any vendor, service provider, customer, contractor, agency, distributor, etc. will be blacklisted if convicted of fraud under this policy. Details of such blacklisted parties will be shared with all Group Companies to curtail business relations with them and avoid potential financial or reputational loss.

Responsibility for Prevention and Detection:

All employees are responsible for the prevention and detection of fraud, misappropriation, and other irregularities. All employees are required to be familiar with the types of fraud that might occur in their respective areas, be alert for any indication of fraud or improper activities, and maintain controls to avoid such occurrences. In case of knowledge, suspicion, or detection of any such activity by any person, the information must be promptly reported for thorough investigation and prevention. It can also be reported through a whistleblowing platform. Disciplinary action will be taken against any person found guilty as per Company policy.

Dealings in Securities/Shares and Insider Trading:

Packages Group employees shall not trade or pass on inside information at any time to any other person, inside or outside Packages Group. Inside information refers to information about Packages Group, its business, or other companies with which Packages Group is doing business or negotiating, that is not generally known to the public, but would likely, if known generally, affect the price of a company's shares or influence a person's investment decisions.

A Packages Group employee or his/her family (spouse, parents, grandparents, sons, and daughters) must not deal in shares of a listed company in which they work and its listed Group Companies in the following circumstances:

- During the closed period, or
- If he/she is in possession of inside information about the Company, or
- Deal in shares for short-term gains (less than six months).

If any executive or his/her relatives mentioned above purchase or sell shares of a listed company in which they work, the concerned executive must immediately inform the Company Secretary, in the prescribed format, about

the quantity and price of the shares purchased/sold. The Company Secretary shall pass on this information to the stock exchange and the Securities and Exchange Commission of Pakistan (SECP) in the prescribed format.

The concerned executive will also need to report electronically to SECP, in the prescribed format, the purchase or sale of shares using his or her own password/PIN within seven days of the date of the transaction.

Packages Group employees should not pass on inside information at any time to any other person or encourage another person to deal in shares of its listed Group Companies on the basis of such information, even if the employee does not gain directly from the arrangement.

Packages Group employees should be aware of and comply with any local laws and regulations governing share dealings.

Some employees, because of their roles and responsibilities, will be in regular possession of inside information or may have access to such information at particular times of the year. These individuals are referred to as Employee Insiders.

The employee will be notified in writing by the Company Secretary if he/she falls in this category and, as such, may not deal in stock until written confirmation is obtained that he/she may proceed, or has been removed from the Insider List.

The Company Secretary may be contacted for advice in this area.

Workplace Relationships (Internal)

Packages Group is committed to maintaining a professional, respectful, and inclusive work environment. To preserve objectivity, avoid potential conflicts of interest, and ensure fairness, all employees are expected to keep their workplace interactions strictly professional and platonic.

Any form of romantic, intimate, or non-platonic relationships between employees that may create favoritism, perceived bias, or conflict of interest are not acceptable within the workplace. Employees are required to disclose any such relationship, if it develops, to Human Resources (HR) immediately.

The intent of this policy is to ensure that professional judgment, decision-making, and workplace conduct remain impartial and in the best interest of the Group.

COURAGE**Complaint Reporting and Investigation Procedure:**

Note: Complainants have the right to raise complaints anonymously, but they are encouraged to include contact information, which would be useful during the investigation. However, anonymous complaints are discouraged and may not attract any action unless sufficient evidence is provided to proceed further.

Confidentiality and protection of the complainant's identity will be ensured. The Internal Audit Department may involve or consult relevant departments for the investigation of the complaint.

Complaints regarding harassment or employee grievances will be referred to HR for handling in accordance with the Anti-Harassment Policy and Grievance Policy.

Any employee, contractor, or stakeholder who believes that he/she has been a victim of discrimination or harassment, or becomes aware of any activity that is not in the best interests of the Company or breaches the Code of Conduct or law, should immediately report the issue.

Confidentiality of all complaints will be ensured, and appropriate remedial action will be taken after thorough verification/investigation of the underlying facts and details.

All personnel reporting must ensure confidentiality of the information and must not share or spread any unsubstantiated or false claims. Spreading false claims could result in disciplinary action against such personnel.

Whistleblowing complaints can be raised through the communication channels mentioned in the respective Whistleblowing Policy, or by directly approaching the Head of Internal Audit of the respective company, or by sending an email to the respective company's whistleblowing email address.

For further information, refer to the Whistleblowing Policy.

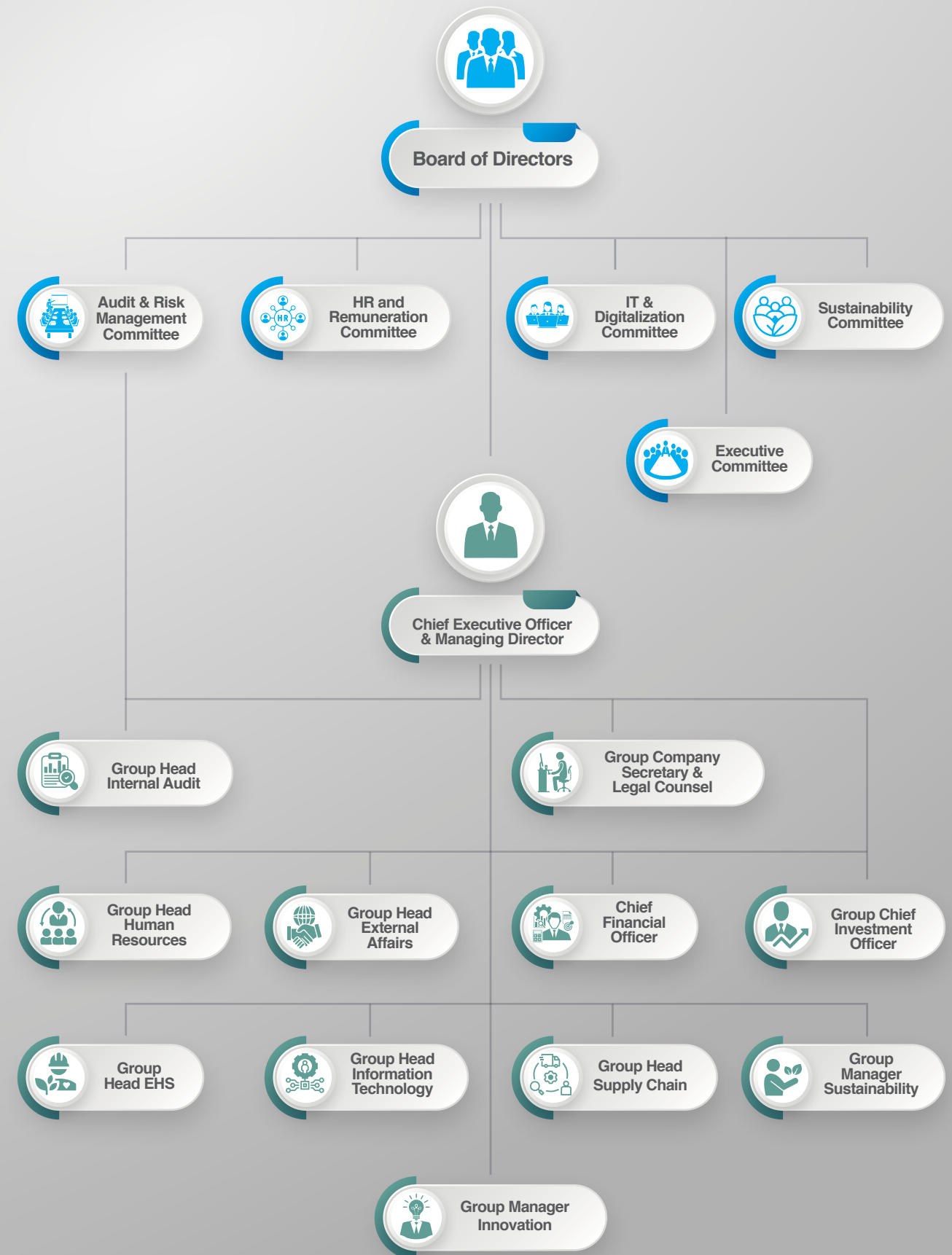
Whistleblow:

Packages Group is committed to the highest standards of ethical, moral, and legal business conduct. In line with this commitment and the Company's dedication to open communication, this policy aims to provide an avenue for employees to raise concerns with reassurance that they will be protected from reprisals or victimization for whistleblowing.

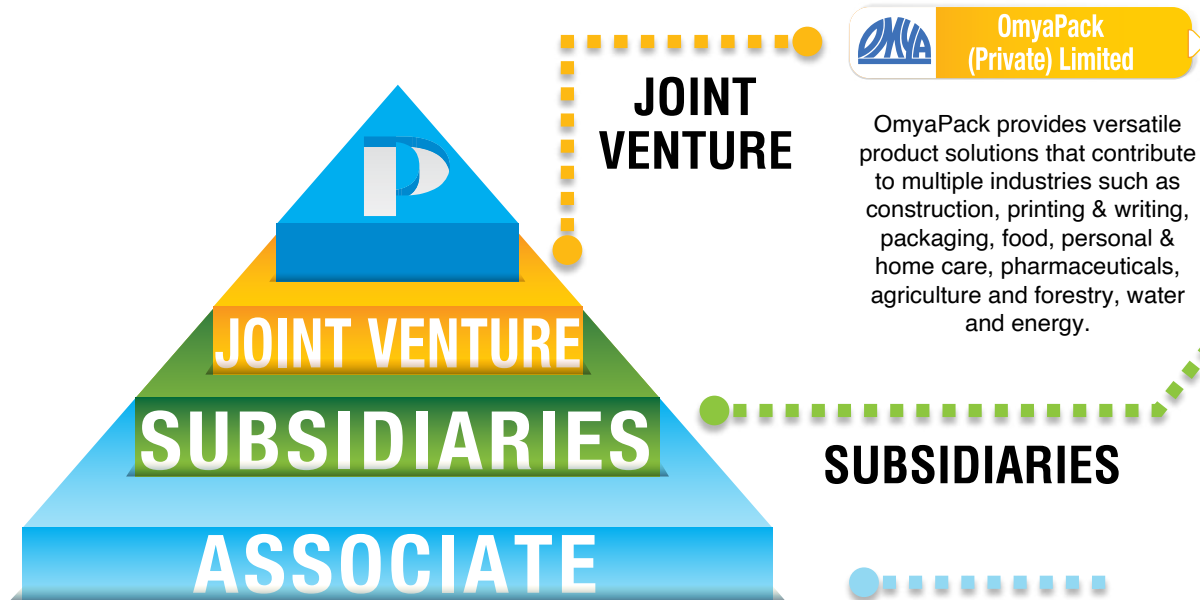
The types of issues which can be reported under this policy include, but are not limited to:

- Breach of the Code of Conduct; Corruption and bribery;
- Harassment;
- Misappropriation of financial data/reports; Fraud / forgery / financial malpractices;
- Deliberate falsification of Company records; Misuse of the Company's assets;
- Violation of applicable laws and regulations;
- Actions raising safety, security, and environmental concerns;
- Damage to the Company's reputation or business; and Disrespect and/or discrimination of employees on the basis of race, color, gender, ethnicity, age, nationality, ancestry, religion, physical/mental disability, or maritalstatus.

Organizational Structure



Group Structure



OmyaPack (Private) Limited

OmyaPack provides versatile product solutions that contribute to multiple industries such as construction, printing & writing, packaging, food, personal & home care, pharmaceuticals, agriculture and forestry, water and energy.

Packages Convertors Limited

Subsequent to internal restructuring in 2019-20, Packages Limited transferred its manufacturing businesses to Packages Convertors Limited, its wholly owned subsidiary. PCL is principally engaged in the manufacture and sale of packaging materials, tissue and personal hygiene products.

Bulleh-Shah Packaging (Private) Limited

Bulleh Shah Packaging, aims to provide responsible packaging solutions for brands in Pakistan. BSP is leading the market of corrugated packaging together with being the largest renewable packaging facility and the only liquid packaging board providing facility. The Company started its operations in 2005.

Hoechst Pakistan Limited

Hoechst Pakistan Limited is a public limited company incorporated in Pakistan. The Company is engaged in the manufacturing, selling, and trading of pharmaceuticals and related products. The Company has changed its name from Sanofi-Aventis Pakistan Limited to Hoechst Pakistan Limited following a 66.04% acquisition by Packages Group in 2023.

Packages Real Estate (Private) Limited

Packages Mall is the venture of one of Pakistan's most prestigious companies, Packages Limited, founded in 1956. The Mall has been designed on international standards by a team of foreign and local professionals. Packages Mall has rapidly risen since its inauguration in 2017 to become the home of entertainment where Lahore comes to shop.

Tri-Pack Films Limited

Tri-Pack Films Limited (Tri-Pack) was incorporated as a public limited company on April 29, 1993. It is principally engaged in the manufacturing and sale of Biaxially Oriented Polypropylene (BOPP) and Cast Polypropylene (CPP) film. In 2022, Packages Limited acquired 19.33% equity of Tri-Pack from Mitsubishi Corporation and holds 69.26% shareholding in Tri-Pack. The Company is a subsidiary of Packages Limited.

StarchPack (Private) Limited

Starch Pack (Private) Limited is a wholly owned subsidiary of Packages Limited and is principally engaged in the manufacture and sale of corn based & native starch products, its derivatives, by-products and trading of corn.

Packages Limited was established in 1956 as a joint venture between the Ali Group of Pakistan and Akerlund & Rausing of Sweden, to convert paper and paperboard into packaging for consumer industry. Over the years, Packages Limited continued to enhance its facilities to meet the growing demand of packaging products and in the year 2019, the BOD approved the internal restructuring to develop operating synergies across businesses and managing operations in a focused manner while streamlining the ownership structure. Since then it is operating as a holding company, managing its investments in subsidiary companies, associated companies and joint ventures, engaged in various businesses.

Packages Investments Limited

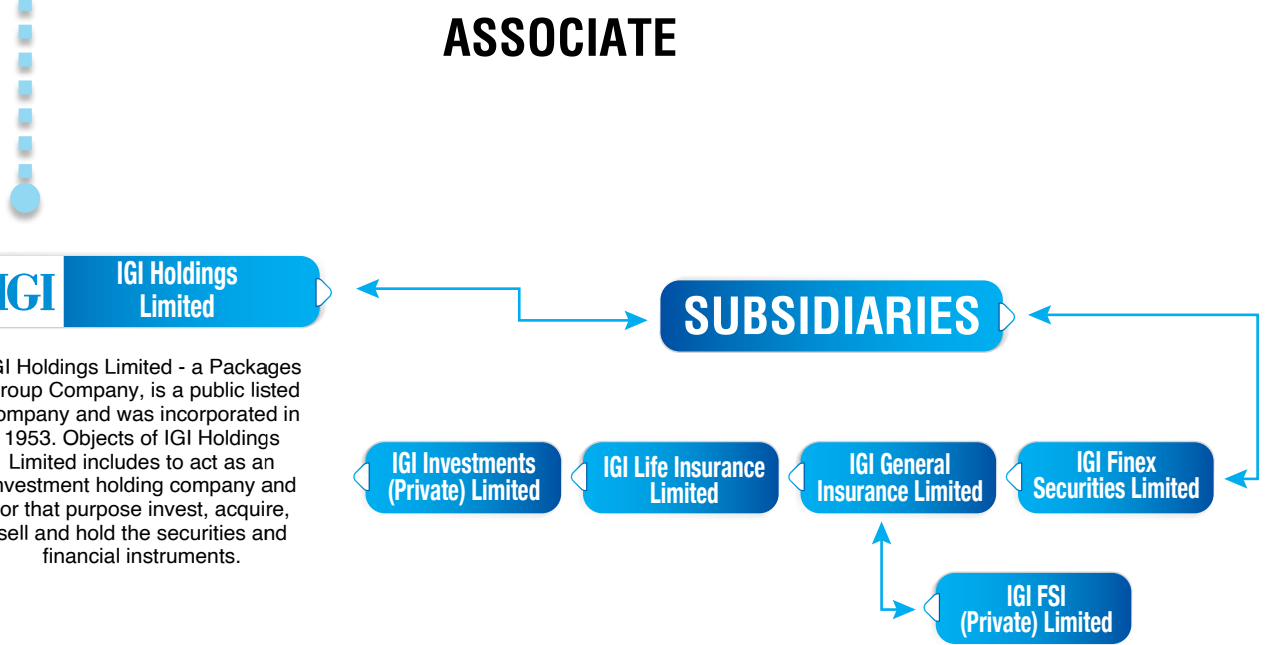
Packages Investments Limited was incorporated in Pakistan as a public company on May 28, 2019. The Company is in setup phase and will start its operation whereby the principal activity of the company will be to hold investments in various companies.

Packages Power (Private) Limited

Packages Power (Private) Limited is a wholly owned subsidiary of Packages Limited formed for the purpose of setting up a 3.1 MW hydropower project as advertised by the Punjab Power Development Board (PPDB).

Packages Trading FZCO

Packages Trading FZCO has been incorporated under the Dubai Integrated Economic Zones Authority Implementing Regulations, 2022, and registered with Dubai Integrated Economic Zones Authority. It is a wholly-owned subsidiary of Packages Limited primarily engaged in commercial trading with import, export, distribution, and warehousing.



DIC Pakistan Limited

DIC Pakistan Limited is the leading manufacturer of quality printing inks in Pakistan as a joint venture company between Packages Limited and DIC Asia Pacific (Formerly Dainippon Ink & Chemicals) of Singapore. The Company started its operations in July 1994.

Packages Lanka (Private) Limited

Established in 1998 as a subsidiary of Packages Limited, Pakistan, Packages Lanka (Pvt.) Limited is a leading manufacturer of laminated, printed/unprinted flexible packaging for consumer products. Since its inception it has grown to become one of the leading packaging companies in Sri Lanka equipped with latest state-of-the-art European machinery.

Anemone Holdings Limited

Anemone Holdings Limited, Mauritius is a special purpose vehicle established in 2015 for the purpose of special acquisitions.

Linnaea Holdings Inc.

It is the intermediate holding company of Chantler Packages Inc. and is based out of Canada.

Chantler Packages Inc.

Chantler Packages Inc. is established in Canada for the purpose of manufacturing and sale of flexible packaging material.

Group Leadership



Syed Babar Ali
Advisor to the Board of Directors - Packages Limited



Syed Hyder Ali
CEO – Packages Limited, Packages Convertors Limited & IGI Holdings Limited



Khurram Raza Bakhtayari
CFO – Packages Limited
CEO - Packages Real Estate (Private) Limited



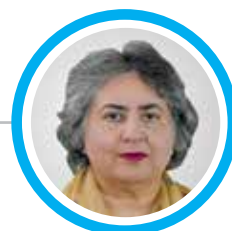
Muhammad Nasir Zaman Khan
CEO – Bulleh Shah Packaging (Private) Limited and Packages Power (Private) Limited



S. M. Ismail Hussain Naqvi
CEO – DIC Pakistan Limited



Usman Sabir
CFO & COO – Packages Trading FZCO



Syeda Henna Babar Ali
Advisor – Consumer Products Division



Numan Noor
CEO – Tri-Pack Films Limited



Sajjad Iftikhar
CEO – Hoechst Pakistan Limited



Fazeel Rehman
CEO – StarchPack (Private) Limited



Ahmed Ramzan
CEO – Packages Lanka (Private) Limited



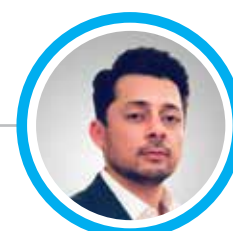
Ahmad Raza
CEO – OmyaPack (Private) Limited



Ali Nadim
CEO – IGI Life Insurance Limited



Faisal Khan
CEO – IGI General Insurance Limited



S. Raza Hussain Rizvi
CEO – IGI Finex Securities Limited



Syed Aslam Mehdi
Group Head External Affairs



Waqas Munir
Group Chief Investment Officer



Iqra Sajjad
Group Company Secretary & Legal Counsel



Jawad Gilani
Group Head Human Resources



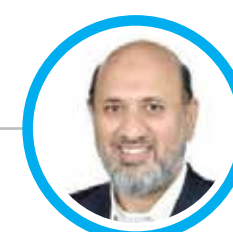
Soban Waqar
Group Head Internal Audit



Faizan Mahmood
Group Head Information Technology



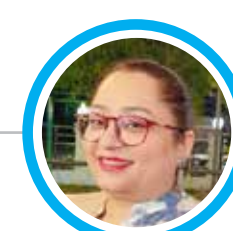
Salman Fazlur Rehman
Group Head Supply Chain



Muhammad Ali Sheikh
Group Head EHS



Ayesha Aziz
Group Manager Sustainability



Tahira Yasmin
Group Manager Innovation

FROM THE PAST

Packages Limited was born in 1956 as a joint venture between the Ali Group of Pakistan and Akerlund & Rausing of Sweden.



Historical Overview

Packages Limited was established in **1956** as a joint venture between Ali Group of Pakistan and Akerlund & Rausing of Sweden, to convert paper and paperboard into packaging for consumer industry. Over the years, Packages has continued to enhance its facilities to meet the growing demand of packaging products.

In **1968**, with IFC participation, Packages integrated upstream by establishing a Pulp and Paper Mill with a capacity of 24,000 tons per year based on waste paper and agricultural by-products i.e. wheat straw and river grass. With growing demand, the capacity was increased periodically.

In **1982**, Packages modified a paper machine to produce tissue paper in response to growing awareness and demand for hygienic and disposable tissues. The "Rose Petal" brand name was launched with facial tissues and was later expanded to include toilet paper, kitchen roll, and table napkins.

In **1986**, the Company established a flexible packaging unit to cater to the increasing demand from consumers for sophisticated packaging used primarily in the food industry.

In **1993**, a joint venture agreement was signed with Mitsubishi Corporation of Japan for the manufacture of Polypropylene films at the Industrial Estate in Hattar, Khyber Pakhtunkhwa. This project, Tri-Pack Films Limited, commenced production in June 1995 with equity participation by Packages Limited, Mitsubishi Corporation, Al-Tawfeek Company for Investment Funds, Saudi Arabia and general public.

In July **1994**, Coates Lorilleux Pakistan Limited (currently DIC Pakistan Limited), in which Packages Limited has 54.98% ownership, commenced production and sale of printing inks. During the same year, the Company initiated the capacity expansion of its Paper and Board Mill to 65,000 tons per year and conversion capacity to 56,000 tons per year. At the same time, the Company also upgraded the quality of Packages' products and substantially improved pollution control to meet the World Bank environmental guidelines. The said expansion was completed in 1998 at a cost of PKR 2.7 billion.

In **1996**, Packages entered into a joint venture agreement with Printcare (Ceylon) Limited for the production of flexible packaging materials in Sri Lanka. The project, Packages Lanka (Private) Limited, in which Packages Limited has 79.07% ownership, commenced production in 1998.

During **1999-2002**, Packages successfully completed the expansion of the flexible packaging line by installing a new rotogravure printing machine and enhancing the carton line by putting up a new lemanic rotogravure inline printing and cutting creasing machine. In addition, a new 8-color flexographic printing machine was also installed in the flexible packaging line in 2001. Packages commenced production of corrugated boxes from its plant in Karachi in 2002.

In **2005**, the Company embarked upon its Paper & Board expansion plan at a new site in Kasur by the name 'Bulleh Shah Paper Mills' (currently Bulleh Shah Packaging (Private) Limited), almost tripling its capacity from 100,000 tons per annum to 300,000 tons per annum. Capacity expansion at Bulleh Shah Paper Mills was completed in two phases. In the first phase, Brown Board Machine (PM-6) along-with high yield straw pulping & OCC plants and its back processes such as 11 MW Power House, Gas Turbine and Primary Effluent Treatment Plant were capitalized and commercial operations commenced during the year 2007. Second phase comprising of Writing and Printing Paper Machine (PM-7), De-inking Pulp Plant, 41MW Power House, Steam Turbine and Secondary Effluent Treatment Plant was completed in the year 2009.

In **2008**, the Company embarked upon capacity expansion in its tissue division through installation of a new tissue paper manufacturing machine (PM-9) with production capacity of 33,000 tons per annum.

During **2011**, a lamination machine was installed in the flexible department at a cost of PKR 96 million. This was Pakistan's first high speed solvent-less automatic lamination machine. It has turret winders for automatic reel and a capacity of 450 meters per minute.

The rebuild project of Paper Machine (PM-6), installed at Bulleh Shah Paper Mills, was completed in the second quarter of 2011 leading to capacity expansion of 30,000 tons. The machine started commercial operations with enhanced capability of producing high value added liquid packaging and bleached board. Moreover, the Corrugator Machine in Kasur Plant was upgraded in 2011 to improve efficiency, reliability, enhance capacity and reduce waste. This upgrade activity resulted in increased capacity of 14%.

In **2012**, the Company invested in a rotogravure machine for its Flexible Packaging business with a total estimated project cost of PKR 326 million as part of the Company's efforts to remain abreast of improved technological developments in the packaging business. In the same year, to enable continuous growth and technical development in the Paper & Board segment, Packages signed a 50/50 joint venture agreement with Stora Enso OYJ Group of Finland in its 100% wholly owned subsidiary, Bulleh Shah Packaging (Private) Limited. The joint venture included Paper & Board and Corrugated business operations at Kasur and Karachi. The Agreement signed in 2012, was implemented in 2013 and Packages completed the transfer of assets and related obligations of Paper & Board and Corrugated business operations to Bulleh Shah Packaging (Private) Limited along with cash equity injection for a 65% stake.

During **2014**, the Company invested in an Offset Printing Line in continuation of its efforts to remain abreast of improved technological developments in the packaging business. The Offset Printing Line commenced its commercial operations during the first quarter of 2014 and had made available additional capacity to meet growing customer demands in the Folding Carton business. In May 2014, as part of its asset and income diversification strategy, the Company initiated development of a high-quality retail mall at its Lahore land through its subsidiary, Packages Real Estate (Private) Limited [formerly Packages Construction (Private) Limited]. The Company currently holds 75.16% equity in Packages Real Estate (Private) Limited.

In **2015**, as a part of its continuing efforts towards technological upgradation, the Company invested in a new toilet roll line to cater to the growing demand. A new brand by the name of "Maxob" produced on this machine was launched. In line with strategy to diversify and enter into new high growth markets, in June 2015, the Company completed the acquisition of 55% share in the operation of a flexible packaging company in South Africa. Further, during 2015, the Board of Directors resolved to start a 50/50 joint venture with Omya Group of Switzerland with an intent to set up a production facility to supply a range of high-quality ground calcium carbonate products.

In **2016**, as a part of Company's continuing efforts towards technological up gradation, the Company invested Rs 292 million in a new offset printing line having double coating capability to cater to the growing demand in the folding cartons business. The Company also made an investment of Rs 122 million in the pre-press department for a state of art engraving machine and cylinder making line. This investment was in line with the Company's efforts to provide its customers with the highest quality of printing. Further, the Company made strategic investments of Rs 82 million including a new facial line, toilet roll line and a fully automated party pack machine to meet growing customer demand.

In line with strategy to diversify, the Company incorporated a wholly-owned subsidiary, Packages Power (Private) Limited, for the purpose of setting up a 3.1 MW hydropower project with an initial equity injection of Rs 25 million.

The Company also made an additional investment of Rs 309.5 million in the equity of Omya Pack (Private) Limited [formerly Calcipack (Private) Limited.]

In **2017**, the Company invested Rs 540 million in upgradation of the flexible packaging line that includes wide-web Flexo Printing Press as well as a state of the art 7-layer blown film extruder which not only boasts of higher production capabilities but also adds dept to the packaging solutions. Further investments to the tune of Rs 105 million was made in the downstream operations of lamination, slitting and bag making to complement the additional capacity brought in. All these investments were in line with the Company's efforts to provide its customers with the highest quality of packaging solutions for Flexible Packaging line and to grow the market share despite ever growing competition by staying ahead of the technological curve.

Packages Mall was inaugurated on April 20, 2017 and the customer response since then has been very encouraging. The mall has been designed on international standards by a team of foreign and local professionals. Packages Mall offers over 200 brands, a multiplex cinema, food court, play area and grocery solutions all under one roof.

During the year **2017**, the Company acquired 35% shares held by Stora Enso in Bulleh Shah Packaging (Private) Limited and hence BSPL became the fully owned subsidiary of the Company from September 18, 2017.

In **2018**, investment was made for upgradation of flexible packaging line that includes wide-web Flexo Printing Press as well as a state of the art 7-layer blown film Extruder which was successfully completed and made fully operational. This

packaging line has not only boosted of higher production capabilities but also given the Company a competitive edge over its competitors. The Company has yet again proven itself to be a pioneer in Flexible Packaging by investing Rs 230 Million to bring in the first ever Extrusion Lamination machine in Pakistan. The Company has invested an approximate Rs 400 Million in enhancing and upgrading its Rotogravure printing capabilities by bringing in a new wide web Roto Printing Press. Further, the Company invested Rs 581 million on installation of a new offset packaging line that includes a 7 color printing press with 2 coating units and cutting creasing machine as well as a state of the art folding gluing machine with speed wave technology which has not only boosted of higher production capabilities but also added depth to the packaging solutions.

In **2019**, the Company made investment to enhance the capability of one of its Rotogravure presses installed in its folding cartons business unit. This expansion not only boosted the Company's production capability but also gave the Company a competitive edge over its competitors. The Company yet again proved itself to be a pioneer in Packaging industry and the only one to have a 10 colour Rotogravure press with an additional UV unit in Pakistan.

The Company also invested in a bag making machine during the year to get into new markets including growing E-Commerce Market. New inroads were developed to further grow the label printing business. In line with Company's environmental sustainability initiatives, an Energy Monitoring System was installed to monitor/improve power consumption.

In **2020**, Packages Limited transferred its manufacturing businesses to a wholly-owned subsidiary, Packages Convertors Limited ('PCL') after securing all applicable regulatory approvals. Packages Limited now operates as an investment holding Company and derives income from dividends, rentals, and technical fee from its investee companies. The performance of the Company is determined by the financial performance of its portfolio investments & group companies which are operating within and outside Pakistan. The Company makes investment in line with the overall objective to improve shareholder's value by increasing and diversifying revenue streams, expanding existing customer base and through prospects in new technology.

In **2021**, the Board of Directors of Packages Limited approved the formation and funding of a new company called StarchPack (Private) Limited to engage in the business of manufacturing and distributing corn-based starch and its derivative products.

Packages Limited also entered into an agreement with Mitsubishi Corporation to purchase its stake of 19.33% in the shareholding of Tri-Pack Films Limited. On December 31, 2021, the Company concluded the transaction and acquired a further 16.59% of shareholding in Tri-Pack Films Limited from the public following the conclusion of the public offer. Packages Limited now has a total shareholding of 69.26% in Tri-Pack Films Limited.

In **2022**, subsequent to the approval of the Board, the Company, as part of Investor Consortium, entered into Share Purchase Agreement with Sanofi Foreign Participations B.V. on April 29, 2022 for acquisition of its 52.87% shareholding in Sanofi Pakistan.

Board of Directors of the Company in a meeting held on April 27, 2022 accorded its approval for incorporation of a wholly owned foreign subsidiary in the UAE, subject to all applicable regulatory approvals. This subsidiary has been incorporated under Dubai Integrated Economic Zones Authority Implementing Regulations, 2022 and registered with Dubai Integrated Economic Zones Authority under the name Packages Trading FZCO. The subsidiary will be primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities.

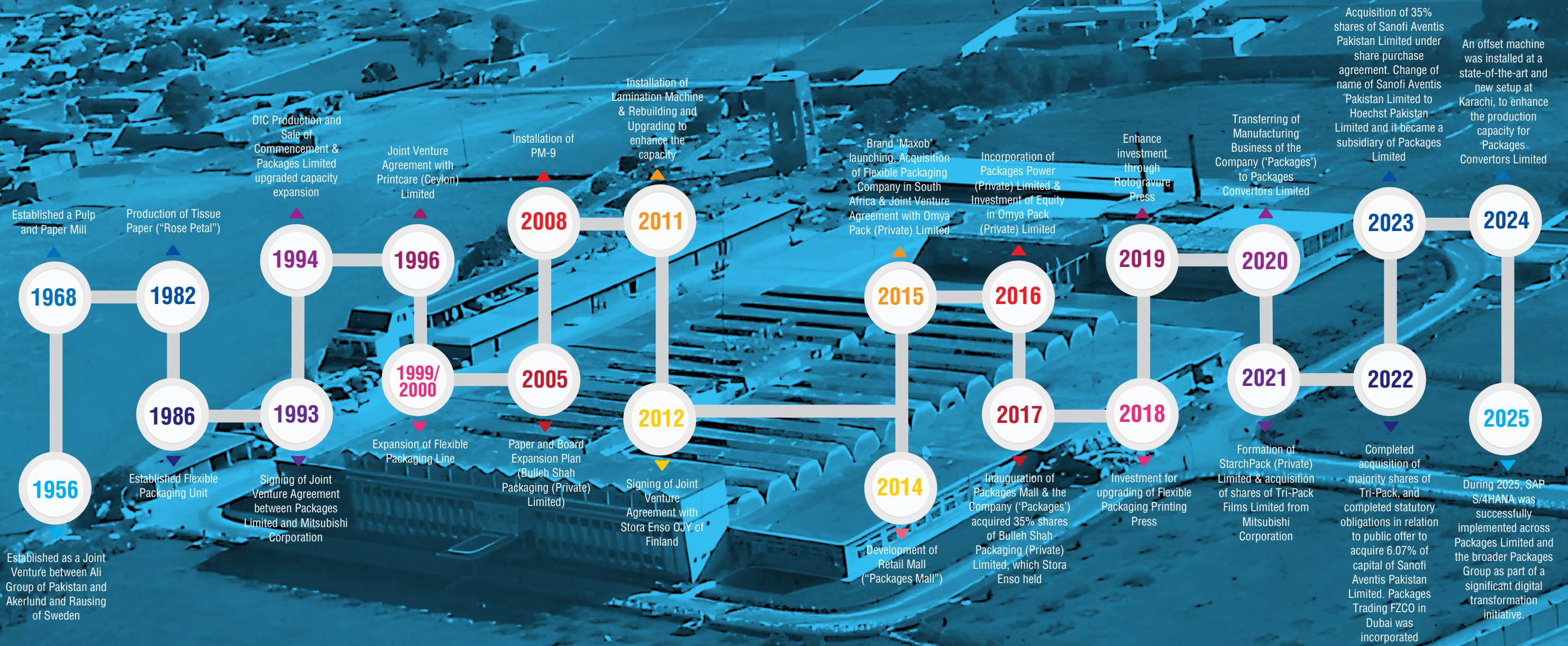
In **2023**, subsequent to the share purchase agreement with Sanofi, Packages Limited further acquired 35% shareholding in Sanofi Pakistan at a negotiated purchase price of Rs 940 per share. In September 2023, the name of Sanofi Pakistan was changed to Hoechst Pakistan Limited (HPL). Sanofi-Aventis has been present in Pakistan for over half a century and was incorporated in 1967 as Hoechst Pakistan Limited, started manufacturing pharmaceuticals and specialty chemicals in 1972 and went public in 1977. The name 'Hoechst' encapsulates the rich legacy of the Company since making its footprint in Pakistan and embodies its vision in enhancing value for the community and its stakeholders. Packages Limited has a total shareholding of 41.07% in HPL.

StarchPack (Private) Limited also started its native starch manufacturing operations at Kasur at the end of 2023.

In **2024**, the commercial production of value-added starch products were started by StarchPack (Private) Limited. Further, an offset packaging line was installed at Korangi, Karachi to enhance the production capacity of business unit Folding Carton of Packages Convertors Limited.

In **2025**, SAP S/4HANA was successfully implemented across Packages Limited and the broader Packages Group as part of a significant digital transformation initiative. This milestone represents a step change in operational capability, enabling streamlined processes, enhanced data integrity, and improved cross-functional collaboration, while positioning the Group to deliver sustainable value and build a more resilient and forward-looking organization.

Milestones



Products of our Group Companies



Manufacturing

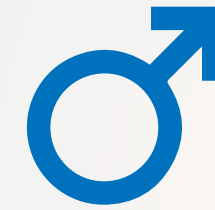
Packaging Materials * Tissue * Femcare and Consumer Products * Pharmaceutical Products
 * Industrial Inks * Paper & Paperboard Products * Biaxially Oriented Polypropylene Films
 * Cast Polypropylene Films * Ground Calcium Carbonate Products * Corn Starch & Derivatives

Financial Services

General Insurance * Life Insurance * Brokerage

Others

Real Estate * Power Generation



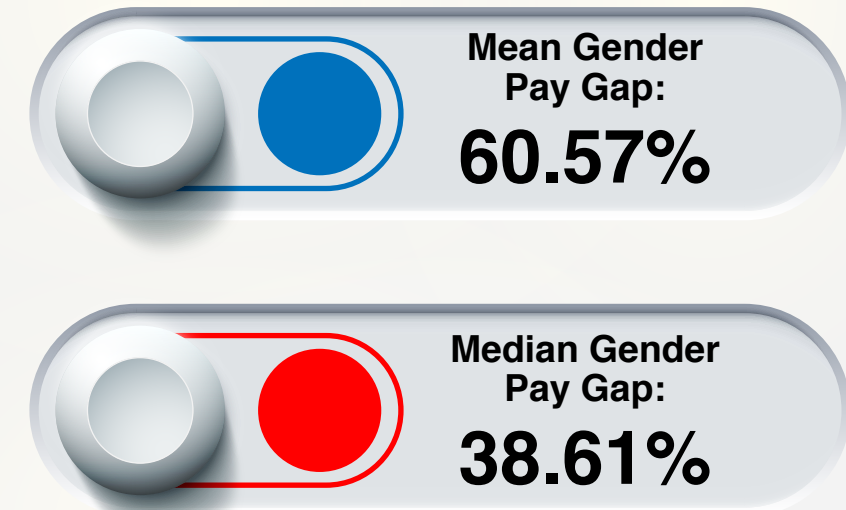
Gender Pay Gap Statement






Under SECP Circular 10 of 2024




Packages Limited is committed to creating a work environment that promotes inclusion, equity, and diversity. As an equal-opportunity employer, the company constantly benchmarks and employs techniques to guarantee that all employees, regardless of gender, receive fair and equitable compensation.

Following is gender pay gap calculated for the year ended December 31, 2025:



Significant Factors Affecting the External Environment

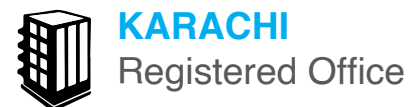
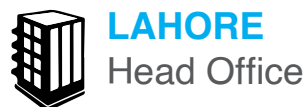
	P POLITICAL	E ECONOMIC	S SOCIAL
DEFINITION	Political factors pertain to the extent to which government policies and actions impact the economy, a specific industry and an organization.	Economic factors take into account the various aspects of financial state of the economy and are generally measured and reported by the Central Bank.	Social factors include the cultural and demographic trends of society. They form the norms, customs, culture and values within which the organization operates.
FACTORS AFFECTING EXTERNAL ENVIRONMENT	The operating environment for Packages Group is significantly shaped by the policy framework in Pakistan. Government's fiscal policies, specially import duties on pulp, paper, and chemicals, along with changing sales tax dynamics directly influence cost structures and pricing flexibility. Energy tariffs, determined at the governmental level, remain a critical sensitivity for a manufacturing-intensive Group. Additionally, broader political stability and continuity of economic policy play an important role in shaping investor confidence, capital allocation decisions, and demand outlook across key sectors.	Macroeconomic conditions in Pakistan continue to have a pronounced impact on demand and profitability of the Group. Inflationary pressures, currency depreciation, and interest rates affect both input costs and consumer purchasing power. As a Group closely linked to FMCG, retail, and industrial demand, Packages Limited's performance tends to correlate with overall economic activity. Exchange rate volatility is particularly relevant given reliance on imported raw materials such as pulp, while tight monetary conditions can constrain expansion and capital expenditure. At the same time, periods of economic stabilization or growth tend to translate into higher volumes, especially in consumer packaging segments.	An array of social factors such as cultural norms, values, trends, demographics and societal attitudes towards diversity and inclusion affect corporate landscape. Changing consumer preferences, increased demand for eco-friendly and sustainable packaging might influences the Group's product innovation. More urbanization leads to higher demand for packaged food, beverages, and consumer goods.
ORGANIZATION'S RESPONSE	The Group remains vigilant of the ever changing political landscape of the country. Packages Limited focusses on sustainability, cost-efficiency, and technological innovation while navigating economic and political uncertainties.	These economic factors are regularly being monitored by the Management executive team; taking proactive measures to consolidate on positive economic indicators while countering the negative ones.	Packages as a company as well as the Group understand its social responsibility to operate in a manner that benefits society, the environment, and the economy. This report contains information about the Group's elements of social responsibility which covers its ethical business practices, environmental sustainability consciousness, philanthropy and community involvement and drives for diversity and inclusion.
			

	T TECHNOLOGICAL	E ENVIRONMENTAL	L LEGAL
DEFINITION	Technological factors form link to innovations in technology that may affect the operations of the industry and the market favorably or unfavorably.	Environmental factors refer to the ecological conditions and climate changes that affect the Company. Every company has its impact on the environment	Legal factors include current and impending legislation that may affect the industry in areas such as employment, competition, and health and safety.
FACTORS AFFECTING EXTERNAL ENVIRONMENT	Technological factors profoundly influence the external operating environment by driving innovation, improving efficiency, shaping market dynamics, enhancing customer engagement, optimizing supply chains, managing risks, and transforming the workforce. Embracing and leveraging technology effectively is essential for corporations to remain competitive and sustainable in today's rapidly evolving business landscape.	Increasing frequency and intensity of extreme weather events, shifts in temperature and precipitation patterns, and rising sea levels are posing risks to global corporate infrastructure, supply chains, and operations, leading to increased costs and business disruptions. This is coupled with resource scarcity, growing consumer demand for environmentally sustainable products and services, as well as investor and regulator pressure for responsible corporate practices, can drive companies to adopt more sustainable business models, including renewable energy usage, waste reduction, and ecofriendly packaging. Considering and addressing these environmental factors are essential for corporate entities to effectively manage risks, seize opportunities, and demonstrate commitment to sustainability and corporate social responsibility.	Environmental regulations, labor laws, and corporate governance policies influence how Packages Limited operates.
ORGANIZATION'S RESPONSE	At Packages Group, the focus remains on maximum utilization of technological advancements. We believe that technology can be leveraged to adapt and pivot strategies to remain competitive, research intensive and result driven while assisting the overall development. Our ERP ensures effective planning and robust internal controls. We have a dedicated Group team who constantly strives to give out of the box solutions to all stakeholders and in turn help the Group companies to achieve their respective ambition to enhance operational efficiency and deliver quality and accurate reporting. Last year, the Group embarked on 'Project Buraq' for upgrading its ERP. During the year, significant milestones have been achieved for 'Project Buraq'.	Packages Group is always committed to mark its positive impact on the environment. To operate sustainably and responsibly in our business and yield greater social impact, we have aligned our environmental and social obligations with United Nations Sustainable Development Goals (SDGs). This report also contains list of our activities which play a pivotal role in our conscious efforts to remain environmentally responsible. At Packages, we also understand that the growing demand for eco-friendly packaging which presents a strong opportunity for future growth.	Packages Group abides by all the applicable laws like Companies Act, 2017, Income Tax Ordinance, 2001, SECP Act 2015, Code of Corporate Governance, PSX Regulations, laws related to labor, environment etc. Related reporting has been duly carried out during the outgoing year and wherever required has been made a part of this Annual Report as well.
			

Geographical Presence



LOCAL



Key Performance Indicators



Awards and Certifications



Green Energy Initiatives Recognition at the 17th Annual Corporate Social Responsibility (CSR) Summit & Awards 2025



Responsible Supply Chain Initiatives Recognition at the 14th Annual CSR Awards by The Professionals Network



Green Office Certification Award Received from WWF for Compliance with Green Office Criteria, Reflecting Efforts to Reduce Ecological Footprint



Women Empowerment & Gender Equality Diamond Recognition Award 2025 – Employers' Federation of Pakistan (EFP)



Packages Group Becomes Pakistan's First Organization to Achieve ISO 20400 Certification in Sustainable Procurement



Environmental Stewardship Recognition at the 22nd Annual Environment Excellence Awards 2025 by the National Forum for Environment and Health (NFEH)





Major Events



- ◆ 70th Annual General Meeting
- ◆ Corporate Briefing Session
- ◆ Packages Group Marks Women's Day with Heartfelt Celebrations
- ◆ Group's Talent and OD Team Participated In Career Fairs across Pakistan
- ◆ Senior Leadership Session Held at Packages Group
- ◆ Our MT's Engaged In an Exciting Session on Mastering Through Ownership
- ◆ Cervical Cancer Awareness Session Organized
- ◆ Packages Group Celebrates International Day of Clean Energy
- ◆ Packages Group Organized Energy Week on the Theme "Power Smarter, Live Better"
- ◆ A Training Session on Harassment Prevention Conducted at Packages Group
- ◆ Earth Day 2025 Celebrations Held Groupwide
- ◆ Packages Group Hosted a Session on World Day Against Child Labour
- ◆ Mango Fiesta Celebrated Groupwide
- ◆ Flavors Of Pakistan – Independence Day Celebrations
- ◆ No Time to Waste: Taking Action on Hepatitis
- ◆ World Water Week 2025 was Held at Packages Group Under the Theme Water for Climate Action
- ◆ International Day of Awareness of Food Loss and Waste at Packages Group
- ◆ Ensuring Product Integrity Through Food Safety Awareness
- ◆ Green Innovation with Packages Group's First E-Bike
- ◆ Packages Premier League Held
- ◆ Breast Cancer Awareness Month
- ◆ The Group Co-Sponsored the Hissar International Water Conference 2025
- ◆ Digital Dignity: Ending Digital Violence Session
- ◆ Leading the Way in Workplace Safety & Respect

Risks and Opportunities

Risks and Opportunities

Packages Limited, as an investment holding company, is exposed to risks and opportunities primarily through its diversified portfolio of Group companies. The Company, through its governance framework and oversight mechanisms, continuously monitors key risk exposures that may impact overall Group performance and long-term value creation.

During the year, the Group further strengthened its risk management practices through the implementation of a more structured Enterprise Risk Management (ERM) framework, enhancing risk oversight and supporting informed decision-making as part of a phased implementation across the Group.

Risks

The key risks are classified into strategic, financial, operational and compliance categories and are managed through defined governance and oversight mechanisms.

Risk Description	Classification	Mitigating Controls
Subsidiary Performance Risk Performance of Group companies may be impacted by operational, financial, and market-related challenges, affecting returns, cash flows, and overall portfolio value.	Strategic	Active oversight by the Board and relevant committees, regular monitoring of subsidiary performance, and structured engagement with management of portfolio companies.
Macroeconomic Risk Exposure to macroeconomic conditions, including inflation, interest rates, Foreign exchange movements, energy costs, and trade policies, may impact the performance and profitability of underlying businesses.	Financial	Ongoing monitoring of economic indicators and incorporation of macroeconomic factors into strategic planning and capital allocation decisions.
Liquidity and Capital Allocation Risk The Company's ability to generate returns is dependent on effective capital allocation and financial performance across the Group. Changes in funding requirements or capital deployment decisions may impact liquidity and shareholder returns.	Financial	Structured investment evaluation processes, disciplined capital allocation, and regular review of liquidity and financial performance across subsidiaries.
Strategic and Market Risk Changing market dynamics, competitive pressures, and evolving customer preferences may impact growth and long-term competitiveness of portfolio companies.	Strategic	Continuous review of business strategies, focus on innovation and diversification, and strengthening of market positioning across key segments.
Supply Chain and Geopolitical Risk Disruptions in global supply chains due to geopolitical developments, trade restrictions, or logistics constraints may impact availability and cost of key inputs across Group companies.	Operational	Diversification of sourcing strategies, ongoing monitoring of global supply conditions, and proactive planning to mitigate potential disruptions.

Risk Description	Classification	Mitigating Controls
Environment, Health and Safety (EHS) Risk The Group's manufacturing operations expose it to risks related to employee health and safety and environmental incidents. Any significant incident may impact operations, regulatory compliance, reputation, and stakeholder confidence.	Operational	Implementation of Group-wide EHS standards, continuous monitoring and improvement initiatives, and oversight by management and relevant governance forums.
Regulatory and Compliance Risk The Group operates across multiple regulatory environments, and is subject to evolving legal, tax, and regulatory requirements. Non-compliance or changes in applicable regulations may impact operations, financial performance, and reputation.	Compliance	Established governance frameworks, ongoing monitoring of regulatory developments, and adherence to applicable laws and internal policies across Group companies.
Environmental, Social and Governance (ESG) and Sustainability Risk Increasing regulatory and stakeholder expectations regarding environmental, social, and governance practices may impact long-term sustainability, compliance requirements, and access to markets.	Strategic	Strengthening sustainability initiatives across Group companies, adherence to evolving regulatory requirements, and integration of ESG considerations into business strategy and decision-making.

Opportunities

The Company continues to leverage opportunities across its portfolio to enhance long-term value:

- Growth and expansion across core business segments
- Increasing focus on value-added and innovative product offerings
- Expansion into export markets and diversification of revenue streams
- Operational efficiency and cost optimization initiatives across Group companies
- Strengthening sustainability and responsible business practices



Enterprise Risk Management Framework

The Company has established a formal Enterprise Risk Management (ERM) Framework to enable a structured and consistent approach to identifying, assessing, and managing risks across the Group.

The Framework is designed to support the achievement of strategic objectives, enhance decision-making, and protect stakeholder value by embedding risk management into key business processes. It is aligned with leading practices, including internationally recognized ERM principles.

Risk governance is overseen by the Board of Directors and the Board Audit & Risk Management Committee, with support from the management-level ERM Committee and the Group ERM function. This governance structure ensures that key risks are regularly reviewed, monitored, and escalated where required.

The Framework incorporates defined risk appetite statements, enabling the Group to take informed and controlled risks in pursuit of its strategic objectives.

The Company continues to strengthen risk awareness and promote a risk-informed culture across the Group, supporting resilience and long-term sustainability.



Related Party Transactions Policy

1. Purpose

The purpose of this policy is to ensure the timely approval of related party transactions that are not conducted in the normal course of business and to define the minimum parameters that should be kept into consideration before executing such related party transactions. This policy is defined to govern the approval process to ensure transparency in the conduct of Related Party Transactions in the best interest of the Company and its shareholders and to comply with the statutory provisions as amended from time to time.

2. Scope

This policy applies to all the transactions executed by the Company with its related parties as defined in section 208 of the Companies Act, 2017. These transactions may include:

- sale, purchase or supply of any goods or materials;
- selling or otherwise disposing of, or buying, property of any kind;
- leasing of property of any kind;
- availing or rendering of any services;
- appointment of any agent for purchase or sale of goods, materials, services or property; and
- such related party appointment to any office or place of profit in the company, its subsidiary company or associated company.

3. Related Parties

Related parties include all the persons or parties that are related to the company. As defined in section 208 of the Companies Act, 2017 related party includes:

- a director or his relative;
- a key managerial personnel or his relative;
- a firm, in which a director, manager or his relative is a partner;
- a private company in which a director or manager is a member or director;
- a public company in which a director or manager is a director or holds along with his relatives, any shares of its paid-up share capital;
- any body corporate whose chief executive or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- any person on whose advice, directions or instructions a director or manager is accustomed to act;
- any company which is
 - i. a holding, subsidiary or an associated company of such company; or
 - ii. a subsidiary of a holding company to which it is also a subsidiary;
- such other person as may be specified.

4. Potential Risks

The related party transactions are a common feature of business but they may give rise to specific risks depending upon the nature of relationships. The major risks associated with these transactions are listed down:

- related parties may operate through an extensive and complex range of relationships and structures, with a corresponding increase in the complexity of related party transactions;
- information systems may be ineffective at identifying or summarizing transactions and outstanding balances between an entity and its related parties;
- related party transactions may not be conducted under normal market terms and conditions;
- related party transactions executed by the company may be non-complied with the relevant laws and regulations as amended from time to time;
- related party transactions may be motivated solely or by and large to engage in fraudulent financial reporting or conceal misappropriation of assets.

5. Mitigating Controls

The following mitigating controls are in place to mitigate the potential risks stated in section 4:

- all related parties are identified by Group Secretarial and Finance departments and an updated list is being maintained;
- balances and other transactions with the related parties are reported and disclosed separately in the financial statements of the Company;
- all the related party transactions are being approved by the Board of Directors;
- transactions with related parties are captured in separate ledgers and reported along with the mode of cost determination to BOD for approval.

6. Pricing Policy

Company executes all the transactions with its related parties at arm's length. The term arm's length transactions mean any transaction carried out in a way, as if:

- the parties to the transaction were unrelated in any way;
- the parties were free from any undue influence, control or pressure;
- through its relevant decision-makers, each party was sufficiently knowledgeable about the circumstances of the transaction, sufficiently experienced in business and sufficiently well advised to be able to form a sound judgement as to what was in its interests; and
- each party was concerned only to achieve the best available commercial result for itself in all the circumstances.

7. Approval of Related Party Transactions

The Board shall approve all related party transactions and the following minimum information shall be circulated and disclosed to the directors along with agenda item for board's meeting called for approval of related party transaction:

- name of the related party;
- names of the interested or concerned persons or directors;
- nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party;
- detail, description, terms and conditions of transactions;
- amount of transactions;
- timeframe or duration of the transactions or contracts or arrangements;
- pricing policy;
- recommendations to the audit committee, where applicable; and
- any other relevant and material information that is necessary for the board to make a well-informed decision regarding the approval of related party transactions.

8. Responsibility of the Board

The Board of Directors shall ensure:

- to educate and train directors and relevant employees so that they can identify and report the related party transactions to the board or other authorized persons;
- to provide direction as to whom a director or employee can consult should they be uncertain if a transaction is a related party transaction;
- for setting general criteria to approve transactions or agreement with related parties at various levels;
- for identifying and determining whether a related party transaction requires members' approval;
- to ensure that any related party transactions that require the board's approval are put before the board;
- to ensure that any related party transactions that require members' approval are put before members;
- to fix the responsibility for identification and disclosure of related party transactions; and
- to ensure the company meets its legal and regulatory obligations in relation to related party transactions.

9. Records to be Maintained

The Company shall maintain a register containing information of transactions carried out with the related parties. The register shall contain the information that is required to be maintained as per the relevant provisions of law.



Information and Technology Policy

Introduction

The Packages Group IT Policy outlines comprehensive guidelines for the proper selection and utilization of IT resources within our organization, and all staff members must adhere to these policies. It also establishes the framework for the administration of these policies, providing clear instructions on the appropriate procedures to follow.

To ensure the ongoing relevance and effectiveness of our IT policies, Packages Group is committed to regularly reviewing and updating them in accordance with evolving requirements and emerging technologies. The manual will undergo bi-annual revisions to incorporate any necessary additions or enhancements.

We value the input and engagement of our employees, and we encourage suggestions, recommendations, and feedback regarding the policies and procedures outlined under our IT Policy. This policy contains detailed guidelines on Technology Hardware Purchasing Policy, Policy for Getting Software, Policy for Use of Software, Information Technology Security Policy, numerous procedures on Physical Security, Information Security, Password Use Policy, Access Management Policy, Privileged Access Policy, Change Management Policy, Information Technology Administration Policy, IT Service Agreements Policy, Application Development and Maintenance Policy, Incident Management Policy, Risk Assessment Policy and Information Classification and Handling Policy.

These comprehensive policies apply to all individuals affiliated with Packages Group, including employees, contractors, subcontractors, vendors, visitors, and other stakeholders, who utilize IT/ERP services. Any violation of the aforementioned policies may result in disciplinary measures, including but not limited to termination of employment or contractual agreement.

IT General Controls

IT General Controls are a foundational element in Packages Group's IT environment. They are crucial for ensuring integrity, reliability, and security of information systems. Here is a list of ITGCs.

- ▶ To ensure compliance with this policy, IT representatives reserve the right to conduct audits and/or monitor computer equipment, systems, and network traffic for security and maintenance. Data deemed "unacceptable" can be blocked or deleted.
- ▶ The Management Team retains the authority to designate individuals or key positions responsible for safeguarding confidential data on IT devices provided by the Company.

- ▶ All users shall be allowed to access only those critical business information assets and processes, which are required for performing their job duties.
- ▶ All third-party personnel requiring access to the company's information systems shall follow the documentation procedure for requesting to access company's information assets.
- ▶ Access rights shall be updated and revoked as soon as the need arises.
- ▶ The process for managing changes shall be formally defined, documented, and logged.
- ▶ Changes shall be executed ensuring the compliance of the approval process, prior to testing and deployment of the change.
- ▶ All changes must be approved before moving it to the production environment. Approval of changes shall be based on formal acceptance from the users.
- ▶ Data backup shall be carried out by relevant IT Staff. DBA is responsible for archival and restoration of Database.
- ▶ Only authorized personnel shall be allowed to access the backup.
- ▶ Complete records of backups shall be maintained for future reference.
- ▶ IT department shall make arrangements to make sure that backups are readily available and can be restored in case of system failure.
- ▶ All activities that may compromise the security of the company's network are strictly prohibited. This includes attempts to breach security, connect unauthorized equipment to the network, generate unwanted traffic, spread viruses, or engage in similar activities.
- ▶ At regular intervals a review of the backup process shall be performed by a designated IT personnel to ensure data safety.
- ▶ Remote monitoring of any system or data is restricted to IT representatives only.
- ▶ While the network administration of Packages Group aims to respect user privacy, it is important for users to understand that the data they create on corporate systems remains the property of Packages Group.
- ▶ Company data must not be copied, transmitted, or shared for any unofficial purposes.
- ▶ The Management will not assume responsibility for breaches of confidentiality of Company's or Personal data in cases of lost or stolen IT equipment.
- ▶ The IT department is not responsible for the maintenance and troubleshooting of personal equipment belonging to company employees.
- ▶ Establishing a VPN connection requires prior approval from the IT Department and the submission of legal documents required by Law Enforcement Agencies. The usage of VPN must adhere to the laws of Pakistan enforced by PTA, Federal, Provincial, and Law Enforcement Agencies. Any violations will be addressed according to the Pakistan Cyber Crime Act, 2014 or Packages Group's regulations.
- ▶ Obtaining a new user ID requires approval from the HR.

Disaster Recovery Plan (DRP)

Packages Group business functions are heavily dependent on Information Services including networks, systems, and applications for daily business operations. The inability of Information Services to function specifically the inability to ensure data center operations, would immediately impact Packages Group's various business departments which may result in significant monetary loss, work backlog, and have an adverse effect on the company's reputation. To counter this, an Information Technology Disaster Recovery Plan (IT DRP) is in place which captures, in a single repository, all the information that describes Packages Group's ability to withstand a disaster as well as the processes that must be followed to achieve disaster recovery. This DRP has been developed to guide the efficient recovery of information systems supporting Packages Group Headquarters (Lahore), Shahrah-e-Roomi P.O. Amer-Sidhu, Lahore, and the network of branches is located in different cities (all branches). It outlines the background, and procedures, and recovery team's information to recover critical networks, systems, and applications.

The DRP addresses the IT exposures and solutions based on the priorities and requirements of the business. The goals of the Disaster Recovery strategy are to:

- Continue critical IT operations;
- Minimize the duration of a serious disruption to IT operations and resources;
- Ensure IT operations stability;
- Ensure orderly IT operations recovery in minimum time and data loss.



Sustainability Policy

1. Scope and Philosophy

This Policy applies to all employees and third parties who undertake activity for and on behalf of Packages Limited. It applies to all goods and services we procure, our direct operations and services we provide to our customers. At Packages Group we are committed to creating a sustainable society, managing our operations in a way that covers the social, environmental, and economic objectives throughout the value chain, with human rights integrated into all that we do. We are guided by our Core Values — Lead, Care, Respect, Honesty and Courage.

Our Sustainability Agenda is based on the Triple Bottom Line approach of People, Planet and Prosperity, supporting the UN Global Compact on human rights, labor, environment and anti-corruption aiming to follow and promote good sustainability practices where we have influence.

All business activities are carried out under this philosophy and aspire for sustainable results for stakeholders' benefits and acceptance. To do this, sustainability considerations are woven throughout a suite of interdependent policies and procedures, which are implemented collectively to deliver the objectives of our Sustainability Policy.

We are committed to accountability and transparency in our sustainability performance.

2. Objectives

- To promote an ethical company culture that goes beyond complying with regulations.
- To integrate sustainability into all our business models and decisions.
- To ensure employees are fully aware of our Sustainability Policy and are committed and empowered to implementing and improving it.
- To minimize the impact of our activities and products on the environment.
- To ensure our products and services respond to a growing awareness of sustainability.
- To make partners aware of our Sustainability Policy and encourage them to adopt sound sustainable management practices.

To review, annually report, and to continually strive to improve our sustainability performance.

3. Policy

Packages Group is committed to contributing to a more sustainable society and to continually improve the positive impacts by:

- Complying with and exceeding where practicable, applicable legislations, regulations, codes of practices and ethical standards.
- Ensuring the human rights of everyone under the influence of the organization are provided as per the United Nations Guiding Principles.
- Ensuring a safe and rewarding workplace for all employees, free of discrimination and harassment while aiming to contribute to the vitality of the communities around our operations.
- Utilizing natural resources with care by creating and seeking approaches and methods of optimized consumption, waste reduction and resource efficiency measures.
- Ensuring our systems and procedures prevent pollution, and minimize resource consumption.
- We ensure responsible sourcing of goods and services.

We articulate our shared values, and wherever possible, establish clear metrics and use them to track our sustainability performance.

4. Compliance

Packages Group as part of its sustainability objectives is committed to communicating these objectives to its suppliers, employees and other stakeholders and to support, promote and conform with this Policy.

This Policy and the actions arising from it will be annually reviewed as part of the business strategy.

INTEGRATED MANAGEMENT SYSTEMS POLICY



Packages Limited is committed to producing quality products through responsible sourcing conforming to customers' requirements by creating value for the customers through our products and services.

The Organization is committed to achieving these goals by proactively:

- Exhibiting leadership and commitment towards implementing this policy across all our operations.
- Allocating appropriate sustainable resources for compliance with applicable management standards and establishing individual accountability to comply with these requirements.
- Developing an effective Management System to prevent customer complaints, incidents/accidents, ill-health and pollution, while reducing waste, eliminating hazards and mitigating environmental and social impacts.
- Creating a safe and work-friendly environment for all stakeholders with due participation and commitment from everyone. Safety shall always take the highest priority in all situations.
- Improving our Product Quality continually through innovations, process optimizations, and risk identification.
- Ensuring that all food-related packaging material is produced, stored, and delivered in safe and hygienic conditions as per relevant requirements. Where applicable, we will ensure supply of Halal Packaging material and consumer products with effective communication on Halal/food issues with suppliers, customers, and relevant interested parties in the food chain.
- Improving our energy performance by avoiding energy and utilities' wastage, optimum consumption, supporting the purchase of energy-efficient products, services, and designing for improvement in energy performance where applicable.
- Leading by example and committing to reducing our carbon and water footprint to an optimum level where possible.
- Setting objectives and targets that are monitored regularly to review our Management Systems and ensure that these objectives are aligned with organizational context.
- Ensuring the needs and expectations of our customers and other interested parties are met.
- Ensuring compliance with all applicable legal, statutory and regulatory requirements.
- Ensuring continual improvement as a result of formal internal/external audits and management reviews, which are conducted at least once a year for applicable standards.
- Improving the competency and skills of our people at all levels through adequate information sharing, training and supervision provided to ensure that all organizational needs are met.
- Ensuring all stakeholders have access and understanding of the IMS policy (made publicly available), relevant procedures and supporting documentation, through training and provision of information.

This is our long-term commitment and we shall continually strive to improve our policies, procedures, programs, systems and standards.

Syed Hyder Ali
Chief Executive & Managing Director

مربوط انتظامی
نظام کی پالیسی



SUSTAINABILITY

“Sustainability is no longer a choice, a luxury, or merely a buzzword; it is a fundamental business imperative, a competitive strategy, and a necessity for long-term survival.”

Sustainability at Packages Group

Sustainability Approach

At Packages Group, sustainability is embedded within our core business strategy and governance framework. Guided by our Green Vantage and SustainRight strategies, we integrate environmental stewardship, social responsibility, and ethical governance across all operations. Anchored in our core values of Care, Respect, Lead, Honesty, and Courage, we aim to create long-term value while maintaining the highest standards of responsible business practices.

Our vision is to lead the markets we serve by delivering quality, sustainable products while continuously innovating to meet evolving customer and stakeholder expectations.

Strengthening Our Commitment to a Sustainable Future

Packages Group continues to strengthen its sustainability framework through the implementation of the SAP Sustainability Control Tower (SCT), which is being progressively operationalized to enhance data-driven sustainability management, improve visibility, and support performance monitoring across the Group.

In addition, our Group-wide Energy Management System (EnMS ISO 50001) certification cycle was completed in 2025, covering approximately 98% of total energy consumption across eight companies. This reinforces a structured and standardized approach to energy performance, efficiency, and continuous improvement.

Climate Action and Renewable Energy

Our climate strategy is guided by a Group-level decarbonization roadmap developed in collaboration with IFC, which provides a clear pathway for emissions reduction, energy optimization, and transition toward low-carbon operations.

Renewable energy adoption continues to scale across the Group, with approximately 43% of total energy requirements met through renewable sources, including solar and biomass. Installed solar capacity has reached 27 MW, while biomass energy at Bulleh Shah Packaging contributes significantly to reducing reliance on fossil fuels.

In parallel, our environmental initiatives include afforestation efforts, with over 145,000 trees planted to date, including 15,000 mangroves, supporting biodiversity conservation and carbon sequestration.

Water Stewardship and Circular Economy

We are committed to responsible water management and circular resource use across our operations. Our initiatives focus on improving water efficiency, ensuring responsible treatment and discharge, and reducing environmental impact.

Our Kasur facility operates one of the country's largest effluent treatment plants, with a capacity of 19,000 cubic meters per day, ensuring responsible water management.

Circular economy principles are embedded in our operations, with facilities such as our OCC recycling plant processing approximately 1,100 tons of waste paper daily. Additionally, innovative solutions such as solvent recovery systems (recovering up to 95% of solvents) and repurposing of biomass ash into construction materials and fertilizers contribute to resource efficiency and waste reduction.

Sustainable Materials and Innovation

We continue to advance sustainable material solutions through innovation and process improvements. Agricultural residues such as wheat straw are utilized both as raw materials and as biomass fuel, reducing dependency on virgin resources and fossil fuels.

Investments in sustainable packaging solutions and material circularity remain central to our long-term strategy, supporting both environmental objectives and customer requirements.

Responsible Supply Chain and Sustainable Procurement

Our Responsible Supply Chain (RSC) and Sustainable Procurement framework continues to strengthen supplier engagement and ESG compliance across the value chain. Through structured audits, supplier engagement, and capacity-building initiatives, we are embedding sustainability considerations into procurement practices and enhancing transparency across our supply chain.

In 2025, Packages Group achieved ISO 20400 Sustainable Procurement certification, becoming the first company in Pakistan to be certified to this standard. This milestone reflects our leadership in integrating sustainability into procurement decision-making and reinforces our commitment to responsible sourcing and long-term supplier partnerships.

People, Diversity, and Well-being

Our people remain at the center of our sustainability agenda. Through initiatives such as ACTS (Actively Caring Through Sharing), we continue to promote diversity, inclusion, and employee well-being across the Group.

In 2025, our programs positively impacted 1,980+ employees, alongside targeted health initiatives including Hepatitis screenings, cancer awareness sessions, and free mammograms.

We remain committed to fostering a safe, inclusive, and empowering workplace, supported by continuous learning, development, and a strong safety culture.

Social Impact and Community Investment

Our social impact initiatives are driven through Packages Foundation, which focuses on health, education, and community development. All Group companies contribute a defined portion of their profits to the Foundation, enabling structured and sustained investment in community well-being.

Our flagship initiative, Sehat Mobile, has provided healthcare access to over 35,000 beneficiaries, while our education programs, including Syedanwala Schools, continue to impact communities across multiple regions.

Stakeholder Engagement and Capacity Building

As a signatory to the United Nations Global Compact (UNGC), Packages Group actively engages with stakeholders to promote responsible business practices and drive meaningful, scalable impact. Our efforts focus on building awareness and capacity across key sustainability areas, including environmental stewardship, human rights, gender equality, and ethical business conduct.

These initiatives strengthen internal capabilities while fostering collaboration and accountability across our value chain.

A Future Built on Trust, Stewardship, and Excellence

Our sustainability journey continues to evolve, with a strengthened focus on Trust, Stewardship, and Excellence. Through our Green Vantage and SustainRight strategies, we are advancing low-carbon operations, circular economy solutions, and responsible business practices across the Group.

Transparency and Reporting

Transparency and accountability remain central to our approach. Packages Group publishes an annual standalone sustainability report, providing a comprehensive overview of ESG strategy, initiatives, and performance across all entities. The report is publicly available on our website.



PRIORITIZING WOMEN'S HEALTH

Our Cervical Cancer Awareness Session, led by Dr. Noreen Zafar, brought employees together to promote prevention, early detection, and a healthier future for women.



EMPOWERING OUR SECURITY TEAMS ON HUMAN RIGHTS

Across Lahore, Kasur, and Karachi, 180 security personnel strengthened their role in fostering a safe, respectful workplace through human rights and ethics training.



ACTS TURNS 8

Celebrating eight years, ACTS continues to foster solidarity and empowerment across a growing community of 200+ members.



WORLD WATER WEEK 2025

Engaging 300+ employees, the week advanced awareness and action on water stewardship and climate resilience.



STRENGTHENING SAFE & INCLUSIVE WORKPLACES

Our Anti-Harassment Training with Shirkat Gah empowered employees to foster respectful, inclusive, and accountable workplaces.



STRENGTHENING GHG EXPERTISE

ISO 14064 training sessions enhanced our teams' capabilities in GHG accounting, Scope 1-3 emissions, and reduction strategies, reinforcing transparency and climate accountability.



FOOD LOSS & WASTE AWARENESS

Engaging 250+ employees, initiatives focused on reducing waste through smarter packaging, recycling, and responsible practices.



BREAST CANCER AWARENESS MONTH

An expert-led forum highlighted early detection, mental health, and the importance of supportive environments for women's wellbeing.



EXPANDING HEALTHCARE ACCESS

Medical camps in Rahim Yar Khan and Theh Shaikham delivered essential healthcare services, screenings, and medicines to over 750 individuals, advancing community wellbeing.



STRENGTHENING ENERGY CAPABILITY

ISO 50001 training equipped energy teams with tools to optimize performance, driving efficiency and supporting our sustainability goals.



ISO 20400 STAGE 1 AUDIT

Completion of Stage 1 marked a key step in embedding sustainable procurement and responsible sourcing practices.



DIGITAL DIGNITY: ENDING DIGITAL VIOLENCE

An expert-led session raised awareness on digital safety, workplace safeguards, and building respectful online spaces.



ENVIRONMENT WEEK 2025

Engaging 500+ employees, Environment Week brought sustainability to life through challenges, awareness, and creative reuse—turning small actions into meaningful impact.



MID-YEAR SUSTAINABILITY CONFERENCE

A mid-year review aligned teams on progress, priorities, and actions to accelerate our 2025 sustainability commitments.



ENGAGING SUPPLIERS FOR SUSTAINABLE GROWTH

Our 4th Supplier Engagement Session strengthened alignment on responsible sourcing and shared value creation.



CLIMATE2EQUAL WORKSHOP – 2ND EDITION

The second edition of Climate2Equal equipped professionals with practical skills in sustainability, circularity, and climate action—empowering the next generation of green leaders.

Environment, Health & Safety

Achieved Building Safety Measures Certificate by Punjab Emergency Services Department Rescue 1122

PREPL & PCL have successfully obtained the Building Safety Measures Certificate from the Punjab Emergency Services Department Rescue 1122. This achievement reflects strong compliance with safety standards and commitment to emergency preparedness, reinforcing a proactive safety culture.



Successful Conduct of Integrated Management System (IMS) Audits Across Packages Group Companies

Packages Group Companies have successfully conducted Integrated Management System (IMS) audits covering ISO 45001, ISO 14001, and ISO 9001. The audits were completed without any major or critical non-conformities, reflecting strong compliance and effective implementation of management systems. This achievement highlights the Group's commitment to quality, environmental stewardship, and occupational health & safety excellence.



Empowering Future Leaders through Workplace Safety Training

A training session was conducted by the EHS Team on workplace safety management for MTO batch 2025. The session focused on key practices including managing safety responsibilities,

conducting effective risk assessments, implementing control measures, understanding legal requirements, identifying common hazards, investigating accidents, and measuring and auditing safety performance.



Packages Group 2nd Annual EHS conference FY 2025:

Packages Group successfully hosted its 2nd Annual EHS Conference FY 2025, bringing together leaders, experts, and stakeholders to discuss the stats of Environment, Health, and Safety for 2025. The conference served as a platform for knowledge sharing, best practices, and collaborative discussions on enhancing workplace safety, and regulatory compliance. The companies highlighted their performance future targets and challenges. The best performers were recognized by SHA at the end of the conference.



Hoechst best EHS performance company 2025.

“Great news! Hoechst has been awarded the Best EHS Performance award for outstanding achievements in 2025 by SHA. This recognition reflects unwavering commitment to excellence in Environmental, Health, and Safety (EHS) practices. It is a testament to the dedication and hard work of everyone who prioritizes safety in every domain. Team Hoechst has done very well.



Mental and physical wellbeing Sessions

Packages Group hosted a Mental and Physical Well-being Session in collaboration with Allah Walay Trust. The session focused on stress management, physical activity, and nutritional awareness, empowering our employees to take charge of their health. Participants also learned about nutrition, healthy eating habits, causes and impacts of overeating, appropriate portion sizes, and examples of balanced meals.



EPA Anti-Smog Squad Commends Environmental Compliance at PCL:

The Environmental Protection Agency (EPA) Anti-Smog Squad conducted a live compliance assessment of the Biomass Boiler at Packages Converters Ltd. All emission parameters were found to be within PEQ limits, reflecting strong adherence to environmental standards. The EPA team acknowledged and appreciated the efforts of the PCL Operations and EHS team for their effective environmental management and sustained efforts toward regulatory compliance.



Fostering a Culture of Safer Mobility through Defensive Driving:

Packages Group, in collaboration with the National Highway and Motorway Police (NHMP), organized a Road Safety Awareness Session focusing on practical strategies for safer driving. The session highlighted safe driving practices, defensive driving techniques, accident prevention, vehicle safety checks, and the impact of human behavior on road safety.



Driving Diversity: Female Forklift Operators

At PCL, we are proud to pioneer inclusivity in our workforce by empowering female employees as forklift operators. The EHS team provided comprehensive safety orientation to ensure they are well-prepared and confident in their roles. This initiative not only breaks traditional gender barriers but also promotes diversity, equality, and skill development within our teams.



Fostering EHS Culture: Safety Townhall

The Safety Townhall highlighted PCL's strong EHS culture, emphasizing safety as a shared responsibility across the company. Positive discussions and active participation demonstrated commitment to proactive safety practices, accountability, and continuous improvement in workplace safety.



Packages Group Safety Awareness Week

Packages Group celebrates safety week and reaffirms its relentless support and commitment to protect its people by nurturing a culture where Safety is a shared mindset and Care is deeply embedded in everything we do. The motto of celebrating safety awareness week was "together, let's build a future where Safety and Care are not just priorities but core values that define who we are." The week featured a range of engaging activities including leadership engagement, hazard hunting, fire and snake bite drills, and training sessions on LOTO, hand safety, and first aid. Highlights included the "Hath Zindagi Hain" quiz and poster competition, a skit on real incidents, a collective safety pledge by management and workers, and recognition of Safety Champions and competition winners.



Green Innovation with Packages Group's First E-Bike

PCL introduced its first E-Bike as a step towards green energy, promoting cleaner rides and a sustainable future. The initiative offers multiple benefits, including zero harmful emissions, reduced carbon footprint, lower noise pollution through quiet electric motor operation, and significant long-term savings by eliminating fuel costs.



STAKEHOLDERS' RELATIONSHIP & ENGAGEMENT

“By incorporating all stakeholders' perspectives, organizations improve decision-making, boost innovation, and ensure long-term sustainability while fostering reputation and operational transparency.”

Stakeholders' Relationship & Engagement

Packages understand listening to stakeholders is vital to our success. That's why your Company is an active participant in identifying and engaging its stakeholders to stay adaptable. The management of your Company believes in having open communication with its stakeholders and ensuring that all information is disclosed to promote transparency and visibility.

The Company engages with a wide range of stakeholders through day-to-day interactions with its partners, regulators, and government bodies; regular dialogue with stakeholders, employees, and investors to follow its business priorities of Innovation, Performance, and Trust in letter and spirit.

In the performance of its legal duty to promote the success of the Company, we have regard to a number of factors, including listening to and considering the views of shareholders and other key stakeholders and are familiar with the potential impacts of decisions it makes on our stakeholders, the environment and the communities in which we operate.

We try to engage with shareholders in several ways. This includes regular communications, the general meetings, corporate briefing sessions and other investor relations activities. We announce our financial results on a quarterly basis and our annual results are included in our Annual Report. All shareholders receive Annual Report and Notice of our Annual General Meeting. We strive to make full disclosure of all material information to all stakeholders by various announcements on our website, to the

Stock Exchange and other sources available to help investors to make informed decisions.

Dialogues with stakeholders enable the Company to identify and prioritize significant issues and develop responses that are in the best interests of society, as well as shareholders. Engagement with the Company's main stakeholder groups, including shareholders, investors and employees, at all levels of the organization and across the enterprise is summarized below:

Shareholders and Investors

- General meetings of shareholders
- Corporate briefing sessions
- Annual reports
- Quarterly financial statements and directors' reports thereon
- Company's website
- Dedicated email address for managing shareholders relations

Employees

- Employee surveys
- Sessions with leadership teams across the Group
- Conferences and other engagement activities
- Employee portal
- Trainings
- Several other engagement initiatives

Government and Regulators

- Scheduled meetings
- Industry conferences

- Trade associations
- Written communication
- Facility visits
- Training sessions
- Timely submission of data for review and compliance

Banks

- Continuous engagement for a mutually beneficial relationship
- Arranging formal and informal meetings

Local Community

- CSR initiatives

The frequency of aforementioned engagements is based on business needs and corporate requirements as specified by the Listed Companies (Code of Corporate Governance) Regulations, 2019, Companies Act, 2017 and / or PSX Rule Book or as stipulated and required under defined procedures.

Investors' Grievance / Redressal of Investors' Complaints

Packages Limited is committed to ensure that grievances notified by the shareholders are handled and resolved efficiently at an appropriate level within shortest possible time.

The Company is also committed to provide equal and fair treatment to all shareholders through transparent investor relations, increased awareness, effective communication and prompt resolution of shareholders' complaints. Further, the Company maintains a record of all such grievances along with actions taken for resolution.

Company's ethics for the Shareholders Grievance are as follow:

- All the shareholders are always treated fairly and equally.
- Complaints raised by shareholders are dealt with courtesy and in a timely manner.
- The Management works in good faith and without prejudice towards the interests of any of the shareholders.

The Company has internally established a mechanism for shareholder grievances handling. The Company has a dedicated Shares Department and appointed an independent Share Registrar

(FAMCO Share Registration Services Pvt. Limited) to provide share related services and to resolve issues of the shareholders.

Complaints are initially lodged with the Shares Department and Share Registrar of the Company who expeditiously takes necessary actions. The Share Registrar forwards the complaints to the Company if these fall outside their domain.

The shareholders can submit a complaint through a dedicated email address (share.desk@packages.com.pk) which is also available at the Company's website in line with directives of SECP. The grievances can also be notified through phone call or post to the Company.

Issues Raised at the last General Meeting

No significant issues were raised by the shareholders during the General Meeting, however an interactive Q&A session took place amongst the shareholders and the Management and the queries were answered to the satisfaction of the former by the latter.

Investors' Section on Website

In order to provide ease of access to information, Company's latest information for investors and other stakeholders is available on our website, under the "Investors" section and can be accessed at <https://www.packages.com.pk/investor-relations/>

This page is updated in order to provide transparent, adequate and updated information to all investors and stakeholders in compliance with the rules and regulations of SECP.

Reasonable opportunity to the shareholders for participation in the General Meetings

Keeping in line with the rules and laws, Packages circulates the notice(s) for its general meetings in widely circulated English and Urdu newspapers across Pakistan along with due publication using PUCARS, the automated system of the Pakistan Stock Exchange. In addition to the above, general meetings are held at a convenient location in order to facilitate the attendance of the shareholders. Also in line with requirements of the SECP, the meetings are held on a hybrid model i.e. in-person and via video conferencing arrangements to ensure maximum participation while being socially responsible in context of holding large public gatherings.



GOVERNANCE FRAMEWORK

“Governance is the guardian of ethics, the protector of trust, and the driver of excellence.”

Directors Profiles



Mr. Towfiq Habib Chinoy
Since 21 May 2008

Mr. Towfiq Habib Chinoy has been serving as the Non-Executive Chairman of the Board of Directors since 2008. He previously spent 37 years as Managing Director of International Industries Limited, a role he held until 2011. He was also the founding Managing Director of International Steels Limited, where he served for eight years before stepping down in 2015. Currently, he is the Chairman of Yaqin Steels Limited and a member of the Board of Trustees of the Mohatta Palace Museum Trust.

In the past, Mr. Chinoy has held several prominent leadership positions, including Chairman of Jubilee General Insurance Company Limited for 23 years, Chairman of Pakistan Cables Limited for 14 years, and Chairman of PICIC Commercial Bank Limited for three years. He has also served as Chairman of International Steels Limited and as a director at organizations such as National Refinery Limited, Linde Pakistan Limited, Jubilee Life Insurance Company Limited, and the Pakistan Centre for Philanthropy.

Additionally, he has contributed to national advisory bodies, including the Ministry of Communications, the Engineering Development Board, and the Port Qasim Authority. He also served as Vice-Chairman of the Pakistan Business Council. Mr. Chinoy is a certified director through the Institute of Directors Pakistan and previously completed two terms on the Board of Governors at the Indus Valley School of Art and Architecture.



Syed Hyder Ali
Since 25 August 1994

Syed Hyder Ali joined Packages Limited in July 1987 and currently serves as its Managing Director and Chief Executive Officer, as well as the CEO of IGI Holdings Limited. He holds a Master of Science degree from the Institute of Paper Chemistry.

In addition to these roles, he is also the CEO of Packages Convertors Limited and serves as a director on the boards of several companies. These include IGI Life Insurance Limited, IGI General Insurance Limited, IGI Investments (Private) Limited, Nestlé Pakistan Limited, Packages Real Estate (Private) Limited, Packages Lanka (Private) Limited, Tri-Pack Films Limited, Hoechst Pakistan Limited, Bulleh Shah Packaging (Private) Limited, Packages Trading FZCO, and Flexible Packages Convertors (Pty) Limited.

He is also actively involved with several philanthropic and non-profit organizations, serving on the boards of the National Management Foundation, Pakistan Centre for Philanthropy, Babar Ali Foundation, and the Syed Maratib Ali Religious & Charitable Trust Society.

Additionally, Mr. Ali contributes to various educational, charitable, and business organizations, including the Ali Institute of Education, International Chamber of Commerce, Lahore University of Management Sciences, Pakistan Business Council, and the World Wide Fund for Nature, where he serves as a member of the Advisory Council. He is also a Trustee of the Packages Foundation and acts as an advisor to the board of directors of StarchPack (Pvt.) Limited.



Syed Shahid Ali
Since 25 May 2005

Syed Shahid Ali serves as a Non-Executive Director of the company. He is also the Chairman of Treet Corporation Limited and Gulab Devi Chest Hospital. Additionally, he sits on the boards of numerous organizations, including First Treet Manufacturing Modaraba, Global Assets (Private) Limited, Hi-Tech Alloy Wheels Limited, IGI Holdings Limited, Loads Limited, Multiple Autoparts Industries (Private) Limited, Renacon Pharma Limited, Specialized Autoparts Industries (Private) Limited, Specialized Motorcycles (Private) Limited, Treet Battery Limited, Treet Holdings Limited, Al Aleem Medical College, CAZ Real Estate Limited, Gulab Devi Educational Foundation, IGI Life Insurance Limited, Treet Corporation Limited, Treet Packaging Limited, and Treet Power Limited. He is also a member in Tri-Pack Films Limited.

Apart from his corporate responsibilities, Mr. Ali is actively involved in social and cultural initiatives. He contributes to the governance of several hospitals and charitable institutions, including serving as the President of Liaquat National Hospital.



Mr. Hasan Askari
Since 29 May 2020

Mr. Hasan Askari serves as an Independent Director on the Board of Packages Limited and brings extensive experience in investment banking, particularly in advisory services and debt capital markets.

Earlier in his career, he held a senior leadership role at Old Mutual plc, where he supervised the group's operations across the United Kingdom, Europe, and Asia. He was also among the five senior executives responsible for overseeing the company's global operations. At the time, Old Mutual plc was listed on the London Stock Exchange with a market capitalization exceeding £20 billion.

Beyond his corporate responsibilities, Mr. Askari is actively involved in philanthropic initiatives. He serves as a trustee of the Packages Foundation and a director of the Hasan Askari Foundation. The Hasan Askari foundation supports 'The Haveli' Museum, a unique institution dedicated to the preservation and exhibition of Pakistan's heritage textiles. He is also a certified director through the Pakistan Institute of Corporate Governance.



Mr. Atif Aslam Bajwa
Since 26 August 2022

Mr. Atif Bajwa is the Chief Executive Officer and Director of Bank Alfalah Limited and has a distinguished career of more than 40 years in banking, both in Pakistan and internationally. He studied at Columbia University in New York and began his professional career with Citibank in 1982.

Over the years, he has held several senior leadership roles at major local and multinational financial institutions. These include serving as President and CEO of MCB Bank Limited and Soneri Bank Limited, Regional Head for Central and Eastern Europe at Citigroup, Head of Consumer Banking for the Asia Pacific region at ABN AMRO, and Country Manager of ABN AMRO Pakistan.

In addition to his corporate roles, Mr. Bajwa has been actively engaged in business advocacy, social initiatives, and public-interest organizations. He previously served as Chairman of the Pakistan Business Council and President of the Overseas Investors Chamber of Commerce and Industry, contributing to policy dialogue and economic development initiatives.

Currently, he serves as a director on the boards of several organizations, including Alfalah Insurance Company Limited, Avant Hotels (Pvt.) Limited, Karachi Education Initiative, Minhal Finance S.A., PIA Investment Limited, Acamas Ventures Holding Limited, Aga Khan Development Network, Alfalah Asset Management Limited, Roosevelt Hotel Corporation N.V., and Pakistan Banks Association. He is also a certified director through the Pakistan Institute of Corporate Governance.



Ms. Saba Kamal
Since 29 May 2020

Ms. Saba Kamal brings over three decades of experience in the field of Information Technology, including 20 years in senior leadership roles with IBM in Pakistan and internationally. She holds an MBA from the Institute of Business Administration Karachi and has completed several professional certifications and executive training programs at IBM centers as well as at INSEAD, Boston University, and China Europe International Business School.

Ms. Kamal is also a certified director through the Pakistan Institute of Corporate Governance. She currently serves on the Board of Habib Bank Limited, Younus Textile Mills Limited and is a member of the Board of Governors of the Institute of Business Administration Karachi.



Mr. Tariq Iqbal Khan
Since 22 October 2001

Mr. Tariq Iqbal Khan serves as a Non-Executive Director of the company and is a Fellow member of the Institute of Chartered Accountants of Pakistan. With more than 45 years of extensive professional experience, he has held several influential policymaking roles in major Pakistani financial and regulatory institutions. These include serving as the founding director and president of the Islamabad Stock Exchange, commissioner and acting chairman of the Securities and Exchange Commission of Pakistan, and managing director/chairman of the Investment Corporation of Pakistan and National Investment Trust.

He currently serves as Chairman of the Board of Directors of Interloop Asset Management Limited and Packages Convertors Limited, and is also a director of Attock Refinery Limited, Islamic International Medical Trust, National Refinery Limited and Sui Northern Gas Pipeline Limited. In addition, he contributes to several nonprofit and professional organizations, including the High-Altitude Sustainability Trust, Human Element Foundation, Islamic International Medical Trust, and the Pakistan Academy of Engineering Endowment Fund.

Furthermore, Mr. Khan serves on the Audit Oversight Board Pakistan and the Society for the Promotion of Engineering Sciences and Technology in Pakistan, and is also a certified director through the Pakistan Institute of Corporate Governance.



Syed Aslam Mehdi
Since 23 August 2007

Syed Aslam Mehdi serves as Executive Director and Group Head External Affairs. He holds a Master's degree in Business Administration from the Institute of Business Administration Karachi and has held several roles within the Packages Group over the years. He previously served as General Manager at Packages Limited from September 2008 to September 2014.

Currently, he is a member of the Board of Directors of Bulleh Shah Packaging (Private) Limited, DIC Pakistan Limited, Packages Real Estate (Private) Limited, Packages Lanka (Private) Limited, and Packages Convertors Limited.

In addition to his corporate responsibilities, he contributes to several educational and philanthropic organizations, serving on the boards of the National Management Foundation (associated with Lahore University of Management Sciences), Ali Institute of Education, and the Babar Ali Foundation. He is also a Trustee of the Packages Foundation and a certified director through the Institute of Chartered Accountants of Pakistan.

Principal Board Committees



Mr. Josef Meinrad Mueller
Since 21 April 2014

Mr. Josef Meinrad Mueller serves as a Non-Executive Director of the company. Born in Switzerland, he earned his MBA from IMD Lausanne (formerly IMEDE), where he also served as Executive-in-Residence.

Mr. Mueller brings over 40 years of global management experience with the Nestlé Group, having held senior leadership roles across both established and emerging markets. He is well-acquainted with Pakistan, having served as Managing Director of Nestlé Pakistan Limited from 1992 to 1995. Among his international leadership roles, he notably served as CEO and Chairman of Nestlé in the Greater China Region.

Since retiring from Nestlé, Mr. Mueller remains actively engaged in the global business community as an independent advisor.



Mr. Osman Khalid Waheed
Since 30 October 2023

Osman Khalid Waheed is the Chief Executive Officer and Director of Ferozsons Laboratories Limited, joining the company in 1993 after completing his undergraduate degree at Harvard University in the United States. Before becoming CEO in 1999, he gained experience in logistics, sales, and marketing within the company. Under his leadership, Ferozsons expanded its portfolio of medical solutions for serious illnesses through partnerships with leading international firms.

Mr. Waheed is also actively involved in educational and business organizations, serving as a Trustee of Lahore University of Management Sciences. He holds board positions at BF Biosciences Limited, and Centre of Economic Research in Pakistan.

Audit & Risk Management Committee

Mr. Hasan Askari (Independent Director)	Chairman
Syed Shahid Ali (Non-Executive Director)	Member
Mr. Atif Aslam Bajwa (Non-Executive Director)	Member
Mr. Tariq Iqbal Khan (Non-Executive Director)	Member
Mr. Osman Khalid Waheed (Independent Director)	Member
Mr. Soban Waqar	Secretary to the Committee

Terms of Reference of Audit & Risk Management Committee

The terms of reference of the Audit & Risk Management Committee include the following:

- Determination of appropriate measures to safeguard the Company's assets;
- Review of annual and interim financial statements of the Company prior to their approval by the Board of Directors, focusing on;
 - Major judgmental areas;
 - Significant adjustments resulting from the audit;
 - Going-concern assumption;
 - Any changes in accounting policies and practices;
 - Compliance with applicable accounting standards;
 - Compliance with regulations and other statutory and regulatory requirements; and
 - All related party transactions.
- Review of preliminary announcements of results prior to external communication and publication;
- Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- Review of management letter issued by external auditors and management's response thereto;
- Ensuring coordination between the internal and external auditors of the Company;
- Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- Ascertaining that the internal control system including financial and operational controls, accounting system

for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;

- Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;
- Determination of compliance with relevant statutory requirements;
- Monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;
- Review of arrangement for staff and management to report to Audit & Risk Management Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Code of Corporate Governance. The Board of Directors shall give due consideration to the recommendations of the Audit & Risk Management Committee and where it acts otherwise, it shall record the reasons thereof;
- Ensuring that risk mitigation measures are robust;
- Ensuring that appropriate extent of disclosure of company's risk framework and internal control system is given in the Directors Report; and
- Consideration of any other issue or matter as may be assigned by the Board of Directors.

Human Resource and Remuneration Committee

Ms. Saba Kamal (Independent Director)	Chairperson
Syed Hyder Ali (Executive Director)	Member
Mr. Hasan Askari (Independent Director)	Member
Mr. Atif Aslam Bajwa (Non-Executive Director)	Member
Mr. Towfiq Habib Chinoy (Non-Executive Director)	Member
Mr. Josef Meinrad Mueller (Non-Executive Director)	Member
Mr. Jawad Gilani	Secretary to the Committee

Terms of Reference of Human Resource and Remuneration Committee

The terms of reference of the Human Resource and Remuneration Committee include the following:

- a) Recommendation to the Board for consideration and approval a policy framework for determining remuneration of Directors (both Executive and Non-Executive Directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the Chief Executive Officer level;
- b) Undertaking annually a formal process of evaluation of performance of the Board as a whole and its Committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Directors' Report disclosing therein name and qualifications of such consultant and major terms of his/its appointment;
- c) Recommending Human Resource Management Policies to the Board;
- d) Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- e) Consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer;
- f) Where human resource and remuneration consultants are appointed, they shall disclose to the Committee their credentials as to whether they have any other connection with the Company;
- g) Considering and making recommendations to the Board in respect of the Board's Committees and the chairmanship of the Board Committees; and
- h) Keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.

Information Technology & Digitalization Committee

Ms. Saba Kamal (Independent Director)	Chairperson
Mr. Atif Aslam Bajwa (Non-Executive Director)	Member
Mr. Osman Khalid Waheed (Independent Director)	Member
Mr. Faizan Mahmood	Secretary to the Committee

Terms of Reference of IT and Digitalization Committee

IT and Digitalization Committee shall:

- a) Review and approve IT and Digitalization Strategy;
- b) Review and approve IT Security and Governance Policy;
- c) Review and monitor on-going projects related to business/IT relevant to the company's policy and goals;
- d) Guide to prioritize new digitalization and ongoing IT projects of the company to achieve company's goals where IT is working as an enabler;
- e) Review all Key Performance Indicators and delivery of the KPIs of Group CIO;
- f) Review and approve capex for acquisition of hardware, software and services as per IT strategy;
- g) Review key aspects of IT such as Business Continuity, integrity and availability of data, cybersecurity, access control and physical control arrangements are in place; and
- h) Review information security/data risks identified by Audit and security systems assessed and monitor their management in line with standard frameworks and recommend actions;

Sustainability Committee

Mr. Osman Khalid Waheed (Independent Director)	Chairman
Ms. Saba Kamal (Independent Director)	Member
Ms. Ayesha Aziz	Secretary to the Committee

Terms of Reference of Sustainability Committee

- a) **Objective:**
Packages Group believes that sustainability is crucial for ensuring a healthy, balanced future for both humanity and the planet. To instill the sense, it is crucial that the idea is cascaded down from the top to the bottom; from Board of Directors to all the employees.

This document defines the terms of reference for the Board's sustainability committee at Packages Limited at Group Level and serves as a charter for the department. The objective will be to oversee and guide Packages Group's ESG strategy, with a specific focus on promoting gender diversity and preventing sexual harassment in the workplace and enhance sustainability, social responsibility, and governance; foster an inclusive work environment; and ensure ethical conduct.

b) Roles and Responsibilities:

The terms of reference of the SC include the following:

- **ESG Strategy Oversight:**
The Committee should guide and approve Packages Group's ESG strategy, ensuring it aligns with corporate values and includes initiatives for gender diversity and harassment prevention.
- **Policy Development:**
The Committee should ensure to approve and update ESG policies, including specific policies on gender diversity and the prevention of sexual harassment.
- **Risk Management:**
The Committee should diligently monitor ESG-related risks and opportunities, including those related to workplace diversity and harassment.
- **Performance Monitoring:**
The Committee should regularly review ESG department and team performance, including metrics related to gender diversity and the effectiveness of harassment prevention measures.
- **Stakeholder Engagement:**
The Committee should ensure to engage with stakeholders on ESG issues, including gender diversity and harassment prevention, to gather feedback and ensure transparency.
- **Compliance and Reporting:**
The Committee should ensure compliance with relevant laws and regulations, including those concerning workplace equality and harassment, and approve ESG disclosures.
- **Resource Allocation:**
The Committee should ensure allocation of resources for ESG initiatives, including programs aimed at improving gender diversity and preventing harassment.
- **Ethical Standards:**
The Committee should ensure that organization wide, employees uphold ethical standards, ensuring a workplace culture of respect and inclusion, and zero tolerance for harassment.
- **Board Composition:**
The Committee should ensure diversity within the board, including gender diversity, to bring a broad range of perspectives to ESG and workplace culture discussions.

- **Independence:**
The Committee should ensure to maintain an appropriate level of independence among board members, especially in overseeing ESG and social responsibility issues.

c) Composition and Membership

- The Committee should have three members, including one female member and a Chairperson.

d) Meetings and Reporting

- The Committee should meet at least annually to review ESG matters, including progress on gender diversity and harassment prevention and ensure these issues are consistently included in the agenda, with adequate documentation and reporting.
- Secretary to the Board/Sustainability shall be the secretary to the Committee.
- Minutes of the meeting of SC should be circulated to Board for information purposes.

These TORs are the governing document for the Group's Sustainability function and should be adopted by all the boards across the Group.

Board Executive Committee

Syed Hyder Ali (Executive Director)	Chairman
Syed Aslam Mehdi (Executive Director)	Member
Ms. Iqra Sajjad	Secretary to the Committee

Terms of Reference of Board Executive Committee

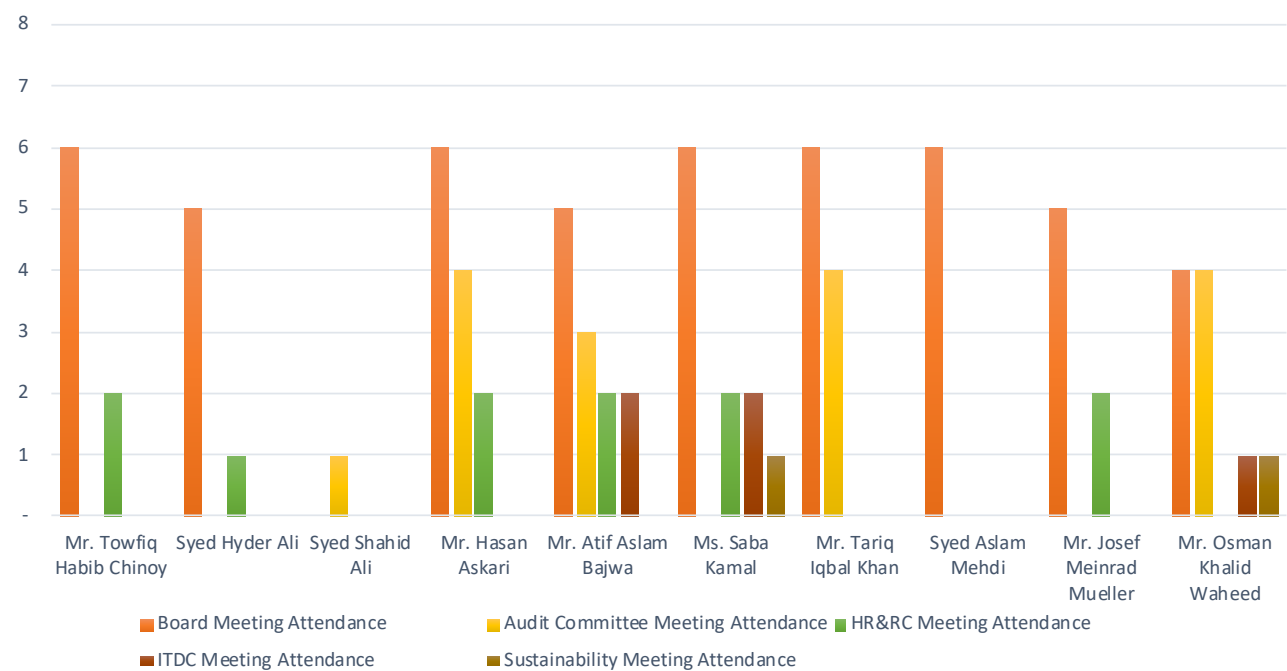
Executive Committee is involved in day-to-day operations of the Company and is authorized to conduct every business except the businesses to be carried out by the Board as required by section 183 of the Companies Act, 2017. The Executive Committee meets periodically to review operating performance of the Company against pre-defined objectives, commercial business decisions and investment and funding requirements. The Executive Committee is also responsible for formulation of business strategy, review of risks and their mitigation plan.

Attendance at Board and Committee Meetings - FY 2025

Sr. No.	Name of Directors	Board of Directors Meeting	Audit & Risk Management Committee	HR and Remuneration Committee Meeting	IT & Digitalization Committee	Sustainability Committee
		6	4	2	2	1
1	Mr. Towfiq Habib Chinoy	6	-	2	-	-
2	Syed Hyder Ali	5	-	1	-	-
3	Syed Shahid Ali	none	1	-	-	-
4	Mr. Hasan Askari	6	4	2	-	-
5	Mr. Atif Aslam Bajwa	5	3	2	2	-
6	Ms. Saba Kamal	6	-	2	2	1
7	Mr. Tariq Iqbal Khan	6	4	-	-	-
8	Syed Aslam Mehdi	6	-	-	-	-
9	Mr. Josef Meinrad Mueller	5	-	2	-	-
10	Mr. Osman Khalid Waheed	4	4	-	1	1

Meetings held during the year 2025

Board of Directors Meetings held on	Audit Committee Meetings held on	HR&R Committee Meetings held on	IT & Digitalization Committee Meetings held on	Sustainability Committee Meetings held on
20-Jan-25	24-Mar-25	25-Mar-25	15-Aug-25	25-Sep-25
25-Mar-25	24-Apr-25	21-Apr-25	28-Nov-25	
24-Apr-25	29-Aug-25			
29-Aug-25	28-Oct-25			
28-Oct-25				
23-Dec-25				



List of Directorships & Other Engagements of Board Members

DIRECTORS	ORGANIZATIONS
Mr. Towfiq Habib Chinoy	Fahim, Nanji & deSouza (Pvt.) Limited Mohatta Palace Gallery Trust Packages Limited Yaqin Steels Limited
Syed Hyder Ali	Ali Institute of Education Babar Ali Foundation Bulleh Shah Packaging (Private) Limited Flexible Packages Convertors (Pty) Limited Hoechst Pakistan Limited IGI General Insurance Limited IGI Holdings Limited IGI Investments (Private) Limited IGI Life Insurance Limited International Chamber of Commerce, Pakistan Lahore University of Management Sciences National Management Foundation Nestle Pakistan Limited Packages Convertors Limited Packages Foundation Packages Lanka (Private) Limited Packages Limited Packages Real Estate (Private) Limited Packages Trading FZCO Pakistan Business Council Pakistan Centre for Philanthropy Syed Maratib Ali Religious & Charitable Trust Society Tri-Pack Films Limited World Wide Fund for Nature – Member Advisory Council

Syed Aslam Mehdi	Babar Ali Foundation Bulleh Shah Packaging (Private) Limited DIC Pakistan Limited National Management Foundation Packages Convertors Limited Packages Foundation Packages Lanka (Pvt) Limited Packages Limited Packages Real Estate (Private) Limited
-------------------------	---

DIRECTORS	ORGANIZATIONS
Syed Shahid Ali	First Treet Manufacturing Modaraba Global Assets (Private) Limited Gulab Devi Chest Hospital Hi-Tech Alloy Wheels Limited IGI Holdings Limited Liaquat National Hospital Loads Limited Multiple Autoparts Industries (Private) Limited Packages Limited Renacon Pharma Limited Specialized Autoparts Industries (Private) Limited Specialized Motorcycles (Private) Limited Treet Battery Limited Treet Corporation Limited Treet Holdings Limited Treet Power Limited
Mr. Tariq Iqbal Khan	Attock Refinery Limited Audit Oversight Board Interloop Limited Islamic International Medical Trust National Refinery Limited Packages Convertors Limited Packages Limited Society for Promotion of Engineering Sciences and Technology in Pakistan Sui Northern Gas Pipeline Limited
Mr. Atif Aslam Bajwa	Acamas Ventures Holding Limited Aga Khan Development Network Alfalah Asset Management Limited Alfalah Insurance Company Limited Avant Hotels (Private) Limited Bank Alfalah Limited Karachi Education Initiative Minhal France S. A. Packages Limited Pakistan Banks' Association PIA Investments Limited Roosevelt Hotel Corporation N. V.
Mr. Josef Meinrad Mueller	Packages Limited
Mr. Hasan Askari	Hasan A. Foundation Packages Limited Packages Foundation
Ms. Saba Kamal	Habib Bank Limited Institute of Business Administration Packages Limited Younus Textile Mills Limited
Mr. Osman Khalid Waheed	BF Biosciences Limited Center of Economic Research in Pakistan Ferozsons Laboratories Limited Lahore University of Management Sciences (LUMS) Packages Limited

Brief Roles and Responsibilities of the Chairman and Chief Executive Officer

The Board of Directors has appointed a Chairman from among the non-executive directors. The Chairman and the Chief Executive have separate and distinct roles. The Board has defined the respective roles and responsibilities of the Chairman and Chief Executive Officer.

The Chairman has all the powers vested in him under the Code of Corporate Governance and presides over all Board meetings. The primary role of the Chairman is to ensure that the Board of Directors remains effective in its tasks of setting and implementing the Company's direction and strategy, entrusted with the overall supervision and direction of the Board's proceedings, and has the power to set the agenda, give directions and sign the minutes of the Board meetings. He is also responsible to ensure that the Board plays an effective role in fulfilling its responsibilities, besides assessing and making recommendations on the efficiency of the Committees and individual directors in fulfilling their responsibilities and avoidance of conflicts of interests.

The Chief Executive Officer performs his duties under the powers vested by the law and the Board, recommends and implements the business plans and is responsible for overall control and operation of the Company. The CEO of the Company is to whom all business and functional heads report.

The responsibilities of the Chief Executive Officer include:

- Plan, develop, implement and direct the organization's operational and fiscal function and performance.
- Act as a strategic partner by developing and implementing the company's plans and programs.

Decisions taken by the Board

The Board operates as stewards on behalf of shareholders for the governance of the Company. The Board performs its duties by giving guidelines to the Management, setting performance targets and monitoring their achievements.

As the leaders who oversee the governance of the Company, the Board of Directors' key responsibility is to ensure the Company's prosperity, by collectively monitoring and directing the Company's affairs, whilst protecting the appropriate interests of its shareholders and stakeholders. The Board of Packages is responsible for the Company's system of internal controls, policy frameworks, corporate governance, risk assessments and ultimately accountable for reviewing its effectiveness. The Board is also accountable to the shareholders for ensuring that the Company is appropriately managed and achieves business objectives. The Board remains committed to the highest standards of corporate governance and integrity.

The Board of Directors of the Company meets on quarterly basis, as minimum, as required by the Companies Act, 2017. Moreover, Board meetings can also be convened to approve significant matters such as approval of revenue and capital budget of the Company, to review significant changes in the operations of the Company including plans for expansion, capital and operational restructuring, approval of new policies & procedures and significant amendments to current policies & procedures etc. Due communication is made of all such meetings and their outcome as required by the PSX Rule Book and Securities and Exchange Commission of Pakistan.

In order to adequately delegate, the Board has constituted Board Committees. Each Committee has its own charter along with goals and responsibilities. The Committees report on their activities and results to the Board.

For effective and smooth operations of the Company, the Board has delegated the executive and operational management of the Company to the Chief Executive Officer and the Management team.

Annual Evaluation of Performance of the Board including CEO, Chairman and Board's Committees

In accordance with the requirements of the Code of Corporate Governance, 2019 the Board has an established mechanism to carry out an evaluation of performance of its individual members, the board and the performance of its Committees.

On yearly basis, Board evaluation process is conducted internally by the Company Secretary who prepares an Evaluation Assessment Questionnaire which is circulated amongst the Board Members to provide clarifications and further insights and perspectives on the performance of the Board.

The salient features of the Board self-evaluation criteria are given below:

- Board composition and quality
- Understanding the business including risks
- Strategic planning
- Board's overall scope of responsibilities, processes and procedures
- The effectiveness and efficiency of the operation of the Board, CEO and its committees,
- Oversight of the financial reporting process, including internal controls
- Ethics and compliance
- Evaluating the flow of information
- The effectiveness and efficiency of the operation of the Board and its committees

The Company Secretary then draws all the responses together from the information gathered. Strict level of confidentiality is practiced upon receiving of filled questionnaire and Directors' comments by the Company Secretary. Results from performance evaluations are then discussed in detail in the subsequent Board meeting to address the highlighted areas and improve the Board's performance.

It has also been decided that the Board Performance Evaluation is also to be carried out by external consultants, once every 3 years. Hence during the outgoing year, the Board recommended the appointment of Pakistan Institute of Corporate Governance (PICG), as external consultants to do the needful for the year 2025.

Board Induction and Orientation

The Company Secretary plays a pivotal role in collaborating with the Chairman to design and facilitate individual induction programs for new Board members. These programs are meticulously crafted to orient and familiarize new Directors with the industry in which the Company operates, its organizational structure, governance framework, and overarching objectives. All new Directors receive a comprehensive induction to ensure a smooth transition and alignment with the Company's vision, strategic direction and code of conduct.

Directors' Training Program

As per the requirements of the Regulations, the directors on the Board are required to be trained from SECP's approved institutions.

All the Directors on the Board of Packages Limited have either acquired the Directors' Training Program and hence are certified as such or are exempt from the requirements of Directors' Training Program based on the criteria stipulated in the Regulations.

Significant Changes in Objectives and Strategies

Objectives and strategies are in line with the mission statement and corporate strategy of the Company and there is no material change in Company's objectives and strategies from the prior years.

External Oversight

The Board Audit Committee has ensured safeguarding of the assets of the Company as well as shareholders' wealth through effective operational and compliance controls and risk management.

Policies and procedures are in place for all the areas of the organization. These policies are strictly followed. Further, these are also regularly reviewed and updated for changes.

The Company's Internal Audit function is being looked after by the Head of Internal Audit in compliance with the Code of Corporate Governance, The Head of Internal Audit, who has the required qualifications as prescribed under the Regulations, reports directly to the Chairman of the Board Audit & Risk Management Committee.

Conflict of Interest

The Board has been constituted in compliance with the provisions of the Companies Act, 2017. The members of the Board, including Non-Executive and Independent Directors, exercise full independence and are expected to highlight and recuse themselves in case of any possible conflict of interest. All observations / suggestions of Board members during their proceedings are accordingly recorded and made part of the minutes.

The Company has a clear policy on conflict of interests and the same is contained in the Code of Conduct duly approved by the Board of Directors. As per the Regulations, every Director is required to bring to the attention of the Board complete details regarding any material transaction which has a conflict of interest for prior approval of the Board. The interested Directors neither participate in discussions nor vote on such matters.

Remuneration of Directors

Packages Limited has implemented a policy purpose of which is to have a transparent procedure for fixing the remuneration of individual directors for attending meetings of the board and its committees.

Keeping in view the Company's objectives, Packages operates an independent and transparent method in order to fix Independent/Non-Executive directors' remuneration. The key element of determining the remuneration is by market benchmarking against other key players of the industry and remuneration is not at a level that could be perceived to compromise the independence of the directors. For the purposes of clarity, no director is involved in deciding own remuneration.

Independent/Non-Executive Directors are only entitled to receive fixed fees in lieu of remuneration for attendance of the Board and Committee Meetings together with travelling and lodging costs borne by the Company.

In light of Directors' Remuneration Policy, executive directors are not paid any fee for attending the Board, committee or general meetings. Further, the policy does not restrict to executive directors from retaining meeting fee earned for the services as non-executive director to other companies.

Chief Executive Officer of the Company is an executive director on Packages Board and holds position as Non-Executive director on the Boards of various other companies. The fee remunerated by these companies are in line with their respective Board remuneration policy, approved by their Board of Directors.

Security Clearance of Foreign Directors

Foreign directors on the Board of Packages are required to submit relevant documents, including declarations and/or undertaking and any document required to facilitate security clearance undertaken by the Ministry of Interior and required by the SECP. During the year, no new foreign director was appointed.

Board Meetings Outside Pakistan

No Board of Directors meeting was held outside Pakistan during the year 2025.

Human Resource Management and Succession Planning

The Company takes great pride in not only recognizing its people as its key asset, but also ensures that this belief is translated into a working environment that provides growth opportunities, respect, empowerment and inspiration. As a company that is geared towards helping people to 'create a better tomorrow', we ensure that our employees are not only committed to this vision with the utmost passion and sincerity, but are also well equipped to perform and deliver at their best potential.

The Human Resource department engages and develops policies including competitive remuneration, performance management and succession planning. This includes exposure to a wide range of development opportunities as well as international assignments.

In addition to this, we prioritize the highest standards of individual accountability, and are constantly trying to evolve in terms of our ability to recognize and reward the deserving talent that demonstrate the right mix of commitment and dedication.

Through implementation of an internal talent development system that helps provide leaders with the data needed for strategic alignment and decision making. Along with this, it carries out continuous feedback, evaluation and communication programme, through which we ensure that our employees are well aligned with, and really believe in, our core values care, honesty, courage, respect, lead.

Safeguarding of Records of the Company

In line with regulatory requirements and our Code of Conduct, we ensure documentation practices meet our requirements for design, management and control of instructions, reports and master documents. We also have checks in place that cover archive requirement for all our stored data, both physical and electronic. Under records retention requirements all staff in all business units, regions, areas and functions must follow approved retention periods in managing their records.

We implement the highest standards of record safeguarding through our document management and control systems. We have strict data lifecycle management guidelines in place which are implemented across all our activities and processes. These guidelines outline procedures for our data approvals, use, access and retention as well as the use of third-party archive service. This helps ensure document accuracy, consistency integrity, availability and legibility.

Business Continuity Plan

The Company has established a comprehensive business continuity plan to ensure that it is able to continue operations in the event of a shutdown or other emergency. This plan includes detailed procedures for addressing potential disruptions, identifying critical functions and resources, and maintaining essential services and operations. The Company has also developed a comprehensive risk management program including risk assessment, mitigation, and response strategies, as well as plans for the orderly resumption of operations. The Company is committed to ensuring that the business continuity plan is regularly reviewed and updated to meet changing needs, and is compliant with relevant government regulations.

We use effective crisis management and business continuity planning to provide for the health and safety of our people and to minimize impact to us, by maintaining functional operations following a natural or man-made disaster, or a public health emergency. A corporate policy requires each business and functional area head to ensure effective crisis management and business continuity plans are in place that include authorised response and recovery strategies, key areas of responsibility and clear communication routes, before any business disruption occurs.

Compliance with the Best Practices of Code of Corporate Governance

The Company is compliant with all the mandatory applicable regulations and requirements.

Attendance at the General Meeting

In view of Packages' priority of being transparent with all its shareholders and stakeholders, Chairman of the Board of Directors, members of the Board, Chairman of the Audit Committee and members of senior management attended the last general meeting of the Company.

External Search Consultancy - Appointment of Directors

No external search consultancy has been used in the appointment of the Chairperson or a Non-Executive Director.

Chairman's Significant Commitments and any Changes Thereto

Mr. Towfiq H. Chinoy is serving Packages Limited as the Chairman of the Board. Details of his other commitments are mentioned on page no. 75.

Governance Practices Exceeding Legal Requirements

Packages Limited strives to ensure transparent, consistent and timely compliance with all prevailing laws and regulations of Pakistan. We take pride in proactively and voluntarily complying with many additional legal requirements which are not mandatory. In line with this strategy, the Company has complied with all mandatory legal compliances under the Code of Corporate Governance, the Companies Act, 2017 and other applicable rules, regulations and standards.

Diversity & Inclusion

We take a progressive approach to inclusion and diversity because we want everyone to be themselves and bring their own perspectives to our business. Together, these unique perspectives and wide variety of personal experiences make our business stronger, enhancing our ability to innovate and respond to the diverse needs of patients and consumers around the world.

We believe that everyone has a part to play in creating a fair and inclusive work environment that respects human rights and the diversity of the cultures we operate in. When we embrace diversity and individuality, we can support and inspire each other to achieve great things.

We do not tolerate harassment, unwelcome, unreasonable or offensive behavior, or discrimination of any kind. We included a module in our mandatory Code of Conduct training to reinforce our zero-tolerance approach. This emphasised the importance of bystander intervention to empower our employees to intervene if they see harassment occurring.

To achieve its diversity and inclusion aspirations, the Company has:

- i. Ensured that the Board's composition considers the right balance of skills, experience, knowledge, perspectives and gender in alignment with the strategic needs of the Company.
- ii. Fostered a culture that promotes and values diversity among staff at all levels.
- iii. Integrated diversity and inclusion objectives in line with this Policy in its strategic plan.
- iv. Reviewed the gender pay gap analysis within the Company, its retention and development of skills of the female employees, provision of a conducive work environment including provision of daycare facilities, better maternity leaves, anti-harassment and speak up policies and forums, with a specialized committee overseeing harassment complaints.
- v. Set concrete targets and review its implementation progress annually.
- vi. Ensured that diversity objectives are a part of Key Performance Indicators (KPIs) of Senior Management.
- vii. Encouraged the female members who hold management positions to move into senior management or executive level positions and take up additional responsibilities based on their performance. This will help reinforce the Company's culture and public image of diversity and inclusion, thus allowing Company to retain and cultivate their best talent at all levels.

Report of the Audit & Risk Management Committee

The members of the Audit & Risk Management Committee are pleased to present their report to the shareholders for the year ended December 31, 2025.

We would like to make the following submissions on adherence to the Listed Companies (Code of Corporate Governance) Regulations 2019 that the Board Audit & Risk Management Committee ('BAC') has concluded its annual review of the conduct and operations of the Company for the year ended December 31, 2025 and reports that:

- The Company has adhered in full, without any material departure, with both the mandatory and voluntary provisions of the listing regulations of the Pakistan Stock Exchange, Code of Corporate Governance, Company's Code of Conduct and Values and the international best practices of governance throughout the year.
- The Company has issued a "Statement of Compliance with the Code of Corporate Governance" which has also been reviewed and certified by the auditors of the company.
- All members of the BAC are financially literate and Chairman of the Audit & Risk Management Committee is an independent director.
- The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable International Accounting Standards and International Financial Reporting Standards notified by the SECP. The BAC has exercised its oversight over the significant matters as communicated by the external auditors, the issues highlighted by the Internal Audit Department through their reports and focus areas as presented in the Audit & Risk Management Committee as require under the Listed Companies (Code of Corporate Governance) Regulations, 2019 Under Chapter IX, Regulation 27(4)(II).
- Appropriate accounting policies have been consistently applied except those disclosed in financial statements. Applicable accounting standards were followed in preparation of the financial statements of the company on a going concern basis for the financial year ended December 31, 2025, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the Company for the year under review.
- The Chief Executive Officer and the Chief Financial Officer have reviewed the financial statements of the Company and the Chairman & Board of Directors Report. They acknowledge their responsibility for true and fair presentation of the financial statements, accuracy of reporting, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.
- Accounting estimates are based on reasonable and prudent judgment. Proper, accurate and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017. The BAC periodically reviews the Risk Management Policy of the Company. Further, the risk register as maintained by the Company is also periodically reviewed by the BAC.
- A proper whistleblowing policy is adopted by the Company, through which the procedure and forum for lodging such complaints is clearly defined. These complaints are also presented before the BAC quarterly after investigation and proper redressal is ensured.
- All direct and indirect trading in and holdings of the Company's shares by Directors and executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction. All such transactions have been disclosed.

INTERNAL AUDIT FUNCTION

- The internal control framework was effectively implemented through the Internal Audit Department, for the last many years. Presently the Company's Internal Audit function is being looked after by the Head of Internal Audit (HOIA) in compliance of the Code of Corporate Governance, who is assisted by in house

staff. The Head of Internal Audit reports directly to the Chairman of the BAC. HOIA has the required qualifications as prescribed under the Regulations.

- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and control.
- The BAC has ensured the achievement of operational, compliance and financial reporting objectives, safeguarding of the assets of the Company and the shareholder's wealth through effective financial, operational and compliance controls and risk management at all levels within the Company. Risk based internal audit practice is in place and internal audit department updates the risk assessment periodically to account for any changes in the risks associated with the business.
- Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.
- The Key Performance Indicators ('KPI') of the Internal Audit Function are developed in consultation with the BAC and functional management. Annual performance reviews carried out against these KPIs by the functional leadership. Further, quarterly assessments of the Internal Audit Function is also performed by the BAC.
- The Audit committee has carried out its self-evaluation and areas of improvement have been addressed.

EXTERNAL AUDITORS

- The statutory auditors of the Company, A.F. Ferguson & Co, Chartered Accountants, have completed their audit of the Company's financial statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended December 31, 2025 and shall retire on the conclusion of the 71st Annual General Meeting.
- The final Management Letter is required to be submitted within forty-five (45) days of the date of the Auditors' Report on the financial statements under the listing regulations and shall therefore accordingly be discussed in the next BAC meeting.
- The external auditors were allowed direct access to the Audit & Risk Management Committee and also met the Audit & Risk Management Committee once a year without the presence of the management.
- The Audit firm has been given a satisfactory rating under the Quality Control Review Programme of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP. The auditors have indicated their willingness to continue as auditors.
- The Company also obtains taxation related services from M/s A.F. Ferguson & Co, Chartered Accountants. The firm has sound policies and procedures to ensure compliance of independence which includes separate engagement partners and separate teams for both audit and taxation work.
- Being eligible for reappointment under the listing regulations, the BAC recommends their reappointment for the financial year ending December 31, 2026 on terms & remuneration negotiated by the Chief Executive Officer.

No whistle-blow complaint during the year has been received.



Hasan Askari
Chairman - BAC

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF PACKAGES LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Packages Limited (the Company) for the year ended December 31, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2025.

A.F. Ferguson & Co.
Chartered Accountants

Lahore

Date: April 6, 2026

UDIN: CR202510070ZSLcN4evJ

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan
Tel: +92 (42) 35199343-50/Fax: +92 (42) 35199351

• KARACHI • LAHORE • ISLAMABAD

Statement of Compliance

with the Listed Companies (Code of Corporate Governance) Regulations, 2019

For the Year Ended December 31, 2025

Packages Limited (the Company) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

- The total number of directors is 10 as per the following:
 - Male: 9
 - Female: 1
- The composition of the Board is as follows:

Category	No.	Names
Independent Director (Female)	1	Ms. Saba Kamal
Independent Directors (Male)	2	Mr. Hasan Askari Mr. Osman Khalid Waheed
Non-Executive Directors	5	Mr. Towfiq Habib Chinoy Syed Shahid Ali Mr. Atif Aslam Bajwa Mr. Tariq Iqbal Khan Mr. Josef Meinrad Mueller
Executive Directors	2	Syed Hyder Ali Syed Aslam Mehdi

Determination of number of independent directors under Regulation 6 arrives at 3.33 (rounded to 3) which is based on ten elected directors. The fraction is not rounded up since the three (3) elected independent directors possess requisite competencies, skills, knowledge and experience to hold the office as such and discharge and execute their responsibilities as per applicable laws and regulations.

- The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
- The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or update is maintained by the Company.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the 'Act') and these Regulations.
- The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

- The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- All Directors have either acquired the Directors' Training Program certificates or are exempt from the requirements of Directors' Training Program.
- The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
- Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board.
- The Board has formed committees comprising of members given below:

- Audit & Risk Management Committee:**
 - Mr. Hasan Askari (Independent Director) Chairman
 - Syed Shahid Ali (Non-Executive Director) Member
 - Mr. Atif Aslam Bajwa (Non-Executive Director) Member
 - Mr. Tariq Iqbal Khan (Non-Executive Director) Member
 - Mr. Osman Khalid Waheed (Independent Director) Member
- Human Resource and Remuneration Committee:**
 - Ms. Saba Kamal (Independent Director) Chairperson
 - Mr. Hasan Askari (Independent Director) Member
 - Syed Hyder Ali (Executive Director) Member
 - Mr. Atif Aslam Bajwa (Non-Executive Director) Member
 - Mr. Towfiq Habib Chinoy (Non-Executive Director) Member
 - Mr. Josef Meinrad Mueller (Non-Executive Director) Member
- Sustainability Committee:**
 - Mr. Osman Khalid Waheed (Independent Director) Chairman
 - Ms. Saba Kamal (Independent Director) Member

Since there are no Nomination Committee in place (required under non-mandatory provisions of Regulations 29), its respective terms of reference, as enumerated in the Regulations, have been incorporated in the terms of reference of Human Resource and Remuneration Committee.

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committees was as per following:
- | | |
|---|---|
| a) Audit & Risk Management Committee (Quarterly) | 4 |
| b) Human Resource and Remuneration Committee (Biannually / Twice) | 2 |
| c) Sustainability Committee (Yearly) | 1 |
15. The Board has set up an effective internal audit function which is considered suitably qualified, and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered

of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 is stated in clause 12.

Six Years at a Glance

(Rupees in million)

	2025	2024	2023	2022	2021	2020
Assets Employed:						
Fixed assets at cost	3,863	3,386	2,681	2,495	2,286	2,175
Accumulated depreciation/amortization	959	861	766	692	639	586
Net fixed assets	2,904	2,525	1,915	1,804	1,647	1,589
Other non-current assets	72,235	60,664	61,801	50,580	46,928	46,454
Current assets	4,989	3,950	4,662	3,834	4,565	5,125
Current liabilities	3,627	3,589	1,917	1,379	1,744	2,194
Net current and other non-current assets	73,597	61,025	64,546	53,035	49,748	49,385
Net assets employed	76,501	63,550	66,462	54,839	51,396	50,974
Financed By:						
Paid up capital	894	894	894	894	894	894
Reserves	54,940	53,719	57,154	48,448	46,658	48,191
Preference shares/convertible stock reserve	606	606	606	606	606	606
Shareholder's equity	56,440	55,219	58,654	49,948	48,158	49,691
Deferred liabilities	3,848	1,349	1,033	826	747	342
Lease liabilities	-	-	-	-	-	-
Long term finances	16,126	6,939	6,751	4,045	2,483	933
Long term advances	86	44	24	19	8	8
Total non-current liabilities	20,061	8,332	7,808	4,891	3,237	1,283
Total funds invested	76,501	63,550	66,462	54,839	51,396	50,974
Dividend income	5,098	4,060	5,840	4,862	4,196	1,917
Rental income	774	667	553	487	424	261
Employees remuneration	546	565	390	266	182	1,594
Profit from operations	5,066	3,838	4,526	4,841	4,881	1,701
Profit before levies and tax	3,530	2,249	3,088	4,177	4,664	2,836
Profit for the year	3,054	1,912	2,778	3,868	4,122	2,820
Key Ratios:						
Liquidity						
Current ratio	1.38	1.10	2.43	2.78	2.62	2.34
Quick ratio	1.36	1.09	2.42	2.76	2.60	0.08
Gearing						
Debt: Equity ratio	24:76	14:86	11:89	8:92	5:95	2:98
Return on equity (%)	5.41	3.46	4.74	7.74	8.56	5.67
Investment						
Basic EPS (Rs.)	34.17	20.68	30.37	43.27	46.12	31.55
Diluted EPS (Rs.)	32.90	20.68	30.07	41.24	43.84	30.48
Price - Earning ratio	22.39	28.80	17.45	8.55	10.78	18.92
Interest cover ratio	3.34	2.42	3.16	7.53	23.89	4.72
Dividend yield (%)	2.09	2.52	5.19	7.43	5.53	3.77
Dividend cover ratio	2.14	1.43	1.13	1.57	1.68	1.40
Cash dividend %	160.00	150.00	275.00	275.00	275.00	225.00
Break-up value per ordinary share (Rs.)	624.68	611.02	649.45	552.05	532.03	549.17
Market value per ordinary share - year end (Rs.)	764.90	595.54	530.09	370.16	497.27	596.92
Cash dividend per share	16.00	15.00	27.50	27.50	27.50	22.50


TOWFIQ HABIB CHINOY
 Chairman

March 26, 2026
 Lahore


SYED HYDER ALI
 Chief Executive Officer

Horizontal & Vertical Analysis

Balance Sheet

HORIZONTAL ANALYSIS

(Rupees in Million)

EQUITY & LIABILITIES

SHARE CAPITAL & RESERVES

	2025	25 vs 24	2024	24 vs 23
	Rs	%	Rs	%
Issued, subscribed and paid up capital	894	-	894	-
Preference shares /convertible stock of Rs 190 each	606	-	606	-
Reserves	49,131	(4.43)	51,407	(5.06)
Un-appropriated profit / (loss)	5,809	2.5 times	2,311	(23.15)

NON-CURRENT LIABILITIES

Long term finances	16,126	2.3 times	6,939	2.78
Long term advances	86	98.01	44	84.02
Deferred tax liabilities	2,292	100.00	-	-
Employee benefit obligations	1,402	14.22	1,227	29.59
Accumulating compensated absences	154	26.45	122	41.51

CURRENT LIABILITIES

Current portion of long-term finances	1,713	30.48	1,313	90.91
Finances under mark up arrangements - secured	395	(60.52)	1,000	-
Trade and other payables	1,072	28.97	831	19.21
Unclaimed dividend	108	8.07	100	23.04
Accrued finance cost	340	(1.61)	345	(22.82)

TOTAL

	80,128	19.35	67,139	(1.81)
--	--------	-------	--------	--------

2023	23 vs 22	2022	22 vs 21	2021	21 vs 20	2020
Rs	%	Rs	%	Rs	%	Rs

Issued, subscribed and paid up capital	894	-	894	-	894	-	894
Preference shares /convertible stock of Rs 190 each	606	-	606	-	606	-	606
Reserves	54,146	22.70	44,128	4.20	42,351	(5.95)	45,029
Un-appropriated profit / (loss)	3,008	(30.38)	4,320	0.29	4,308	36.24	3,162

Long term finances	6,751	66.90	4,045	62.94	2,483	166.19	933
Long term advances	24	22.42	19	150.68	8	(5.64)	8
Deferred tax liabilities	-	-	-	-	94	-	-
Employee benefit obligations	947	24.84	759	26.30	601	98.41	303
Accumulating compensated absences	86	27.74	68	29.77	52	32.15	39

Current portion of long-term finances	688	27.91	538	5,921.06	9	310.81	2
Finances under mark up arrangements - secured	3	-	-	-	21	(95.34)	453
Trade and other payables	697	29.35	539	(64.02)	1,498	(0.88)	1,511
Unclaimed dividend	81	36.41	60	1.47	59	7.53	55
Accrued finance cost	448	84.25	243	54.23	157	(8.75)	173

	68,379	21.63	56,218	5.79	53,140	(0.05)	53,168
--	--------	-------	--------	------	--------	--------	--------

VERTICAL ANALYSIS

(Rupees in Million)

EQUITY & LIABILITIES

SHARE CAPITAL & RESERVES

	2025		2024	
	Rs	%	Rs	%
Issued, subscribed and paid up capital	894	1.12	894	1.33
Preference shares /convertible stock of Rs 190 each	606	0.76	606	0.90
Reserves	49,131	61.32	51,407	76.57
Un-appropriated profit / (loss)	5,809	7.25	2,311	3.44

NON-CURRENT LIABILITIES

Long term finances	16,126	20.13	6,939	10.34
Long term advances	86	0.11	44	0.06
Deferred taxation	2,292	2.86	-	-
Retirement benefits	1,402	1.75	1,227	1.83
Deferred liabilities	154	0.19	122	0.18

CURRENT LIABILITIES

Current portion of long-term finances	1,713	2.14	1,313	1.95
Finances under mark up arrangements - secured	395	0.49	1,000	1.49
Trade and other payables	1,072	1.34	831	1.24
Unclaimed dividend	108	0.14	100	0.15
Accrued finance cost	340	0.42	345	0.51

TOTAL

	80,128	100	67,139	100
--	--------	-----	--------	-----

2023		2022		2021		2020	
Rs	%	Rs	%	Rs	%	Rs	%

Issued, subscribed and paid up capital	894	1.31	894	1.59	894	1.68	894	1.68
Preference shares /convertible stock of Rs 190 each	606	0.89	606	1.08	606	1.14	606	1.14
Reserves	54,146	79.19	44,128	78.50	42,351	79.70	45,029	84.69
Un-appropriated profit / (loss)	3,008	4.40	4,320	7.68	4,308	8.11	3,162	5.95

Long term finances	6,751	9.87	4,045	7.20	2,483	4.67	933	1.75
Long term advances	24	0.03	19	0.03	8	0.01	8	0.02
Deferred taxation	-	-	-	-	94	0.18	-	-
Retirement benefits	947	1.38	759	1.35	601	1.13	303	0.57
Deferred liabilities	86	0.13	68	0.12	52	0.10	39	0.07

Current portion of long-term finances	688	1.01	538	0.96	9	0.02	2	0.00
Finances under mark up arrangements - secured	3	0.00	-	-	21	0.04	453	0.85
Trade and other payables	697	1.02	539	0.96	1,498	2.82	1,511	2.84
Unclaimed dividend	81	0.12	60	0.11	59	0.11	55	0.10
Accrued finance cost	448	0.65	243	0.43	157	0.30	173	0.32

	68,379	100	56,218	100	53,140	100	53,168	100
--	--------	-----	--------	-----	--------	-----	--------	-----

Horizontal & Vertical Analysis

Balance Sheet

HORIZONTAL ANALYSIS

(Rupees in Million)

ASSETS

NON-CURRENT ASSETS

	2025	25 vs 24	2024	24 vs 23
	Rs	%	Rs	%
Property, plant and equipment	738	22.16	604	69.20
Right-of-use assets	-	-	-	-
Investment property	1,966	2.42	1,920	23.30
Intangible assets	200	215 times	1	(25.02)
Investments	70,981	19.04	59,630	(3.07)
Long term security deposits	4	-	4	42.70
Long term loan to subsidiary company	1,250	25.00	1,000	300.00
Deferred taxation	-	100.00	29.7	(6.50)

CURRENT ASSETS

Short term investments	110	-	110	(71.82)
Trade debts	-	-	-	-
Loans, advances, deposits, prepayments and other receivables	2,070	49.39	1,386	(27.94)
Income tax receivable	2,577	12.27	2,295	3.46
Cash and bank balances	233	45.62	160	22.56

TOTAL

	80,128	19.35	67,139	(1.81)
--	--------	-------	--------	--------

2023	23 vs 22	2022	22 vs 21	2021	21 vs 20	2020
Rs	%	Rs	%	Rs	%	Rs

	357	5.37	339	80.84	187	13.77	165
	-	-	-	-	-	-	-
	1,557	6.42	1,463	0.36	1,458	2.55	1,422
	1	(21.73)	2	(24.48)	2	(19.72)	3
	61,517	21.64	50,572	7.78	46,923	1.59	46,186
	3	(3.34)	3	(47.47)	5	(4.10)	5
	250	-	-	-	-	-	-
	31.8	579.64	4.7	-	-	-	262.5
	390	160.24	150	-	235	-	-
	-	-	-	-	10	(85.93)	74
	1,923	42.02	1,354	30.45	1,038	(46.13)	1,927
	2,218	2.21	2,170	(25.50)	2,913	(2.79)	2,997
	130	(18.55)	160	(56.55)	368	190.63	127
	68,379	21.63	56,218	5.79	53,140	(0.05)	53,168

VERTICAL ANALYSIS

(Rupees in Million)

ASSETS

NON-CURRENT ASSETS

	2025		2024	
	Rs	%	Rs	%
Property, plant and equipment	738	0.92	604	0.90
Investment property	1,966	2.45	1,920	2.86
Intangible assets	200	0.25	1	0.00
Investments	70,981	88.58	59,630	88.82
Long term security deposits	4	0.00	4	0.01
Long term loan to subsidiary company	1,250	1.56	1,000	1.49
Deferred taxation	-	-	29.7	0.04

CURRENT ASSETS

Short term investments	110	0.14	110	0.16
Trade debts	-	-	-	-
Loans, advances, deposits, prepayments and other receivables	2,070	2.58	1,386	2.06
Income tax receivable	2,577	3.22	2,295	3.42
Cash and bank balances	233	0.29	160	0.24

TOTAL

	80,128	100	67,139	100
--	--------	-----	--------	-----

2023		2022		2021		2020	
Rs	%	Rs	%	Rs	%	Rs	%

	357	0.52	339	0.60	187	0.35	165	0.31
	1,557	2.28	1,463	2.60	1,458	2.74	1,422	2.67
	1	0.00	2	0.00	2	0.00	3	0.00
	61,517	89.97	50,572	89.96	46,923	88.30	46,186	86.87
	3	0.00	3	0.00	5	0.01	5	0.01
	250	0.37	-	-	-	-	-	-
	31.8	0.05	4.7	0.01	-	-	262.5	0.49
	390	0.57	150	0.27	235	0.44	-	-
	-	-	-	-	10	0.02	74	0.14
	1,923	2.81	1,354	2.41	1,038	1.95	1,927	3.62
	2,218	3.24	2,170	3.86	2,913	5.48	2,997	5.64
	130	0.19	160	0.28	368	0.69	127	0.24
	68,379	100	56,218	100	53,140	100	53,168	100

Value Added & its Distribution

The statement below shows value added by the operations of the Company and its distribution to the stakeholders:

2025	%	2024	%	2023	%	
(Rupees in thousand)						
Sales	-	-	-	-	-	
Dividend Income	5,097,992	4,060,483	5,839,827			
Other Income	1,431,066	886,965	768,249			
6,529,058	100%	4,947,448	100%	6,608,076	100%	
WEALTH DISTRIBUTED						
Bought-In-Materials & Services	558,617	9%	481,520	10%	1,732,610	26%
To Employees						
Remuneration, Benefits And Facilities	545,589	8%	565,057	11%	389,500	6%
To Government						
Income Tax, Sales Tax, Custom & Excise Duties, Workers' Funds, Eobi & Social Security Contribution, Professional & Local Taxes	845,037	13%	486,919	10%	338,126	5%
To Providers Of Capital						
Cash Dividend to the Ordinary Shareholders	1,430,072	22%	1,340,693	27%	2,457,936	37%
Finance Costs	1,535,821	24%	1,588,487	32%	1,438,441	22%
Retained For Reinvestment & Future Growth / (Utilized From Reserves)						
1,613,922	25%	484,772	10%	251,463	4%	
6,529,058	100%	4,947,448	100%	6,608,076	100%	

WEALTH GENERATED

Sales

Dividend Income

Other Income

WEALTH DISTRIBUTED

Bought-In-Materials & Services

To Employees

Remuneration, Benefits And Facilities

To Government

Income Tax, Sales Tax, Custom & Excise Duties, Workers' Funds, Eobi & Social Security Contribution, Professional & Local Taxes

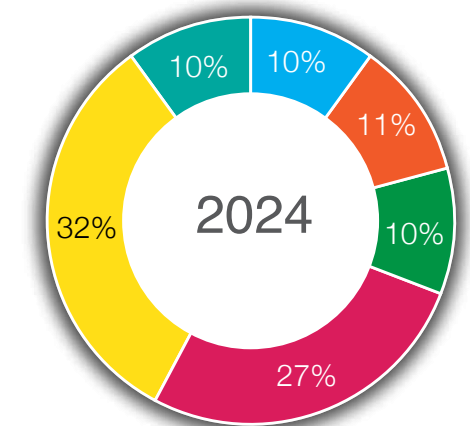
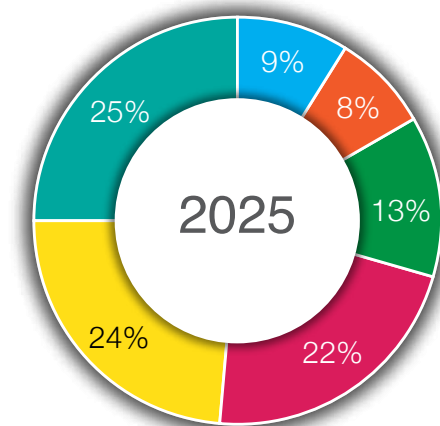
To Providers Of Capital

Cash Dividend to the Ordinary Shareholders

Finance Costs

Retained For Reinvestment & Future Growth / (Utilized From Reserves)

WEALTH GENERATED & DISTRIBUTED (Percentage)



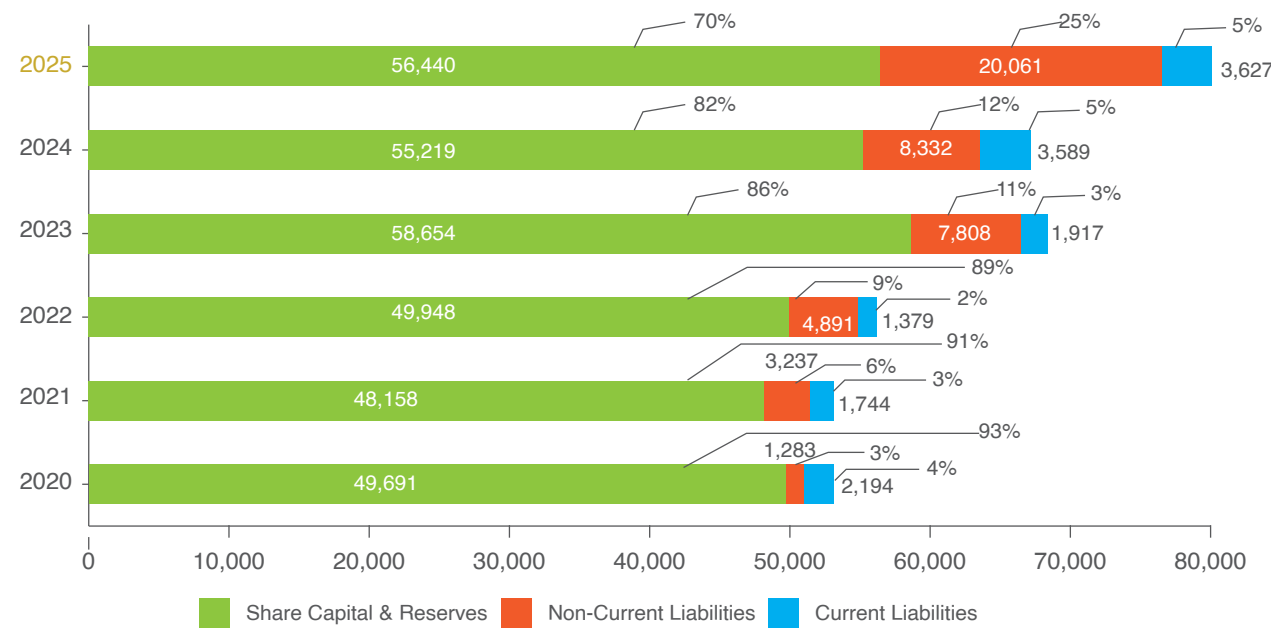
Bought-in-materials & Services	559	9%
Employees	546	8%
Government	845	13%
Shareholders	1,430	22%
Finance Cost	1,536	24%
Retained for Reinvestment & Future Growth	1,614	25%
Total	6,529	100%

Bought-in-materials & Services	487	10%
Employees	560	11%
Government	487	10%
Shareholders	1,341	27%
Finance Cost	1,588	32%
Retained for Reinvestment & Future Growth	485	10%
Total	4,947	100%

	2025	2024	2023	2022	2021	2020
Share capital & reserves	56,440	55,219	58,654	49,948	48,158	49,691
%	70%	82%	86%	89%	91%	93%
Non-Current Liabilities	20,061	8,332	7,808	4,891	3,237	1,283
%	25%	12%	11%	9%	6%	3%
Current Liabilities	3,627	3,589	1,917	1,379	1,744	2,194
%	5%	5%	3%	2%	3%	4%

EQUITY AND LIABILITIES

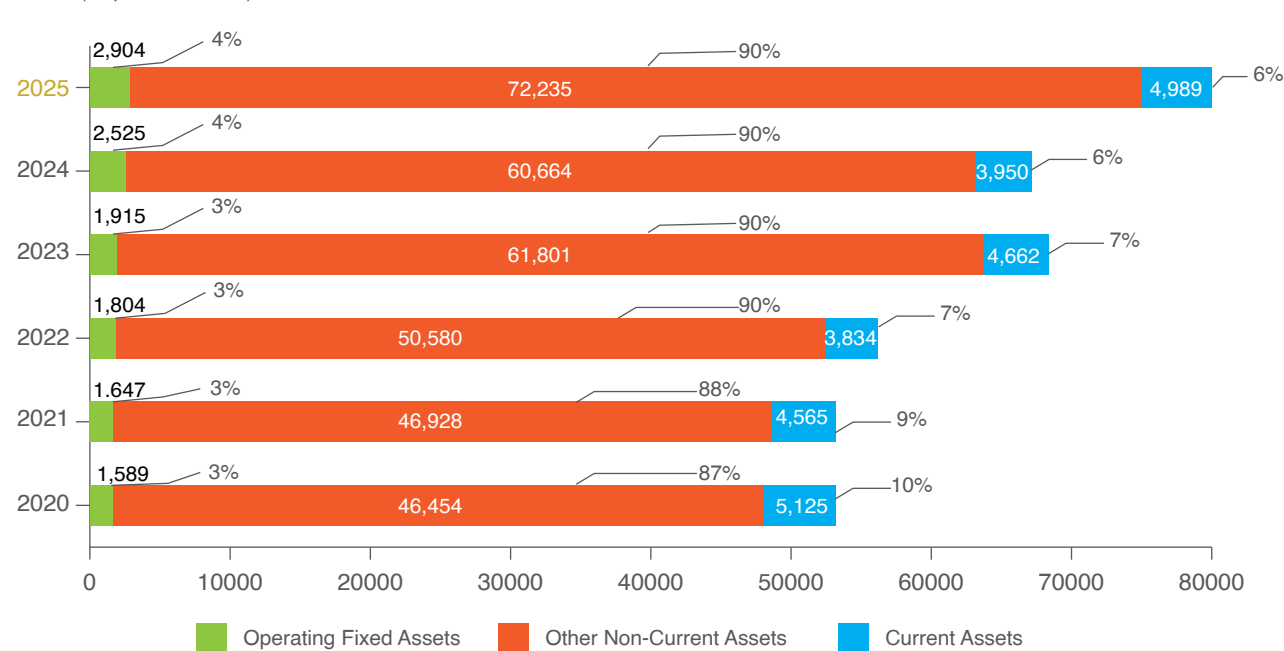
(Rupees in Million)



	2025	2024	2023	2022	2021	2020
Operating Fixed Assets	2,904	2,525	1,915	1,804	1,647	1,589
%	4%	4%	3%	3%	3%	3%
Other Non-current Assets	72,235	60,664	61,801	50,580	46,928	46,454
%	90%	90%	90%	90%	88%	87%
Current Assets	4,989	3,950	4,662	3,834	4,565	5,125
%	6%	6%	7%	7%	9%	10%

ASSETS

(Rupees in Million)



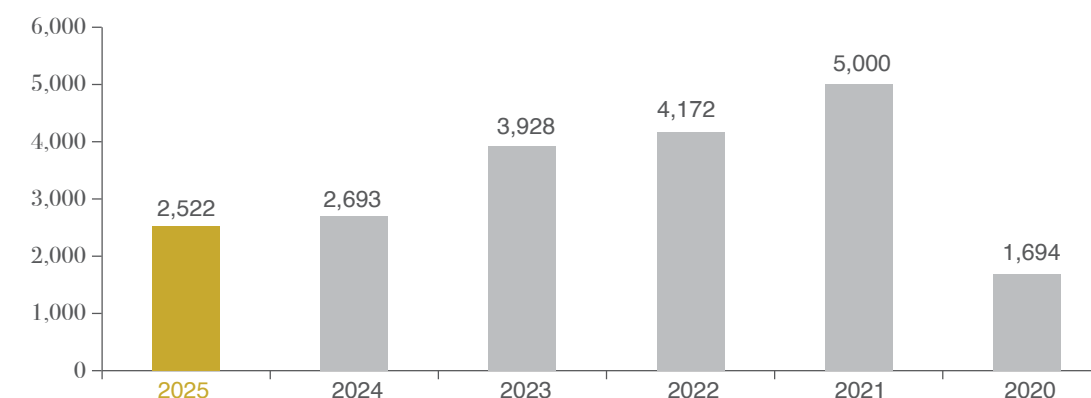
Sources & Application of Funds

Over the last six years

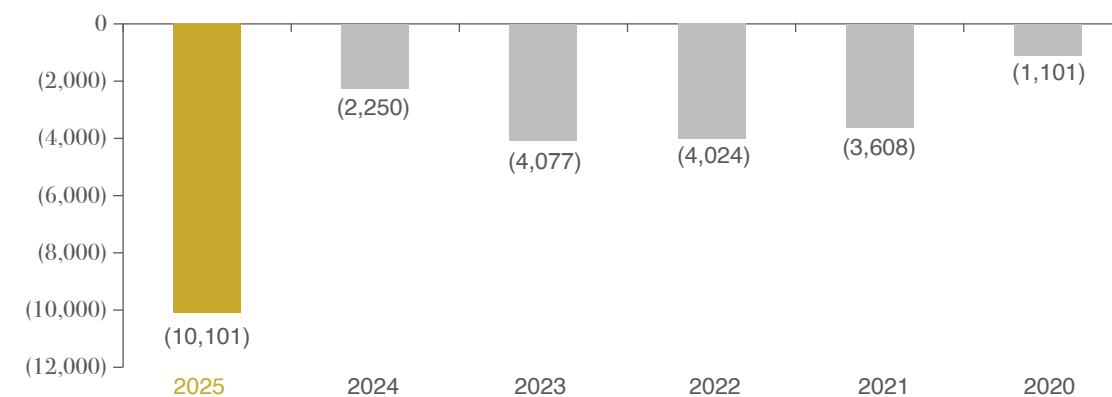
	2025	2024	2023	2022	2021	2020
Cash flow from operating activities						
Cash flow from operating activities						
Cash (used in)/generated from operations	(361,560)	(11,950)	742,693	271,533	214,748	2,312,377
Finance cost paid	(1,513,998)	(1,688,205)	(1,229,695)	(575,140)	(230,904)	(913,524)
Final taxes and Income tax paid	(762,050)	(424,967)	(397,871)	(390,184)	(275,401)	(456,940)
Long term loans - net	-	-	-	-	-	379
Long term security deposits - net	-	(1,111)	90	2,433	220	2,288
Payments for accumulating compensated absences	(6,547)	(1,873)	(5,436)	(1,325)	(1,248)	(4,130)
Employee benefits obligations paid	(21,335)	(15,082)	(10,783)	(7,164)	(5,972)	(72,287)
Long term advances - net	39,994	41,687	22,847	9,447	10,765	663
Dividends received	5,147,618	4,794,137	4,806,173	4,862,333	5,287,607	825,024
Net cash inflow from operating activities	2,522,122	2,692,636	3,928,018	4,171,933	4,999,815	1,693,850
Cash flow from investing activities						
Fixed capital expenditure	(654,670)	(770,277)	(249,239)	(260,827)	(141,369)	(699,639)
Investments made in equity securities	(8,500,000)	(602,277)	(3,628,552)	(3,809,348)	(3,488,151)	(443,811)
Loan given to subsidiary companies	(1,250,000)	(1,000,000)	(250,000)	-	-	-
Interest received on loan given to subsidiary companies	99,741	68,549	-	-	-	-
Proceeds from disposal of property, plant and equipment	145,679	54,222	50,833	46,215	21,391	42,396
Proceeds from disposal of investment property	58,500	-	-	-	-	-
Net cash outflow from investing activities	(10,100,750)	(2,249,783)	(4,076,958)	(4,023,960)	(3,608,129)	(1,101,054)
Cash flow from financing activities						
Repayment of long term finances	(1,312,500)	(687,500)	(343,750)	-	-	-
Proceeds from long-term finances	10,900,000	1,500,000	3,200,000	2,100,000	1,550,000	2,243,333
Repayment of lease liabilities	-	-	-	-	-	(11,588)
Dividend paid	(1,332,604)	(2,502,908)	(2,499,937)	(2,520,820)	(2,033,175)	(1,073,007)
Net cash inflow / (outflow) from financing activities	8,254,896	(1,690,408)	356,313	(420,820)	(483,175)	1,158,738
Net increase / (decrease) in cash and cash equivalents	676,268	(1,247,555)	207,373	(272,847)	908,511	1,751,534
Short term borrowings transferred to Packages Convertors Limited	-	-	-	-	-	3,400,000
Cash and cash equivalents at the beginning of the year	(730,326)	517,387	309,959	582,029	(326,482)	(5,478,016)
Effect of exchange rate changes on cash and cash equivalents	28	(158)	55	777	-	-
Cash and cash equivalents at the end of the year	(54,030)	(730,326)	517,387	309,959	582,029	(326,482)

	2025	2024	2023	2022	2021	2020
Operating	2,522	2,693	3,928	4,172	5,000	1,694
Investing	(10,101)	(2,250)	(4,077)	(4,024)	(3,608)	(1,101)
Financing	8,255	(1,690)	356	(421)	(483)	1,159

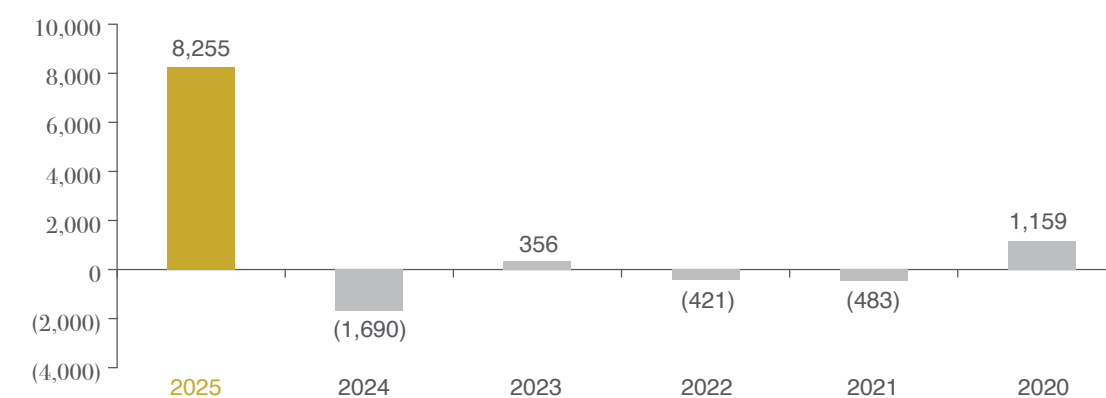
Operating Activities
(Rupees in Million)



Investing Activities
(Rupees in Million)

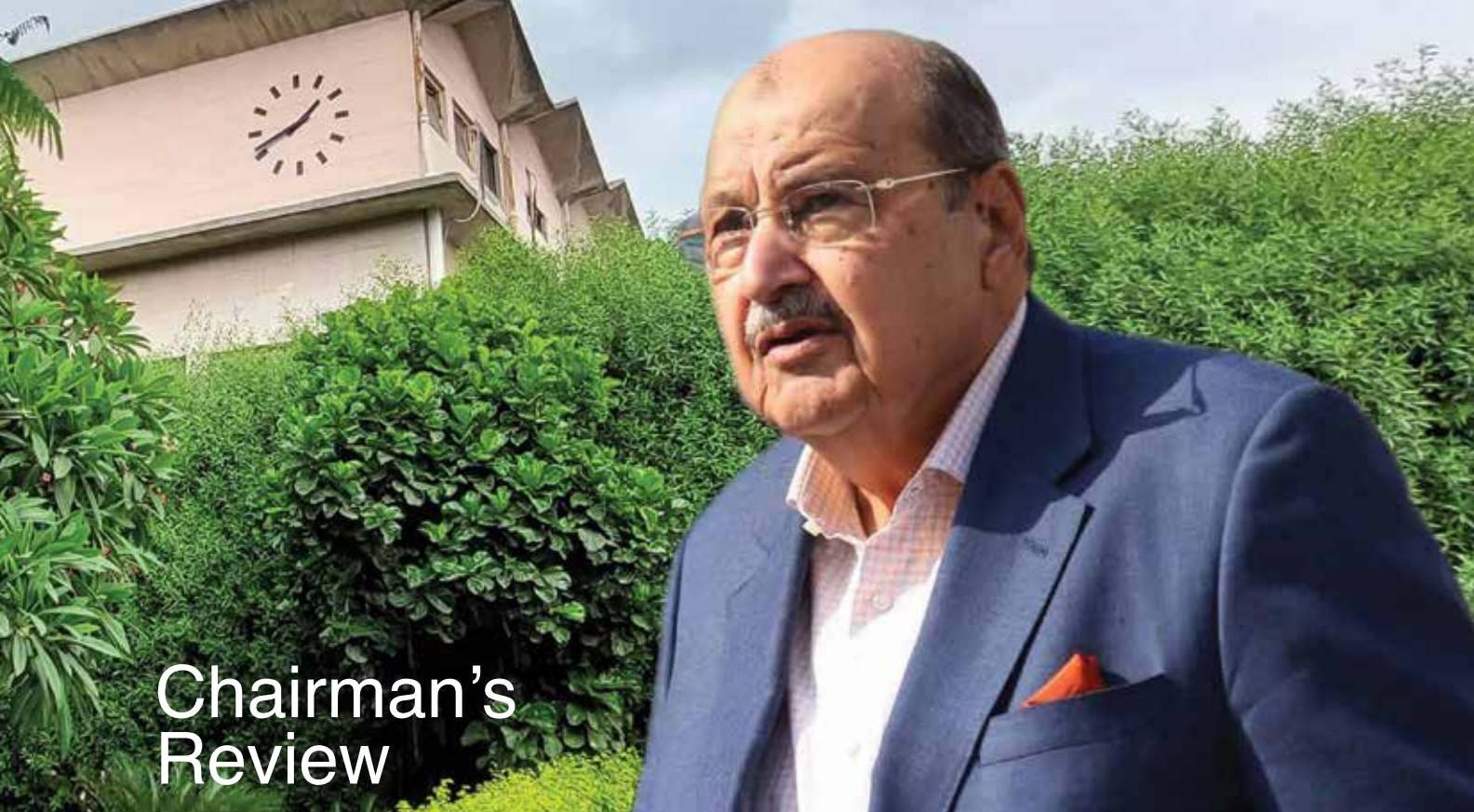


Financing Activities
(Rupees in Million)



UNCONSOLIDATED FINANCIAL STATEMENTS

“Financial performance anchored in resilience, transparency, and prudent stewardship.”



Chairman's Review

I am pleased by the performance of Packages Limited for the year ended December 31, 2025.

Packages Limited is operating as a Holding Company and derives value for its shareholders from its equity participation in Nestle Pakistan Limited and group companies, namely, Packages Convertors Limited, Tri-Pack Films Limited, Bulleh Shah Packaging (Private) Limited, DIC Pakistan Limited, Packages Real Estate (Private) Limited, Packages Lanka (Private) Limited, StarchPack (Private) Limited, Packages Trading FZCO, Hoechst Pakistan Limited and other strategic investments.

Dividend income constitutes the major source of income of the Company and as a result, its income pattern follows the dividend distribution pattern of the investee companies.

The Board is responsible for overall management of the Company and to carry out its fiduciary duties with a sense of objective judgement in the best interest of the Company and its stakeholders.

The Board has ten (10) directors including five (5) non-executive, three (3) independent including one (1) female director and two (2) executive directors. The Directors have rich and varied experience in the fields of business, finance, banking and regulations. The Board provides strategic direction as well as guidance to the management.

The Board evaluated its own performance and its committees in order to facilitate and enable the Board members to play an effective role as a coordinated team for the ongoing success of the Company.

During the year, six (6) board meetings were held in which the Board fulfilled all of their responsibilities including:

- ▶ Reviewing the operating results and approving the quarterly and annual financial statements of the Company;
- ▶ Approving related party transactions;
- ▶ Approving budgets including capital expenditure;
- ▶ Reviewing and approving revised terms of reference of Audit & Risk Management, Human Resource & Remuneration, IT & Digitalization and Sustainability Committees, which have been brought in line with Code of Corporate Governance, 2019;
- ▶ Approving investments in subsidiaries and joint ventures;
- ▶ Reviewing and approving bank borrowings; and
- ▶ Recommending appointment of external auditors.

The Board ensured that all the legal and regulatory requirements have been complied with by the management of the Company.

I pray to Allah that the Company and its subsidiaries continue to maintain its momentum of growth in the future.

TOWFIQ HABIB CHINOQ
Chairman

March 26, 2026
Lahore

Directors' Report to the Shareholders

The Directors of the Company take pleasure in presenting the Annual Report of your Company, together with the financial statements for the year ended December 31, 2025.

FINANCIAL AND OPERATIONAL PERFORMANCE

Summarized financial performance is as follows:

	2025	2024
	(Rupees in million)	
Dividend income	5,098	4,060
Rental income	774	667
General expenses – net	(806)	(890)
Profit from operations	5,066	3,837
Finance cost	(1,536)	(1,588)
Levy and income tax	(476)	(337)
Earnings after tax	3,054	1,912
Basic Earnings per Share - PKR	34.17	20.68

Packages Limited is operating as an investment holding company and its performance is determined by the financial performance of its group companies located within & outside Pakistan, which in turn, would be influenced by the general economic environment.

Dividend income constitutes the major source of income of Packages Limited. As a result, its income pattern will follow the dividend distribution pattern of the group companies. The management believes that this corporate structure is conducive to focused management of the group companies leading to better operating performance.

The Company has earned dividend income from its group companies of Rs 5,098 million during the year 2025 as compared to Rs 4,060 million last year, representing an increase of 26%. This increase was attributable to higher dividends received from Hoechst Pakistan Limited, Packages Convertors Limited, Packages Real Estate (Private) Limited and Nestle Pakistan Limited, owing to better performance versus last year. Also, despite increase in borrowings of the Company by Rs 10.9 billion for making investments in group companies, namely Bulleh Shah Packaging (Private) Limited and StarchPack (Private) Limited, finance costs decreased by 3% due to reduced interest rates.

Resultantly, earnings after tax depict an increase of 60% from Rs 1,912 million earned last year to Rs 3,054 million during the current year.

INVESTMENTS IN GROUP COMPANIES

Your Company contributed Rs 9,750 million in Bulleh Shah Packaging (Private) Limited ('BSPL') and StarchPack (Private) Limited ('SPAC') in the form of equity and subordinated loan.

EQUITY INJECTION IN BULLEH SHAH PACKAGING (PRIVATE) LIMITED

Pursuant to the decision taken by the Board of Directors, the Company made a capital injection of Rs 3,200 million (2024: Nil) and converted the outstanding loan of Rs 4,800 million (2024: Nil), disbursed in the current year itself, into ordinary shares of the BSPL.

EQUITY INJECTION IN STARCHPACK (PRIVATE) LIMITED

Pursuant to the decision taken by the Board of Directors for equity injection of up to Rs 1,400 million into SPAC, the Company made an equity injection of Rs 500 million (2024: Rs 500 million) out of the total amount till December 31, 2025 and converted the outstanding loan of Rs 1,000 million into ordinary shares of SPAC.

RENT OF LAND ON LEASE FROM GOVERNMENT OF PUNJAB (GoPB)

A portion of the land on which the Company's buildings are situated measuring 231 kanals and 19 marlas, was leased out to the Company by GoPB from December 1955 till November 2015 after which the lease has not been renewed. The matter was elevated to the Honorable Supreme Court, and in accordance with its directions the Company deposited Rs 500 million and subsequently two surveyors were appointed to calculate the rent of the land for industrial usage. The surveyor reports were submitted and henceforth the matter is pending for further action as of the date of the authorization for issue of these unconsolidated financial statements. Moreover, the Court has decided that the land shall be sold through an open auction with the Company getting the first right of refusal.

The management has, on the basis of assessment of fair value of the said portion of land by independent valuers, recognised an expense of Rs 186 million (2024: Rs 150 million) in respect of rent for the year ended December 2025.

Furthermore, the management intends to acquire the title of the said portion of land when the matter is decided by the court.

FINANCIAL MANAGEMENT

The Company has an effective cash flow management system in place whereby cash inflows and outflows are projected on regular basis and rigorously monitored.

Capital expenditure is managed carefully through evaluation of profitability and risk. Large capital expenditure is further backed by long-term contracts so as to minimize cash flow risk to the business. Capital expenditure during 2025 was at Rs 654.7 million.

The investment portfolio of the Company is fairly diversified, as reflected by equity participation in Nestle Pakistan Limited, Packages Convertors Limited, Tri-Pack Films Limited, Bulleh Shah Packaging (Private) Limited, DIC Pakistan Limited, Packages Real Estate (Private) Limited, Packages Lanka (Private) Limited, StarchPack (Private) Limited, Packages Trading FZCO, Hoechst Pakistan Limited and other strategic investments.

The Board is satisfied that there are no short-term or long-term financial constraints including access to credit and a strong balance sheet with net debt:equity ratio at 24:76 on 31 December 2025.

RISK MANAGEMENT

The Board of Directors and the Audit Committee of the Board regularly review risk matrix in terms of impact and probability of occurrence. The senior management team,

led by the Chief Executive Officer is responsible for risk mitigation measures. The Company's ability to continuously assess market conditions and its timely response enables the Company to manage risks effectively.

CREDIT RISK

All financial assets of the Company, except cash in hand, are subject to credit risk. The Company believes that it is not exposed to major concentration of credit risk and continues to evaluate the impact on financial assets through 'Expected Credit Losses' (ECL) approach. Exposure is also managed through diversification of its investment portfolio, placed with 'A' ranked banks and financial institutions.

LIQUIDITY RISK

Prudent liquidity risk management implies availability of sufficient funds for meeting contractual commitments. The Company's fund management strategy aims at managing liquidity risk through internal cash generation and committed credit lines from financial institutions.

INTEREST RATE RISK

Variable rate long-term financing is hedged against interest rate risk by holding "prepayment option", which can be exercised upon any adverse movement in the underlying interest rates. The Company's interest rate risk arises from long-term financing and short-term borrowings. Financial instruments at fixed rates expose the Company to fair value interest rate risk. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Our organization actively monitors and manages interest rate exposure to mitigate potential impacts on financial outcomes.

FOREIGN EXCHANGE RISK

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies.

CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. There were no changes in the Company's approach to capital management during the year.

CONTRIBUTION TO NATIONAL EXCHEQUER

Your Company is a significant contributor to the national economy and has paid Rs 845 million during the year 2025 to the national exchequer on account of sales tax, income tax, import duties and statutory levies.

RETIREMENT FUNDS

There are three retirement funds currently being operated by the Company namely Provident Fund, Gratuity Fund and Pension Fund. The value of investment of these funds based on their audited accounts as on December 31, 2025 were as follows:

Provident Fund	Rs 5,941.69 million
Gratuity Fund	Rs 829 million
Pension Fund	Rs 4,284.05 million

APPROPRIATIONS

In view of the financial results of the Company for the year 2025, the Board of Directors of the Company has recommended cash dividend of 160 percent (i.e. Rs 16 per share). Accordingly, the following appropriations have been made:

	Rupees in thousand
Total comprehensive income for the year 2025 after appropriation of preference dividend / return	3,043,994
Transfer of capital reserve to un-appropriated profits	1,793,990
Un-appropriated profit brought forward	970,801
Available for appropriation	5,808,785
Participating Dividend – Preference Shareholders	(1,430,072)
Cash dividend	(1,430,072)
To be carried forward to 2026	4,378,713

AUDITORS

The present auditor M/s A.F. Ferguson & Co., Chartered Accountants retire and have offered themselves for reappointment. They have confirmed having achieved satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as well as compliance with the Guidelines on the Code of Ethics of the International Federation of Accountants (IFAC) as adopted by ICAP.

As suggested by the Audit Committee, the Board of Directors has recommended their reappointment as Auditors of the Company for the year ending December 31, 2026, at a fee to be mutually agreed.

IMPACT OF COMPANY'S BUSINESS ON ENVIRONMENT AND CORPORATE SOCIAL RESPONSIBILITY

Steps taken by your Company with respect to Company's business impact on environment and towards corporate social responsibility are mentioned on page 54 in the Annual Report.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Listed Companies (Code of Corporate Governance) Regulations, 2019 have been adopted by the Company and have been duly complied with. A Statement to this effect is annexed to the Report, please refer page 85.

MATERIAL CHANGES

There have been no material changes since December 31, 2024 and the Company has not entered into any commitment, which would affect its financial position at the date except for those mentioned in the audited financial statements of the Company for the year ended December 31, 2025.

NUMBER OF DIRECTORS

(a) Male	9
(b) Female	1

COMPOSITION OF THE BOARD

	Number
Independent Directors	3
Non-Executive Directors	5
Executive Directors	2
Female Director (included in Independent Directors)	1
	Percentage
Independent Directors	30%
Non-Executive Directors	50%
Executive Directors	20%

CHANGES IN THE COMPOSITION OF THE BOARD

The composition of the Board remained unchanged during 2025.

MEETINGS OF BOARD OF DIRECTORS

During the year 2025, six (6) meetings of the Board of Directors were held and the number of meetings attended by each Director is given hereunder:

Name of Directors	No. of Meetings attended
Mr. Tawfiq Habib Chinoy (Chairman)	6
Syed Hyder Ali	5
Syed Shahid Ali	-
Mr. Hasan Askari	6
Mr. Atif Aslam Bajwa	5
Ms. Saba Kamal	6
Mr. Tariq Iqbal Khan	6
Syed Aslam Mehdi	6
Mr. Josef Meinrad Mueller	5
Mr. Osman Khalid Waheed	4

Leave of absence was requested by the Directors who could not attend the Board meetings. The same was accordingly granted.

AUDIT & RISK MANAGEMENT COMMITTEE

An Audit & Risk Management Committee of the Board has been in existence since the enforcement of the Code of Corporate Governance. It comprises of three (3) Non-Executive Directors and two (2) Independent Directors, including the Chairman of the Committee.

Four (4) meetings of the Audit & Risk Management Committee were held during the year. Attendance of each Member is given hereunder:

Name of Directors	No. of Meetings attended
Mr. Hasan Askari (Chairman)	4
Syed Shahid Ali	1
Mr. Atif Aslam Bajwa	3
Mr. Tariq Iqbal Khan	4
Mr. Osman Khalid Waheed	4

HUMAN RESOURCE AND REMUNERATION COMMITTEE

The Human Resource and Remuneration Committee comprises of six (6) members, which includes three (3) Non-Executive Directors, one (1) Executive Director and two (2) Independent Directors, including the Chairperson of the Committee.

Two (2) meetings of the Human Resource and Remuneration Committee were held during the year. Attendance of each Member is given hereunder:

Name of Directors	No. of Meetings attended
Ms. Saba Kamal (Chairperson)	2
Syed Hyder Ali	1
Mr. Hasan Askari	2
Mr. Atif Aslam Bajwa	2
Mr. Tawfiq Habib Chinoy	2
Mr. Josef Meinrad Mueller	2

IT AND DIGITALIZATION COMMITTEE

The IT and Digitalization Committee comprises of three (3) members, which includes one (1) Non-Executive Director and two (2) Independent Directors, including the Chairperson of the Committee.

Two (2) meetings of the IT and Digitalization Committee were held during the year. Attendance of each Member is given hereunder:

Name of Directors	No. of Meetings attended
Ms. Saba Kamal (Chairperson)	2
Mr. Atif Aslam Bajwa	2
Mr. Osman Khalid Waheed	1

SUSTAINABILITY COMMITTEE

A Sustainability Committee of the Board has been in existence since the amendments in this regard to the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Committee comprises two (2) Independent Directors, including the Chairperson of the Committee.

One (1) meeting of the Sustainability Committee was held during the year. Attendance of each Member is given hereunder:

Name of Directors	No. of Meetings attended
Mr. Osman Khalid Waheed (Chairman)	1
Ms. Saba Kamal	1

Leave of absence was granted to the Members who could not attend the meetings of the sub-committees of the Board.

All the aforementioned Sub Committees of the Board have adopted their terms of reference as provided in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

RELATED PARTY TRANSACTIONS

In accordance with Section 208 of the Companies Act, 2017 and the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, the Company has:

- (a) established a policy of related party transactions which has been duly approved by the Board.
- (b) set up conditions for transactions with related parties to be characterized as “arm’s length transactions.”
- (c) circulated and disclosed to the Directors in the Board papers minimum information required for approval of related party transactions.

DIRECTORS’ REMUNERATION

The purpose of this policy is to have a transparent procedure for fixing the remuneration packages of individual directors for attending meetings of the board and its committees.

As per the policy, the remuneration of directors for attending meetings of the Board or committees of directors shall from time to time be determined by the Board based on market trends.

Nominee directors of Packages from other group companies shall not be entitled to receive board/committee meeting fees. If a director is resident out of the place at which any board meeting is held, and who shall come to that place for the purpose of attending board/committee meetings, the director shall be entitled to be reimbursed at actual.

Further details of the aggregate amount of remuneration paid to executive and non-executive directors is mentioned in the financial statements note 33, page no.161 of this Annual Report.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Directors of your Company state that:

- (a) The financial statements, prepared by the management of the Company fairly presents the state of affairs, the result of its operations, cash flows and changes in equity;
- (b) Proper books of accounts of the Company have been maintained;
- (c) Appropriate accounting policies have been applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgement;
- (d) The financial statements have been prepared in conformity with the Companies Act, 2017 and International Financial Reporting Standards, as applicable in Pakistan. Any departures therefrom have been adequately disclosed and explained;
- (e) Internal control system including financial and operational controls, accounting system for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure is sound in design and has been effectively implemented and monitored;

- (f) There are no doubts about the Company’s ability to continue as a going concern;
- (g) There has been no material departure from the best practices of the Corporate Governance as detailed in the Listing Regulations;
- (h) Significant deviations from last year’s operating results of the Company has been highlighted and reasons have been explained in the Directors report;
- (i) Key operating and financial data of last six years is annexed on page no. 87;
- (j) Where any statutory payment on account of taxes, duties, levies and charges is outstanding, the amount together with a brief description and reasons for the same is disclosed in the financial statements;
- (k) Significant plans and decisions, such as corporate restructuring, business expansion and discontinuance of operations, has been outlined along with future prospects, risks and uncertainties, if any;
- (l) The number of board and committees’ meetings held during the year and attendance by each director is annexed;
- (m) The details of training programs attended by directors is annexed on page no. 78;
- (n) The pattern of shareholding is annexed on page no. 299; and
- (o) All trades in the shares of the Company, carried out by its directors, executives and their spouses and minor children is annexed.

TRADING OF SHARES BY CEO / DIRECTORS / SPONSORS / SPOUSES AND EXECUTIVES

The details of trading in shares of the Company by Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit, Other Executives, their spouses/sponsors and minor children are as under:-

Purchase/Transmission of Shares	Purchase / Transmission of shares	Sale / Donation / Gift of shares
Directors	NIL	99,459
Chief Executive Officer	91,778	NIL
Chief Financial Officer	NIL	NIL
Company Secretary	NIL	NIL
Head of Internal Audit	NIL	NIL
Executive	NIL	175,322
Spouse/Sponsor(s)	20,500	4,100
Minor children	NIL	NIL

PATTERN OF SHAREHOLDING

A statement of the pattern of shareholding of certain class of shareholders as at December 31, 2025, whose disclosure is required under the reporting framework, is annexed in the Annual Report, please refer page no.299.

ANNUAL EVALUATION OF THE BOARD AND ITS COMMITTEES

In accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board has formulated a comprehensive mechanism for evaluation of the performance of its individual members, the Board as a whole, and its Committees.

As additionally required, a Board Performance Evaluation must also be undertaken by an external consultant at least once every three years. Accordingly, for the year 2025 to ensure objectivity in the performance evaluation process, the Pakistan Institute of Corporate Governance (PICG) has been engaged to assess the performance of the Board, its Committees, and individual members.

COMPANY’S STAFF AND CUSTOMERS

The management is thankful to the Company’s stakeholders especially its customers for their continuing confidence in its products and services.

The management also wishes to express its gratitude to all the Company’s employees who have worked tirelessly. We appreciate their hard work, loyalty and dedication.

FUTURE OUTLOOK

Looking ahead to 2026, Pakistan’s economic outlook is expected to remain cautiously resilient despite heightened geopolitical tensions in the Middle East and their potential spillover effects. Volatility in global oil prices, disruptions in remittance flows from the Gulf region, and pressure on external accounts may pose near-term challenges; however, the country’s ongoing macroeconomic stabilization efforts, supported by prudent fiscal management, a market-determined exchange rate, and continued engagement with multilateral partners, are likely to underpin stability.

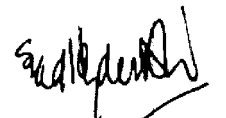
While risks from external shocks persist, particularly in energy and trade channels, Pakistan remains positioned to navigate these headwinds through structural reforms, diversification of export markets, and a continued focus on strengthening foreign exchange reserves and financial discipline.

The Holding Company remains committed to strengthening the financial position of its subsidiaries, optimizing capital structure, and evaluating strategic growth and diversification opportunities. Emphasis will continue on disciplined risk management, operational efficiencies, and long-term value creation for shareholders, while ensuring that sustainability and responsible business practices remain integral to the Group’s strategy.



TOWFIQ HABIB CHINOY
Chairman

March 26, 2026
Lahore



SYED HYDER ALI
Chief Executive Officer &
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the members of Packages Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Packages Limited (the Company), which comprise the unconsolidated statement of financial position as at December 31, 2025, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	Assessment of recoverable amounts of investments in subsidiaries (Refer notes 4.7, 20.1 and 20.4 to the annexed unconsolidated financial statements)	Our audit procedures included the following: <ul style="list-style-type: none"> Considered management's process for identifying the existence of impairment indicators in respect of the Company's investments;

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan
Tel: +92 (42) 35199343-50/Fax: +92 (42) 35199351

KARACHI • LAHORE • ISLAMABAD

S. No.	Key audit matter	How the matter was addressed in our audit
	<p>As disclosed in note 20.4, certain impairment indicators were observed regarding the Company's investments in certain subsidiaries, which triggered management to conduct an impairment test of these investments at the reporting date.</p> <p>Management assessed the recoverable amounts of these investments as required by International Accounting Standard 36 - Impairment of Assets, determining it to be higher than the carrying amount.</p> <p>The determination of recoverable amounts of investment is a significant area of judgement and estimation. Because of the significance of the impact of these judgments and estimations, we consider the assessment of the recoverable amounts of investments to be a key audit matter.</p>	<ul style="list-style-type: none"> Assessed the methodology used by management to calculate the recoverable amounts for each investment; Obtained an understanding of the work performed by management for the purpose of computing the recoverable amounts; Where cash flow techniques were used to calculate recoverable amounts, assessed the reasonableness of the key assumptions for each investment, including revenue, expenses and cash flow growth rates, terminal growth rates, and the discount rates that management has applied; Assessed the professional qualifications, competence, and experience of management's personnel in the field; and Checked the adequacy of the disclosures made by the Company regarding applicable accounting and reporting standards.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Khurram Akbar Khan.

A. F. Ferguson & Co.
Chartered Accountants

Lahore

Date: April 6, 2026
UDIN: AR202510070dwhQxEVku

Unconsolidated Statement of Financial Position

as at December 31, 2025

	Note	2025	2024
(Rupees in thousand)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
- 150,000,000 (2024: 150,000,000) ordinary shares of Rs 10 each		1,500,000	1,500,000
- 22,000,000 (2024: 22,000,000) 10% non-voting preference shares / convertible stock of Rs 190 each		4,180,000	4,180,000
		<u>5,680,000</u>	<u>5,680,000</u>
Issued, subscribed and paid up share capital			
- 89,379,504 (2024: 89,379,504) ordinary shares of Rs 10 each	5	893,795	893,795
- 8,186,842 (2024: 8,186,842) 10% non-voting preference shares / convertible stock of Rs 190 each	7.1	606,222	606,222
Other reserves	6	49,131,366	51,407,032
Revenue reserve: Un-appropriated profits		5,808,785	2,311,494
Total equity		<u>56,440,168</u>	<u>55,218,543</u>
NON-CURRENT LIABILITIES			
Long term finances from financial institutions	7	16,126,400	6,938,900
Long term advances	8	86,137	43,501
Deferred tax liabilities	9	2,292,385	-
Employee benefit obligations	10	1,401,592	1,227,074
Accumulating compensated absences	11	154,362	122,073
		<u>20,060,876</u>	<u>8,331,548</u>
CURRENT LIABILITIES			
Current portion of non - current liability	12	1,712,500	1,312,500
Short term borrowings from financial institutions - secured	13	394,758	1,000,000
Trade and other payables	14	1,071,714	830,951
Unclaimed dividend		108,357	100,268
Accrued finance cost	15	339,878	345,428
		<u>3,627,207</u>	<u>3,589,147</u>
CONTINGENCIES AND COMMITMENTS			
	16	<u>80,128,251</u>	<u>67,139,238</u>

	Note	2025	2024
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	17	738,009	604,130
Investment properties	18	1,966,329	1,919,924
Intangible assets	19	199,705	929
Long term investments	20	70,981,240	59,630,418
Long term loans to subsidiaries	21	1,250,000	1,000,000
Long term security deposits		3,713	3,713
Deferred tax assets	9	-	29,714
		<u>75,138,996</u>	<u>63,188,828</u>
CURRENT ASSETS			
Advances, deposits, prepayments and other receivables	22	2,070,127	1,385,742
Income tax receivable	23	2,576,613	2,294,994
Short term investments	24	110,000	110,000
Cash and bank balances	25	232,515	159,674
		<u>4,989,255</u>	<u>3,950,410</u>
		<u>80,128,251</u>	<u>67,139,238</u>

The annexed notes 1 to 48 form an integral part of these unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Unconsolidated Statement of Profit or Loss

For the Year Ended December 31, 2025

	Note	2025	2024
		(Rupees in thousand)	
Dividend income	26	5,097,992	4,060,483
Rental income	27	773,940	666,567
Operating income		5,871,932	4,727,050
Administrative expenses	28	(1,434,528)	(1,216,177)
Net impairment (loss)/gain on financial assets	22.5	(2,782)	107,614
Other expenses	29	(26,057)	(1,226)
Other income	30	657,126	220,398
Operating profit		5,065,691	3,837,659
Finance costs	31	(1,535,821)	(1,588,487)
Profit before final taxes and income tax		3,529,870	2,249,172
Final taxes - levy	32	(182,036)	(93,540)
Profit before income tax		3,347,834	2,155,632
Income tax	32	(293,906)	(243,292)
Profit for the year		3,053,928	1,912,340
Earnings per share		(Rupees)	
- Basic	39.1	34.17	20.68
- Diluted	39.2	32.90	20.68

The annexed notes 1 to 48 form an integral part of these unconsolidated financial statements.

Unconsolidated Statement of Comprehensive Income

For the Year Ended December 31, 2025

	Note	2025	2024
		(Rupees in thousand)	
Profit for the year		3,053,928	1,912,340
Other comprehensive income/(loss) for the year - net of tax:			
Items that may be reclassified subsequently to statement of profit or loss		-	-
Items that will not be subsequently reclassified to statement of profit or loss:			
Change in fair value of investments held at fair value through other comprehensive income ('FVOCI')	20.3	1,844,912	(2,738,771)
Tax effect of change in fair value of investments at fair value through other comprehensive income		(2,326,588)	-
Remeasurements of retirement benefits obligation		(9,934)	(86,875)
		(491,610)	(2,825,646)
Other comprehensive loss for the year		(491,610)	(2,825,646)
Total comprehensive income/(loss) for the year		2,562,318	(913,306)

The annexed notes 1 to 48 form an integral part of these unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer


Chief Executive Officer


Director


Chief Financial Officer

Unconsolidated Statement of Changes in Equity

For the Year Ended December 31, 2025

	Issued, subscribed and paid up share capital		Reserves					Total equity
	Ordinary share capital	Preference shares/ convertible stock	Capital reserves			Revenue reserves		Total
			Share premium	FVOCI reserve	Capital redemption reserve	General reserve	Un-appropriated profits	
	(Rupees in thousand)							
Balance as on January 1, 2024	893,795	606,222	3,766,738	25,953,732	1,615,000	22,810,333	3,007,715	58,653,535
Transaction with preference shareholders								
Participating dividend on preference shares/convertible stock	-	-	-	-	-	-	(63,749)	(63,749)
Transaction with owners in their capacity as owners, recognised directly in equity								
Final dividend for the year ended December 31, 2023 of Rs 27.50 per share	-	-	-	-	-	-	(2,457,937)	(2,457,937)
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	1,912,340	1,912,340
Other comprehensive loss for the year	-	-	-	(2,738,771)	-	-	(86,875)	(2,825,646)
	-	-	-	(2,738,771)	-	-	1,825,465	(913,306)
Balance as on December 31, 2024	893,795	606,222	3,766,738	23,214,961	1,615,000	22,810,333	2,311,494	55,218,543
Transaction with owners in their capacity as owners, recognized directly in equity								
Final dividend for the year ended December 31, 2024 of Rs 15 per share	-	-	-	-	-	-	(1,340,693)	(1,340,693)
Transfer of capital reserve to un-appropriated profits	-	-	-	(1,793,990)	-	-	1,793,990	-
Total comprehensive income for the year								
Profit for the year	-	-	-	-	-	-	3,053,928	3,053,928
Other comprehensive loss for the year	-	-	-	(481,676)	-	-	(9,934)	(491,610)
	-	-	-	(481,676)	-	-	3,043,994	2,562,318
Balance as on December 31, 2025	893,795	606,222	3,766,738	20,939,295	1,615,000	22,810,333	5,808,785	56,440,168

The annexed notes 1 to 48 form an integral part of these unconsolidated financial statements.

Unconsolidated Statement of Cash Flows

For the Year Ended December 31, 2025

Note	2025	2024
	(Rupees in thousand)	
Cash flows from operating activities		
Cash used in operations	(361,560)	(11,950)
Finance cost paid	(1,513,998)	(1,688,205)
Final taxes and income tax paid	(762,050)	(424,967)
Long term security deposits - net	-	(1,111)
Employee benefits obligations paid	(21,335)	(15,082)
Payment for accumulating compensated absences	(6,547)	(1,873)
Dividends received	5,147,618	4,794,137
Long term advances - net	39,994	41,687
Net cash inflow from operating activities	2,522,122	2,692,636
Cash flows from investing activities		
Payments for property, plant and equipment	(360,745)	(354,187)
Payments for intangible assets	(205,872)	-
Payments for investment properties	(88,053)	(416,090)
Investments made in equity instruments	(8,500,000)	(602,277)
Loan given to subsidiary companies	(1,250,000)	(1,000,000)
Interest received on loan given to subsidiary companies	99,741	68,549
Proceeds from disposal of investment property	58,500	-
Proceeds from disposal of property, plant and equipment	145,679	54,222
Net cash outflow from investing activities	(10,100,750)	(2,249,783)
Cash flows from financing activities		
Proceeds from long term finances	10,900,000	1,500,000
Repayments of long term finances	(1,312,500)	(687,500)
Dividend paid	(1,332,604)	(2,502,908)
Net cash inflow/(outflow) from financing activities	8,254,896	(1,690,408)
Net increase/(decrease) in cash and cash equivalents	676,268	(1,247,555)
Cash and cash equivalents at the beginning of the year	(730,326)	517,387
Effect of exchange rate changes on cash and cash equivalents	28	(158)
Cash and cash equivalents at the end of the year	(54,030)	(730,326)

Refer notes 7 and 36.3 for reconciliation of liabilities arising from financing activities.

The annexed notes 1 to 48 form an integral part of these unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer


Chief Executive Officer


Director


Chief Financial Officer

Notes to and Forming Part of the Unconsolidated Financial Statements

For the Year Ended December 31, 2025

1. The Company and its operations

Packages Limited (the 'Company') is a public company, limited by shares, incorporated in Pakistan in 1956 under the repealed Companies Act, 1913 (now, the Companies Act, 2017). The Company's ordinary shares are listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 4th floor, the Forum, Suite No. 416 - 422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan. Head office is located at Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore, Pakistan.

The principal activities of the Company are to rent out its land and buildings and to manage investments in subsidiary companies, associates and joint ventures, which are engaged in various businesses including manufacturing of packaging materials, tissue, consumer products, industrial inks, paper, paperboard products and corrugated boxes, biaxially oriented polypropylene ('BOPP') and cast polypropylene ('CPP') films, biopharmaceutical products, ground calcium carbonate products, corn-based starch products, insurance, power generation and real estate.

These financial statements (hereinafter may be referred to as 'unconsolidated financial statements') are the separate financial statements of the Company in which investments in subsidiaries have been accounted for at cost less accumulated impairment losses, if any. The consolidated financial statements of the Company and its subsidiaries are presented separately. Details of investments held by the Company in its subsidiaries have been presented in note 20.

2. Basis of preparation

2.1 Statement of compliance

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

- i) IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- ii) Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 (the 'Act') have been followed.

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's unconsolidated financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments and interpretations to accounting standards that are effective in current year

Certain standards, amendments and interpretations to IFRS Accounting Standards are effective for accounting period beginning on January 1, 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 unconsolidated financial statements, except for the following:

a) Amendment to International Accounting Standard (IAS) 21 – Lack of Exchangeability

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The above amendment did not result in any significant changes to these unconsolidated financial statements.

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

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

(a) Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective for annual period beginning on January 1, 2026)

The amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the sole payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence derecognised. The previous practice of financial liabilities being derecognized upon issuance of cheques would need to be reconsidered.

(b) Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on January 1, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

(c) International Financial Reporting Standard (IFRS) 18, 'Presentation and Disclosure in Financial Statements' (effective for annual period beginning on January 1, 2027)

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company is yet to assess the impact of this Standard and amendments to existing standards on its unconsolidated financial statements.

3. Basis of measurement

3.1 These unconsolidated financial statements have been prepared under the historical cost convention except for the following:

- certain financial instruments and plan assets of defined benefit plans at fair value; and
- certain employee benefit obligations, provisions and long term advances at present value.

3.2 Critical accounting estimates and judgements

The Company's material accounting policy information is stated in note 4. The preparation of unconsolidated financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to the estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the unconsolidated financial statements.

- Estimation of useful lives and residual values of property, plant and equipment and investment properties - notes 4.2, 4.4, 17 and 18
- Estimation of employee benefit obligations and accumulating compensated absences - notes 4.11, 10 and 11
- Estimation of provision for taxation and recognition of deferred tax - notes 4.1, 9, 23 and 32
- Impairment of financial assets (other than investments in equity instruments) - notes 4.8.4, 21 and 22
- Impairment of investment in subsidiaries, associates and joint ventures - notes 4.7 and 20
- Other provisions and contingent liabilities - notes 4.21, 4.24 and 14

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

4. Material accounting policies

The material accounting policies adopted in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Taxation - levy and income tax

Income tax comprises current and deferred income tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current

The charge for current income tax is calculated using prevailing tax rates or tax rates expected to apply to profit for the year if enacted or substantively enacted at the end of the reporting period in accordance with the prevailing law for taxation of income, after taking into account tax credits, rebates and exemptions, if any. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that the tax authorities will accept an uncertain tax treatment. The charge for current income tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred

Deferred income tax is provided in full using the liability method, on temporary differences arising between the carrying amount of assets and liabilities in the unconsolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Group taxation

The Securities and Exchange Commission of Pakistan ('SECP') vide its certificate dated March 1, 2023, has registered the Company, Bulleh Shah Packaging (Private) Limited ('BSPPL'), Packages Investments Limited ('PIL'), Packages Convertors Limited ('PCL'), StarchPack (Private) Limited ('SPL') and Packages Power (Private) Limited ('PPPL') (together the 'Group') as a Group for the purpose of group taxation under Section 59AA of the Income Tax Ordinance, 2001. Consequently, the Group is being taxed as one fiscal unit from the tax year 2024 and onwards.

Current tax is based on the consolidated results of the Group and allocated within the Group on the basis of separate return method. Deferred tax asset is recognised in the unconsolidated financial statements to the extent future economic benefit will flow to the Company. Realizability of tax credits and tax losses are assessed at Group level and taxable profits of the Group are taken into account in assessing whether a deferred tax asset should be recognised in the financial statements. Any adjustments in the taxation of the Company on account of group taxation are credited or charged to the unconsolidated statement of profit or loss and/or unconsolidated statement of comprehensive income, as the case may be, in the year in which they arise.

Levies

Minimum taxes that exceed the normal tax liability, as well as tax deducted at source (other than from dividends received from subsidiaries, joint ventures, and associates) under the provisions of the Income Tax Ordinance, 2001 ('the Ordinance'), are not within the scope of IAS 12 - Income Taxes. Instead, these taxes fall under the provisions of IFRIC 21 - Levies, and IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.

Consequently, a liability for these levies is recognized in accordance with IFRIC 21 when the event specified in the Ordinance that triggers the obligation occurs. Therefore, excess minimum taxes and final taxes are recognized as liabilities when they become due, ensuring compliance with the recognition and measurement principles outlined in IAS 37.

4.2 Property, plant and equipment

4.2.1 Operating fixed assets

Operating fixed assets, except freehold land and leasehold land, are stated at cost less accumulated depreciation and any identified impairment loss. Leasehold land is stated at cost less accumulated amortisation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost of leasehold land is amortised using the straight line method over the period of lease term. An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation on all operating fixed assets is charged to the unconsolidated statement of profit or loss on straight-line method so as to write off the depreciable amount of an asset over its estimated useful life at the following annual rates:

	Rates per annum
- Leasehold land	6.67% to 10.00%
- Buildings	2.50% to 20.00%
- Other equipment	10.00% to 50.00%
- Furniture and fixtures	10.00% to 50.00%
- Vehicles	16.67% to 23.08%

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The Company's estimate of the residual values and useful lives of its operating fixed assets as at December 31, 2025 has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as fully explained in note 4.3 to these unconsolidated financial statements.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit or loss during the financial year in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

4.2.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.3 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

4.4 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Land held for an undetermined future use is also classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Investment properties are leased to tenants with rentals payable monthly. The investment properties of the Company comprise land and buildings. The investment properties, except freehold land, are stated at cost less accumulated depreciation and any identified impairment losses. Freehold land is stated at cost less any identified impairment loss.

Depreciation on buildings is charged to unconsolidated statement of profit or loss on a straight-line method so as to write off the depreciable amount of buildings over its estimated useful life at the rates ranging from 1.91% to 24.98% per annum.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The Company's estimate of the residual values and useful lives of its investment properties as at December 31, 2025 has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as fully explained in note 4.3 to these unconsolidated financial statements.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as an income or expense.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its carrying value at the date of reclassification becomes its cost for subsequent accounting at the date of change in use.

4.5 Intangible assets

Expenditure incurred to acquire computer software, SAP Enterprise Resource Planning ('ERP') System and developed websites are capitalised as intangible assets and stated at cost less accumulated amortisation and any identified impairment loss. Intangible assets having a finite life are amortised using the straight-line method over their estimated useful lives at the rates ranging from 10.00% to 20.00% per annum.

Costs associated with maintaining computer software programmes are recognised as an expense when incurred. However, costs that are directly attributable to identifiable software and have probable economic benefits exceeding one year, are recognised as an intangible asset. Direct costs include the purchase cost of software (license fee) and related overhead cost.

4.6 Leases

The Company is the lessor and has leased out its lands and buildings on operating leases.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental income received under operating leases (net of any incentives given to the lessee) is recognised as income on a straight-line basis over the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. The respective leased assets are included in the unconsolidated statement of financial position as investment property.

4.7 Investments

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets. All other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

4.7.1 Investments in equity instruments of subsidiaries, associates and joint ventures

Investments in equity instrument of subsidiaries, associates and joint ventures are measured at cost as per the requirements of IAS-27 'Separate Financial Statements'. However, at subsequent reporting dates, the Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognised as an expense in the unconsolidated statement of profit or loss.

Cost in relation to investments made in foreign currency is determined by translating the consideration paid in foreign currency into Pak Rupees at exchange rate prevailing on the date of transaction. In case of an increase in the investment in a subsidiary, associate or joint venture, the accumulated cost represents the carrying value of the investment. This is also applicable if the additional investment results in an associate or joint venture becoming a subsidiary.

The Company assesses at the end of each reporting period whether there is any indication that a previously recognised impairment loss may no longer exist or may have decreased. It assesses whether there have been favourable events or changes in circumstances, since impairment loss was recognised. If any such indication exists, the Company estimates the recoverable amount of that investment and reverses the impairment loss. The amount of any reversal recognised is restricted to increasing the carrying value of investment to the carrying value that would have been recognised if the original impairment had not occurred. A reversal of impairment loss is recognised in the unconsolidated statement of profit or loss.

The determination of recoverable amount of investments may require management to make significant judgments and estimates, particularly in respect of future cash flow projections, long-term growth rates and discount rates. These assumptions are subject to uncertainty due to economic conditions, market competition and changes in business performance. The recoverable amount of the investment is sensitive to changes in these assumptions.

The Company is required to issue consolidated financial statements along with its separate financial statements in accordance with the requirements of IFRS 10, 'Consolidated Financial Statements' and IAS 27, 'Separate Financial Statements'.

4.8 Financial assets

4.8.1 Classification

The Company classifies its financial assets other than investments in subsidiaries in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss]; and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ('FVOCI').

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

4.8.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have been expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business mode.

4.8.3 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ('FVPL'), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest method. Impairment expenses are presented as a separate line item in the unconsolidated statement of profit or loss.
- FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments except for investments in subsidiaries, associates and joint ventures at fair value through other comprehensive income. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition

of the investment. Dividends are recognised in profit or loss when the right to receive payment is established; is probable that the economic benefits associated with the dividend will flow to the Company; and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

Changes in the fair value of financial assets at FVPL are recognised in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.8.4 Impairment of financial assets other than investment in equity instruments

The Company assesses on a forward-looking basis, the expected credit losses ('ECL') associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies IFRS 9 general 3-stage approach for financial assets such as deposits, other receivables, short term investments and bank balances to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Long term loan to subsidiary company;
- Long term security deposits;
- Loans, deposits and other receivables;
- Bank balances; and
- Short term investments.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses. The Company considers that a financial asset is in default when a contractual payment is 90 days past due. The definition is based on the Company's internal credit risk management policy.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.9 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the unconsolidated statement of profit or loss, when the liabilities are derecognised, as well as through effective interest rate amortization process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the unconsolidated statement of profit or loss.

4.10 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the unconsolidated financial statements only when there is a legally enforceable right to set-off the recognised amount and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously.

4.11 Employee benefits

4.11.1 Short term obligations

Liabilities for salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the unconsolidated statement of financial position.

4.11.2 Post employment benefits

(i) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than the defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods; that benefit is discounted to determine its present value. The calculation is performed annually by a qualified actuary using the "Projected Unit Credit method". The most recent valuation was carried out as at December 31, 2025.

(a) Gratuity plan

There is an approved funded defined benefit gratuity plan for all permanent employees, subject to the attainment of one year of service. Monthly contributions are made to this fund on the basis of actuarial recommendations at the rate of 4.50% per annum of basic salaries. The latest actuarial valuation for the gratuity scheme was carried out as at December 31, 2025. The employees of the Company are entitled to gratuity payments on the basis of their service with the Company and in accordance with the Company policy.

The Company operates defined benefit gratuity plan in accordance with the local regulatory framework in Pakistan. The plan provides benefits to members in the form of a gratuity amount payable at the end of employment. This is a trustee-administered fund. Plan assets held by the fund

are subject to local regulations and practice. Responsibility for governance of the plan – including investment decisions and contributions schedules – lies jointly with the board of trustees which are either directors, senior executives or employees of the Company in accordance with the plan's regulations.

Plan assets include long term government bonds, equity instruments of listed companies, term finance certificates, treasury bills and term deposits with banks.

The actual return on plan assets represents the difference between the fair value of plan assets at the beginning of the year and as at the end of the year after adjustments for contributions made by the Company as reduced by benefits paid during the year. The actual return on plan assets during the year was Rs 37.346 million (2024: Rs 32.999 million).

The Company ensures that its investment positions are managed within an asset-liability matching (ALM) framework developed to align with its gratuity obligations. Within this framework, the Company's ALM objective is to match assets to the gratuity obligations by investing in equity securities, floating-rate long-term bonds and short-term debt securities. The Company actively monitors how the duration and expected yield of these investments align with the expected cash outflows arising from the gratuity scheme obligations.

The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are in rated financial institutions, such that the risk failure of the investments is minimal. A large portion of assets in 2025 consists of investments in Pakistan Investment Bonds and Treasury Bills. The Company believes that such investments offer the best returns with an acceptable level of risk. The composition of plan assets has been disclosed in note 10.7.

The amount recognized in statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of the plan assets.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognized immediately in the statement of profit or loss.

The future contribution rate of the plan includes allowances for deficit and surplus. Projected Unit Credit Method, using the following significant assumptions, is used for valuation of this scheme:

	2025	2024
Discount rate per annum	12.25%	12.25%
Expected rate of increase in salary level per annum	11.00%	12.25%
Expected mortality rate	SLIC 2001-2005 Setback 1 Year	SLIC 2001-2005 Setback 1 Year
Expected rate of return per annum	12.25%	12.25%

The Company is expected to contribute Rs 23.682 million to the gratuity fund in the next fiscal year.

(b) Pension plan

Management and executive staff hired before January 1, 2016 participate in the pension fund of the Company. On December 26, 2012, the Board of Trustees of the pension fund, decided to convert the defined benefit plan to defined contribution plan for all its active employees with effect from January 1, 2013 with no impact on the pensioners appearing on the pensioners' list as of that date. The proposed scheme was approved for implementation by the Commissioner Inland Revenue on February 22, 2013 and employees' consent to the proposed scheme was sought and obtained. Management and executive staff who have joined on or after January 1, 2016, do not participate in the pension fund.

Consequently, the pension fund currently operates two different plans for its members:

- Defined contribution plan for active employees hired before January 1, 2016; and
- Defined benefit plan for pensioners who have retired on or before December 31, 2012.

In respect of the defined contribution plan, the Company contributes 20.00% of members' monthly basic salary to the scheme; whereas, an employee may or may not opt to contribute 6.00% of his/her monthly basic salary to the scheme.

The obligation in respect of the defined benefit plan is determined by the Company's actuary at each year end. Any funding gap identified by the Company's actuary is paid by the Company from time to time. The last actuarial valuation was carried out as at December 31, 2025, based on the following assumptions:

	2025	2024
Discount rate per annum	12.25%	12.25%
Expected rate of increase in pension level per annum	11.00%	12.25%
Expected mortality rate	SLIC 2001-2005 Setback 1 Year	SLIC 2001-2005 Setback 1 Year
Expected rate of return per annum	12.25%	12.25%
Average duration of liability (years)	6	6

The Company operates defined benefit pension plan in accordance with the local regulatory framework in Pakistan. The plan provides benefits to members in the form of a pension amount payable at retirement. This is a trustee-administered fund. Plan assets held by the fund are subject to local regulations and practice. Responsibility for governance of the plan – including investment decisions and contributions schedules – lies jointly with the board of trustees which are either directors, senior executives or employees of the Company in accordance with the plan's regulations.

Plan assets included long term government bonds, equity instruments of listed companies, term finance certificates, treasury bills and term deposits with banks. The composition of plan assets has been disclosed in note 10.7.

The actual return on plan assets represents the difference between the fair value of plan assets at the beginning of the year and as at the end of the year after adjustments for contributions made by the Company as reduced by benefits paid during the year.

The Company ensures that its investment positions are managed within an asset-liability matching (ALM) framework developed to align with its pension obligations. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in equity securities, floating-rate long-term bonds and short-term debt securities. The Company actively monitors how the duration and expected yield of these investments align with the expected cash outflows arising from the pension scheme obligations.

The amount recognised in unconsolidated statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of the plan assets.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for the defined benefit plan are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognised immediately in unconsolidated statement of profit or loss.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the unconsolidated statement of profit or loss when they are due.

The Company operates a recognised/approved contributory provident fund for its permanent employees. Equal monthly contributions at the rate of 10.00% per annum of basic salaries plus dearness allowance and cost of living allowance are made by the Company and the employees to the fund. The Company has no further payment obligations once the contributions have been paid. Obligation for contributions to defined contribution plan is recognised as an expense in profit or loss as and when incurred. The nature of contributory pension fund has been explained in note 4.11.2(i)(b) above.

4.11.3 Accumulating compensated absences

The Company provides for accumulating compensated absences when the employees render services that increase their entitlement to future compensated absences. The annual leaves can be encashed at the time the employee leaves the Company on the basis of the gross salary while no encashment is available for medical leaves. The employees of the Company are entitled to earned annual and medical leaves on the basis of their service with the Company and in accordance with the Company policy. These are classified as 'other long-term employee benefit obligations' under IAS 19.

As per the Company's leaves policy, employees are entitled to following earned leaves along with their maximum accumulation.

	Earned leaves entitlement per year (days)	Maximum accumulation of compensated leaves (days)
Service up to 14 years	15	30
Service of 15 years or more	21	42

Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to unconsolidated statement of profit or loss. The most recent valuation was carried out as at December 31, 2025 using the "Projected Unit Credit Method".

The amount recognised in the unconsolidated statement of financial position represents the present value of the defined benefit obligations. Actuarial gains and losses are charged to the unconsolidated statement of profit or loss immediately in the period when these occur.

Projected unit credit method, using the following significant assumptions, has been used for valuation of accumulating compensated absences:

	2025	2024
Discount rate per annum	12.25%	12.25%
Expected rate of increase in salary level per annum	11.00%	12.25%
Expected mortality rate	SLIC 2001-2005 Setback 1 Year	SLIC 2001-2005 Setback 1 Year
Duration of the plan (years)	6	6

4.12 Other receivables

Other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the other receivables with the objective of collecting the contractual cash flows and therefore measures the other receivables subsequently at amortised cost using the effective interest method less loss allowance. Refer note 4.8.4 to these unconsolidated financial statements for the Company's policy on the impairment of other receivables.

4.13 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Additionally, cash and cash equivalents encompass short-term borrowings that are repayable on demand and are an integral part of the Company's cash management, as well as bank overdrafts. Bank overdrafts and short-term borrowings are presented within borrowings in current liabilities in the statement of financial position.

4.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently accounted at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification at the reporting date.

4.15 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

4.16 Finance income

Finance income comprises interest income on funds invested (financial assets), gain on disposal of financial assets and changes in fair value of investments. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

4.17 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in these unconsolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs'), which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

4.18 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

4.19 Dividends and appropriation to reserves

Dividend distribution to the Company's members and appropriations to reserves are recognised in the financial statements in the period in which these are approved.

4.20 Compound financial instruments

Compound financial instruments issued by the Company represent preference shares/convertible stock that can be converted into ordinary shares or can be settled in cash.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition.

4.21 Provisions

Provisions for legal claims and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period taking in consideration the amount that the Company would rationally pay to settle the obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4.22 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

4.23 Earnings per share

The Company presents basic and diluted earnings per share ('EPS') data for its ordinary shares.

Basic EPS is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted EPS adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

4.24 Contingent liabilities and assets

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised. A contingent liability is disclosed unless the possibility of an outflow is remote.

Contingent asset is disclosed when an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements since this may result in recognition of income that may never be realised.

Contingent liabilities and assets are generally estimated using:

- The single most likely outcome.
- A weighted average of all the possible outcomes (the 'expected value' method). This is likely to be the most appropriate method for a large population of similar claims, but can also be applied to a single obligation with various possible outcomes.

4.25 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Rupee unless otherwise stated.

5. Issued, subscribed and paid up share capital - ordinary share capital

2025		2024		2025		2024	
(Number of shares)				(Rupees in thousand)			
33,603,295	33,603,295	Ordinary shares of Rs 10 each fully paid in cash		336,033	336,033		
		Ordinary shares of Rs 10 each issued for consideration other than cash (property, plant and equipment)		1,488	1,488		
148,780	148,780	Ordinary shares of Rs 10 issued against conversion of preference shares/convertible stock		50,000	50,000		
5,000,000	5,000,000	Ordinary shares of Rs 10 each issued as fully paid bonus shares		506,274	506,274		
50,627,429	50,627,429			893,795	893,795		
89,379,504	89,379,504						

5.1 32,103,851 (2024: 26,707,201) ordinary shares of the Company are held by the Company's associate, IGI Holdings Limited, comprising 5,396,650 held directly and 26,707,201 held through its wholly owned subsidiary, IGI Investments (Private) Limited.

6. Other reserves

Composition of other reserves is as follows:

Capital reserves

	Note	2025	2024
(Rupees in thousand)			
- Share premium	6.1	3,766,738	3,766,738
- FVOCI reserve	6.2	20,939,295	23,214,961
- Capital redemption reserve	6.3	1,615,000	1,615,000
		26,321,033	28,596,699

Revenue reserve

	Note	2025	2024
(Rupees in thousand)			
- General reserve	6.4	22,810,333	22,810,333
		49,131,366	51,407,032

- 6.1 This reserve can be utilised by the Company only for the purposes specified in section 81 of the Act.
- 6.2 This represents unrealised gain on remeasurement of equity investments at FVOCI and is not available for distribution. The amount is net of deferred tax.
- 6.3 This reserve was created on account of redemption of 8.5 million preference shares/convertible stock of Rs 190 each in 2016 as per the requirements of section 85 of the repealed Companies Ordinance, 1984.
- 6.4 This represents amounts transferred from un-appropriated profits and is maintained for general business purposes.

7. Long term finances from financial institutions

	Note	2025	2024
(Rupees in thousand)			
Preference shares/convertible stock - unsecured	7.1	932,650	932,650
Long term loans - secured	7.2 & 7.3	16,906,250	7,318,750
		17,838,900	8,251,400
Current portion shown under current liabilities	12	(1,712,500)	(1,312,500)
		16,126,400	6,938,900

7.1 Preference shares/convertible stock - unsecured

During the year 2009, the Company issued 10.00% local currency non-voting preference shares/convertible stock at the rate of Rs 190 per share amounting to USD 50 million equivalent to Rs 4,120.50 million under "Subscription Agreement" dated March 25, 2009 with International Finance Corporation ('IFC').

Terms of redemption/conversion

Each holder of preference shares/convertible stock shall have a right to settle at any time, at the option of holder, either in the form of fixed number of ordinary shares, one ordinary share for one preference share/convertible stock, or cash. The Company may, on its discretion, refuse to purchase the preference shares/convertible stock offered to it for purchase in cash. In case of refusal by the Company, preference shareholders shall have the right to either retain the preference shares/convertible stock or to convert them into ordinary shares. The preference shares/convertible stock can be held till perpetuity if preference shareholders do not opt for the conversion or cash settlement.

Rate of return

The preference share/convertible stock holders have a preferred right of return at the rate of 10.00% per annum on a non-cumulative basis till the date of settlement of preference shares/convertible stock either in cash or ordinary shares. In case the amount of dividend paid to an ordinary shareholder exceeds that paid to a preference shareholder, the preference shareholders have the right to share the excess amount with the ordinary shareholders on an as-converted basis.

Preference shares/convertible stock are recognised in the unconsolidated statement of financial position as follows:

	Note	2025	2024
(Rupees in thousand)			
Face value of preference shares/convertible stock [8,186,842 (2024: 8,186,842) shares of Rs 190 each]		1,555,500	1,555,500
Transaction costs		(16,628)	(16,628)
		1,538,872	1,538,872
Equity component - classified under equity		(606,222)	(606,222)
Liability component - classified under long term finances		932,650	932,650
Accrued return on preference shares/convertible stock - classified under accrued finance cost	15	155,550	155,550

The fair value of the liability component of the preference shares/convertible stock is calculated by discounting cash flows at a rate of approximately 16.50% per annum till perpetuity which represents the rate of similar instrument with no associated equity component. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity as preference shares/convertible stock.

7.1.1 Transactions with preference shareholders

This represents the additional entitlement of the preference shareholders as mentioned in note 7.1. In addition to the preferred right of return at the rate of 10 percent per annum, either in cash or ordinary shares on a non-cumulative basis till the date of settlement of preference shares/convertible stock, the preference shareholders also have the right to share the excess amount with the ordinary shareholders on an as-converted basis in case the amount of dividend per share paid to an ordinary shareholder exceeds the amount paid to a preference shareholder. Since ordinary dividend of Rs 15 per share was approved for the year ended December 31, 2024, it did not exceed the preferred return for that year, hence no additional preference dividend was paid to the preference shareholders.

7.2 Long term loans from financial institutions - secured

Lender	Sanctioned Limit	2025	2024	Tenor of principal repayments	Mark-up as per Agreement	Security
(Rupees in thousand)						
1 Allied Bank Limited - Term Finance	800,000	300,000	500,000	03 equal semi-annual installments ending on January 4, 2027	The markup on the facility is payable quarterly at the rate of six month Karachi Inter-Bank Offered Rate ("KIBOR") per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
2 Allied Bank Limited - Term Finance	750,000	281,250	468,750	03 equal semi-annual installments ending on January 4, 2027	The markup on the facility is payable quarterly at the rate of six month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
3 Allied Bank Limited - Term Finance	1,200,000	450,000	750,000	03 equal semi-annual installments ending on January 11, 2027	The markup on the facility is payable quarterly at the rate of six month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
4 Allied Bank Limited - Term Finance	900,000	675,000	900,000	06 equal semi-annual installments ending on September 12, 2028	The markup on the facility is payable semi-annually at the rate of six month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
5 Allied Bank Limited - Term Finance	3,200,000	2,800,000	3,200,000	07 equal semi-annual installments ending on April 26, 2029	The markup on the facility is payable semi-annually at the rate of six month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
6 Allied Bank Limited - Term Finance	1,500,000	1,500,000	1,500,000	10 equal semi-annual installments starting from June 30, 2027	The markup on the facility is payable semi-annually at the rate of six month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
7 Faysal Bank Limited - Term Finance	4,000,000	4,000,000	-	10 equal semi-annual installments starting from December 1, 2027	The markup on the facility is payable semi-annually at the rate of six month KIBOR per annum.	The facility is secured against an exclusive mortgage of Rs 5,334 million over land owned by Packages Limited measuring 114 Kanals and 15 Marlas, located on Walton Road, Lahore, with a carrying amount of Rs 130.131 million.

Lender	Sanctioned Limit	2025	2024	Tenor of principal repayments	Mark-up as per Agreement	Security
(Rupees in thousand)						
8 Allied Bank Limited - Term Finance	4,000,000	4,000,000	-	Repayment will be made in following tranches: Tranche 1 of Rs 800 million 10 equal semi-annual installments starting from December 18, 2027 Tranche 2 of Rs 2,550 million 10 equal quarterly installments starting from June 8, 2028 Tranche 3 of Rs 650 million 10 equal quarterly installments ending on July 1, 2028	The markup on the facility is payable semi-annually at the rate of six month KIBOR per annum.	The facility is secured against ranking charge over the following lands owned by the Company, with a total book value of Rs 317.226 million, located in Lahore and Karachi, with 10% margin: - Land measuring 05 Kanal 17 Marla (out of total land measuring 16 Kanal 10 Marla) bearing Khasra Nos. 438 (1K-17M), 451 (4K), situated at Hadbast Mouza Amar Sidhu, Lahore. - Land measuring 05 Kanal 16 Marla (out of land measuring 11 Kanal 09 Marla) bearing Khasra No. 455 (3K-8M), 456 (2K-8M) situated at Hadbast Mouza Amar Sidhu, Lahore. - All that piece and parcel of Land measuring 5 Kanal 10 Marla (out of land measuring 18 Kanal 10 Marla), bearing Khasra No. 443 (5K-10M) situated at Hadbast Mouza Amar Sidhu, Lahore - Land measuring 2 Kanal 14 Marla (out of land measuring 6 Kanal 08 Marla), bearing Khasra No. 457 (2K-14M) situated at Hadbast Mouza Amar Sidhu, Lahore. - Land measuring 05 Kanal 01 Marla (out of land measuring 18 Kanal 02 Marla), bearing Khasra No. 434 (1K-19M), 438 (3K-2M) situated at Hadbast Mouza Amar Sidhu, Lahore - Lease hold rights relating to Plot No W2/1/59 (Warehouse) measuring 1 Acre, Plot No. W2/1/61 measuring 1 Acre and Plots No. A-36 & F-36 and measuring 7 Acres situated in the North Western Zone, Port Qasim Area, Karachi. - Lease hold rights relating to Industrial land bearing Plot No. 6 measuring 6,667 Square Yards, situated in Sector 28 of the Korangi Industrial Area, Karachi. Lease hold rights relating to Industrial land bearing Plot No. 6/1, measuring 9,444.44 Square Yards situated in Sector 28 of the Korangi Industrial Area, Karachi.
9 Allied Bank Limited - Term Finance	1,500,000	1,500,000	-	10 equal semi-annual installments starting from December 30, 2027	The markup on the facility is payable semi-annually at the rate of six month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
10 Allied Bank Limited - Term Finance	1,400,000	1,400,000	-	10 equal semi-annual installments starting from June 21, 2028	The markup on the facility is payable semi-annually at the rate of six month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Company.
Total	19,250,000	16,906,250	7,318,750			
Accrued mark up on long term loans		158,361	165,291			
Amortized cost of long term loans		17,064,611	7,484,041			
Current portion of long term loans from financial institutions - secured (principal portion)		(1,712,500)	(1,312,500)			
Current portion of long term loans from financial institutions - secured (accrued mark up portion)		(158,361)	(165,291)			
Long term portion of loans from financial institutions		15,193,750	6,006,250			

7.3 The reconciliation of the carrying amount is as follows:	Note	2025	2024
		(Rupees in thousand)	
Opening balance		7,318,750	6,506,250
Disbursements during the year		10,900,000	1,500,000
Repayments during the year		(1,312,500)	(687,500)
Closing balance		16,906,250	7,318,750
Current portion shown under current liabilities	12	(1,712,500)	(1,312,500)
		<u>15,193,750</u>	<u>6,006,250</u>

8. Long term advances

This represents contributions made by employees for purchase of the Company vehicles. The vehicles are transferred to employees at the end of six years as per the Company's policy. These have been carried at amortized cost using market interest rates ranging from 7.50% to 22.09% (2024: 7.50% to 22.09%) per annum for similar instruments. The reconciliation of the carrying amount is as follows:

	Note	2025	2024
		(Rupees in thousand)	
Opening balance		43,501	23,639
Additions during the year		86,417	55,064
Adjustments during the year		(46,422)	(13,377)
Discounting adjustment of long term advances		(24,007)	(24,225)
Unwinding of discount on liability	31	26,648	2,400
Closing balance		<u>86,137</u>	<u>43,501</u>

9. Deferred taxation

The net liability / (asset) for deferred taxation comprises deductible / (taxable) temporary differences relating to:

	Note	2025	2024
		(Rupees in thousand)	
Deferred tax liability			
Change in fair value of investments at fair value through other comprehensive income		2,326,588	-
Preference shares issuance cost on unredeemed liability portion		1,008	1,008
		<u>2,327,596</u>	<u>1,008</u>
Deferred tax asset			
Provision for accumulating compensated absences		(15,436)	(12,208)
Loss allowance on financial assets		(15,561)	(8,250)
Accelerated accounting depreciation		(4,214)	(8,864)
Others		-	(1,400)
		<u>(35,211)</u>	<u>(30,722)</u>
Net deferred tax liability / (asset)	9.1	<u>2,292,385</u>	<u>(29,714)</u>

9.1 The gross movement in net deferred tax liability / (asset) during the year is as follows:

	Note	2025	2024
		(Rupees in thousand)	
Opening balance - asset		(29,714)	(31,780)
(Credited)/charged to statement of profit or loss	32	(4,489)	2,066
Charged to other comprehensive income		2,326,588	-
Closing balance - liability/(asset)		<u>2,292,385</u>	<u>(29,714)</u>

10. Employee benefit obligations

This represents:			
Pension	10.1	1,018,798	880,727
Gratuity	10.1	382,794	346,347
		<u>1,401,592</u>	<u>1,227,074</u>

10.1 Amounts recognised in unconsolidated statement of financial position

The amounts recognised in the unconsolidated statement of financial position are as follows:

Note	Pension fund		Gratuity fund	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Present value of defined benefit obligation	10.3	1,018,798	951,467	696,769
Less: fair value of plan assets	10.4	-	70,740	313,975
Liability as at year end		<u>1,018,798</u>	<u>880,727</u>	<u>382,794</u>

10.2 Movement in net liability for employee benefit obligations

Net liability at beginning of the year	880,727	741,722	346,347	205,203
Charged to unconsolidated statement of profit or loss	107,890	114,967	78,030	93,389
Net remeasurement for the year charged/(credited) to OCI	30,181	24,038	(20,248)	62,837
Contribution made by the Company during the year	-	-	(21,335)	(15,082)
Net liability at end of the year	<u>1,018,798</u>	<u>880,727</u>	<u>382,794</u>	<u>346,347</u>

10.3 Movement in present value of defined benefit obligation

Present value of defined benefit obligation at beginning of the year	951,467	885,716	573,713	381,867
Current service cost	-	-	36,638	24,458
Interest cost	109,961	129,665	68,184	58,986
Benefits paid during the year	(107,657)	(98,329)	(34,220)	(2,616)
Amount transferred from defined contribution plan	26,341	-	-	-
Past service cost	-	-	271	38,294
Liability transferred from group companies	-	-	67,925	5,237
Remeasurements - OCI:				
Actuarial losses/(gains) from change in financial assumptions	54,503	11,261	(636)	(1,215)
Experience adjustments	(15,817)	23,154	(15,106)	68,702
	<u>38,686</u>	<u>34,415</u>	<u>(15,742)</u>	<u>67,487</u>
Present value of defined benefit obligation at end of the year	<u>1,018,798</u>	<u>951,467</u>	<u>696,769</u>	<u>573,713</u>

10.4 Movement in fair value of plan assets

Fair value as at beginning of the year	70,740	143,994	227,366	176,664
Interest income on plan assets	2,071	14,698	27,063	28,349
Company contributions	-	-	21,335	15,082
Amount transferred from defined contribution plan	26,341	-	-	-
Benefits paid during the year	(107,657)	(98,329)	(34,220)	(2,616)
Plan assets transferred from group companies	-	-	67,925	5,237
Return on plan assets, excluding interest income - OCI	8,505	10,377	4,506	4,650
Fair value as at end of the year	<u>-</u>	<u>70,740</u>	<u>313,975</u>	<u>227,366</u>

Note	Pension fund		Gratuity fund	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
10.5 Amounts recognised in the unconsolidated statement of profit or loss				
Current service cost	-	-	36,638	24,458
Interest cost	109,961	129,665	68,184	58,986
Interest income on plan assets	(2,071)	(14,698)	(27,063)	(28,349)
Past service cost	-	-	271	38,294
Net expense for the year charged to unconsolidated statement of profit or loss	107,890	114,967	78,030	93,389
10.6 Total remeasurements charged/(credited) to OCI				
Actuarial losses/(gain) from change in financial assumptions	54,503	11,261	(636)	(1,215)
Experience adjustments	(15,817)	23,154	(15,106)	68,702
Remeasurement in plan assets, excluding interest income	(8,505)	(10,377)	(4,506)	(4,650)
Total remeasurements charged/(credited) to OCI	30,181	24,038	(20,248)	62,837
10.7 Plan assets				
Plan assets are comprised as follows:				
Debt instruments	-	55,046	262,986	203,441
Equity investments	-	15,353	33,155	21,423
Cash at banks	-	341	17,834	2,502
	-	70,740	313,975	227,366

10.8 For the principal actuarial assumptions used in the actuarial valuation, please refer note 4.11.2 to these unconsolidated financial statements.

10.9 Risks faced by the Company on account of gratuity and pension obligations

- (i) **Final salary risk** (linked to inflation risk) - the risk that the final salary at the time of cessation of service is greater than the assumed salary. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.
- (ii) **Asset volatility** - Most assets are invested in risk free investments of 3, 5 or 10 year Pakistan Investment Bonds or treasury bills. However, investments in equity instruments is subject to adverse fluctuations as a result of change in the market price.
- (iii) **Discount rate fluctuation** - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.
- (iv) **Investment risks** - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investments.
- (v) **Risk of insufficiency of assets** - This is managed by making regular contribution to the fund as per the trust deed.

(vi) Demographic risks:

- **Mortality risk** - the risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- **Withdrawal risk** - the risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

10.10 Sensitivity analysis

Year end sensitivity analysis on defined benefit obligations are as follows:

	2025	
	Pension fund	Gratuity fund
	(Rupees in thousand)	
Discount rate + 100 bps	933,335	671,824
Discount rate - 100 bps	1,059,044	724,942
Salary growth rate + 100 bps	1,068,996	724,929
Salary growth rate - 100 bps	923,828	671,381
	2024	
	Pension fund	Gratuity fund
	(Rupees in thousand)	
Discount rate + 100 bps	894,077	1,597,864
Discount rate - 100 bps	1,016,171	1,833,883
Salary growth rate + 100 bps	1,024,860	1,833,879
Salary growth rate - 100 bps	885,728	1,595,877

11. Accumulating compensated absences

This represents provision made to cover the obligation for accumulating compensated absences

	Note	2025		2024	
		(Rupees in thousand)			
Opening liability		122,073		86,265	
Charged to unconsolidated statement of profit or loss	11.2	30,996		37,681	
		153,069		123,946	
Payments made during the year		(6,547)		(1,700)	
Liability transferred out to group companies		-		(1,323)	
Liability transferred in from group companies		7,840		1,150	
Liability as at year end	11.1	154,362		122,073	
11.1 Movement in liability for accumulating compensated absences					
Present value as at beginning of the year		122,073		86,265	
Current service cost		15,305		18,972	
Interest cost		14,553		13,239	
Remeasurement in respect of experience adjustments		1,138		5,470	
		30,996		37,681	
Benefits paid during the year		(6,547)		(1,700)	
Liability transferred out to group companies		-		(1,323)	
Liability transferred in from group companies		7,840		1,150	
Present value as at year end		154,362		122,073	

11.2 Charge for the year

	2025	2024
	(Rupees in thousand)	
Current service cost	15,305	18,972
Interest cost	14,553	13,239
Remeasurement during the year	1,138	5,470
Total expense for the year	30,996	37,681

11.3 Sensitivity analysis

	Accumulating compensated absences	
	2025	2024
	(Rupees in thousand)	
Year end sensitivity analysis (+/- 100 bps) on defined benefit obligation:		
Discount rate + 100 bps	145,496	115,488
Discount rate - 100 bps	164,555	129,649
Salary growth rate + 100 bps	164,530	129,630
Salary growth rate - 100 bps	130,219	121,156

11.4 For the principal actuarial assumptions used in the actuarial valuation, please refer to the note 4.11.3 to these unconsolidated financial statements.

11.5 The Company faces the following risks on account of accumulating compensated absences:

(i) **Final salary risk** (linked to inflation risk) – the risk that the final salary at the time of cessation of service is greater than the assumed salary. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

(ii) Demographic risks:

- **Mortality Risk** - the risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- **Withdrawal Risk** - the risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

12. Current portion of non-current liability

	Note	2025	2024
		(Rupees in thousand)	
Current portion of long term finances	7	1,712,500	1,312,500

13. Short term borrowings from financial institutions - secured

	Note	2025	2024
Money market loan - secured	13.1	-	1,000,000
Running finances - secured	13.2	394,758	-
		394,758	1,000,000

13.1 Money market loan - secured

Short-term finances (money market loan) amounting to Nil (2024: Rs 1,000 million) which is a sub limit of the total running finances available, were obtained by the Company from Allied Bank Limited. The rate of mark-up is based on three months Karachi Inter-Bank Offered Rate (KIBOR) minus a spread of 1.5% per annum and was 10.74% (2024: 10.74% to 13.82%) per annum charged on the balances outstanding. The mark-up is payable at maturity of three months. These loans are secured against the pledge of Nestle Pakistan Limited's shares owned by the Company under a 'Share Pledge Agreement'.

13.2 Running finances - secured

Short term running finances available from commercial banks under mark-up arrangements aggregate Rs 4,000 million (2024: Rs 4,000 million). The rates of mark-up charged are based on one to three month KIBOR plus spread of 0% to 0.10% per annum and range from 11.17% to 13.35% (2024: 14.93% to 22.34%) per annum or part thereof on the balances outstanding. The aggregate running finances are secured against pledge of Nestle Pakistan Limited's shares owned by the Company under a 'Share Pledge Agreement'.

13.3 Bank guarantees

Out of the aggregate guarantee facilities of Rs 260 million (2024: Rs 260 million), the amount utilized as of December 31, 2025 was Rs 122.680 million (2024: Rs 122.680 million).

14. Trade and other payables

	Note	2025	2024
		(Rupees in thousand)	
Accounts payable	14.1	162,679	154,439
Accrued liabilities	14.2 & 14.3	865,358	631,351
Sales tax payable		210	3,433
Withholding income tax payable		39,721	28,112
Deposits	14.4	400	8,198
Profit payable on Term Finance Certificates ('TFCs')		1,387	1,387
Others		1,959	4,031
		1,071,714	830,951

14.1 Includes amounts due to the following related parties against expenses borne on behalf of the Company:

	2025	2024
	(Rupees in thousand)	
Bulleh Shah Packaging (Private) Limited	21,427	86,081
Packages Convertors Limited	41,980	13,471
IGI General Insurance Limited	4,808	-
IGI Life Insurance Limited	5,879	2,475
Hoechst Pakistan Limited	-	314
Tri-Pack Films Limited	-	745
StarchPack (Private) Limited	296	1,599
Packages Trading FZCO	56,669	2,940
DIC Pakistan Limited	59	560
	131,118	108,185

14.2 Includes amounts due to the following related parties in respect of services rendered by such parties:

	2025	2024
	(Rupees in thousand)	
IGI General Insurance Limited	469	2,044
Packages Convertors Limited	3,231	1,877
DIC Pakistan Limited	-	177
Bulleh Shah Packaging (Private) Limited	2,054	10,210
Josef Meinrad Mueller	3,300	2,897
	9,054	17,205

14.3 This includes provision amounting to Rs 736 million (2024: Rs 550 million) in respect of rent of land on lease from the Government of the Punjab ('GoPb') for the period from December 2015 to December 2025.

A portion of the land on which the Company's buildings are situated (note 18), measuring 231 Kanals and 19 Marlas, was leased out to the Company by GoPb from December 1955 till November 2015 after which the lease has not been renewed. During the year 2015, the Company approached the Board of Revenue ('BoR'), GoPb to renew the lease, however, adequate response was not received. On January 5, 2019, the Supreme Court of Pakistan ('Court'), summoned BoR, to which the BoR stated that the

new policy of the GoPb is not to lease state land but to sell it through open auction. Consequently, the Company was directed to deposit Rs 500 million with the BoR as security to the payment of outstanding amount of rent to be determined, with such amount being adjustable against final amount of rent. The Company deposited such amount in compliance with the direction on January 10, 2019. The Court further directed Additional Advocate General, Punjab on January 16, 2019 that subject to the Court's approval, two surveyors be appointed for determination of rent based on industrial usage of the land for the period from December 2015 till date. The surveyors were appointed, who submitted their independent valuation reports to BoR and the Court. The matter is pending for further action as of the date of the authorization for issue of unconsolidated financial statements. Moreover, the Court has further decided that the land shall be sold through an open auction with the Company getting the first right of refusal.

The management has, on the basis of assessment of fair value of the said portion of land by independent valuers, as appointed by the Court, and its understanding of the prevalent market terms relating to rent of such properties in the vicinity of the said portion of land, recognised an expense of Rs 186 million (2024: Rs 150 million) in respect of rent for the year ended December 31, 2025. The management is confident that the final amount of rent will be in congruence with the provision made in these unconsolidated financial statements, inter alia based on the fair value determined by the independent valuers and the relevant facts and circumstances.

Furthermore, the management also intends to acquire the title of the said portion of land when the open auction takes place and is confident that it will be able to meet the highest bid.

14.4 This represents interest free amounts received from suppliers and truckers as per the respective agreements and kept in separate bank account maintained for that purpose as required under Section 217(2) of the Act and are repayable on demand. These deposits have not been utilized by the Company.

15. Accrued finance cost

Accrued mark-up/interest on:

- Long term loans from financial institutions - secured
- Preference shares/convertible stock - unsecured
- Short term borrowings from financial institutions - secured

Note	2025	2024
	(Rupees in thousand)	
	158,361	165,291
7.1	155,550	155,550
	25,967	24,587
	<u>339,878</u>	<u>345,428</u>

16. Contingencies and commitments

16.1 Contingencies:

- (i) Claims against the Company by ex-employees not acknowledged as liabilities amounting to Rs 13 million (2024: Rs 13 million).
- (ii) Guarantees issued to the following parties:
 - Pakistan State Oil Company Limited against fuel cards issued to employees amounting to Rs 13 million (2024: Rs 13 million).
 - Sui Northern Gas Pipelines Limited against supply of gas amounting to Rs 7.5 million (2024: Rs 7.5 million).
 - Lahore Electricity Supply Company Limited against supply of electricity amounting to Rs 35.600 million (2024: Rs 35.600 million).
 - Director of Excise and Taxation Department in respect of petition pending in Sindh High Court regarding Infrastructure Development Cess amounting to Rs 54 million (2024: Rs 54 million).
 - Nazir High Court of Sindh against order passed by Customs Appellate Tribunal amounting to Rs 12.580 million (2024: Rs 12.580 million).

(iv) For contingencies relating to sales tax and income tax, refer notes 22.4 and 23 respectively.

16.2 Commitments:

- (i) As of December 31, 2025, the Company has no commitments (2024: Nil).

17. Property, plant and equipment

Operating fixed assets
Capital work-in-progress

Note	2025	2024
	(Rupees in thousand)	
	734,418	593,261
	3,591	10,869
	<u>738,009</u>	<u>604,130</u>

17.1 Operating fixed assets

	2025						
	Cost as at January 1, 2025	Additions / (deletions)	Cost as at December 31, 2025	Accumulated depreciation as at January 1, 2025	Depreciation charge / (deletions) for the year - note 17.1.2	Accumulated depreciation as at December 31, 2025	Book value as at December 31, 2025
	(Rupees in thousand)						
Leasehold land - note 17.1.1	1,392	-	1,392	424	15	439	953
Buildings on freehold land	120,478	1,738	122,216	12,912	7,218	20,130	102,086
Buildings on leasehold land	4,154	-	4,154	4,154	-	4,154	-
Other equipment (computers and other office equipment)	80,314	33,479 (4,160)	109,633	35,148	17,578 (2,637)	50,089	59,544
Furniture and fixtures	688	1,923	2,611	208	690	898	1,713
Vehicles	517,963	330,883 (172,573)	676,273	78,882	55,362 (28,093)	106,151	570,122
	<u>724,989</u>	<u>368,023 (176,733)</u>	<u>916,279</u>	<u>131,728</u>	<u>80,863 (30,730)</u>	<u>181,861</u>	<u>734,418</u>
	(Rupees in thousand)						
	2024						
	Cost as at January 1, 2024	Additions / (deletions)	Cost as at December 31, 2024	Accumulated depreciation as at January 1, 2024	Depreciation charge / (deletions) for the year - note 17.1.2	Accumulated depreciation as at December 31, 2024	Book value as at December 31, 2024
	(Rupees in thousand)						
Leasehold land - note 17.1.1	1,392	-	1,392	410	14	424	968
Buildings on freehold land	43,946	76,532	120,478	8,705	4,207	12,912	107,566
Buildings on leasehold land	4,154	-	4,154	4,154	-	4,154	-
Other equipment (computers and other office equipment)	54,664	28,249 (2,599)	80,314	23,966	12,991 (1,809)	35,148	45,166
Furniture and fixtures	290	398	688	78	130	208	480
Vehicles	319,654	257,729 (59,420)	517,963	42,906	43,960 (7,984)	78,882	439,081
	<u>424,100</u>	<u>362,908 (62,019)</u>	<u>724,989</u>	<u>80,219</u>	<u>61,302 (9,793)</u>	<u>131,728</u>	<u>593,261</u>

17.1.1 Leasehold land comprises lands situated in Karachi and Haripur which were obtained by the Company on lease and are being amortized over the term of 36.5 years and 73 years respectively. The title of lands remains with the lessor at the end of the lease term. However, leasehold lands have been included in property, plant and equipment in accordance with the clarification issued by the Institute of Chartered Accountants of Pakistan through selected opinion.

17.1.2 Depreciation charged on operating fixed assets has been allocated to 'Administrative expenses'.

17.1.3 Sale of operating fixed assets

Detail of operating fixed assets sold during the year, having book value of Rs 500,000 and more, is as follows:

2025							
Particulars of assets	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
(Rupees in thousand)							
Vehicles	Employees						As per Company policy
	Abid Riaz	7,143	2,083	5,060	5,283	223	
	M.Usman Sabir	5,443	1,406	4,037	3,453	(584)	- do -
	Mohammad Salman	2,754	711	2,043	1,691	(352)	- do -
	Tahira Yasmin	8,250	1,512	6,738	6,878	140	- do -
	Muhammad Daniyal Ijaz	2,799	560	2,239	2,060	(179)	- do -
	Saad Moeen Bajwa	8,829	1,545	7,284	7,987	703	- do -
	Ibrahim Shah Khan	5,874	685	5,189	5,212	23	- do -
	Zuhair Riaz	4,714	589	4,125	4,125	-	- do -
	Syed Mazahir Mehdi	2,894	362	2,532	2,480	(52)	- do -
	Faizan Arshad	4,760	436	4,324	4,051	(273)	- do -
	Zain Shahid	2,756	253	2,503	2,348	(155)	- do -
	Mahnoor Pasha	3,045	228	2,817	2,744	(73)	- do -
	Salar Khawaja	2,707	203	2,504	2,444	(60)	- do -
	Syeda Amal Minahil Shirazi	9,956	332	9,624	9,956	332	- do -
	Shoaib Nangiana	2,753	1,652	1,101	1,486	385	- do -
	Ahsan Javed	1,278	746	532	661	129	- do -
	Khurram Saeed	2,399	740	1,659	1,960	301	- do -
	Awais Jawaid	3,022	882	2,140	2,068	(72)	- do -
	Zainab Ihtikhar	4,455	1,077	3,378	2,977	(401)	- do -
	Muhammad Aamir	3,992	931	3,061	2,475	(586)	- do -
	Ahsan Arshad	3,718	589	3,129	2,737	(392)	- do -
	M Hassaan	3,718	496	3,222	2,943	(279)	- do -
	Maisam Hasan	5,984	798	5,186	4,909	(277)	- do -
	Malik Umair Aslam	5,449	636	4,813	4,698	(115)	- do -
	Salman Haider	6,952	290	6,662	6,399	(263)	- do -
	Key Management Personnel						
	Iqra Sajjad	5,049	1,220	3,829	3,101	(728)	- do -
	Jawad Gillani	7,168	492	6,676	6,138	(538)	- do -
	Faizan Mahmood	8,890	2,371	6,519	6,104	(415)	- do -
	Group Transfers						
	Maisam Hasan	12,309	308	12,001	12,001	-	- do -
	Owais Chhipa	8,724	945	7,779	7,779	-	- do -
	M Anas Bin Azam	3,907	488	3,419	3,419	-	- do -
	Muneeb Abid	8,279	966	7,313	7,313	-	- do -
	Outsiders						
	Shaukat Ali	2,603	1,562	1,041	4,051	3,010	Negotiation

2024							
Particulars of assets	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
(Rupees in thousand)							
Vehicles	Employees						As per Company policy
	Abid Riaz	2,651	552	2,099	2,040	(59)	
	Nauman Rashid	7,141	952	6,189	6,296	107	- do -
	Khubaib Alam	4,489	673	3,816	3,512	(304)	- do -
	Saad Moeen Bajwa	5,949	702	5,247	5,457	210	- do -
	Ummeh-Farwa Zaidi	8,230	549	7,681	7,759	78	- do -
	Farwa Saleem	1,433	478	955	886	(69)	- do -
	Umair Riaz	1,610	429	1,181	1,071	(110)	- do -
	Abdul Kabeer	1,546	219	1,327	1,181	(146)	- do -
	Zaheer Asghar	1,747	320	1,427	1,311	(116)	- do -
	Sajal Faheem	2,607	456	2,151	2,031	(120)	- do -
	Ali Nazeer	2,428	93	2,335	2,036	(299)	- do -
	Zahra Batool	3,287	356	2,931	2,852	(79)	- do -
	Khola Malik	3,718	310	3,408	3,718	310	- do -
	Group Transfers						
	Kamran Waheed	8,849	369	8,480	8,481	1	- do -
	Outsiders						
	Shakoor Hussain	3,735	1,525	2,210	4,650	2,440	Negotiation

17.2 Capital work-in-progress

This represents advances to suppliers. The reconciliation of the carrying amount is as follows:

	Note	2025	2024
(Rupees in thousand)			
Balance as at January 1		10,869	13,179
Advances given during the year		5,387	90,045
Transferred to operating fixed assets		(12,665)	(92,355)
Balance as at December 31		3,591	10,869
18. Investment properties			
Investment properties	18.1	1,906,871	1,919,924
Capital work-in-progress	18.2	59,458	-
		1,966,329	1,919,924

18.1 Investment properties

2025							
Cost as at January 1, 2025	Additions/ (Deletions)	Cost as at December 31, 2025	Accumulated depreciation as at January 01, 2025	Depreciation charge / (deletions) for the year - note 18.1.1	Accumulated depreciation as at December 31, 2025	Book value as at December 31, 2025	
(Rupees in thousand)							
Freehold land - notes 18.1.2 to 18.1.7	1,549,187	28,595	1,577,782	-	-	-	1,577,782
Leasehold land	99,218	-	99,218	33,341	2,137	35,478	63,740
Buildings on freehold land	958,139	-	958,139	662,405	37,945	700,350	257,789
Buildings on leasehold land - note 14.3	39,575	-	38,914	30,449	1,566	31,354	7,560
	(661)				(661)		
	2,646,119	28,595	2,674,053	726,195	41,648	767,182	1,906,871
	(661)				(661)		
2024							
Cost as at January 1, 2024	Additions/ (Deletions)	Cost as at December 31, 2024	Accumulated depreciation as at January 01, 2024	Depreciation charge / (deletions) for the year - note 18.1.1	Accumulated depreciation as at December 31, 2024	Book value as at December 31, 2024	
(Rupees in thousand)							
Freehold land - notes 18.1.2 to 18.1.7	1,062,797	486,390	1,549,187	-	-	-	1,549,187
Leasehold land	88,684	10,534	99,218	31,205	2,136	33,341	65,877
Buildings on freehold land	958,139	-	958,139	622,844	39,561	662,405	295,734
Buildings on leasehold land - note 14.3	39,575	-	39,575	28,873	1,576	30,449	9,126
	2,149,195	496,924	2,646,119	682,922	43,273	726,195	1,919,924

18.1.1 Depreciation charge for the year has been allocated to administrative expenses.

18.1.2 The Company's land measuring 127 Kanals, 28 Marlas and 283.25 square feet in Lahore, which has a book value of Rs 6.149 million (2024: Rs 6.149 million), has been mortgaged as security under a first exclusive equitable charge of Rs 7,800 million (2024: Rs 7,800 million) in favour of MCB Bank Limited. The charge secures a term finance facility of up to Rs 4,500 million and a running finance facility of up to Rs 2,000 million provided by MCB Bank Limited to subsidiary, Packages Real Estate (Private) Limited (PREPL) under a tri-partite agreement between the Company, MCB Bank Limited and PREPL. In addition, the same land has been mortgaged under a first pari passu charge in favour of Allied Bank Limited against a term finance facility of up to Rs 4,667 million (2024: Rs 4,667 million) extended to PREPL under a separate tri-partite agreement between the Company, Allied Bank Limited and PREPL.

18.1.3 The Company's land measuring 106 Kanals and 14 Marlas in Lahore with a book value of Rs 121.002 million (2024: Rs 121.002 million), has been mortgaged under a first pari passu charge of Rs 2,222 million (2024: Rs 2,222 million) in favour of MCB Bank Limited as security for a term finance facility of up to Rs 2,000 million (2024: Rs 2,000 million) provided to a subsidiary, DIC Pakistan Limited (DIC) under a tri-partite agreement between the Company, MCB Bank Limited and DIC. The same land has additionally been mortgaged under a first pari passu charge of Rs 1,667 million in favour of Allied Bank Limited to secure a term finance facility of up to Rs 1,500 million (2024: Rs 1,500 million) provided to DIC under a tri-partite agreement between the Company, Allied Bank Limited and DIC.

18.1.4 Following are the particulars of the Company's immovable investment properties:

Location	Usage of immovable property	Total area (in Acres)	
		2025	2024
Shahrah-e-Roomi, Lahore, Punjab - note 18.1.4	Rented out	107.30	107.20
Lakho Baryar, Kasur, Punjab - note 18.1.5	Rented out	82.67	82.67
Lakho Baryar, Kasur, Punjab	Kept for capital appreciation	20.41	20.41
Herdo Sehari, Kasur, Punjab	Rented out	35.18	35.18
Herdo Sehari, Kasur, Punjab	Kept for capital appreciation	16.83	16.83
Depalpur, Punjab	Rented out	18.12	18.12
Pakpattan, Punjab	Rented out	21.07	21.07
Dullu Kalan, Lahore, Punjab	Kept for capital appreciation	16.84	16.84
Faizabad, Punjab	Kept for capital appreciation	8.78	8.78
Hujra, Punjab	Rented out	9.86	9.86
Korangi Industrial Area, Karachi, Sindh	Rented out	4.03	4.03
Port Qasim, Karachi, Sindh	Rented out	9.00	9.00
		<u>350.09</u>	<u>349.99</u>

18.1.5 Included within this owned land is a land measuring 51.14 acres that is licensed and rented out to Packages Real Estate (Private) Limited ('PREPL') for its commercial activities and is not included within the leased land as mentioned in note 14.3. A piece of this land has been given as a security against a long term finance facility obtained by PREPL.

18.1.6 Included within the Company's owned land is a 25-acre property located in Kasur, which has a book value of Rs 72.356 million (2024: Rs 72.356 million). This land is rented out to a subsidiary, StarchPack (Private) Limited ('SPL') for its industrial operations and has been mortgaged under a first pari passu charge, in favour of Faysal Bank Limited and Meezan Bank Limited against term finance facilities of Rs 1,500 million each (2024: Rs 1,500 million each). It has also been mortgaged in favour of Habib Bank Limited to secure a term finance facility of Rs 1,900 million (2024: Rs 1,900 million) provided to SPL.

18.1.7 Included within this owned land is a land which has been mortgaged in favour of Allied Bank Limited against term finance facilities of Rs 4,000 million (2024: Rs 4,000 million) as disclosed in loan 8 of note 7.2.

18.1.8 Fair value of the investment properties, based on the valuation carried out by an independent valuer, as at December 31, 2025 is Rs 52,208.70 million (2024: Rs 47,033.899 million). The valuation is considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation. The different levels have been defined in note 44.

Valuation techniques used to derive level 2 fair values

Level 2 fair value of investment property has been derived using a sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot.

18.1.8 Amounts recognised in statement of profit or loss for investment properties:

Note	2025	2024
	(Rupees in thousand)	
Rental income from operating leases	773,940	666,567
Direct operating expenses from property that generated rental income	989	603

18.2 Capital work-in-progress - investment properties

Advance against purchase of land	59,458	-
----------------------------------	--------	---

2025				
Balance as at January 1, 2025	Capital expenditure incurred during the year	Transfer to Investment Property	Adjustments	Balance as at December 31, 2025
(Rupees in thousand)				
-	59,458	-	-	59,458

2024				
Balance as at January 1, 2024	Capital expenditure incurred during the year	Transfer to Investment Property	Adjustments	Balance as at December 31, 2024
(Rupees in thousand)				
80,832	416,092	(496,924)	-	-

18.3 Leasing arrangements

The investment properties are leased out under operating leases with rentals payable monthly, as referred in note 27. Minimum undiscounted lease payments receivable on leases of investment properties are as follows:

	Within 1 year	From 1 year to 2 years	Total
	(Rupees in thousand)		
December 31, 2025	302,374	93,808	396,182
December 31, 2024	324,182	135,060	459,242

19. Intangible assets

Note	2025	2024
	(Rupees in thousand)	
Intangibles	197,433	929
Capital work-in-progress	2,272	-
	<u>199,705</u>	<u>929</u>

19.1 This represents computer software, website development costs and Enterprise Resource Planning ('ERP') system.

Note	2025	2024
	(Rupees in thousand)	
Opening balance	4,123	4,123
Additions during the year	203,600	-
Closing balance	<u>207,723</u>	<u>4,123</u>
Accumulated amortisation		
As at January 1	(3,194)	(2,884)
Amortisation for the year	(7,096)	(310)
As at December 31	<u>(10,290)</u>	<u>(3,194)</u>
Book value as at year end	<u>197,433</u>	<u>929</u>

19.1.1 During the year, SAP S/4HANA system was implemented across certain group companies including the Company. The portion of implementation costs attributable to the Company that meets the capitalisation criteria under IAS 38 - Intangible Assets has been recognised as an intangible asset. The capitalised costs are amortised over their estimated useful life of 10 years using the straight-line method. Amortisation commenced when the system became available for use.

19.2 The amortisation charge for the year has been allocated as follows:

	Note	2025	2024
(Rupees in thousand)			
Administrative expenses	28	7,096	310

19.3 Capital work-in-progress - Intangible assets

Balance as at January 1	-	-
Capital expenditure incurred during the year	205,872	-
Transferred to intangible assets	(203,600)	-
Balance as at December 31	2,272	-

20. Long term investments

These represent the investments in:

- Related parties - at cost	20.1	41,915,788	32,409,878
- Others	20.2	29,065,452	27,220,540
	20.3	70,981,240	59,630,418

20.1 Related parties - at cost

Subsidiary - quoted:

Tri-Pack Films Limited, Karachi, Pakistan

Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan
26,871,931 (2024: 26,871,931) fully paid ordinary shares of Rs 10 each
Equity held 69.26% (2024: 69.26%)

Note	2025	2024
(Rupees in thousand)		
	5,246,294	5,246,294

Hoechst Pakistan Limited, Karachi, Pakistan

Registered Office: Plot 23, Sector 22, Korangi Industrial Area, Karachi.
3,960,919 (2024: 3,960,919) fully paid ordinary shares of Rs 10 each
Equity held 41.07% (2024: 41.07%)

20.1.1	4,170,398	4,170,398
--------	-----------	-----------

Subsidiaries - unquoted:

DIC Pakistan Limited, Lahore, Pakistan

Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan
3,377,248 (2024: 3,377,248) fully paid ordinary shares of Rs 10 each
Equity held 54.98% (2024: 54.98%)

	15,010	15,010
--	--------	--------

Packages Real Estate (Private) Limited, Lahore, Pakistan

Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan
302,500,000 (2024: 302,500,000) fully paid ordinary shares of Rs 10 each
Equity held 75.16% (2024: 75.16%)

C.F.	12,456,702	12,450,792
------	------------	------------

Note	2025	2024
(Rupees in thousand)		
B.F	12,456,702	12,450,792
Packages Lanka (Private) Limited, Ja-Ela, Sri Lanka 44,698,120 (2024: 44,698,120) shares of Sri Lankan Rupees 10 each Equity held 79.07% (2024: 79.07%)	442,938	442,938
Anemone Holdings Limited, Ebene, Mauritius 12,558,451 (2024: 12,558,451) shares of US Dollar 1 each Equity held 100% (2024: 100%) Cost - Rs 1,888.769 million (2024: Rs 1,888.769 million)	-	-
20.1.2	-	-
Packages Power (Private) Limited, Lahore, Pakistan Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan 2,500,000 (2024: 2,500,000) fully paid ordinary shares of Rs 10 each Equity held 100% (2024: 100%)	25,000	25,000
Packages Convertors Limited, Lahore, Pakistan Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan 30,839,021 (2024: 30,839,021) fully paid ordinary shares of Rs 100 each Equity held 100% (2024: 100%)	3,083,903	3,083,903
Packages Investments Limited, Lahore, Pakistan Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan 35,000 (2024: 35,000) fully paid ordinary shares of Rs 100 each Equity held 100% (2024: 100%)	3,500	3,500
Bulleh Shah Packaging (Private) Limited, Lahore, Pakistan Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan 1,091,873,871 (2024: 1,091,873,871) fully paid ordinary shares of Rs 10 each Equity held 100% (2024: 100%) Share deposit money	10,807,230 8,000,000 18,807,230	10,807,230 -
20.1.3		
Packages Trading FZCO, Dubai, United Arab Emirates 4,000 (2024: 4,000) shares of AED 1,000 each Equity held 100% (2024: 100%) Cost - Rs 305.205 million (2024: Rs 305.205 million)	305,205	305,205
StarchPack (Private) Limited, Lahore, Pakistan Registered Office: 4th Floor, The Forum, Suite No. 416-422, G-20, Block No. 9, Clifton, Khayaban-e-Jami, Karachi, Pakistan 39,000,000 (2024: 31,500,000) fully paid ordinary shares of Rs 100 each Equity held 100% (2024: 100%) Share deposit money	3,900,000 1,500,000 5,400,000	3,150,000 750,000 3,900,000
20.1.4		
C.F.	40,524,478	31,018,568

Note	2025	2024
	(Rupees in thousand)	
B.F	40,524,478	31,018,568
Joint venture - unquoted:		
OmyaPack (Private) Limited, Lahore, Pakistan 49,500,000 (2024: 49,500,000) fully paid ordinary shares of Rs 10 each Equity held 50% (2024: 50%)	495,000	495,000
Associates - quoted:		
IGI Holdings Limited, Karachi, Pakistan 15,033,041 (2024: 15,033,041) fully paid ordinary shares of Rs 10 each Equity held 10.54% (2024: 10.54%)	20.1.5 896,310	896,310
	<u>41,915,788</u>	<u>32,409,878</u>

20.1.1 The Company has a total shareholding of 41.07% in HPL and the Company's management made a detailed assessment under IFRS 10 and considers HPL to be its subsidiary as it has de-facto control over it.

20.1.2 In prior years, the Company fully impaired its investment in Anemone Holdings Limited ("AHL"), whose principal business was to manage the investment in Flexible Packages Convertors (Proprietary) Limited ("FPCPL"), South Africa. FPCPL had entered a legally mandated business rescue process in 2023 due to sustained losses and liquidity constraints, and the recoverable amount of the investment was assessed as Nil. No further developments have occurred during the year.

20.1.3 This represents the investment made pursuant to the decision taken by the Board of Directors of the Company in its wholly owned subsidiary, Bulleh Shah Packaging (Private) Limited ('BSPPL'). It includes a capital injection of Rs 3,200 million and the conversion of an outstanding loan of Rs 4,800 million, disbursed in the current year itself, into ordinary shares of the BSPPL, as detailed in note 21.2. The investee has not yet issued shares against the Rs 8,000 million of share deposit money.

20.1.4 This represents the investment made, pursuant to the decision of the Board of Directors, in the Company's wholly owned subsidiary, StarchPack (Private) Limited ("SPL"). The current-year balance includes an equity injection of Rs 500 million and the conversion of an outstanding loan of Rs 1,000 million into ordinary shares of SPL, as detailed in note 21.1. Shares have not yet been issued against the Rs 1,500 million of share deposit money. During the year, SPL issued 7,500,000 shares against the Rs 750 million share deposit money outstanding as of December 31, 2024.

20.1.5 The Company's investment in IGI Holdings Limited ('IGIHL') is less than 20%, however, it is considered to be an associate as per IAS 28, 'Investments in Associates and Joint Ventures' because the Company has significant influence over the financial and operating policies through representation on the board of directors of IGIHL. Consequently, following subsidiaries of IGIHL have also been considered as associates of the Company:

- IGI General Insurance Limited
- IGI Life Insurance Limited
- IGI Investments (Private) Limited
- IGI FSI (Private) Limited
- IGI Finex Securities Limited

20.2 Others - FVOCI

Quoted:

Nestle Pakistan Limited

3,649,248 (2024: 3,649,248) fully paid ordinary shares of Rs 10 each
Equity held 8.05% (2024: 8.05%)
Cost - Rs 5,778.896 million (2024: Rs 5,778.896 million)

Systems Limited

230,250 (2024: 46,050) fully paid ordinary shares of Rs 2 each (2024: Rs 10 each)
Equity held 0.0159% (2024: 0.0159%)
Cost - Rs 15.648 million (2024: Rs 15.648million)

Unquoted:

Coca-Cola Beverages Pakistan Limited

500,000 (2024: 500,000) fully paid ordinary shares of Rs 10 each
Equity held 0.0185% (2024: 0.0185%)

Pakistan Tourism Development Corporation Limited

2,500 (2024: 2,500) fully paid ordinary shares of Rs 10 each

Note	2025	2024
	(Rupees in thousand)	
20.2.1	29,021,083	27,186,897
20.2.2	39,344	28,618
	<u>29,060,427</u>	<u>27,215,515</u>
20.2.3	5,000	5,000
	25	25
	<u>5,025</u>	<u>5,025</u>
	<u>29,065,452</u>	<u>27,220,540</u>

20.2.1 As of December 31, 2025, an aggregate of 2,950,000 (2024: 2,620,000) shares of Nestle Pakistan Limited having market value of Rs 23,460 million (2024: Rs 19,519 million) have been pledged in favour of Habib Bank Limited ('HBL'), Pakistan and Allied Bank Limited.

The details of shares pledged are as follows:

Lender	Number of shares pledged		Purpose
	2025	2024	
Allied Bank Limited	1,090,000	1,090,000	Shares are pledged against the long term financing obtained to finance the acquisition of Tri-Pack Films Limited.
Allied Bank Limited	700,000	700,000	Shares are pledged against the long term financing obtained to finance the acquisition of Hoechst Pakistan Limited.
Allied Bank Limited	230,000	230,000	Shares are pledged against the long term financing obtained to finance equity investment in StarchPack (Private) Limited.
Allied Bank Limited	330,000	-	Shares are pledged against the long term financing obtained to finance equity investment in StarchPack (Private) Limited.
Habib Bank Limited	600,000	600,000	Shares are pledged against the short term borrowing facility obtained.
	<u>2,950,000</u>	<u>2,620,000</u>	

20.2.2 On April 28, 2025, Systems Limited approved a share split of its ordinary shares at a ratio of 5 shares for 1 share, in its annual general meeting. The share split came into effect on June 2, 2025, following which the number of shares held by the Company increased from 46,050 to 230,250, with a proportionate reduction in the value per share. There was no change in the Company's percentage ownership and no cash consideration was involved.

20.2.3 This represents investment in the ordinary shares of Coca-Cola Beverages Pakistan Limited ('CCBPL') that is principally engaged in the production, distribution and sale of sparkling and still beverages. CCBPL is currently classified as a Level 3 financial asset and is measured at fair value on the reporting date using income approach. Fair value of investment in the ordinary shares of CCBPL has been determined at the reporting date, however, the fair value change was not recorded in these unconsolidated financial statements as the impact was immaterial.

20.3 Reconciliation of carrying amount

	Note	2025	2024
(Rupees in thousand)			
Balance as at beginning of the year		59,630,418	61,516,912
Investments made during the year	20.1.3 & 20.1.4	3,700,000	602,277
Fair value gain/(loss) recognised in other comprehensive income		1,844,912	(2,738,771)
Reversal of impairment		5,910	-
Long term loans to subsidiaries converted to share deposit money	21.1 & 21.2	5,800,000	250,000
Balance as at end of the year		<u>70,981,240</u>	<u>59,630,418</u>

20.4 Impairment assessment of investments in subsidiaries

In respect of the Company's investments in its three subsidiaries - Tri-Pack Films Limited (TPFL), Bulleh Shah Packaging (Private) Limited (BSPPL), and StarchPack (Private) Limited (SPL), certain impairment indicators were observed that triggered management to carry out an impairment test of these investments at the reporting date.

Management assessed the recoverable amount of these investments as required by International Accounting Standard 36 - Impairment of Assets, determining it to be higher than the carrying amount. The recoverable amount was determined as the higher of its value in use and fair value less costs of disposal. Hence, the investments are un-impaired as of the reporting date.

21. Long term loans to subsidiaries

	Note	2025	2024
(Rupees in thousand)			
StarchPack (Private) Limited	21.1	1,250,000	1,000,000
Bulleh Shah Packaging (Private) Limited	21.2	-	-
		<u>1,250,000</u>	<u>1,000,000</u>

21.1 StarchPack (Private) Limited

In 2024, the Company entered into an unsecured, interest-bearing long-term loan facility of Rs 1,000 million with its wholly owned subsidiary, StarchPack (Private) Limited ("SPL"), to finance SPL's fixed capital expenditure. The facility carried an interest rate of six-month KIBOR plus a spread of 0.15% per annum and was to be repaid in five equal semi-annual instalments, following a two-year grace period, with repayments commencing in June 2027.

On September 1, 2025, the Company and SPL executed an addendum to the facility agreement, granting the Company the right, but not the obligation, to convert all or any portion of the outstanding principal amount of the loan into fully paid, non-assessable ordinary shares of SPL at a conversion price and on terms mutually agreed by the parties, after settlement of any accrued and unpaid interest.

Subsequently, on November 1, 2025, the Company's Board of Directors approved the conversion of the loan into an investment in the equity securities of SPL, which has been recognised as share deposit money as disclosed in note 20.3.

Additionally, during the current year, the Company entered into an unsecured, interest-bearing long-term loan facility of Rs 1,250 million with SPL to support SPL's fixed capital expenditure. This facility carries an interest rate of six-month KIBOR plus a spread of 0.15% per annum and is to be repaid in ten equal semi-annual instalments, following a two-year grace period, with repayments commencing in November 2027.

21.2 Bulleh Shah Packaging (Private) Limited

During the year, the Company entered into two unsecured, interest-bearing long-term loan facility agreements, subordinated to the Company's external long-term lenders, amounting to Rs 4,000 million and Rs 800 million respectively, with its wholly owned subsidiary, Bulleh Shah Packaging (Private) Limited ("BSPPL"), to optimize the capital structure of BSPPL. Both facilities carried an interest rate of six-month KIBOR plus a spread of 0.15% per annum.

The Rs 4,000 million loan and the Rs 800 million loan were each scheduled to be repaid in ten equal semi-annual instalments following a two-year grace period, with repayments commencing in November 2027 and February 2028 respectively.

The Company had the right, at any time during the tenure of the loans and before their maturity dates, to convert all or any portion of the outstanding principal amounts into fully paid, non-assessable ordinary shares of BSPPL at a conversion price and on terms to be mutually agreed upon by the parties after settlement of any accrued and unpaid interest.

On December 18, 2025, the Company's Board of Directors decided to convert both loans into an investment in the equity securities of BSPPL, as disclosed in note 20.3 as share deposit money.

21.3 Reconciliation of carrying amount

The reconciliation of the carrying amount is as follows:

	Note	2025	2024
(Rupees in thousand)			
Balance as at beginning of the year		1,000,000	250,000
Disbursement made during the year		6,050,000	1,000,000
Conversion to share deposit money	20.3	(5,800,000)	(250,000)
Balance as at end of the year		<u>1,250,000</u>	<u>1,000,000</u>

22. Advances, deposits, prepayments and other receivables

Advances

- To employees		8,083	-
- To suppliers		7,419	1,343

Due from related parties	22.1	15,502	1,343
Dividend receivable from subsidiaries	22.2	1,101,466	747,865
Profit receivable on bank deposits		250,374	300,000
Profit receivable on loan to subsidiary	21	1,371	1,736
Trade deposits		361,179	742
Prepayments	22.3	4,472	4,472
Balances with statutory authorities:		60,968	52,680

- Customs duty paid in advance		3,189	2,892
- Sales tax receivable		55,905	55,905
- Sales tax recoverable	22.4	352,270	352,008
		411,364	410,805

Other receivables		19,041	38,192
		<u>2,225,737</u>	<u>1,557,835</u>

Loss allowance on due from related parties and other receivables	22.5	(155,610)	(172,093)
		<u>2,070,127</u>	<u>1,385,742</u>

22.1 Due from related parties

Note	2025	2024
	(Rupees in thousand)	
Packages Convertors Limited	74,658	191,887
DIC Pakistan Limited	21,032	18,596
Packages Real Estate (Private) Limited	288,258	182,177
Bulleh Shah Packaging (Private) Limited	287,690	71,463
OmyaPack (Private) Limited	3,801	2,965
Tri-Pack Films Limited	72,551	11,377
Hoechst Pakistan Limited	18,666	6,135
IGI General Insurance Limited	20,706	7,319
IGI Life Insurance Limited	25,710	11,277
IGI Finex Securities Limited	1,989	755
IGI Holdings Limited	3,202	2,427
IGI Investments (Private) Limited	6,070	5,202
Flexible Packages Convertors (Pty) Ltd	134,863	134,863
Packages Lanka (Private) Limited	77,362	84,000
Packages Trading FZCO	-	9,134
S.C. Johnson & Son of Pakistan (Private) Limited	4,614	2,169
IGI FSI (Private) Limited	812	330
Packages Investments Limited	8	1
Packages Power (Private) Limited	-	2
StarchPack (Private) Limited	58,393	5,786
Babar Ali Foundation	1,081	-
22.1.1 & 22.1.2	<u>1,101,466</u>	<u>747,865</u>

22.1.1 These are interest-free balances due from the related parties consisting of debit notes issued for costs borne by the Company on behalf of group companies and for group shared costs. Balances less than 30 days old are neither past due nor impaired. The loss allowance recognized against balances that are either past due or impaired is as follows:

	December 31, 2025		
	Expected loss rate	Due from related parties	Loss allowance
	(%)	(Rupees in thousand)	
0 to 30 days	0.0%	509,713	-
31 to 180 days	0.3%	344,969	1,080
181 to 360 days	1.4%	93,610	1,356
360 days and above	100%	153,174	153,174
		<u>1,101,466</u>	<u>155,610</u>

	December 31, 2024		
	Expected loss rate	Due from related parties	Loss allowance
	(%)	(Rupees in thousand)	
0 to 30 days	0.0%	575,203	-
31 to 180 days	42.5%	31,885	13,537
181 days to 360 days	49.1%	4,019	1,975
360 days and above	100.0%	136,758	136,758
		<u>747,865</u>	<u>152,270</u>

22.1.2 The maximum aggregate amount due from these related parties at the end of any month during the year was Rs 1,101.466 million (2024: Rs 1,720.923 million).

22.2 This represents dividend receivable from the following subsidiary companies:

Note	2025	2024
	(Rupees in thousand)	
Packages Convertors Limited	-	300,000
Packages Lanka (Private) Limited	22.2.1 250,374	-
	22.2.2 250,374	300,000

22.2.1 The dividend receivable as at year end December 31, 2025, is neither past due nor impaired. It has been subsequently received in January 2026.

22.2.2 The maximum aggregate amount of dividend receivable from these subsidiaries at the end of any month during the year was Rs 827.144 million (2024: Rs 300 million).

22.3 Prepayments include Rs 27.649 million (2024: Rs 22.302 million) made to IGI Life Insurance Limited, a related party.

22.4 Sales tax recoverable

(a) The Deputy Commissioner Inland Revenue ('DCIR') through order dated June 24, 2015 alleged that in respect of tax periods from 2008 to 2012, the Company had incorrectly adjusted input sales tax credit amounting to Rs 146.107 million on purchases of raw materials from certain suppliers who were subsequently blacklisted / suspended and disallowed the same along with levy of default surcharge and penalty thereon with the total demand aggregating to Rs 292.214 million. In 2016, the taxation authorities adjusted an amount of Rs 292.214 million from income tax refunds of the Company against the said demand.

However, the Appellate Tribunal Inland Revenue ('ATIR'), through order dated August 28, 2017, decided the case in favour of the Company. The Company filed an application before the respective authorities to give effect to the order, the outcome of which is still pending. The tax authorities filed an appeal in Sindh High Court in the year 2018 against the decision of the ATIR and the case is pending adjudication. Since the case has been decided in the Company's favour on merits by ATIR, no provision for the above amount of Rs 292.214 million has been made in these unconsolidated financial statements.

(b) For the tax periods from 2014 to 2016, the Additional Commissioner, Punjab Revenue Authority (PRA), through an order dated August 8, 2018, raised a demand of Rs 757.841 million in respect of an alleged default on the withholding of Punjab Sales Tax on various heads of accounts, together with the related penalty. The Company filed an appeal against this order before the Commissioner (Appeals), PRA on December 13, 2018, on the basis of the following major grounds:

- the relevant section of the Punjab Sales Tax on Services Act, 2012 was wrongly applied retrospectively to the alleged period of default;
- the identified heads of accounts included multiple line items on which Punjab Sales Tax is not applicable; and
- it was incorrectly assumed that all expenses disclosed in the unconsolidated financial statements under the identified heads had actually been paid during the said tax periods.

In 2019, the Commissioner (Appeals) ordered an inquiry under section 64(5) of the Punjab Sales Tax on Services Act, 2012, which was conducted by the Additional Commissioner Enforcement-III. The inquiry report was submitted on May 27, 2019, and the demand was consequently reduced to Rs 475.570 million based on verification of the documents provided by the Company.

In 2023, the recovery proceedings were re-initiated, and through an order dated December 18, 2023, the Additional Commissioner, PRA again raised a demand of Rs 757.841 million, requiring the Company to deposit the tax together with default surcharge and penalty by December 26, 2023. The Company obtained a stay against recovery proceedings up to April 23, 2025.

On May 12, 2025, the Commissioner (Appeals) issued an order whereby the demand was reduced to Rs 318.880 million, and an amount of Rs 9.183 million was remanded back to the assessing officer for verification. Aggrieved by this order, the Company filed an appeal with the Appellate Tribunal Punjab Revenue Authority (ATPRA). The outcome of the appeal is currently awaited.

The Company has not recognised any provision against the above demand as management is confident that the ultimate outcome of the appeal will be in the Company's favour, based on the advice of its tax consultant as well as the applicable law and underlying facts.

- (c) In respect of tax periods from January 2016 to December 2016, the DCIR through an order dated December 28, 2018 created a demand of Rs 493.391 million in respect of disallowance of input tax claimed by the Company, alleged default on charging of output sales tax and default on withholding of sales tax along with penalty thereon. The Company appealed against the order before the Commissioner Inland Revenue (Appeals) ['CIR(A)'] dated January 26, 2019 and the appeal was decided partially in favour of the Company dated September 18, 2019 and an amount of Rs 311 million was waived, therefore, reducing the demand to Rs 182.391 million. The department and the Company, both, have filed appeals before the ATIR against CIR(A)'s order, the final outcome of which is still awaited.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favour of the Company, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

- (d) In respect of sales tax periods from January 2019 to December 2019, the DCIR, through his order No. 3/146/2021-22 dated February 28, 2022 created a demand of Rs 515.70 million in respect of disallowance of input tax claimed by the Company, alleged default on charging of output sales tax and default on withholding of sales tax along with penalty and default surcharge thereon.

Being aggrieved by the order of DCIR, the Company filed an appeal before the CIR(A) on various grounds including that the order of the DCIR erred due to not considering the correct facts of the proceedings for the conduct of the audit despite the identification of the submissions available on record at various occasions during the proceedings and due to wrong applicability of various provisions of the Sales Tax Act, 1990.

During the year 2023, the CIR(A) through his order dated April 18, 2023 has accepted all of the contentions of the Company and has set aside all of the demands created except for an input tax claim amounting to Rs 211.900 million. CIR(A) has directed the DCIR to reconsider the demand in light of the documentary evidence that has been provided by the Company.

Being aggrieved by the decision of the CIR(A), the DCIR has filed an appeal before the ATIR that the order of the CIR(A) be set aside and the order of DCIR be restored.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

- (e) In respect of sales tax periods from January 2018 to December 2018, the DCIR through his order No. 4/146 dated April 27, 2022 created a recovery demand of Rs 1,170 million in respect of disallowance of input tax claimed by the Company, alleged default on charging of output sales tax and default on claiming input sales tax along with penalty thereon.

Being aggrieved by the order of DCIR, the Company filed an appeal before the CIR(A) on the grounds that various sections of input tax have been erroneously applied in disallowing the input tax. Furthermore, input tax related to specific suppliers has been disallowed more than once and alleged as inadmissible. DCIR has also held that sales tax along with further tax be recoverable on categories of fixed assets that were scrapped during the period.

CIR(A) through his order dated April 26, 2023 accepted all of the contentions of the Company and has set aside all of the demands created except for an input tax claim amounting to Rs 641.931 million. CIR(A) has directed the DCIR to confront the Company under specific provisions of the law and inference is to be drawn after duly rebutting each and every argument of the Company.

Being aggrieved by the decision of the CIR(A), the DCIR has filed an appeal before the ATIR that the order of the CIR(A) be set aside and the order of DCIR be restored.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

- (f) In respect of tax periods from 2015 to 2020, the Additional Commissioner, PRA through his order dated January 11, 2023 has created a demand of Rs 62.33 million in respect of alleged default on withholding of Punjab Sales Tax on various heads of accounts along with penalty thereon. The Company being aggrieved, has filed an appeal against the above order with the Commissioner (Appeals), PRA, on December 21, 2023. During the year 2024, the recovery proceedings were reinitiated and the Additional Commissioner, PRA through an order dated December 17, 2024 again created a demand of Rs 62.33 million whereby the Company was required to deposit the amount of tax along with default surcharge and penalty by December 27, 2024.

In response to this notice and to avert any recovery measures, the Company paid tax of Rs 6.233 million equating to 10% of the total demanded amount. This payment was executed in accordance with the provisions of section 70(1) of the Punjab Sales Tax on Services Act, 2012 (Act), which held no action shall be taken against the Company whilst pendency of the appeal under section 63 of the Act subject to payment of 10% of the tax demand.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

22.5 This represents loss allowance on the following:	Note	2025	2024
		(Rupees in thousand)	
Due from related parties - unsecured	22.5.1	155,610	152,270
Other receivables		-	19,824
		<u>155,610</u>	<u>172,094</u>
The reconciliation of loss allowance during the year is as follows:			
Opening balance		172,094	279,708
Charge/(reversal) during the year		2,782	(107,614)
Balance written off against loss allowance		(19,266)	-
Balance as at end of the year		<u>155,610</u>	<u>172,094</u>

- 22.5.1 Includes loss allowance of Rs 134.863 million (2024: Rs 134.863 million) recognised in relation to amounts due from Flexible Packages Converters (Proprietary) Limited in respect of management fee/technical fee receivable.

23. Income tax receivable

Note	2025	2024
	(Rupees in thousand)	
Income tax refundable	2,376,613	2,258,981
Income tax recoverable	200,000	36,013
	<u>2,576,613</u>	<u>2,294,994</u>

23.1 In respect of tax year 2007, the department rejected the Company's claim for interest / additional payment for delayed refunds for the tax years from 1983-84 to 2003 amounting to Rs 64.616 million and adjusted the Company's tax liability for the said year accordingly. The Company being aggrieved of the said order filed an appeal with the Commissioner Inland Revenue (Appeals) ['CIR(A)']. CIR(A) through his order dated January 26, 2009 maintained the rejection. An appeal against the said order was filed by the Company with ATIR. ATIR through its order dated February 23, 2010 maintained the rejection. The Company filed an appeal in the High Court of Sindh against ATIR's order on June 28, 2010, the outcome of which is still pending. However, the Company has not made any provision against the above recoverable as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advices of the tax consultant and legal counsel, the relevant law and facts.

23.2 In respect of tax year 2014, the department amended the deemed assessment for the year raising a tax demand of Rs 606.328 million. In this order, among other issues, the department did not accept the Company's contention for non-taxation of the transfer of paper and paperboard and corrugated business segments to BSPPL under section 97 of the Income Tax Ordinance, 2001. Such transfer has been taxed as capital gain on the value of assets transferred.

Further, certain other disallowances were made inter alia including on account of allocation of various expenses towards dividend and other incomes, thereby effectively reducing the available tax losses by approximately Rs 1,200 million, by the department in respect of previous tax years.

The Company being aggrieved of the above order filed an appeal before the CIR(A), who through order dated March 2, 2018, has accepted all the contentions of the Company except non-taxation of the transfer of paper and paperboard and corrugated business segments to BSPPL and taxation of provision for retirement benefits on accrual basis thereby reducing the tax refundable claimed by the Company from Rs 352.953 million to Rs 273.986 million and also reducing the original demand to Rs 78.967 million. The ATIR through order No. ITA 723/KB/2018 issued on July 01, 2021 decided the main issue of transfer of assets in between wholly owned subsidiary subject to tax under capital gain in favour of the Company. However, ATIR upheld the decision of CIR(A) on account of claim of provisions for approved staff retirement benefit funds as inadmissible amounting to Rs 259.4 million. Further, being aggrieved by the unfavourable decision of ATIR against inadmissibility of provision against retirement funds, the Company filed an appeal before the Sindh High Court (SHC) on September 24, 2021. The department being aggrieved by the unfavourable decision of ATIR against deletion of output tax, penalty and default surcharge also filed an appeal before the SHC. The Company has not made any provision against the above demand and disallowance as the management is confident that the ultimate outcome of the appeal would be in the Company's favour, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

23.3 In respect of tax year 2016, the department amended the assessment for the year raising a tax demand of Rs 464.187 million. The Company being aggrieved of the said order filed an appeal before the CIR(A), who through order dated December 11, 2017, accepted all the contentions of the Company except the allowability of provision for Workers' Profit Participation Fund on payment rather than accrual basis and remanded back credit for minimum tax, thereby, reducing the tax demand to Rs 86.864 million. The Company filed an appeal against the above order before ATIR on January 9, 2018, the outcome of which is still pending. No provision for this amount has been made in the financial statements as according to the management of the Company, there are meritorious grounds that the ultimate decision would be in its favour.

23.4 In respect of tax year 2017, the Deputy Commissioner Inland Revenue ('DCIR') raised a demand through an order dated April 29, 2021, amounting to Rs 1,520 million under section 137(2) of the Income Tax Ordinance 2001, primarily by disallowing certain expenses and also including certain

additions in the taxable income. Management believes that the action taken by the DCIR is, in an adhoc and arbitrary manner, despite all matters concluded in the audit for tax year 2014 on similar issues as well as the data provided during the monitoring proceedings for that year have been finalized without providing an adequate opportunity of being heard to the Company and the above mentioned additions / disallowances are made on an 'exparte basis'. Being aggrieved, the Company filed an appeal before the CIR(A) dated May 28, 2021 against this impugned order, and at the same time, the Company also filed an application for stay against any coercive action taken by Federal Board of Revenue in Sindh High Court dated June 1, 2021. The stay is valid till the decision of the CIR(A).

Based on the advice of the Company's tax advisor, the management believes that there are meritorious grounds to support the Company's stance in respect of this matter. Consequently, no provision for this amount has been made in these unconsolidated financial statements.

23.5 In respect of tax year 2021, a demand amounting to Rs 307.80 million was raised under sections 161, 205 and 182 of the Income Tax Ordinance 2001 by the DCIR through an order dated March 31, 2022. The tax authorities raised the demand primarily on account of non-withholding of the income tax.

Being aggrieved by the order of the DCIR, the Company filed an appeal before the CIR(A) on the grounds that the order of the DCIR is erred in holding the Company as "Assessee-In-Default" for not withholding tax on payments of salaries which are below taxable slabs and pertains to the reimbursements for employees travelling and conveyance expenses, and professional taxes etc. The outcome of the appeal is still awaited.

Based on the advice of the Company's tax advisor, the management believes that there are meritorious grounds to support the Company's stance in respect of this matter. Consequently, no provision for this amount has been made in these unconsolidated financial statements.

23.6 In respect of tax year 2019, a demand amounting to Rs 378.79 million was raised under sections 161, 205 and 182 of the Income Tax Ordinance 2001 by the Deputy Commissioner Inland Revenue ('DCIR') through an order dated December 31, 2024. The tax authorities raised the demand primarily on account of non-withholding of the income tax.

Being aggrieved by the order of the DCIR, the Company filed an appeal before ATIR on the grounds that the order of the DCIR is erred in holding the Company as "Assessee-In-Default" for not withholding tax on payments of salaries which are below taxable slabs and pertains to the reimbursements for employees travelling and conveyance expenses, and professional taxes etc. The outcome of the appeal is still awaited.

Based on the advice of the Company's tax advisor, the management believes that there are meritorious grounds to support the Company's stance in respect of this matter. Consequently, no provision for this amount has been made in these unconsolidated financial statements.

23.7 In respect of tax year 2020, the Additional Commissioner Inland Revenue (ACIR) amended the assessment for the year raising a tax demand of Rs 464.187 million, through an order dated December 29, 2025. Through this order, among other issues, the ACIR disallowed the adjustment of minimum tax credit under section 113 of the Income Tax Ordinance 2001 ('ITO 2001') and tax credit under section 65B of ITO 2001 and treated the tax withheld under section 148 of ITO 2001 as minimum tax.

Being aggrieved by the order of the ACIR, the Company filed an appeal before the ATIR on December 30, 2025. The outcome of the appeal is still awaited.

Based on the advice of the Company's tax advisor, the management believes that there are meritorious grounds to support the Company's stance in respect of this matter. Consequently, no provision for this amount has been made in these unconsolidated financial statements.

23.8 In respect of tax year 2020, a demand amounting to Rs 50.40 million was raised under sections 161, 205 and 182 of the Income Tax Ordinance 2001 by the DCIR through an order dated December 30, 2025. The tax authorities raised the demand primarily on account of non-withholding of the income tax.

Being aggrieved by the order of the DCIR, the Company filed an appeal before the CIR(A) on the grounds that the order of the DCIR is erred in holding the Company as “Assessee-In-Default” for not withholding tax on account of various expenses. The outcome of the appeal is still awaited.

Based on the advice of the Company’s tax advisor, the management believes that there are meritorious grounds to support the Company’s stance in respect of this matter. Consequently, no provision for this amount has been made in these unconsolidated financial statements.

24. Short term investments	Note	2025		2024	
		(Rupees in thousand)			
Investment in term deposit receipts - at amortised cost	24.1	110,000		110,000	

24.1 These represent investments in Term Deposit Receipts issued by a banking company having maturity of three months carrying markup rates of 5.75% to 9.35% per annum (2024: 6.75% to 20.7% per annum).

25. Cash and bank balances	Note	2025		2024	
		(Rupees in thousand)			
At banks					
- Savings accounts	25.1 & 25.2	171,157		127,526	
- Current accounts	25.3	55,895		27,405	
		227,052		154,931	
In hand [including USD 1,876 (2024: USD 184) and Euro 5,190 (2024: Euro 6,490) and GBP 1,350 (2024: GBP 550)]		5,463		4,743	
		232,515		159,674	

25.1 The balances in savings accounts bear mark-up at 4.0% to 11.5% per annum (2024: 13.5% to 20.5% per annum).

25.2 Included in these are restricted funds of Rs 0.400 million (2024: Rs 8.198 million) in respect of deposits that are repayable on demand as referred to in note 14.4.

25.3 Included in these are restricted funds of Rs 1.387 million (2024: Rs 1.387 million) held as payable to TFC holders as referred to in note 14.

26. Dividend income	Note	2025		2024	
		(Rupees in thousand)			
This represents dividend income from the following:					
Related parties	26.1	3,889,815		3,442,274	
Others		1,208,177		618,209	
		5,097,992		4,060,483	
26.1 Dividend income from related parties:					
DIC Pakistan Limited		395,138		520,772	
Packages Real Estate (Private) Limited		263,043		75,625	
IGI Holdings Limited		97,715		90,198	
Tri-Pack Films Limited		-		161,232	
OmyaPack (Private) Limited		200,000		75,000	
Packages Convertors Limited		1,900,000		1,850,000	
Packages Lanka (Private) Limited		400,172		451,596	
Hoechst Pakistan Limited		633,747		217,851	
		3,889,815		3,442,274	

27. Rental income

This represents rental income from the following:	Note	2025		2024	
		(Rupees in thousand)			
Related parties	27.1	763,493		656,270	
Others		10,447		10,297	
		773,940		666,567	

27.1 Rental income from related parties

Packages Real Estate (Private) Limited		239,295		174,420	
DIC Pakistan Limited		40,885		37,514	
Bulleh Shah Packaging (Private) Limited		82,518		74,987	
StarchPack (Private) Limited		3,586		3,055	
Packages Convertors Limited		387,138		357,797	
OmyaPack (Private) Limited		2,746		2,497	
S.C. Johnson & Sons of Pakistan (Private) Limited		7,325		6,000	
		763,493		656,270	

28. Administrative expenses

Salaries and amenities Travelling and conveyance Rent, rates and taxes Insurance Printing, stationery and periodicals Postage, telephone and telex Motor vehicles running Computer software charges Professional services Repairs and maintenance Depreciation on operating fixed assets Depreciation on investment properties Amortization of intangible assets Employee training cost Others	Note	2025		2024	
		(Rupees in thousand)			
	28.1 & 28.2	545,589		565,057	
		130,851		120,329	
		269,562		220,946	
		22,798		21,717	
		7,855		6,690	
		7,877		8,678	
		1,907		12,875	
		58,752		5,900	
	28.3	170,878		92,061	
		3,781		1,662	
	17.1	80,863		61,302	
	18.1	41,648		43,273	
	19.1	7,096		310	
		34,863		12,522	
		50,208		42,855	
		1,434,528		1,216,177	

28.1 Salaries and amenities include following in respect of retirement benefits:

Defined benefit plans - Gratuity - Pension Defined contribution plans - Provident fund - Pension Other benefit plan - Accumulating compensated absences	2025		2024	
	(Rupees in thousand)			
		78,030		93,389
		107,890		114,967
		48,685		35,510
		57,461		46,379
		30,996		37,681
		323,062		327,926

28.2 Salaries and amenities include Rs 7.967 million (2024: Rs 2.142 million) in respect of services rendered by manpower contractors during the year.

28.3 Professional services

Note	2025	2024
	(Rupees in thousand)	
	4,778	4,343
	1,116	966
	4,184	2,500
	5,750	-
	3,095	1,517
	2,820	2,280
	1,185	1,384
	<u>22,928</u>	<u>12,990</u>

The charges for professional services include the following in respect of auditors' remuneration (excluding sales tax) for:

- Statutory audits
- Half-yearly review
- Tax services
- Advisory services
- Workers' profit participation fund audit, management staff employees gratuity funds audits and certifications required under various regulations
- Other assurance services
- Out of pocket expenses

29. Other expenses

Donations	29.1	25,626	1,226
Loss on disposal of operating fixed assets		324	-
Advances written off		107	-
		<u>26,057</u>	<u>1,226</u>

29.1 This represents donation to:

Packages Foundation	29.1.1	22,626	1,226
National Management Foundation	29.1.1	3,000	-
		<u>25,626</u>	<u>1,226</u>

29.1.1 Following is the interest of the Directors of the Company in the donees:

Name of donee	Directors/key management personnel of the Company	Interest in donee
Packages Foundation	Syed Hyder Ali (Chief Executive)	Trustee
	Hasan Askari	Trustee
	Syed Aslam Mehdi	Trustee
National Management Foundation	Syed Hyder Ali (Chief Executive)	Trustee
	Khurram Raza Bakhtayari (Chief Financial Officer)	Trustee

No other directors or their spouses had any interest in any of the donees during the year.

30. Other income

Note	2025	2024
	(Rupees in thousand)	
Income on bank deposits	10,344	23,692
Gain on disposal of property, plant and equipment	-	1,996
Gain on disposal of investment properties	58,500	-
Technical fee from Packages Lanka (Private) Limited	73,219	80,899
Liabilities no longer payable written back	14,488	9,599
Profit on long term loans to subsidiary companies	460,169	52,108
Exchange gain - net	8,724	20,730
Others	31,682	31,374
	<u>657,126</u>	<u>220,398</u>

31. Finance cost

Interest and mark-up including commitment charges on:			
- Long term finances from financial institutions		1,227,754	1,264,316
- Short term borrowings from financial institutions - secured		124,336	165,049
Return on preference shares/convertible stock	7.1	155,550	155,550
Bank charges		808	1,172
Unwinding of discount on long term advances	8	26,648	2,400
Interest on amount due to related parties	31.1	725	-
		<u>1,535,821</u>	<u>1,588,487</u>

31.1 This represents the interest cost charged by a subsidiary, Packages Trading FZCO, in respect of payments it made on behalf of Packages Limited.

32. Taxation

Note	2025	2024	
	(Rupees in thousand)		
Final taxes - levy	32.1	182,036	93,540
Current income tax:			
- For the year		298,395	238,842
- Prior years		-	2,384
		<u>298,395</u>	<u>241,226</u>
Deferred income tax	9.1	(4,489)	2,066
	32.2	<u>293,906</u>	<u>243,292</u>

32.1 This represents final taxes paid under section 150 and section 154 of Income Tax Ordinance, 2001 (ITO 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

32.2 As explained in note 4.1, the Company's provision for taxation is based on the consolidated results of the taxation Group.

32.3 Tax charge reconciliation

Numerical reconciliation between the average effective tax rate and the applicable tax rate
Applicable tax rate as per Income Tax Ordinance, 2001
Tax effect of:

- Amounts that are not deductible for tax purposes
- Amounts that are not chargeable to tax
- Amounts that are allowed for tax purposes
- Amounts that are chargeable to tax at different rates
- Inter-corporate dividend exempt from tax
- Group taxation as explained in note 4.1
- Change in prior years' tax

	2025	2024
	% age	
Applicable tax rate as per Income Tax Ordinance, 2001	29.00	29.00
Tax effect of:		
- Amounts that are not deductible for tax purposes	0.67	-
- Amounts that are not chargeable to tax	-	(0.60)
- Amounts that are allowed for tax purposes	(1.36)	(1.98)
- Amounts that are chargeable to tax at different rates	(13.88)	(14.78)
- Inter-corporate dividend exempt from tax	(15.61)	(23.85)
- Group taxation as explained in note 4.1	14.86	27.08
- Change in prior years' tax	(0.20)	0.11
	<u>(15.52)</u>	<u>(14.02)</u>
Average effective tax rate charged to unconsolidated statement of profit or loss	<u>13.48</u>	<u>14.98</u>

33. Remuneration of Chief Executive, Directors and Executives

33.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive, Executive and Non-Executive Directors and Executives of the Company are as follows:

	Chief Executive		Executive Director		Non-Executive Directors		Executives-Note 33.4	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)							
Short term employee benefits								
Managerial remuneration	23,043	20,902	1,661	1,159	-	-	94,944	67,962
Housing	13,608	12,523	403	275	-	-	22,757	17,045
Utilities	3,163	5,085	90	61	-	-	7,243	2,842
Bonus and incentives	6,269	5,545	-	-	-	-	3,099	3,878
Leave passage	1,791	1,584	-	-	-	-	3,547	1,197
Reimbursement of medical expenses	14,783	14,378	12	4	-	-	4,175	1,973
Directors' meeting fees	-	-	-	-	19,125	25,075	-	-
Other allowances and expenses	-	-	104	269	-	-	-	-
Other perquisites and benefits	29,677	25,466	-	-	-	-	20,063	19,496
	<u>92,334</u>	<u>85,483</u>	<u>2,270</u>	<u>1,768</u>	<u>19,125</u>	<u>25,075</u>	<u>155,828</u>	<u>114,393</u>
Post employment benefits								
Contribution to provident, gratuity and pension funds	7,397	6,525	-	-	-	-	11,107	5,250
	<u>99,731</u>	<u>92,008</u>	<u>2,270</u>	<u>1,768</u>	<u>19,125</u>	<u>25,075</u>	<u>166,935</u>	<u>119,643</u>
Number of persons	1	1	1	1	8	8	17	15

33.2 The Company also provides the Chief Executive and some of the directors and executives with Company maintained cars, fuel and utilities, amounting to Rs 17.27 million that represents depreciation of such cars and the cash value of fuel and utilities.

33.3 Premium charged in the financial statements in respect of directors' indemnity insurance policy, purchased by the Company during the year, amounted to Rs 0.666 million (2024: Rs 0.847 million).

33.4 The Chief Executive and certain executives of the Company are providing services to group companies and hence, their proportionate remuneration is accordingly charged to such companies.

34. Transactions with related parties

The related parties includes subsidiaries, joint venture, associates, related parties on the basis of common directorship, group companies, key management personnel including directors and post-employment staff retirement plans. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Related party transactions carried out during the year are as follows:

Relationship with the Company	Nature of transactions	Note	2025	2024	
			(Rupees in thousand)		
i. Subsidiary companies	Reimbursement of expenses charged to Company		65,526	6,591	
	Reimbursement of expenses charged by Company		21,637	13,178	
	Investment in equity instruments		9,500,000	852,277	
	Long term loans given to subsidiary companies		1,250,000	1,000,000	
	Reimbursement of salaries to Company		1,343,553	969,427	
	Reimbursement of salaries by Company		41,221	75,739	
	Rental income		735,318	647,773	
	Management & technical fee		73,219	80,899	
	Dividend income		3,592,100	3,277,076	
	Profit on long term loan to subsidiary company		460,169	52,108	
	ii. Associates	Insurance premium expense		121,311	93,650
		Dividend paid		481,558	734,448
		Reimbursement of salaries to Company		216,587	157,684
Reimbursement of salaries by Company			-	2,200	
Dividend income			97,715	90,198	
iii. Joint Venture	Rental and other income		7,325	6,000	
	Reimbursement of salaries to Company		27,614	22,075	
	Dividend income		200,000	75,000	
iv. Retirement funds	Rental and other income		2,746	2,497	
	Expense charged in respect of retirement plans	34.1	292,066	290,244	
	Dividend paid		42,486	97,516	
v. Key management personnel	Salaries and other employee benefits	34.2	178,513	153,748	
	Dividend paid		76,896	141,594	
vi. Other related parties	Donation expense		22,626	1,226	
	Reimbursement of salaries to Company		6,520	5,313	

34.1 Employees' provident and management staff pension fund related disclosure

All investments in collective investment schemes, listed equity, and listed debt securities out of provident fund and management staff pension fund (defined contribution plan) have been made in accordance with the provisions of Section 218 of the Act and the conditions specified thereunder as applicable at the time of making such investments. All fresh investments are now being made in accordance with the Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.

34.2 This represents remuneration of the Chief Executive, executive and non-executive directors and some of the executives that are included in the remuneration disclosed in note 33 to these unconsolidated financial statements.

34.3 All transactions with related parties have been carried out on mutually agreed terms and conditions.

34.4 The related parties with whom the Company had entered into transactions or had arrangements/agreements in place during the year have been disclosed below along with their basis of relationship:

Name	Relationship	% age of shareholding in the Company
Packages Lanka (Private) Limited	Subsidiary	None
Bulleh Shah Packaging (Private) Limited	Subsidiary	None
Tri-Pack Films Limited	Subsidiary	None
Packages Real Estate (Private) Limited	Subsidiary	None
Chantler Packages Inc.	Subsidiary	None
Packages Convertors Limited	Subsidiary	None
Packages Investments Limited	Subsidiary	None
Packages Power (Private) Limited	Subsidiary	None
Anemone Holdings Limited	Subsidiary	None
DIC Pakistan Limited	Subsidiary	None
StarchPack (Private) Limited	Subsidiary	None
Hoechst Pakistan Limited	Subsidiary	None
IGI Life Insurance Limited	Associate	None
IGI Holdings Limited	Associate	6.04%
IGI Finex Securities Limited	Associate	0.00%
IGI FSI (Private) Limited	Associate	None
IGI General Insurance Limited	Associate	None
IGI Investment (Private) Limited	Associate	29.88%
OmyaPack (Private) Limited	Joint Venture	None
Packages Foundation	Common Director/Governor	None
Packages Limited Employees Gratuity Fund	Post Employment Benefit Plan	0.12%
Packages Limited Management Staff Pension Fund	Post Employment Benefit Plan	0.74%
Packages Limited Employees Provident Fund	Post Employment Contribution Plan	2.31%
S.C. Johnson & Sons of Pakistan (Private) Limited	Common directorship	None
Babar Ali Foundation	Common director/Trustee	11.30%
Gurmani Foundation	Common director/Trustee	1.34%
Syed Maratib Ali Trust	Common director/Trustee	None
Syed Hyder Ali	Chief Executive Officer	5.55%
Towfiq Habib Chinoy	Director	0.04%
Tariq Iqbal Khan	Director	0.01%
Syed Shahid Ali	Director	0.14%
Josef Meinrad Mueller	Director	None
Hasan Askari	Director	0.00%
Saba Kamal	Director	0.00%
Atif Aslam Bajwa	Director	None
Osman Khalid Waheed	Director	0.00%
Syed Aslam Mehdi	Director	0.01%
Khurram Raza Bakhtayari	Key Management Personnel	None
Muhammad Faizan Mehmood Khan	Key Management Personnel	None
Syed Babar Ali	Key Management Personnel	None
Jawad Gillani	Key Management Personnel	None
Soban Waqar	Key Management Personnel	None
Muhammad Ali Sheikh	Key Management Personnel	None
Waqas Munir	Key Management Personnel	None
Iqra Sajjad	Key Management Personnel	None
Muhammad Faisal Haneef	Key Management Personnel	None
Kamran Waheed	Key Management Personnel	None
Salman Fazlur Rehman	Key Management Personnel	None

35. Subsidiaries incorporated outside Pakistan

	Anemone Holdings Limited	Packages Trading FZCO	Packages Lanka (Private) Limited	Linnaea Holdings Inc.	Chantler Packages Inc.
Basis of association	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Country of incorporation / jurisdiction	Republic of Mauritius	UAE	Sri Lanka	Canada	Canada
Registered address	2nd floor, The AXIS, 26 Cyber city, Ebene, Republic of Mauritius	6 WB, 541, 5th floor, Building 6 West B, P.O box 54598, Dubai Airport Free Zone Authority	148, Minuwandoga Road, Ekala, Ja-Ela	880 Lakeshore Road East, Mississauga, Ontario	880 Lakeshore Road East, Mississauga, Ontario
Effective percentage of shareholding	100%	100%	79.07%	79.07%	72.07%
Company's shareholding	Direct	Direct	Direct	Through Packages Lanka (Private) Limited	Through Linnaea Holdings Inc. Limited
Amount of investment - foreign currency	USD 12.558 million (2024: USD 12.558 million)	AED 4.00 million (2024: AED 4.00 million)	SL Rupees 451.417 million (2024: SL Rs 451.417 million)	No direct investment	No direct investment
Amount of investment at cost - local currency	Rs 1,888.770 million (2024: Rs 1,888.770 million)	Rs 305.205 million (2024: Rs 305.205 million)	Rs 442.938 million (2024: Rs 442.938 million)	No direct investment	No direct investment
Terms and conditions for which has been made	Unconditional equity investment	Unconditional equity investment	Unconditional equity investment	No direct investment	No direct investment
Litigations against the investee	None	None	None	None	None
Default / breach relating to foreign investment	None	None	None	None	None

Note	2025	2024
	(Rupees in thousand)	

36. Cash flow information

36.1 Cash used in operations

Profit before final taxes and income tax		3,529,870	2,249,172
Adjustments for:			
- Provision for retirement benefits	10	185,920	208,356
- Exchange gain	30	(8,696)	(20,730)
- Exchange (gain)/loss on cash and cash equivalent		(28)	158
- Provision for accumulating compensated absences	11	30,996	37,681
- Provision for rent in respect of land leased from GoPb		186,000	150,000
- Depreciation on operating fixed assets	17.1	80,863	61,302
- Depreciation on investment properties	18.1	41,648	43,273
- Reversal of impairment loss in Packages Real Estate (Private) Limited	30	(5,910)	-
- Bad debt written off	22.5	19,266	-
- Amortisation on intangible assets	19.2	7,096	310
- Net impairment loss/(gain) on financial assets	22.5	2,782	(107,614)
- Dividend income	26	(5,097,992)	(4,060,483)
- Liabilities no longer payable written back	30	(14,488)	(9,599)
- Loss/(profit) on disposal of property plant and equipment	29	324	(1,996)
- Profit on disposal of investment property	30	(58,500)	-
- Discounting adjustment of long term advances	8	(24,007)	(24,225)
- Profit on long term loans to subsidiary companies	30	(460,169)	(52,108)
- Advances written off	29	107	-
- Finance cost	31	1,535,821	1,588,487
(Loss)/profit before working capital changes		(49,097)	61,984
Effect on cash flow due to working capital changes:			
- (Increase)/decrease in advances, deposits, prepayments and other receivables		(379,202)	18,764
- Increase/(decrease) in trade and other payables		66,739	(92,698)
		(312,463)	(73,934)
		(361,560)	(11,950)

36.2 Cash and cash equivalents

	Note	2025	2024
		(Rupees in thousand)	
Cash and bank balances - excluding restricted funds	25	230,728	159,674
Short term borrowings from financial institutions - secured	13	(394,758)	(1,000,000)
Short term investments	24	110,000	110,000
		(54,030)	(730,326)

36.3 Reconciliation of liabilities arising from financing activities

	Opening balance as at January 1, 2025	Cash flows	Other changes*	Closing balance as at December 31, 2025
	(Rupees in thousand)			
Unclaimed dividend	100,268	(1,332,604)	1,340,693	108,357
	(Rupees in thousand)			
Unclaimed dividend	81,490	(2,502,908)	2,521,686	100,268

*Other changes include non-cash movements which will be presented as operating cashflows in the statement of cash flows at the time of payment.

37. Number of employees

	2025	2024
Total number of employees as at December 31	245	193
Average number of employees during the year	219	172

38. Rates of exchange

Following exchange rates have been applied for translating material transactions/balances in foreign currency:

	Average rate		Spot rate	
	2025	2024	2025	2024
USD 1	281.183	278.484	280.12	278.12
EURO 1	317.661	301.238	328.85	291.15

39. Earnings per share

39.1 Basic earnings per share

		2025	2024
Profit for the year	Rupees in thousand	3,053,928	1,912,340
Participating preference dividend	Rupees in thousand	-	(63,749)
Net profit attributable to ordinary shareholders	Rupees in thousand	3,053,928	1,848,591
Weighted average number of ordinary shares	Number	89,379,504	89,379,504
Basic earnings per share	Rupees	34.17	20.68

39.2 Diluted earnings per share

		2025	2024
Profit for the year	Rupees in thousand	3,053,928	1,912,340
Return on preference shares / convertible stock	Rupees in thousand	155,550	155,550
		<u>3,209,478</u>	<u>2,067,890</u>
Weighted average number of ordinary shares	Number	89,379,504	89,379,504
Weighted average number of notionally converted preference shares / convertible stock	Number	8,186,842	8,186,842
		<u>97,566,346</u>	<u>97,566,346</u>
Diluted earnings per share	Rupees	32.90	20.68

40. Financial risk management

40.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors. The Company's finance department evaluates and hedges financial risks. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas, such as currency risk, interest rate risk, credit risk, and investment of excess liquidity.

The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are as follows:

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument shall fluctuate because of changes in foreign exchange rates.

The Company is exposed to currency risk arising primarily with respect to the USD. Currency risk arises from future commercial transactions and recognised assets and liabilities. Currency risk arises when future commercial transactions or recognised assets or liabilities or net investments in foreign operations that are denominated in a currency that is not the Company's functional currency. Currently, the Company's currency risk is restricted to cash in hand, amounts receivable and amounts payable to foreign entities.

Impact on profit or loss of currency risk is not considered material as at December 31, 2025 and as at December 31, 2024, hence, not disclosed.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is exposed to equity securities price risk because of investments held by the Company and measured at fair value. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board. The primary goal of the Company's investment strategy is to maximise investment returns.

The Company's certain investments in equity instruments are publicly traded on the Pakistan Stock Exchange Limited.

The table below summarises the impact of increases/decreases of the KSE-100 index on the Company's pre-tax profit for the year and on equity. The analysis is based on the assumption that the KSE-100 index had increased/decreased by 10% with all other variables held constant and all the Company's equity investments moved in line with the index:

	Impact on other than post-tax profit components of equity	
	2025	2024
	(Rupees in thousand)	
Pakistan Stock Exchange Limited	2,906,042	2,721,550

The Company does not hold any investment that is carried at fair value through profit or loss ('FVPL') as at December 31, 2025, and as at December 31, 2024. Therefore, the Company was not exposed to other price risk due to macroeconomic factors.

(iii) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises mainly from short term and long-term borrowings, bank balances and preference shares. These borrowings issued at variable rates expose the Company to cash flow interest rate risk.

The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Company calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

	2025	2024
	(Rupees in thousand)	
Fixed rate instruments:		
Financial assets		
Bank balances - savings accounts	171,157	127,526
Short term investments	110,000	110,000
	<u>281,157</u>	<u>237,526</u>
Financial liabilities		
Preference shares/convertible stock	(932,650)	(932,650)
Net exposure	<u>(651,493)</u>	<u>(695,124)</u>
Floating rate instruments:		
Financial assets		
Long term loan to subsidiary company	1,250,000	1,000,000
Financial liabilities		
Short term borrowings from financial institutions - secured	(394,758)	(1,000,000)
Long term finances from financial institutions	(16,906,250)	(7,318,750)
	<u>(17,301,008)</u>	<u>(8,318,750)</u>
Net exposure	<u>(16,051,008)</u>	<u>(7,318,750)</u>

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

At December 31, 2025, if interest rates on floating rate borrowings had been 3% higher/lower with all other variables held constant, post-tax profit for the year would have been Rs 433.380 million (2024: Rs 197.606 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation.

Credit risk of the Company arises from deposits with banks and financial institutions, as well as outstanding receivables and committed transactions. The management assesses the credit quality of the debtors, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

(i) Exposure to credit risk

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The gross carrying values of financial assets exposed to credit risk are as under:

	2025	2024
	(Rupees in thousand)	
Long term security deposits	3,713	3,713
Long term loan to subsidiary company	1,250,000	1,000,000
Short term investments	110,000	110,000
Deposits and other receivables	1,589,712	922,257
Balances with banks	227,052	154,931
	<u>3,180,477</u>	<u>2,190,901</u>

(ii) Impairment of financial assets

The Company's bank balances, deposits and other receivables are subject to the impairment requirements of IFRS 9. The identified impairment loss on other receivables has been recognised in these unconsolidated financial statements as referred to in note 22.5. The balances were due for more than 365 days.

(iii) Credit quality of financial assets

The credit quality of Company's financial assets that are neither past due nor impaired (mainly bank balances) can be assessed with reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		Rating Agency	2025	2024
	Short term	Long term		(Rupees in thousand)	
Bank balances:					
Allied Bank Limited	A1+	AAA	PACRA	-	292
Bank Al-Habib Limited	A1+	AAA	PACRA	6	6
Citibank N.A.	F1	A+	Fitch Ratings	10	10
Habib Bank Limited	A1+	AAA	VIS	1,218	13,089
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	119,600	117,284
JS Bank Limited	A1+	AA	PACRA	28,050	10,593
MCB Bank Limited	A1+	AAA	PACRA	22,049	3,427
Faysal Bank Limited	A1+	AA	PACRA	4	-
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	56,115	10,230
				<u>227,052</u>	<u>154,931</u>
Short term investments:					
Habib Bank Limited - Term Deposit Receipts	A1+	AAA	VIS	110,000	110,000
				<u>110,000</u>	<u>110,000</u>

(c) Liquidity risk

Liquidity risk represents the risk that the Company shall encounter difficulties in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities. At December 31, 2025, the Company has borrowing limits available from financial institutions as disclosed in note 12, and cash and bank balances as disclosed in note 25. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements.

Management monitors the forecasts of the Company's cash and cash equivalents (note 36.2) on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring unconsolidated statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the unconsolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, because the impact of discounting is not significant.

	Carrying value	Total contractual cashflows	Less than 1 year	Between 1 and 2 years	2 to 5 years	Over 5 years
(Rupees in thousand)						
At December 31, 2025						
Long term finances from financial institutions	17,838,900	23,425,505	3,447,247	5,104,808	10,356,461	4,516,989
Short term borrowings from financial institutions - secured	394,758	394,758	394,758	-	-	-
Long term advances	86,137	110,144	1,303	15,465	57,537	35,839
Trade and other payables	1,031,783	1,031,783	1,031,783	-	-	-
Unclaimed dividend	108,357	108,357	108,357	-	-	-
Accrued finance cost	339,878	339,878	339,878	-	-	-
	<u>19,799,813</u>	<u>25,410,425</u>	<u>5,323,326</u>	<u>5,120,273</u>	<u>10,413,998</u>	<u>4,552,828</u>

	Carrying value	Total contractual cashflows	Less than 1 year	Between 1 and 2 years	2 to 5 years	Over 5 years
(Rupees in thousand)						
At December 31, 2024						
Long term finances from financial institutions	8,251,400	10,461,272	2,039,770	2,647,170	4,814,547	959,785
Short term borrowings from financial institutions - secured	1,000,000	1,000,000	1,000,000	-	-	-
Long term advances	43,501	65,326	-	1,303	10,467	53,556
Trade and other payables	799,406	799,406	799,406	-	-	-
Unclaimed dividend	100,268	100,268	100,268	-	-	-
Accrued finance cost	345,428	345,428	345,428	-	-	-
	<u>10,540,003</u>	<u>12,771,700</u>	<u>4,284,872</u>	<u>2,648,473</u>	<u>4,825,014</u>	<u>1,013,341</u>

41. Financial instruments by categories

Assets as per unconsolidated statement of financial position as at December 31, 2025

	At cost	At fair value through other comprehensive income	At amortised cost	Total
(Rupees in thousand)				
Long term investments	41,915,788	29,065,452	-	70,981,240
Long term security deposits	-	-	3,713	3,713
Long term loan to subsidiary	-	-	1,250,000	1,250,000
Short term investments	-	-	110,000	110,000
Loans, deposits and other receivables	-	-	1,589,712	1,589,712
Cash and bank balances	-	-	232,515	232,515
	<u>41,915,788</u>	<u>29,065,452</u>	<u>3,185,940</u>	<u>74,167,180</u>

Assets as per unconsolidated statement of financial position as at December 31, 2024

	At cost	At fair value through other comprehensive income	At amortised cost	Total
(Rupees in thousand)				
Long term investments	32,409,878	27,220,540	-	59,630,418
Long term security deposits	-	-	3,713	3,713
Long term loan to subsidiary	-	-	1,000,000	1,000,000
Short term investments	-	-	110,000	110,000
Loans, deposits and other receivables	-	-	922,257	922,257
Cash and bank balances	-	-	159,674	159,674
	<u>32,409,878</u>	<u>27,220,540</u>	<u>2,195,644</u>	<u>61,826,062</u>

Liabilities as per unconsolidated statement of financial position

	Financial liabilities at amortised cost	
	2025	2024
(Rupees in thousand)		
Long term finances from financial institutions	17,838,900	8,251,400
Long term advances	86,137	43,501
Short term borrowings from financial institutions - secured	394,758	1,000,000
Trade and other payables	1,031,783	799,406
Unclaimed dividend	108,357	100,268
Accrued finance cost	339,878	345,428
	<u>19,799,813</u>	<u>10,540,003</u>

42. Offsetting financial assets and financial liabilities

There are no significant financial assets and financial liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements.

43. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total debt and equity (as shown in the unconsolidated statement of financial position). Net debt is calculated as total borrowings (including current and non-current borrowings) including bank overdraft less cash and bank balances.

The gearing ratio as at December 31, 2025 and 2024 were as follows:

	Note	2025	2024
(Rupees in thousand)			
Borrowings	7 & 12	18,233,658	9,251,400
Less: Cash and bank balances and liquid investments	24 & 25	342,515	269,674
Net debt		<u>17,891,143</u>	<u>8,981,726</u>
Total equity		56,440,168	55,218,543
Gearing ratio percentage		24.07%	13.99%

In accordance with the terms of agreements with the lenders of long term finances, (as referred to in note 7 to these unconsolidated financial statements), the Company is required to comply with the following major financial covenants:

- the debt service coverage ratio shall not be less than 1.30.
- the current ratio shall not be less than 1:1.
- the gearing ratio must be not more than 60%.

The Company complied with these ratios throughout the reporting period.

There are no indications that the Company would have difficulties in complying with the covenants when they will be next tested as at December 31, 2026.

44. Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The table below analyses the financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- 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 (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Company's financial assets that are measured at fair value:

At December 31, 2025	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Recurring fair value measurements Assets				
Long term investments - FVOCI	29,060,427	-	5,025	29,065,452
At December 31, 2024				
	(Rupees in thousand)			
Recurring fair value measurements Assets				
Long term investments - FVOCI	27,215,515	-	5,025	27,220,540

Movement in the above mentioned assets has been disclosed in note 20 to these unconsolidated financial statements and movement in fair value reserve has been disclosed in the unconsolidated statement of changes in equity. There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the year and there were no changes in valuation techniques during the year. Since the ordinary shares of Coca-Cola Beverages Pakistan Limited and Pakistan Tourism Development Corporation Limited are not listed, therefore, these are included in Level 3. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the annual valuation discussion between the Chief Financial Officer and the Chief Investment Officer. As part of this discussion, the Chief Investment Officer presents a report that explains the reason for the fair value movements.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active 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. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at reporting date.

45. Disclosure requirement for Companies not engaged in Shariah non-permissible business activities

Description	Note	2025	2024
(Rupees in thousand)			
Statement of Financial Position			
Accrued finance cost on conventional loan	15	339,878	345,428
Short term investments - conventional	24	110,000	110,000
Bank balances	25	232,515	159,674
Statement of Profit or Loss			
Revenue earned from a shariah-compliant business segment	26 and 27	5,871,932	4,727,050
Description			
Source and detailed break up of other income			
<i>Other income earned from shariah compliant:</i>			
Profit on disposal of operating fixed assets	30	58,500	1,996
Technical fee from Packages Lanka (Private) Limited		73,219	80,899
Liabilities no longer payable written back		14,488	9,599
Exchange gain - net		8,724	20,730
<i>Other income earned from non - shariah compliant:</i>			
Income from bank deposits	30	10,344	23,692
Profit on long term loan to subsidiary company		460,169	52,108

46. Date of authorisation for issue of financial statements

These unconsolidated financial statements were authorised for issue on March 26, 2026 by the Board of Directors of the Company. The Board of Directors have the power to amend and re-issue the financial statements.

47. Events after the reporting period

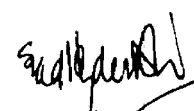
47.1 Subsequent to the reporting period on January 23, 2026, the Company received a redemption notice from International Finance Corporation ('IFC'), the holder of its convertible preference shares, for the redemption of 2 million of such preference shares as disclosed in note 7.1. The Board of Directors approved the redemption request in its meeting held on January 27, 2026, in accordance with the terms of issue, at a price to be mutually agreed with IFC.

The outstanding preference shares, after redemption will be equal to 6,186,842 shares. These financial statements do not include the effect of the above redemption, which will be accounted for in the subsequent year.

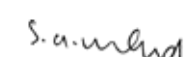
47.2 The Board of Directors have proposed a dividend of Rupee 16 per share, amounting to Rs 1,430.072 million at its meeting held on March 26, 2026 for approval of the members at the Annual General Meeting to be held on April 30, 2026. These financial statements do not include the effect of the above dividend that will be accounted for in the period in which it is approved.

48. Corresponding figures

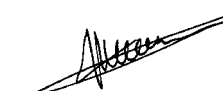
Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant re-arrangements have been made.



Chief Executive Officer



Director



Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS

“ Unified strength across the Group and delivering consolidated performance built on scale and synergy. ”



Directors' Report On Consolidated Financial Statements

For the Year Ended December 31, 2025

The Directors of Packages Limited (the 'Parent Company') take pleasure in presenting the consolidated financial statements of the Group for the year ended December 31, 2025. Comparison of consolidated results for the year 2025 as against year 2024 is as follows:

	2025	2024
	(Rupees in million)	
Sales – net	193,228	176,761
Profit from operations – EBIT	19,188	18,764
Finance costs	(14,598)	(18,356)
Investment income	1,208	618
Share of profit in associates and joint venture	507	418
Profit before levy and income tax	6,305	1,444
Levy and income tax	(6,044)	(2,823)
Profit / (loss) for the year	261	(1,379)

During the year 2025, the Group achieved net sales of Rs 193,228 million against net sales of Rs 176,761 million achieved during last year representing sales growth of 9% with an operating profit of Rs 19,188 million as compared to Rs 18,764 million generated during last year, representing an increase of 2%. This increase in profitability was due to revenue growth and favourable sales mix which was partially offset by high depreciation expense on account of strategic capital expenditure made in previous years and increased marketing cost.

The Group has recorded profit before levy and income tax of Rs 6,305 million as compared to Rs 1,444 million generated during last year, representing an increase of 4.4 times. The improved profitability is primarily due to decrease in finance cost by Rs 3,758 million mainly due to reduction in interest rates and repayment of long-term finances.

Levy and income tax increased by 2.1 times due to derecognition of minimum taxes of prior years' owing to the recent amendment in Finance Act 2025, whereby the period of recoupment of minimum taxes has been reduced from three years to two years.

A brief review of the operational performance of the Group subsidiaries is as follows:

PACKAGES CONVERTORS LIMITED

Packages Convertors Limited ('PCL') is an un-listed public limited wholly owned subsidiary of the Group. It is principally engaged in the manufacture and sale of packaging materials, tissue products and sanitary napkins. PCL has achieved net sales of Rs 51,125 million during the year 2025 as compared to Rs 49,176 million during 2024, representing growth of 4%. PCL has generated profit before levy and income tax of Rs 4,873 million during the year 2025 as compared to Rs 4,717 million during 2024, representing an increase of 3%. This has come

mainly on account of improved product mix, tighter cost controls, lower interest rates and effective working capital management.

BULLEH SHAH PACKAGING (PRIVATE) LIMITED

Bulleh Shah Packaging (Private) Limited ('BSPL') is a wholly owned subsidiary of the Group, which is principally engaged in the manufacturing and conversion of paper and paper board and corrugated boxes. BSPL has achieved sales of Rs 63,134 million during the year 2025 as compared to Rs 57,870 million during 2024, representing growth of 9%. BSPL has recorded loss before levy and income tax of Rs 5,135 million during the year 2025 as compared to Rs 6,426 million during 2024 showing better operating performance. Losses sustained are mainly on account of unrestricted imports of board and paper products, adverse sales mix and high interest cost. Furthermore, there was a one-time insurance gain of Rs 791 million during last year. Moving forward, BSPL will focus on improving operating results through volume growth, favourable sales mix and tighter cost controls.

DIC PAKISTAN LIMITED

DIC Pakistan Limited ('DIC') is an un-listed public limited subsidiary of the Group, which is principally engaged in the manufacturing, processing and selling of industrial inks. DIC has achieved net sales of Rs 12,417 million during the year 2025 as compared to Rs 11,750 million last year, representing sales growth of 6%. DIC has generated profit before levy and income tax of Rs 1,503 million during the year 2025 as against Rs 1,702 million in 2024. This is mainly due to product mix variation, exchanges losses and increased depreciation expense due to relocation and commencement of full commercial operations at its new site at Kasur in 2025. Moving forward, the management will focus on improving operating results through volume growth and tighter cost control.

PACKAGES LANKA (PRIVATE) LIMITED

Packages Lanka (Private) Limited ('PLL') is a Sri Lankan based subsidiary of the Group, which is primarily engaged in the production and sale of flexible packaging. PLL has achieved sales of SLR 4,704 million during 2025 as compared to SLR 4,999 million in 2024, representing decline of 6%. PLL has generated profit before tax of SLR 1,006 million in the year 2025 as compared to profit before tax of SLR 1,006 million of 2024, representing decline of 5%, mainly due to delays in order inflows arising from government-mandated design changes on packaging material. Going forward, PLL will focus on improving operating results through volume growth and favourable product mix.

PACKAGES REAL ESTATE (PRIVATE) LIMITED

Packages Real Estate (Private) Limited ('PREPL') is a subsidiary of the Group, which is primarily engaged in development of real estate. It is currently operating a real estate project titled 'Packages Mall' and also leases out office space to corporate customers. PREPL has achieved net revenue of Rs 6,413 million during the year 2025 as

compared to Rs 6,018 million during 2024, representing growth of 7%. PREPL has recorded profit before levy and income tax of Rs 1,594 million during the year 2025 as compared to Rs 989 million in 2024, representing growth of 61%, mainly driven from savings in finance cost due to reduced interest rates and decreased debt levels due to repayment.

STARCHPACK (PRIVATE) LIMITED

StarchPack (Private) Limited ('SPL') is a wholly owned subsidiary of the Group, which is principally engaged in the manufacture and sale of corn-based starch products, its derivatives, by-products and trading of corn. SPL achieved net sales of Rs 8,166 million during the year 2025 as compared to Rs 3,599 million during 2024, representing growth of 2.3 times. SPL has recorded a loss before levy and income tax of Rs 1,383 million during 2025 as compared to Rs 1,933 million in 2024, representing reduction in losses by 28%. Moving forward, SPL is targeting a stable performance in FY 2026 with increased product portfolio especially in value-added starches, efficient production and efficient corn procurement.

TRI-PACK FILMS LIMITED

Tri-Pack Films Limited ('TPFL') is a listed public limited subsidiary of the Group, which is principally engaged in the manufacturing and sale of Biaxially Oriented Polypropylene (BOPP) film and Cast Polypropylene (CPP) film. TPFL has achieved net sales of Rs 30,204 million during the year 2025 as compared to sales of Rs 29,413 million achieved during 2024, representing sales growth of 3%, reflecting sustained market demand. TPFL has generated a loss before levy and income tax of Rs 235 million as against Rs 290 million achieved during last year, primarily on account of capitalization of its new BOPP line, leading to increased depreciation and finance cost. Moving forward, the company expects to recoup the benefits of the strategic capital expenditure by higher volumes, effective working capital management and tighter fixed cost controls.

PACKAGES TRADING FZCO, DUBAI, UAE

Packages Trading FZCO ('FZCO') is a wholly owned subsidiary of the Group, which is incorporated under Dubai Integrated Economic Zones Authority Implementing Regulations, 2022 and registered with Dubai Integrated Economic Zones Authority. The subsidiary is primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities.



TOWFIQ HABIB CHINOY
Chairman

March 26, 2026
Lahore

It provides both export and import synergies to group companies. FZCO achieved net revenue of AED 265 million during 2025 as compared to net revenue of AED 106 million achieved during 2024, representing growth of 2.5 times. FZCO recorded a profit before tax of AED 2.3 million as against AED 1.8 million during last year, representing growth of 28% mainly on account of sales growth and expanded trading portfolio.

HOECHST PAKISTAN LIMITED

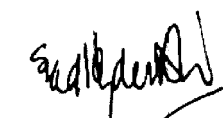
Hoechst Pakistan Limited ('HPL') is principally engaged in the manufacturing, selling and trading of pharmaceutical and related products. HPL has achieved net revenue of Rs 30,929 million during 2025 as compared to Rs 26,748 million during 2024, representing revenue growth of 16%. HPL has generated profit before levy and income tax of Rs 4,964 million during the current year as compared to Rs 3,479 million during 2024, representing increase of 43%, mainly driven from sales growth, favourable product mix and effective working capital management.

FUTURE OUTLOOK

Looking ahead to 2026, Pakistan's economic outlook is expected to remain cautiously resilient despite heightened geopolitical tensions in the Middle East and their potential spillover effects. Volatility in global oil prices, disruptions in remittance flows from the Gulf region, and pressure on external accounts may pose near-term challenges; however, the country's ongoing macroeconomic stabilization efforts, supported by prudent fiscal management, a market-determined exchange rate, and continued engagement with multilateral partners, are likely to underpin stability.

While risks from external shocks persist, particularly in energy and trade channels, Pakistan remains positioned to navigate these headwinds through structural reforms, diversification of export markets, and a continued focus on strengthening foreign exchange reserves and financial discipline.

The Group remains committed to strengthening its financial position, optimizing capital structure, and evaluating strategic growth and diversification opportunities. Emphasis will continue on disciplined risk management, operational efficiencies, and long-term value creation for shareholders, while ensuring that sustainability and responsible business practices remain integral to the Group's strategy.



SYED HYDER ALI
Chief Executive Officer &
Managing Director



INDEPENDENT AUDITOR'S REPORT

To the members of Packages Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Packages Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
1.	<p>Revenue from contracts with customers</p> <p>(Refer notes 4.20 and 37 to the annexed consolidated financial statements)</p> <p>Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and control either transfers over time or at a point in time.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understood and evaluated management controls over revenue; Performed testing of a sample of revenue transactions with underlying documentation, including dispatch documents and sales invoices;

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan
Tel: +92 (42) 35199343-50/Fax: +92 (42) 35199351

KARACHI LAHORE ISLAMABAD



S. No.	Key audit matters	How the matter was addressed in our audit
	<p>The Group has recognised a net revenue of Rs 193,227.707 million during the current year, reflecting an increase of 9.32% in net revenue from the prior year.</p> <p>Due to revenue being one of the key performance indicators of the Group, the presence of various revenue streams, the large number of revenue transactions involving numerous customers, and the inherent risk of material misstatement, we consider it to be a key audit matter.</p>	<ul style="list-style-type: none"> Performed cut-off procedures on a sample basis to ensure revenue was recognised in the correct period; Checked, on a sample basis, the approval of sales prices by the appropriate authority; Performed analytical procedures to analyse variations in the price and quantity sold during the year; Tested journal entries relating to revenue recognised during the year based on identified risk criteria; and Assessed the adequacy of disclosures made in the financial statements related to revenue.
2.	<p>Assessment of recoverable amount of certain CGUs</p> <p>(Refer notes 4.3.4 and 53.7 to the annexed consolidated financial statements)</p> <p>As of the reporting date, impairment indicators were identified within certain Cash Generating Units (CGUs) of the Group. These indicators required management to perform an impairment test in accordance with International Accounting Standard 36 - Impairment of Assets.</p> <p>Management assessed the recoverable amounts of these CGUs, concluding that they exceeded their carrying amounts.</p> <p>The determination of recoverable amounts of CGUs involves significant judgment and estimation. Because of the significance of the impact of these judgments and estimates, we consider the assessment of the recoverable amounts to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Considered management's process for identifying impairment indicators for the Group's assets; Assessed the methodology used by management to calculate the recoverable amounts of the CGUs; Obtained an understanding of the work performed by management for the purpose of computing the recoverable amounts; Where cash flow techniques were used to calculate recoverable amounts, assessed the reasonableness of the key assumptions, including revenue, profit and cash flow growth rates, terminal growth rates, and the discount rates that management has applied; Where 'fair value less costs of disposal' was used, evaluated the professional qualification of management's expert and assessed its independence, competence, and experience in the field and involved auditor's expert to assess the adequacy of the work performed by the management's expert; Assessed the professional qualifications, experience, and competence of the management's personnel involved in preparing the impairment assessment; and Checked the adequacy of the disclosures made by the Group in accordance with applicable accounting and reporting standards.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Khurram Akbar Khan.

A. F. Ferguson & Co.
Chartered Accountants

Lahore

Date: April 7, 2026

UDIN: AR202510070nP372Lb1i

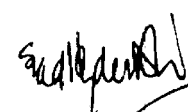
Consolidated Statement of Financial Position

as at December 31, 2025

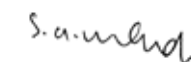
	Note	2025	2024
(Rupees in thousand)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
-150,000,000 (2024: 150,000,000) ordinary shares of Rs 10 each		1,500,000	1,500,000
- 22,000,000 (2024: 22,000,000) 10% non-voting preference shares / convertible stock of Rs 190 each		4,180,000	4,180,000
		<u>5,680,000</u>	<u>5,680,000</u>
Issued, subscribed and paid up share capital			
- 89,379,504 (2024: 89,379,504) ordinary shares of Rs 10 each	5	893,795	893,795
- 8,186,842 (2024: 8,186,842) 10% non-voting preference shares / convertible stock of Rs 190 each		606,222	606,222
Other reserves	6	53,113,182	55,305,019
Equity portion of loan from shareholder of the Parent Company	7	277,219	277,219
Revenue reserve: Un-appropriated profits		11,746,390	13,140,151
Attributable to owners of the Parent Company		66,636,808	70,222,406
Non-controlling interests		19,130,647	18,486,388
Total equity		<u>85,767,455</u>	<u>88,708,794</u>
NON-CURRENT LIABILITIES			
Long term finances from financial institutions	8	64,246,500	60,240,619
Lease liabilities	9	1,485,702	1,403,824
Security deposits	10	596,815	479,423
Deferred income	11	220,332	295,441
Deferred government grant	12	728,714	1,040,158
Deferred tax liabilities	13	8,020,538	6,004,843
Long term advances	14	452,708	336,247
Employee benefit obligations	15	3,830,240	3,313,023
Accumulating compensated absences	16	951,448	805,649
		<u>80,532,997</u>	<u>73,919,227</u>
CURRENT LIABILITIES			
Current portion of non-current liabilities	17	14,144,080	9,318,037
Short term borrowings from financial institutions - secured	18	53,483,415	46,418,451
Trade and other payables	19	30,117,110	26,712,633
Unclaimed dividend		149,159	135,188
Unpaid dividend	20	67,692	3,911
Accrued finance cost	21	2,830,208	3,452,701
		<u>100,791,664</u>	<u>86,040,921</u>
CONTINGENCIES AND COMMITMENTS			
	22	<u>267,092,116</u>	<u>248,668,942</u>

	Note	2025	2024
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	23	108,303,840	107,469,125
Right-of-use assets	24	1,748,296	1,836,684
Investment properties	25	13,272,780	13,221,984
Intangible assets	26	8,543,124	5,750,804
Investments accounted for using the equity method	27	6,534,791	6,155,613
Other long term investments	28	29,065,452	27,220,540
Long term security deposits		513,291	347,699
Long term loans	29	8,464	5,656
		<u>167,990,038</u>	<u>162,008,105</u>
CURRENT ASSETS			
Stores and spares	30	7,118,802	6,147,562
Stock-in-trade	31	44,112,225	41,296,242
Short term investments	32	2,131,902	1,206,384
Trade debts	33	22,804,898	19,347,599
Loans, advances, deposits, prepayments and other receivables	34	8,030,991	8,298,943
Income tax receivable	35	9,515,720	7,168,149
Cash and bank balances	36	5,387,540	3,195,958
		<u>99,102,078</u>	<u>86,660,837</u>
		<u>267,092,116</u>	<u>248,668,942</u>

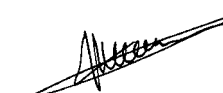
The annexed notes 1 to 63 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement of Profit or Loss

For the Year Ended December 31, 2025

Note	2025	2024	
(Rupees in thousand)			
Revenue from contracts with customers - net	37	193,227,707	176,761,284
Cost of sales and services	38	(153,765,963)	(142,706,818)
Gross profit		39,461,744	34,054,466
Administrative expenses	39	(7,486,642)	(6,723,502)
Distribution and marketing costs	40	(11,802,805)	(9,598,174)
Net impairment loss on financial assets		(130,924)	(128,058)
Other expenses	41	(2,473,311)	(1,130,917)
Other income	42	1,619,963	2,290,404
Investment income	43	1,208,177	618,209
Share of net profit of associates and joint venture accounted for using equity method		506,824	417,566
Operating profit		20,903,026	19,799,994
Finance cost	44	(14,598,262)	(18,356,138)
Profit before levy and income tax		6,304,764	1,443,856
Levy	45	(1,258,092)	(1,473,284)
Profit / (loss) before income tax		5,046,672	(29,428)
Income tax	45	(4,786,085)	(1,349,539)
Profit / (loss) for the year		260,587	(1,378,967)
Profit / (loss) is attributable to:			
Owners of the Parent Company		(1,836,306)	(2,845,899)
Non-controlling interests		2,096,893	1,466,932
		260,587	(1,378,967)

Loss per share for loss attributable

		(Rupees)	
to equity holders of the Parent Company			
- Basic	52.1	(20.55)	(32.55)
- Diluted	52.2	(20.55)	(32.55)

The annexed notes 1 to 63 form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the Year Ended December 31, 2025

Note	2025	2024	
(Rupees in thousand)			
Profit / (loss) for the year		260,587	(1,378,967)
Other comprehensive loss for the year - net of tax			
Items that will not be subsequently reclassified to statement of profit or loss:			
Change in fair value of investments at fair value through other comprehensive income (FVOCI)		1,844,912	(2,738,771)
Tax effect of change in fair value of investments at fair value through other comprehensive income		(2,326,588)	-
Remeasurements of employee retirement benefit obligations		1,654	(199,857)
Tax effect of remeasurements of retirement benefit obligations		(15,508)	39,415
		(495,530)	(2,899,213)
Items that may be reclassified subsequently to statement of profit or loss:			
Net exchange differences on translation of foreign operations		(108,111)	158,862
Share of other comprehensive income/(loss) of associates and joint venture accounted for using the equity method - net of tax	27.3	170,069	(82,829)
		61,958	76,033
Other comprehensive loss for the year		(433,572)	(2,823,180)
Total comprehensive loss for the year		(172,985)	(4,202,147)
Total comprehensive loss for the year attributable to:			
Owners of the Parent Company		(2,244,905)	(5,715,545)
Non-controlling interests		2,071,920	1,513,398
		(172,985)	(4,202,147)

The annexed notes 1 to 63 form an integral part of these consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer


Chief Executive Officer


Director


Chief Financial Officer

Notes to and Forming Part of the Consolidated Financial Statements

For the Year Ended December 31, 2025

1. The Group and its operations

The Group comprises Packages Limited (the 'Parent Company') and its subsidiaries:

- Packages Convertors Limited ('PCL'),
- Packages Investments Limited ('PIL'),
- DIC Pakistan Limited ('DIC'),
- Bulleh Shah Packaging (Private) Limited ('BSPPL'),
- Packages Lanka (Private) Limited ('PLL'),
- Linnaea Holdings Inc. ('LHI'),
- Chantler Packages Inc. ('CPI'),
- Tri-Pack Films Limited ('TRPFL'),
- Packages Real Estate (Private) Limited ('PREPL'),
- Packages Power (Private) Limited ('PPPL'),
- Anemone Holdings Limited ('AHL'),
- StarchPack (Private) Limited ('SPAC'),
- Hoechst Pakistan Limited ('HPL'),
- H-Pack Wellness (Private) Limited ('HPWL') and
- Packages Trading FZCO (together, the 'Group').

The Group is principally engaged in the following businesses:

- Packaging: Representing manufacture and sale of packaging materials and tissue products.
- Inks: Representing manufacture and sale of finished and semi-finished inks.
- Real estate: Representing all types of construction activities and development of real estate.
- Paper and paperboard: Representing manufacture and sale of paper and paperboard of all kinds.
- Plastic: Representing manufacture and sale of Biaxially Oriented Polypropylene (BoPP) film and Cast Polypropylene (CPP) films.
- Pharmaceutical products: Representing manufacture, sale and trading of pharmaceutical and related products.
- Corn-based starch products: Representing manufacture and sale of Corn-based starch products, its derivatives, by-products and trading of Corn.
- Trading: Representing trading of paper and related products, raw materials, crude plastic, nylon, packing materials and equipment, as well as agricultural materials and waste.

For further details of all business activities of the Group, refer note 60.

The Group also holds investments, directly and indirectly, in companies engaged in life insurance, brokerage services, general insurance, technology solutions, and the production and sale of ground calcium carbonate products.

The registered office of the Parent Company is situated at 4th Floor, the Forum, Suite No. 416 - 422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan. Head office is located at Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore, Pakistan. For further details of addresses of all business units of the Group, refer note 60.

2. Basis of preparation

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the 'Act'); and
- Provisions of, directives and notifications issued under the Act.

Where provisions of, directives and notifications issued under the Act differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Act have been followed.

2.2 Initial application of standard, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Group's consolidated financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments to published standards and interpretations that are effective in the current year

Certain standards, amendments and interpretations to IFRS are effective for accounting period beginning on January 1, 2025 but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these consolidated financial statements, except for the following:

a) Amendment to International Accounting Standard (IAS) 21 – Lack of Exchangeability

In August 2023, the IASB issued amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates, introducing guidance to help entities assess when a currency is exchangeable and to determine the appropriate spot exchange rate when exchangeability is lacking. Previously, IAS 21 addressed only situations where exchangeability was temporarily lacking, but it did not specify the accounting when the lack of exchangeability persisted.

The Group assessed the amendments and concluded that they do not have a material impact on its financial statements, as the Group does not operate in environments where exchange controls create a lack of exchangeability, and none of the currencies used by the Group are subject to restrictions that would require application of the amended guidance.

2.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

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

(a) Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (effective for annual period beginning on January 1, 2026)

The amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the sole payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

These amendments will primarily impact the level of detail at which the group discloses information about strategic equity investments whose changes in fair value the group has elected to present in other comprehensive income.

The group has not yet decided whether – and, if so, to what extent – it will elect to derecognise financial liabilities before the settlement date where they are settled in cash using an electronic cash transfer system eligible for this election. The group is currently assessing whether the election should be applied to any of its electronic transfer payment systems.

The rest of these amendments are not expected to have a material impact on the consolidated financial statements of the group.

(b) Annual Improvements to IFRS Accounting Standards – Volume 11 (effective for annual period beginning on January 1, 2026)

The IASB has made the following improvements:

IFRS 1, ‘First-time Adoption of International Financial Reporting’ – to improve consistency between IFRS 1 and IFRS 9, ‘Financial Instruments’, in relation to the requirements for hedge accounting, and to improve the understandability of IFRS 1;

IFRS 7, ‘Financial Instruments: Disclosures’ – to improve consistency in the language used in IFRS 7 with the language used in IFRS 13, ‘Fair Value Measurement’;

IFRS 9 – to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished, and to address an inconsistency between IFRS 9 and IFRS 15, ‘Revenue from Contracts with Customers’, in relation to the term ‘transaction price’;

IFRS 10, ‘Consolidated Financial Statements’ – to clarify the requirements in relation to determining de facto agents of an entity; and

IAS 7, ‘Statement of Cash Flows’ – to replace the term ‘cost method’ with ‘at cost’, since the term is no longer defined in IFRS Accounting Standards.

The Group determined that the amendments are not expected to materially impact its financial statements.

(c) International Financial Reporting Standard (IFRS) 18, ‘Presentation and Disclosure in Financial Statements’ (effective for annual period beginning on January 1, 2027)

The IASB issued IFRS 18 in response to investors’ concerns about the comparability and transparency of entities’ performance reporting. The new presentation requirements introduced in IFRS 18 are expected to improve comparability of financial performance across entities, particularly through a consistent definition of ‘operating profit or loss’. The standard also introduces new disclosure requirements for management-defined performance measures, which are intended to enhance transparency. Key changes introduced by IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures for certain profit or loss performance measures that are reported outside the financial statements (i.e., management-defined performance measures); and
- enhanced principles on aggregation and disaggregation applicable to the primary financial statements and related notes.

The Group is yet to assess the impact of this standard on its consolidated financial statements.

3. Basis of measurement

3.1 These consolidated financial statements have been prepared under the historical cost convention except for the following:

- certain financial instruments and plan assets of defined benefit plans at fair value; and
- certain employee benefit obligations, provisions, security deposits and long term advances at present value.

3.2 Critical accounting estimates and judgements

The Group’s material accounting policy information is stated in note 4. The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group’s accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to the estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

- Estimation of useful lives and residual values of property, plant and equipment, investment properties and intangible assets - notes 4.3, 4.4, 4.5, 23, 25 and 26
- Estimation of employee benefit obligations and accumulating compensated absences - notes 4.8, 15 and 16
- Estimation of provision for taxation and recognition of deferred tax asset for carried-forward tax losses and tax credits - notes 4.2, 13, 35 and 45
- Impairment of financial assets (other than investments in equity instruments) - notes 4.13 and 33
- Estimation uncertainties and judgements made in relation to lease accounting including lease term and discount rate for leases - notes 4.6 and 9
- Estimation of provision for obsolescence of stores, spare parts and stock in trade - notes 4.9, 4.10, 30 and 31
- Provisions, contingent assets and contingent liabilities - notes 4.29 and 22

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

4. Summary of material accounting policies

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 4.7).

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests ('NCI') in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

When control of subsidiary ceases, non-controlling interests in the equity of subsidiary is measured and disposed of at its proportionate share of the fair value of the net assets of the subsidiary.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (refer to note 4.1 (d)), after initially being recognised at cost in the consolidated statement of financial position.

c) Joint arrangements

Under IFRS 11, Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has investments in joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method (refer to note 4.1 (d)), after initially being recognised at cost in the consolidated statement of financial position.

d) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the consolidated statement of profit or loss.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the consolidated statement of profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of profit or loss where appropriate.

4.2 Taxation - income tax and levy

Income tax comprises current and deferred tax. The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax expense is recognized in the consolidated statement of profit or loss except to the extent that relates to items recognised directly in consolidated statement of changes in equity or consolidated statement of comprehensive income in which it is recognized directly in equity or in consolidated statements of comprehensive income.

Current

The charge for current tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and it considers whether it is probable that the taxation authority will accept an uncertain tax treatment. The Group measures its tax balances based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Such judgements are reassessed whenever circumstances have changed or there is new information that affects the judgements. Where, at the assessment stage, the taxation authorities have adopted a different tax treatment and the Group considers that the most likely outcome will be in favour of the Group, the amounts are shown as contingent liabilities. In making a judgment and / or estimate relating to probability of outcome, the management considers laws, statutory rules, regulations and their interpretations. Where, based on management's estimate, a provision is required, the same is recorded in the financial statements.

Deferred

Deferred income tax is provided in full using the liability method on temporary differences arising between the carrying amount of assets and liabilities in the consolidated statement of financial position and the corresponding tax bases used in the computation of the taxable profit. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a

business combination that at the time of transaction neither affects accounting nor taxable profit or loss. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the consolidated statement of profit or loss, except in the case of items credited or charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity, in which case it is included in the consolidated statement of other comprehensive income or consolidated statement of changes in equity.

Deferred tax liability is not recognized in respect of taxable temporary differences associated with undistributed reserves and exchange translation reserves of subsidiaries, where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax liability is recognised in respect of taxable temporary differences associated with undistributed reserves of associates and joint ventures.

Group taxation adjustments

The Securities and Exchange Commission of Pakistan ('SECP') vide its certificate dated March 1, 2023, registered the Parent Company, Bulleh Shah Packaging (Private) Limited ('BSPPL'), Packages Investments Limited ('PIL'), Packages Convertors Limited ('PCL'), StarchPack (Private) Limited ('SPL') and Packages Power (Private) Limited ('PPPL') (together the 'Taxation Group') as a Group for the purpose of group taxation under Section 59AA of the Income Tax Ordinance, 2001. Consequently, the Taxation Group is taxed as one fiscal unit from the tax year 2024 and onwards.

Any adjustments in the current and deferred taxes of the Taxation Group on account of group taxation are credited or charged to consolidated statement of profit or loss or consolidated statement of comprehensive income in the year in which they arise.

Levies

Minimum taxes that exceed the normal tax liability, as well as income tax deducted at source (other than from dividends received from subsidiaries, joint ventures, and associates) under the provisions of the Income Tax Ordinance, 2001 ('the Ordinance'), are not within the scope of IAS 12 - Income Taxes. Instead, these taxes fall under the provisions of IFRIC 21 - Levies, and IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.

Consequently, a liability for these levies is recognized in accordance with IFRIC 21 when the event specified in the Ordinance that triggers the obligation occurs. Therefore, excess minimum taxes and final taxes are recognized as liabilities when they become due, ensuring compliance with the recognition and measurement principles outlined in IAS 37.

4.3 Property, plant and equipment

4.3.1 Operating fixed assets

Operating fixed assets, except freehold land and leasehold land, are stated at cost less accumulated depreciation and any identified impairment loss. Leasehold land is stated at cost less accumulated amortisation less any identified impairment loss and freehold land is stated at cost less any identified impairment loss. Cost of leasehold land is amortised using the straight line method over the period of lease term. An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation on all owned assets is charged to consolidated statement of profit or loss on straight-line method so as to write off the depreciable amount of an asset over its estimated useful life at the following annual rates:

- Leasehold land	1.23% to 10%
- Buildings	2.50% to 33.33%
- Plant and machinery	3.33% to 50.00%
- Other equipment	5.00% to 50.00%
- Furniture and fixtures	10.00% to 50.00%
- Vehicles	10.00% to 33.33%

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The Group's estimate of the residual values and useful lives of its operating fixed assets as at December 31, 2025 has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as fully explained in note 4.3.4 to these consolidated financial statements.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item shall flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to consolidated statement of profit or loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as an income or expense.

4.3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure including borrowing costs connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.3.3 Major spare parts and stand-by equipment

Major spare parts and stand-by equipment qualify as property, plant and equipment when the Group expects to use them for more than one year. Transfers are made to relevant owned assets category as and when such items are available for use.

4.3.4 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

4.4 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Land held for an undetermined future use is also classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Some of the investment properties are leased to tenants under long term operating leases with rentals, payable monthly. The investment properties of the Group comprise land, buildings and other equipment. The investment properties, except freehold land, are stated at cost less accumulated depreciation and any identified impairment losses. Freehold land is stated at cost less any identified impairment loss.

Depreciation on buildings and equipment is charged to consolidated statement of profit or loss on straight-line method so as to write off the depreciable amount of investment property over its estimated useful life at the rates ranging from 2.50% to 20.00% per annum.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The Group's estimate of the residual values and useful lives of its investment properties as at December 31, 2025 has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as fully explained in note 4.3.4 to these consolidated financial statements.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as an income or expense.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its carrying value at the date of reclassification becomes its cost for subsequent accounting at the date of change in use.

4.5 Intangible assets

4.5.1 Goodwill

Goodwill arises through acquisitions of subsidiaries and represents the excess of the consideration transferred over the net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interests in the acquiree. Goodwill on acquisition of subsidiaries is included in 'intangible assets'. Goodwill on acquisitions of associates and joint ventures is included in 'investments in associates' and 'investments in joint ventures' respectively and is tested for impairment as part of the overall balance. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit.

4.5.2 Software

Expenditure incurred to acquire computer software and SAP Enterprise Resource Planning ('ERP') System and develop websites are capitalised as intangible assets and stated at cost less accumulated amortisation and any identified impairment loss.

Costs associated with maintaining computer software programmes are recognised as an expense when incurred. However, costs that are directly attributable to identifiable software and have probable economic benefits exceeding one year, are recognised as an intangible asset. Direct costs include the purchase cost of software (license fee) and related overhead cost.

4.5.3 Trademarks

Trademarks, licences and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. Trademarks represent brand names of medicines being sold. These are considered to have an indefinite useful lives since they are expected to generate net cashflows indefinitely and have minimum renewal cost. These are tested for impairment annually at each reporting date.

4.5.4 Research and development

Research expenditure and development expenditure that do not meet the criteria in 4.5.2 above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

4.5.5 Amortisation methods and periods

Intangible assets that have a finite useful life are amortised using the straight line method over the estimated useful lives at the annual rates ranging from 10.00% to 20.00%. Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Useful lives of intangible assets are reviewed, at each statement of financial position date and adjusted if the impact of on amortisation is significant. The Group's estimate of the useful lives of its intangible assets as at December 31, 2025 has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as fully explained in note 4.3.4 to these consolidated financial statements.

4.6 Leases

4.6.1 The Group is the lessee:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, as fully explained in note 4.3.4 to these consolidated financial statements and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

4.6.2 The Group is the lessor:

Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental income received under operating leases (net of any incentives given to the lessee) is recognised as income on a straight-line basis over the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. The respective leased assets are included in the consolidated statement of financial position as investment properties.

4.7 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the following:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the consolidated statement of profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the consolidated statement of profit or loss.

4.8 Employee benefits

4.8.1 Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

4.8.2 Post employment benefits

(i) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than the defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods; that benefit is discounted to determine its present value. The calculation is performed annually by a qualified actuary using the Projected Unit Credit method.

(a) Gratuity plan

There are approved funded defined benefit gratuity plans for all permanent employees of the Parent Company, BSPPL, DIC, PCL, PREPL, TPFL, Packages Trading FZCO and HPL subject to attainment of service of prescribed minimum period. Monthly contributions are made to the funds on the basis of actuarial recommendations at the rate of 4.50 percent per annum of basic salaries. The latest actuarial valuation for the gratuity scheme was carried out as at December 31, 2025. The eligible employees are entitled to gratuity payments on the basis of their service with the Group and in accordance with the Group policy.

The Group operates defined benefit gratuity plan in accordance with the local regulatory framework in Pakistan. The plan provides benefits to members in the form of a gratuity amount payable at the end of employment. This is a trustee-administered fund. Plan assets held by the fund are subject to local regulations and practice. Responsibility for governance of the plan – including investment decisions and contributions schedules – lies jointly with the board of trustees which are either directors, senior executives or employees of the Group in accordance with the plan's regulations.

The actual return on plan assets represents the difference between the fair value of plan assets at the beginning of the year and as at the end of the year after adjustments for contributions made by the Group as reduced by benefits paid during the year. The actual return on plan assets during the year was Rs 110.906 million (2024: Rs 235.469 million).

The Group ensures that its investment positions are managed within an asset-liability matching (ALM) framework developed to align with its gratuity obligations. Within this framework, the Group's ALM objective is to match assets to the gratuity obligations by investing in equity securities, floating-rate long-term bonds and short-term debt securities. The Group actively monitors how the duration and expected yield of these investments align with the expected cash outflows arising from the gratuity scheme obligations.

The amount recognized in consolidated statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of the plan assets.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity through other comprehensive income in the period in which they arise. Past service costs are recognised immediately in consolidated statement of profit or loss.

The future contribution rates of these plans include allowances for deficit and surplus. Projected unit credit method, using the following significant assumptions, is used for valuation of this scheme:

	2025	2024
Discount rate per annum	12.25% - 15.50%	12.25% - 15.50%
Expected rate per annum of increase in salary level	10% - 12.25%	10% - 12.25%
Expected mortality rate	SLIC 2001 - 2005 Setback 1 Year	SLIC 2001 - 2005 Setback 1 Year
Expected rate of return per annum	12.25% - 15.50%	12.25% - 15.50%
Retirement Assumption	58 Years	58 Years

Plan assets include long term government bonds, equity instruments of listed companies, units of mutual funds, izafa certificates, treasury bills, sukuk and term deposits with banks.

The Group is expected to contribute Rs 193.051 million to the gratuity funds in the next financial year.

(b) Pension plan

Management and executive staff of the Parent Company hired before January 1, 2016 and management and executive staff of TPFL hired before March 15, 2018, participate in the pension fund managed by the Parent Company.

On December 26, 2012, the Board of Trustees of the pension fund, decided to convert the defined benefit plan to defined contribution plan for all its active employees with effect from January 1, 2013 with no impact on the pensioners appearing on the pensioners' list as of that date. The proposed scheme was approved for implementation by the Commissioner Inland Revenue on February 22, 2013 and employees' consent to the proposed scheme was sought and obtained.

Management and executive staff of the Parent Company who have joined on or after January 1, 2016, and management and executive staff of TPFL who have joined on or after March 15, 2018, do not participate in the pension fund.

Consequently, the pension fund currently operates two different plans for its members:

- Defined contribution plan for active employees hired before January 1, 2016 of the Parent Company and March 15, 2018 for active employees of TPFL; and
- Defined benefit plan for pensioners who have retired on or before December 31, 2012.

In respect of the defined contribution plan for active employees as above, the Group contributes 20.00% of members' monthly basic salary to the scheme; whereas, an employee may or may not opt to contribute 6.00% of his monthly basic salary to the scheme.

The obligation in respect of the defined benefit plans are determined by the funds' actuary at each year end. Any funding gap identified by the funds' actuary is paid by the Group from time to time. The last actuarial valuation was carried out as at December 31, 2025, based on the following assumptions:

	2025	2024
Discount rate per annum	12.25%	12.25%
Expected rate of increase in pension level per annum	10% - 12.25%	10% - 12.25%
Expected mortality rate	SLIC 2001-2005 Setback 1 Year	SLIC 2001-2005 Setback 1 Year
Expected rate of return per annum	12.25%	12.25%
Average duration of liability	8 Years	6 Years

The Group operates defined benefit pension plan in accordance with the local regulatory framework in Pakistan. The plan provides benefits to members in the form of a pension amount payable at retirement. This is a trustee-administered fund. Plan assets held by the fund are subject to local regulations and practice. Responsibility for governance of the plan – including investment decisions and contributions schedules – lies jointly with the board of trustees which are either directors, senior executives or employees of the Group in accordance with the plan's regulations.

Plan assets include long term government bonds, equity instruments of listed companies, units of mutual funds, term finance certificates, izafa certificates, treasury bills, sukuk and term deposits with banks.

The actual return on plan assets represents the difference between the fair value of plan assets at the beginning of the year and as at the end of the year after adjustments for contributions made by the Group as reduced by benefits paid during the year.

The Group ensures that its investment positions are managed within an asset-liability matching (ALM) framework developed to align with its pension obligations. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in equity securities, floating-rate long-term bonds and short-term debt securities. The Group actively monitors how the duration and expected yield of these investments align with the expected cash outflows arising from the pension scheme obligations.

The amount recognised in consolidated statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of the plan assets.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for the defined benefit plan are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognised immediately in consolidated statement of profit or loss.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in consolidated statement of profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The Parent Company, BSPPL, DIC, PCL, PREPL, TPFL and HPL operate a recognised/approved contributory provident fund for its permanent employees. Equal monthly contributions at the rate of 10.00% per annum of basic salaries plus dearness allowance and cost of living allowance are made by the Group and the employees to the fund. The nature of contributory pension fund has been explained in note 4.8.2 (b) above.

Employees of Packages Lanka (Private) Limited are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with the respective statutes and regulations. The contributions are made at the rate of 12.00% and 3.00% per annum of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund, respectively.

4.8.3 Accumulating compensated absences

The Group provides for accumulating compensated absences when the employees render services that increase their entitlement to future compensated absences. The annual leaves can be encashed at the time the employee leaves the Group on the basis of gross salary while no encashment is available for medical leaves. The employees of the Group are entitled to earned annual and medical leaves on basis of their service with the Group and in accordance with the Group policy.

As per the Group's leaves policy, employees are entitled to following earned leaves along with their maximum accumulation.

	Earned leaves entitlement per year (days)	Maximum accumulation of compensated leaves (days)
Service up to 14 years	15	30
Service from 15 years or more	21	42

Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to consolidated statement of profit or loss. The most recent valuation was carried out as at December 31, 2025 using the Projected Unit Credit Method.

The amount recognised in the consolidated statement of financial position represents the present value of the defined benefit obligations. Actuarial gains and losses are charged to the consolidated statement of profit or loss immediately in the period when these occur.

Projected Unit Credit method, using the following significant assumptions, has been used for valuation of accumulating compensated absences:

	2025	2024
Discount rate per annum	12.25% - 15.5%	12.25% - 15.5%
Expected rate of increase in salary level per annum	10% - 12.25%	10% - 12.25%
Expected mortality rate	SLIC 2001-2005 Setback 1 Year	SLIC 2001-2005 Setback 1 Year
Average Duration of the plan	6 years	6 years

4.8.4 Gratuity scheme - third party employees

The Group also provides for gratuity benefits in respect of personnel employed by third-party contractors engaged to provide services to the Group. Under this arrangement, gratuity is payable to the respective third-party contractor in respect of such personnel upon cessation of the service contract with the third party or termination of the employment of the relevant personnel. The gratuity amount is calculated based on the last drawn gross salary multiplied by the number of years of service and a factor of 30/26. Personnel who have completed more than six months of service are eligible under this arrangement.

Provisions are made annually to cover the obligation for benefits payable to third party employees based on actuarial valuation and are charged to the statement of profit or loss. The most recent valuation was carried out as at December 31, 2025 using the "Projected Unit Credit Method".

The amount recognised in the statement of financial position represents the present value of the gratuity scheme - third party employees. Actuarial gains and losses are charged to the statement of profit or loss immediately in the period when these occur.

Projected Unit Credit Method, using the following significant assumptions, has been used for valuation of gratuity - third party employees:

	2025
Discount rate - per annum	11.50%
Expected rate of increase in salary level - per annum	11.50%
Demographics	Age based mortality and withdrawal rates

4.9 Stores and spares

Stores and spares are valued at moving weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the reporting date. For items which are slow-moving and/or identified as obsolete, adequate provision is made for any excess book value over estimated realisable value on a regular basis. The Group reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence.

4.10 Stock-in-trade

Stock of raw materials (except for those in transit), work-in-process and finished goods are valued principally at the lower of weighted average cost and net realisable value ("NRV"). Stock of packing material is valued at moving average cost. Cost of work-in-process and finished goods comprises cost of direct materials, labour and related production overheads (based on normal operating capacity). It excludes borrowing cost.

Materials in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

If the expected net realisable value is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value. Provision is made in the consolidated financial statements for obsolete and slow moving stock-in-trade based on management estimate.

4.11 Investments

Investments intended to be held for less than twelve months from the statement of financial position date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

4.11.1 Investments in equity instruments of associates and joint ventures

Investments in equity instruments of associates and joint ventures are accounted for using the equity method of accounting as referred to in note 4.1 (d).

4.12 Financial assets

4.12.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss]; and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

4.12.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

4.12.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- i) **Amortised cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the consolidated statement of profit or loss.
- ii) **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as a separate line item in the consolidated statement of profit or loss.
- iii) **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value other than investments in associates and joint ventures. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the consolidated statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.13 Impairment of financial assets other than investment in equity instruments

The Group assesses on a forward-looking basis, the expected credit losses ('ECL') associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debts and contract assets, the Group applies IFRS 9 simplified approach to measure the ECL ('loss allowance') which uses a life time expected loss allowance to be recognised from initial recognition, while general 3-stage approach is applied for other financial assets such as deposits, loans, other receivables, short term investments and bank balances i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Trade debts;
- Loans, deposits and other receivables;
- Long term security deposits and loans;
- Bank balances; and
- Short term investments.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses. The Group considers that a financial asset is in default when a contractual payment is 90 days past due. The definition is based on the Group's internal credit risk management policy.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.14 Financial liabilities

All financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method. Gains and losses are recognised in the consolidated statement of profit or loss, when the liabilities are derecognised, as well as through effective interest rate amortization process.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the consolidated statement of profit or loss.

4.15 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the consolidated financial statements only when there is a legally enforceable right to set off the recognised amount and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.16 Trade debts and other receivables

Trade debts are amounts due from customer for goods sold or services performed in ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Group holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method less loss allowance.

4.17 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Additionally, cash and cash equivalents encompass short-term borrowings that are repayable on demand and are an integral part of the Group's cash management, as well as bank overdrafts. Bank overdrafts and short-term borrowings are presented within borrowings in current liabilities in the statement of financial position.

4.18 Borrowings

Borrowings are recognised initially at fair value (proceeds received), net of transaction costs incurred. Borrowings are subsequently accounted at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of The facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of The facility to which it relates.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

4.19 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer).

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

4.20 Revenue recognition

Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, commissions and government levies. Revenue is recognised upon satisfaction of performance obligations and specific criteria has been met for each of the Group's activities as described below:

(i) Sales revenue is recognised when or as performance obligations are satisfied by transferring control of a promised good or service to a customer. In case of local sales, revenue is recognized at the time of delivery of goods to the customer. In case of export sales, revenue is recognized at the time of delivery of goods at the port of destination.

No significant element of financing is deemed present as the sales are generally made with a credit term of 30 days, which is consistent with market practice. The Group has no obligation to repair or replace faulty products.

(ii) Service and management charges are recognized in the period in which the services are rendered. When the Group is acting as an agent, the commission rather than gross income is recorded as revenue.

(iii) Ancillary and marketing income is recognized when the event is performed.

4.21 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs'), which is the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within other expenses/(income).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each consolidated statement of financial position item presented are translated at the closing rate at the date of that consolidated statement of financial position;
- (ii) income and expenses for each item of consolidated statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in consolidated other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in consolidated other comprehensive income.

4.22 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing/finance costs are recognised in consolidated statement profit or loss in the period in which they are incurred.

4.23 Dividend and appropriation to reserves

Dividend distribution to the members and appropriations to reserves are recognised in the financial statements in the period in which these are approved.

4.24 Compound financial instruments

Compound financial instruments issued by the Group represent preference shares/convertible stock that can be converted into ordinary shares or can be settled in cash.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition.

4.25 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Chief Operating Decision Makers ('the CODMs') to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Parent Company.

Segment results that are reported to the CODMs include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets, liabilities and related income and expenses. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and investment property.

The business segments are engaged in providing products or services which are subject to risks and rewards which differ from the risk and rewards of other segments.

The Group's strategic steering committee, consisting of the Board of Directors of the Parent Company, examines the Group's performance, both from a product and geographic perspective, and has identified the following reportable segments of its business:

Types of Segments	Nature of business
Packaging	Manufacture and market packing products
Consumer Products	Manufacture and market consumer/tissue products
Ink	Manufacture and market industrial and commercial ink products
Real Estate	Construction and development of real estate
Paper and Board	Manufacture and market paper and board products
Plastic	Manufacture and market Biaxially Oriented Polypropylene (BoPP) film and Cast Polypropylene (CPP) films
Pharmaceutical Products	Manufacture, sale and trading of pharmaceutical and related products
Corn Starch Products	Manufacture and sale of Corn-based starch products, its derivatives, by-products and trading of Corn
Trading	Trading of paper and related products, raw materials, crude plastic, nylon, packing materials and equipment, as well as agricultural materials and waste.
Unallocated	Workshop and other general business

4.26 Provisions

Provisions for legal claims and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4.27 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

4.28 Earnings per share

The Group presents basic and diluted earnings per share ('EPS') data for its ordinary shares.

Basic EPS is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted EPS adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

4.29 Contingent liabilities and assets

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised. A contingent liability is disclosed unless the possibility of an outflow is remote.

Contingent asset is disclosed when an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements since this may result in recognition of income that may never be realised.

Contingent liabilities and assets are generally estimated using:

- The single most likely outcome; or
- A weighted average of all the possible outcomes (the 'expected value' method). This is likely to be the most appropriate method for a large population of similar claims, but can also be applied to a single obligation with various possible outcomes.

4.30 Contract asset and contract liability

A contract asset is recognised for the Group's right to consideration in exchange for goods or services that it has transferred to a customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group presents the amount as a contract asset, excluding any amounts presented as a receivable.

A contract liability is recognised for the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Group transfers a good or service to the customer, the entity shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

4.31 Finance income

Finance income comprises interest income on funds invested (financial assets), gain on disposal of financial assets and changes in fair value of investments. Interest income is recognized as it accrues in profit or loss, using effective interest method.

4.32 Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.

5. Issued, subscribed and paid up share capital - ordinary share capital

2025	2024		2025	2024
(Number of Shares)			(Rupees in thousand)	
33,603,295	33,603,295	Ordinary shares of Rs 10 each fully paid in cash	336,033	336,033
148,780	148,780	Ordinary shares of Rs 10 each issued for consideration other than cash (property, plant and equipment)	1,488	1,488
5,000,000	5,000,000	Ordinary shares of Rs 10 each issued against shares / convertible stock	50,000	50,000
50,627,429	50,627,429	Ordinary shares of Rs 10 each issued as bonus shares	506,274	506,274
<u>89,379,504</u>	<u>89,379,504</u>		<u>893,795</u>	<u>893,795</u>

5.1 32,103,851 (2024: 26,707,201) ordinary shares of the Parent Company are held by its associate, comprising 5,396,650 shares held by IGI Holdings Limited and 26,707,201 shares held by IGI Investments (Private) Limited.

6. Other reserves

Composition of other reserves is as follows:

	Note	2025	2024
(Rupees in thousand)			
Capital reserves			
- Share premium	6.1	3,766,738	3,766,738
- Exchange differences on translation of foreign operations	6.2	222,803	309,043
- FVOCI reserve	6.3	20,939,294	23,214,960
- Other reserves relating to associates and joint ventures	6.4	3,678,361	3,508,292
- Transaction with non-controlling interests	6.5	80,653	80,653
- Capital redemption reserve	6.6	1,615,000	1,615,000
		<u>30,302,849</u>	<u>32,494,686</u>
Revenue reserve			
- General reserve	6.7	22,810,333	22,810,333
		<u>53,113,182</u>	<u>55,305,019</u>

- 6.1** This reserve can be utilised by the Group only for the purposes specified in section 81 of the Act.
- 6.2** This represents exchange differences arising on translation of the foreign controlled entities that are recognised in other comprehensive income as described in note 4.21 (c). The cumulative amount is reclassified to consolidated statement of profit or loss when the net investment is disposed of.
- 6.3** This represents the unrealized gain on remeasurement of investments at FVOCI and is not available for distribution. The balance is net of deferred tax.
- 6.4** This represents Group's share of net other comprehensive income of the associates and joint ventures. The amount shall be transferred to consolidated statement of profit or loss on subsequent reclassification.
- 6.5** This reserve is used to record the differences described in note 4.1 (e) which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.
- 6.6** This reserve was created on account of redemption of 8.5 million preference shares/convertible stock of Rs 190 each in 2016 as per the requirements of section 85 of the repealed Companies Ordinance, 1984.
- 6.7** This represents amounts transferred from un-appropriated profits and is maintained for general business purposes.

7. Equity portion of loan from shareholder of the Parent Company

This represents equity portion of interest free loan from a shareholder of the Parent Company. The loan was initially payable to the shareholder, however, it was assigned to Babar Ali Foundation ('BAF') on May 07, 2018. The entire amount of the outstanding balance of loan (debt portion) was repaid to BAF on December 31, 2021.

8. Long term finances from financial institutions

	Note	2025	2024
(Rupees in thousand)			
Preference shares/convertible stock - unsecured	8.1	932,650	932,650
Long term loans - secured	8.2	77,802,310	69,189,588
		<u>78,734,960</u>	<u>70,122,238</u>
Government Grant	12	(1,030,604)	(1,367,172)
		<u>77,704,356</u>	<u>68,755,066</u>
Current portion shown under current liabilities	17	(13,457,856)	(8,514,447)
	8.3	<u>64,246,500</u>	<u>60,240,619</u>

8.1 Preference shares / convertible stock - unsecured

During the year 2009, the Parent Company issued 10.00% local currency non-voting preference shares/convertible stock at the rate of Rs 190 per share amounting to USD 50 million equivalent to Rs 4,120.50 million under "Subscription Agreement" dated March 25, 2009 with International Finance Corporation ('IFC').

Terms of redemption / conversion

Each holder of preference shares/convertible stock shall have a right to settle at any time, at the option of holder, either in the form of fixed number of ordinary shares, one ordinary share for one preference share/convertible stock, or cash. The Group may, on its discretion, refuse to purchase the preference shares/convertible stock offered to it for purchase in cash. In case of refusal by the Group, preference shareholders shall have the right to either retain the preference shares/convertible stock or to convert them into ordinary shares. The preference shares/convertible stock can be held till perpetuity if preference shareholders do not opt for the conversion or cash settlement.

Rate of return

The preference share/convertible stock holders have a preferred right of return at the rate of 10.00% per annum on a non-cumulative basis till the date of settlement of preference shares/convertible stock either in cash or ordinary shares. In case the amount of dividend paid to an ordinary shareholder exceeds that paid to a preference shareholder, the preference shareholders have the right to share the excess amount with the ordinary shareholders on an as-converted basis.

Preference shares/convertible stock are recognised in the consolidated statement of financial position as follows:

	Note	2025	2024
(Rupees in thousand)			
Face value of preference shares/convertible stock [8,186,842 (2024: 8,186,842) shares of Rs 190 each]		1,555,500	1,555,500
Transaction costs		(16,628)	(16,628)
		<u>1,538,872</u>	<u>1,538,872</u>
Equity component - classified under equity		(606,222)	(606,222)
Liability component - classified under long term finances	8.2	<u>932,650</u>	<u>932,650</u>
Accrued return on preference shares/convertible stock - classified under accrued finance cost	21	<u>155,550</u>	<u>155,550</u>

The fair value of the liability component of the preference shares/convertible stock is calculated by discounting cash flows at a rate of approximately 16.50% per annum till perpetuity which represents the rate of similar instrument with no associated equity component. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity as preference shares/convertible stock.

8.1.1 Transactions with preference shareholders

This represents the additional entitlement of the preference shareholders as mentioned in note 8.1. In addition to the preferred right of return at the rate of 10 percent per annum, either in cash or ordinary shares on a non-cumulative basis till the date of settlement of preference shares/convertible stock, the preference shareholders also have the right to share the excess amount with the ordinary shareholders on an as-converted basis in case the amount of dividend per share paid to an ordinary shareholder exceeds the amount paid to a preference shareholder. Since ordinary dividend of Rs 15 per share was approved for the year ended December 31, 2024, it did not exceed the preferred return for that year, hence no additional preference dividend was paid to the preference shareholders.

8.2 Long term loans from financial institutions - secured

Lender	Sanctioned Limit	2025	2024	Remaining tenor of principal repayments	Mark-up payable as per Agreement	Security
(Rupees in thousand)						
1 MCB Bank Limited	1,500,000	1,500,000	1,500,000	This loan is repayable in 8 semi-annual equal instalments after a grace period of 4 years commencing from January 2026.	Semi-annually at the rate of six-month Karachi Interbank Offered Rate ("KIBOR") per annum.	The facility is secured to the extent of Rs 2,000 million against the following: -First pari passu over all present and future movable fixed assets (both imported and local components) of the Real Estate segment including but not limited to plant, machinery, equipment, fixtures and other installations and such movables of whatsoever nature installed or to be installed at the premises of the Real Estate segment located anywhere in Pakistan. -First pari passu charge on all that piece and parcel of property owned by the Parent Company, measuring 127 kanals 28 marlas and 283.25 Sq. ft. in aggregate, situated at Moza Amer Sidhu, Tehsil/ District Lahore together with all present and future construction thereon, and present & future fixtures and fittings attached thereto, that are presently and/ or in future the property of the Parent Company.
2 MCB Bank Limited	1,250,000	1,250,000	1,250,000	This loan is repayable in 7 semi-annual equal instalments after a grace period of 3.5 years commencing from December 2026.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured to the extent of Rs 7,800 million against the following: -First pari passu over all present and future movable fixed assets of the Real Estate segment including but not limited to plant, machinery, equipment, fixtures and other installations and such movables of whatsoever nature installed or to be installed at the premises of the Real Estate segment located anywhere in Pakistan. - First pari passu charge on all that piece and parcel of property owned by the Parent Company, measuring 119 kanals 15 marlas and 62.25 Sq. ft. in aggregate, situated at Moza Amer Sidhu, Tehsil/ District Lahore together with all present and future construction thereon, and present & future fixtures and fittings attached thereto, that are presently and/ or in future the property of the Parent Company.
3 MCB Bank Limited	250,000	250,000	250,000	This loan is repayable in 7 semi-annual equal instalments after a grace period of 2.5 years commencing from April 2027.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured to the extent of Rs 7,800 million against the following: - First pari passu over all present and future movable fixed assets of the Company including but not limited to plant, machinery, equipment, fixtures and other installations and such movables of whatsoever nature installed or to be installed at the premises of the Real Estate segment located anywhere in Pakistan. - First pari passu charge on all that piece and parcel of property owned by the holding company, measuring 119 kanals 15 marlas and 62.25 Sq. ft. in aggregate, situated at Moza Amer Sidhu, Tehsil/ District Lahore together with all present and future construction thereon, and present & future fixtures and fittings attached thereto, that are presently and/ or in future the property of the Parent Company.
4 Allied Bank Limited	750,000	750,000	750,000	This loan is repayable in 8 semi-annual equal instalments after a grace period of 4 years commencing from February 2026.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured to the extent of Rs 1,000 million against the following: - First pari passu over all present and future movable fixed assets of the Real Estate segment including but not limited to plant, machinery, equipment, fixtures and other installations and such movables of whatsoever nature installed or to be installed at the premises of the Real Estate segment located anywhere in Pakistan. - First pari passu charge on all that piece and parcel of property owned by the Parent Company, measuring 127 kanals 28 marlas and 283.25 Sq. ft. in aggregate, situated at Moza Amer Sidhu, Tehsil/ District Lahore together with all present and future construction thereon, and present & future fixtures and fittings attached thereto, that are presently and/ or in future the property of the Parent Company.

Lender	Sanctioned Limit	2025	2024	Remaining tenor of principal repayments	Mark-up payable as per Agreement	Security
(Rupees in thousand)						
5 Allied Bank Limited	2,000,000	550,000	1,000,000	This loan is repayable in 7 semi-annual equal instalments ending in February 2029.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured to the extent of Rs 4,666.67 million against the following: - First pari passu charge over all present and future movable fixed assets of the Real Estate segment including but not limited to plant, machinery, equipment, machinery in transit, tools, spares, fittings and fixtures and other installations installed or to be installed, stored and kept at the premises of customer located anywhere in Pakistan. - First pari passu charge on all that piece and parcel of property owned by the Parent Company, measuring 119 kanals 15 marlas and 62.25 Sq. ft. in aggregate, situated at Moza Amer Sidhu, Tehsil/ District Lahore together with all present and future construction thereon, and present & future fixtures and fittings attached thereto, that are presently and/ or in future the property of the Parent Company.
6 Allied Bank Limited	1,000,000	593,020	373,900	This loan is repayable in 8 semi-annual equal instalments after a grace period of 4 years commencing from August 2028.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured to the extent of Rs 4,666.67 million against the following: - First pari passu over all present and future movable fixed assets of the Real Estate segment including but not limited to plant, machinery, equipment, fixtures and other installations and such movables of whatsoever nature installed or to be installed at the premises of the Real Estate segment located anywhere in Pakistan. - First pari passu charge on all that piece and parcel of property owned by the Parent Company, measuring 119 kanals 15 marlas and 62.25 Sq. ft. in aggregate, situated at Moza Amer Sidhu, Tehsil/ District Lahore together with all present and future construction thereon, and present & future fixtures and fittings attached thereto, that are presently and/ or in future the property of the Parent Company.
7 Habib Bank Limited	1,823,033	1,823,033	1,823,033	This loan is repayable in 8 semi-annual equal instalments after a grace period of 4 years commencing from February 2026.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against land, building, plant and machinery of the Corn-based Starch products segment, out of which land is owned by the Parent Company and leased to that segment.
8 Meezan Bank Limited	1,500,000	1,500,000	1,500,000	This loan is repayable in 8 semi-annual equal instalments commencing from April 2026.	Semi-annually at the rate of six-month KIBOR plus 0.10% per annum.	This facility is secured against registration of Equitable Mortgage through Constructive Memorandum of Deposit of Title Deed over Land and Building, out of which Land is owned by the Parent Company and leased to the Corn-based Starch products segment and Plant and Machinery of that segment.
9 Askari Bank Limited	500,081	500,081	500,081	This loan is repayable in 6 semi-annual equal instalments commencing from November 2026.	Semi-annually at the rate of three-month KIBOR plus 0.4% per annum.	This facility is secured against Land and Building of the Corn-based Starch products segment, out of which Land is owned by the Parent Company and leased to that segment, and current assets of that segment.
10 Faysal Bank Limited	1,410,000	1,175,338	1,410,406	This loan is repayable in 6 semi-annual equal instalments ending in February 2028.	Semi-annually at the rate of six-month KIBOR plus 0.15% per annum.	This facility is secured against Land and Building of the Corn-based Starch products segment, out of which Land is owned by the Parent Company and leased to that segment, and Plant and Machinery of that segment.
11 MCB Bank Limited	1,500,000	1,046,689	1,216,638	This loan is repayable in 11 semi-annual equal instalments ending in February 2032.	Semi-annually at the rate of six-month KIBOR per annum before State Bank of Pakistan (SBP) approval and at SBP rate + 0.47% per annum after the SBP gives approval for the disbursement.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
12 Allied Bank Limited	500,000	186,397	260,005	This loan is repayable in 10 quarterly equal instalments ending in June 2028.	Quarterly at the rate of three-month KIBOR plus 0.20% per annum before State Bank of Pakistan (SBP) approval, and SBP rate + 1% per annum after the SBP gives approval for the disbursement.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.

Lender	Sanctioned Limit	2025	2024	Remaining tenor of principal repayments	Mark-up payable as per Agreement	Security
	(Rupees in thousand)					
13 Meezan Bank Limited	2,000,000	1,250,000	1,750,000	This loan is repayable in 5 semi-annual equal instalments ending in March 2028.	Semi-annually at the rate of six-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
14 Faysal Bank Limited	3,000,000	1,500,000	2,500,000	This loan is repayable in 6 quarterly equal instalments ending in May 2027.	Quarterly instalments at the rate of six-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
15 Meezan Bank Limited	2,000,000	1,625,000	2,000,000	This loan is repayable in 13 quarterly equal instalments ending in March 2029.	Quarterly instalments at the rate of six-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
16 Meezan Bank Limited	2,000,000	1,750,000	2,000,000	This loan is repayable in 14 quarterly equal instalments ending in April 2029.	Quarterly instalments at the rate of six-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
17 Faysal Bank Limited	2,000,000	2,000,000	2,000,000	This loan is repayable in 12 quarterly equal instalments after a grace period of 2 years commencing from January 2027.	Quarterly instalments at the rate of three-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
18 MCB Bank Limited	2,000,000	2,000,000	2,000,000	This loan is repayable in 16 quarterly equal instalments after a grace period of 2 years commencing from February 2027.	Quarterly instalments at the rate of three-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
19 Meezan Bank Limited	3,000,000	3,000,000	3,000,000	This loan is repayable in 16 quarterly equal instalments after a grace period of 2 years commencing from February 2027.	Quarterly instalments at the rate of three-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
20 Allied Bank Limited	2,000,000	400,000	800,000	This loan is repayable in 2 semi-annual equal instalments ending in September 2026.	Semi-annually at the rate of six-month KIBOR plus 0.10% per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
21 Allied Bank Limited	2,000,000	2,000,000	2,000,000	This loan is repayable in 10 semi-annual equal instalments after a grace period of 2 years commencing from January 2026.	Semi-annually at the rate of six-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
22 Allied Bank Limited	2,000,000	2,000,000	2,000,000	This loan is repayable in 8 semi-annual equal instalments after a grace period of 2 years commencing from April 2027.	Semi-annually at the rate of three-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
23 Bank of Khyber	1,500,000	1,500,000	-	This loan is repayable in 16 quarterly equal instalments after a grace period of 2 years commencing from March 2028.	Quarterly instalments at the rate of six-month KIBOR per annum.	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
24 MCB Bank Limited	5,000,000	4,053,692	4,729,307	This loan is repayable in 12 semi-annual equal instalments ending in July 2031.	Semi-annually at the rate of six-month KIBOR per annum before State Bank of Pakistan (SBP) approval, and at SBP rate + 0.50% per annum after the SBP gives approval for the disbursement	This facility is secured by a joint pari passu charge over plant and machinery of Packaging segment and Paper and Board segment with 25% margin.
25 Habib Bank Limited	2,000,000	-	200,000	This loan was fully repaid in the current year.	Semi-annually at the rate of six-month KIBOR plus 0.10% per annum.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with the collateral on this loan of Rs 2,000 million.
26 Habib Bank Limited	2,000,000	250,000	750,000	This loan is repayable in 1 semi-annual instalment due on May 28, 2026	Semi-annually at the rate of six-month KIBOR plus 0.10% per annum.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with the collateral on this loan of Rs 2,000 million.
27 Faysal Bank Limited	2,000,000	1,166,667	1,833,333	This loan is repayable in 7 equal quarterly instalments ending on August 19, 2027	Quarterly instalments at the rate of six-month KIBOR per annum.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with 25% margin, the collateral for this loan is Rs 2,667 million.
28 Meezan Bank Limited	2,000,000	1,200,000	1,600,000	This loan is repayable in 6 equal semi-annual instalments ending on October 10, 2028	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with 25% margin, the collateral for this loan is Rs 2,667 million.

Lender	Sanctioned Limit	2025	2024	Remaining tenor of principal repayments	Mark-up payable as per Agreement	Security
	(Rupees in thousand)					
29 Askari Bank Limited	950,000	671,068	782,913	There are 9 tranches with each having 12 equal semi-annual instalments ending on October 01, 2031	Quarterly instalments at six-month KIBOR plus 1.0% per annum before SBP approval and SBP rate i.e.1% plus 3.00% per annum after the SBP gives approval to a disbursement.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with 25% margin, the collateral for this loan is Rs 1,333.34 million.
30 Bank Islami Limited	200,000	175,000	200,000	This loan is repayable in 14 equal semi-annual instalments ending on July 1, 2032	Semi-annually at SBP rate i.e. 1.00% plus 2.00% per annum.	The facility is secured against Ranking charge over Plant & Machinery of the Consumer Product segment amounting to Rs 210 million (with 5% margin) to be registered with SECP to be upgraded to Exclusive Charge within 180 days from the date of retirement of LC/disbursement of ITERF-DM facility.
31 JS Bank Limited	300,000	243,750	281,250	This loan is repayable in 26 equal quarterly instalments ending on April 1, 2032	Quarterly instalments at SBP rate i.e. 1.00% plus 4.00% per annum.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with the collateral on this loan of Rs 400 million.
32 Allied Bank Limited	2,500,000	2,500,000	2,500,000	This loan is repayable in 6 semi-annual equal instalments commencing from July 1, 2026.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with the collateral on this loan of Rs 2,500 million.
33 Meezan Bank Limited	500,000	450,000	500,000	This loan is repayable in 18 quarterly equal instalments ending in June 26, 2030.	Quarterly instalments at the rate of six-month KIBOR per annum.	The facility is secured against ranking charge on plant and machinery of the Consumer Product segment (excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm) with the collateral on this loan of Rs 2,500 million.
34 Meezan Bank Limited	3,000,000	3,000,000	-	This loan is repayable in 10 equal semi-annual equal instalments commencing from May 2027.	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against ranking charge over plant and machinery of the Consumer Product segment with 25% risk margin (Excluding D-Tech Sanitary Napkins F5S and Amica Matrix 600mpm).
35 Allied Bank Limited	800,000	300,000	500,000	This loan is repayable in 3 equal semi-annual instalments ending on January 4, 2027	Quarterly instalments at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
36 Allied Bank Limited	750,000	281,250	468,750	This loan is repayable in 3 equal semi-annual instalments ending on January 4, 2027	Quarterly instalments at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
37 Allied Bank Limited	1,200,000	450,000	750,000	This loan is repayable in 3 equal semi-annual instalments ending on January 11, 2027	Quarterly instalments at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
38 Allied Bank Limited	900,000	675,000	900,000	This loan is repayable in 6 equal semi-annual instalments ending on September 12, 2028	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
39 Allied Bank Limited	3,200,000	2,800,000	3,200,000	This loan is repayable in 7 equal semi-annual instalments ending on April 26, 2029	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
40 Allied Bank Limited	1,500,000	1,500,000	1,500,000	This loan is repayable in 10 equal semi-annual instalments starting from June 30, 2027	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
41 Faysal Bank Limited	4,000,000	4,000,000	-	This loan is repayable in 10 equal semi-annual instalments starting from December 1, 2027	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against an exclusive mortgage of Rs 5,334 million over land owned by Parent Company measuring 114 Kanals and 15 Marlas, located on Walton Road, Lahore, with a carrying amount of Rs 130.131 million.

Lender	Sanctioned Limit	2025	2024	Remaining tenor of principal repayments	Mark-up payable as per Agreement	Security
	(Rupees in thousand)					
42 Allied Bank Limited	4,000,000	4,000,000	-	Repayment will be made in following tranches: Tranche 1 10 equal semi-annual instalments starting from December 18, 2027 Tranche 2 10 equal quarterly instalments starting from June 8, 2028 Tranche 3 10 equal quarterly instalments starting on July 1, 2028	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against ranking charge over the following land owned by the Parent Company, with a total book value of Rs 317,226 million, located in Lahore and Karachi, with 10% margin: - Land Measuring 05 Kanal 17 Marla (out of total land measuring 16 kanal 10 Marla) bearing Khasra Nos. 438 (1K-17M), 451 (4K), situated at Hadbast Mouza Amar Sidhu, Lahore. - Land measuring 05 Kanal 16 Marla (out of land measuring 11 Kanal 09 Marla) bearing Khasra No. 455 (3K-8M), 456 (2K-8M) situated at Hadbast Mouza Amar Sidhu, Lahore. - All that piece and parcel of Land measuring 5 Kanal 10 Marla (out of land measuring 18 Kanal 10 Marla), bearing Khasra No. 443 (5K-10M) situated at Hadbast Mouza Amar Sidhu, Lahore - Land measuring 2 Kanal 14 Marla (out of land measuring 6 Kanal 08 Marla), bearing Khasra No. 457 (2K-14M) situated at Hadbast Mouza Amar Sidhu, Lahore. - Land measuring 05 Kanal 01 Marla (out of land measuring 18 Kanal 02 Marla), bearing Khasra No. 434 (1K-19M), 438 (3K-2M) situated at Hadbast Mouza Amar Sidhu, Lahore - Lease hold rights relating to Plot No W2/1/59 (Warehouse) measuring 1 Acre, Plot No. W2/1/61 measuring 1 Acre and Plots No. A-36 & F-36 and measuring 7 Acres situated in the North Western Zone, Port Qasim Area, Karachi. - Lease hold rights relating to Industrial land bearing Plot No. 6 measuring 6,667 Square Yards, situated in Sector 28 of the Korangi Industrial Area, Karachi, Lease hold rights relating to Industrial land bearing Plot No. 6/1, measuring 9,444.44 Square Yards situated in Sector 28 of the Korangi Industrial Area, Karachi.
43 Allied Bank Limited	1,500,000	1,500,000	-	This loan is repayable in 10 equal semi-annual instalments starting from December 30, 2027	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
44 Allied Bank Limited	1,500,000	1,400,000	-	This loan is repayable in 10 equal semi-annual instalments starting from June 21, 2028	Semi-annually at the rate of six-month KIBOR per annum.	The facility is secured against pledge of Nestle Pakistan Limited's shares owned by the Group.
45 MCB Bank Limited	4,000,000	3,098,024	3,761,844	This loan is repayable in 26 equal quarterly instalments ending on September 2032.	Quarterly instalments at the rate of three-month KIBOR plus 0.45% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
46 Allied Bank Limited	4,000,000	3,890,052	3,527,885	This loan is repayable in 26 equal quarterly instalments ending in June 2032.	Quarterly instalments at the rate of three-month KIBOR plus 1% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
47 Meezan Bank Limited	2,500,000	1,772,756	2,037,614	This loan is repayable in 22 equal quarterly instalments ending in July 2032.	Quarterly instalments at SBP rate plus 1.40% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
48 Askari Bank Limited	750,000	629,032	725,806	This loan is repayable in 26 equal quarterly instalments ending in April 2032.	Quarterly instalments at the rate of three-month KIBOR plus 0.75% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
49 Faysal Bank Limited	157,190	112,461	132,823	This loan is repayable in 21 equal quarterly instalments ending in January 2031	Quarterly instalments at SBP rate plus 0.75% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.

Lender	Sanctioned Limit	2025	2024	Remaining tenor of principal repayments	Mark-up payable as per Agreement	Security
	(Rupees in thousand)					
50 Meezan Bank Limited	1,000,000	540,000	740,000	Repayment will be made in following tranches: Tranche 1: 4 equal semi-annual instalments ending in December 2027. Tranche 2: 6 equal semi-annual instalments ending in December 2028.	Quarterly instalments at the rate of three-month KIBOR plus 0.75% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
51 Meezan Bank Limited	1,000,000	994,000	994,000	This loan is repayable in 10 equal semi-annual instalments after a grace period of 2 years commencing from March 2026.	Quarterly instalments at the rate of three-month KIBOR plus 0.75% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
52 Faysal Bank Limited	1,500,000	1,500,000	1,405,000	This loan is repayable in 20 equal quarterly instalments after a grace period of 2 year commencing from October 2026.	Quarterly instalments at the rate of three-month KIBOR plus 0.75% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
53 Soneri Bank Limited	1,800,000	1,000,000	1,000,000	This loan is repayable in 24 equal quarterly instalments after a grace period of 2 years commencing from December 2026.	Quarterly instalments at the rate of three-month KIBOR plus 0.5% per annum.	This facility is secured against first pari passu hypothecation/mortgage charges on the Plastic segment's present and future fixed assets including but not limited to land, building, plant, machinery and equipment.
54 MCB Bank Limited	2,000,000	2,000,000	1,285,000	This loan is repayable in 20 equal quarterly instalments after a grace period of 2 years commencing from October 2026.	Quarterly instalments at the rate of three-month KIBOR per annum.	This facility is secured against first pari passu charge of Rs 2,222 million on present and future moveable fixed assets of the Ink Segment with 10% margin with collateral value of Rs 2,000 million and security margin of 10.00%. This facility is also secured against first pari passu charge over land and building out of which Land is owned by the Parent Company and leased to that Segment.
55 Allied Bank Limited	1,500,000	1,500,000	1,000,000	Repayment will be made as per following tranches: Tranche 1: 10 semi-annual equal instalments after a grace period of 2 years commencing from June 2027. Tranche 2: 10 semi-annual equal instalments after a grace period of 2 years commencing from June 2027. Tranche 3: 10 semi-annual equal instalments after a grace period of 2 years commencing from August 2027.	Semi-annually at the rate of six-month KIBOR per annum.	This facility is secured against first pari passu charge of Rs 2,222 million on all plant and machinery of the Ink Segment with 10% margin with collateral value of Rs 1,500 million and security margin of 10.00%. This loan is also secured against first pari passu charge over land and building out of which Land is owned by the Parent Company and leased to the segment.
Total	97,490,304	77,802,310	69,189,588			
Preference Shares/convertible stock - unsecured - note 8.1		932,650	932,650			
Deferred Government Grant		78,734,960	70,122,238			
		(1,030,604)	(1,367,172)			
		77,704,356	68,755,066			
Current portion shown under current liabilities - note 17		(13,457,856)	(8,514,447)			
Long term portion of loans from financial institutions		64,246,500	60,240,619			

8.3 The reconciliation of the carrying amount of long term finances is as follows:

Note	2025	2024
	(Rupees in thousand)	
Balance as at beginning of the year	68,755,066	54,269,389
Disbursements during the year	17,345,860	21,464,752
Repayments during the year	(8,730,887)	(6,820,278)
	77,370,039	68,913,863
Discounting adjustment for recognition at fair value - deferred government grant	-	(430,266)
Unwinding of discount on liability	334,317	271,321
Transaction cost	-	148
Balance as at end of the year	77,704,356	68,755,066
Current portion shown under current liabilities	(13,457,856)	(8,514,447)
	64,246,500	60,240,619

9. Lease liabilities

The Group has obtained vehicles, plant and machinery, equipment, land and buildings on lease from different parties. The lease term ranges between 3 to 10 years. This represents lease liabilities in respect of right-of-use assets as referred to in note 24 and are recognised at Group's incremental borrowing rate that ranges from 10.90% to 22.97% (2024: 7.05% to 22.97%) per annum. The reconciliation of the carrying amount is as follows:

Note	2025	2024
	(Rupees in thousand)	
Opening balance	1,678,562	185,558
Liability recognised during the year	871,088	1,632,893
Reassessment of lease liability	(27,581)	(82,095)
Liability derecognised during the year	(19,541)	(37,002)
Modification of lease liability	(55,919)	16,455
Interest on lease liability	283,444	110,213
Exchange rate effect	-	(28)
Payments made during the year	(1,074,098)	(147,432)
Closing balance	1,655,955	1,678,562
Current portion shown under current liabilities	(170,253)	(274,738)
	1,485,702	1,403,824

9.1 Maturity analysis

Gross lease liabilities - minimum lease payments:		
Not later than 1 year	860,572	561,490
Later than 1 year but not later than 5 years	2,468,628	2,496,884
Later than five years	2,169,391	2,543,566
	5,498,591	5,601,940
Future finance charge	(3,842,636)	(3,923,378)
Present value of finance lease liabilities	1,655,955	1,678,562

10. Security deposits

Security deposits against rental contracts	10.1	596,815	479,423
--	------	---------	---------

10.1 Interest-free security deposits from tenants are classified as liabilities and are repayable upon cancellation or withdrawal of the license/lease agreements, or upon cessation of business with the Group. As of December 31, 2025, the gross value of these deposits received from tenants is Rs 909.82 million (2024: Rs 823.26 million).

These deposits are measured at amortized cost, utilizing market interest rates ranging from 11% to 17% for similar instruments (2024: 11% to 17%). The gain on initial recognition is recognized as deferred income (refer to note 11) and is amortized over the term of the respective license/lease agreements.

The Group does not maintain these deposits in separate bank accounts, as it has the flexibility to utilize the funds for any purposes stipulated in the agreements with tenants.

Note	2025	2024
	(Rupees in thousand)	
Cumulative security deposits receipts net of returns	909,816	823,259
Less: Cumulative deferred income upon initial recognition	395,571	380,219
Security deposit recognized	514,245	443,040
Add: Interest on security deposit		
- Prior years	128,178	79,508
- Adjustment of renewals and leavers	(31,934)	(20,418)
- During the year	82,448	69,088
	178,692	128,178
Current portion shown under current liabilities	96,122	91,795
	596,815	479,423

11. Deferred income

This represents advance received from a customer against installation of plant and machinery at the premises of the Group and the gain on initial recognition as explained in note 10.1. The income is being recognised over the useful life of the plant and machinery capitalised and over the license / lease term.

Note	2025	2024
	(Rupees in thousand)	
Deferred income against:		
Installation of plant and machinery	103,709	135,181
Long term security deposits	116,623	160,260
	220,332	295,441

11.1 Movement in deferred liability against installation of plant and machinery

Note	2025	2024
	(Rupees in thousand)	
Opening balance	166,653	198,125
Credited to consolidated statement of profit or loss	(31,472)	(31,472)
Closing balance	135,181	166,653
Income to be recognised in the following year classified under current liabilities	(31,472)	(31,472)
	103,709	135,181

11.2 Movement in deferred liability against long term security deposits

Note	2025	2024
	(Rupees in thousand)	
Cumulative deferred income	395,571	380,220
Less: Income recognised in consolidated statement of profit or loss		
- Prior years	(154,185)	(100,568)
- Adjustment of renewals and leavers	31,934	20,418
- During the year	(83,007)	(74,035)
	(205,258)	(154,185)
	190,313	226,035
Current portion shown under current liabilities	(73,690)	(65,775)
	116,623	160,260

12. Deferred government grant

This represents deferred government grant recognised in respect of the benefit of below-market interest rate on the facilities availed as explained in note 8.

	Note	2025	2024
(Rupees in thousand)			
Opening balance		1,367,172	1,209,737
Deducted from borrowing cost		-	(39,654)
Deferred grant recognised during the year		-	430,266
Credited to consolidated statement of profit or loss	42	(336,568)	(233,177)
Closing balance		1,030,604	1,367,172
Current portion shown under current liabilities	17	(301,890)	(327,014)
		<u>728,714</u>	<u>1,040,158</u>

There are no unfulfilled conditions or other contingencies attached to these grants.

13. Deferred tax liabilities

The liability for deferred taxation comprises taxable/(deductible) temporary differences relating to:

	Note	2025	2024
(Rupees in thousand)			
Deferred tax liability			
Accelerated tax depreciation		11,646,127	11,625,505
Undistributed reserves of subsidiaries		148,186	140,236
Investments in associates and joint ventures		441,000	437,000
Unrealised profit on stock-in-trade		-	-
Capital allowances for tax purposes		78,581	80,668
Long term advances - employee credit balances		592	658
Preference shares/convertible stock		1,008	1,008
Provision for unfunded defined benefit plan		-	4,075
Investment in equity instruments held at FVOCI		2,326,588	-
Right-of-use assets		140,754	315,402
		<u>14,782,836</u>	<u>12,604,552</u>
Deferred tax asset			
Unused tax losses - before formation of group	13.1 and 13.2	(933,294)	(933,294)
Unused tax losses - after formation of group	13.3	(3,842,123)	(2,634,061)
Provision for slow moving stock and stores		(560,285)	(322,304)
Lease liabilities		(171,931)	(320,797)
Provision against GIDC		(231,908)	(231,908)
Provision for accumulating compensated absences		(281,234)	(246,201)
Loss allowance on financial assets		(473,643)	(422,444)
Intangible assets		(7,676)	-
Provision for unfunded defined benefit plan		(751)	-
Minimum tax available for carry forward	13.3	-	(1,291,713)
Others		(259,453)	(196,987)
		<u>(6,762,298)</u>	<u>(6,599,709)</u>
	13.4	<u>8,020,538</u>	<u>6,004,843</u>

13.1 The unabsorbed depreciation loss of Rs 3,218.255 million (2024: Rs 3,218.255 million) is available for set off against income of BSPPL under separate return for indefinite period, but not available under the group taxation model.

13.2 For the purpose of current taxation, unused tax losses available for carry forward to the Group are Rs 1,633.024 million (2024: Rs 1,422.28 million). The Group has not recognized any related deferred tax asset due to certain unsettled tax positions. The unused tax losses on which deferred tax has not been created relates to the following years:

Tax year to which loss relates	Amount of tax loss (Rupees in thousand)	Tax year in which tax loss will expire
Up to 2018	1,328,632	Carried forward indefinitely
2020	93,643	Carried forward indefinitely
2021	20,695	Carried forward indefinitely
2025	190,054	Carried forward indefinitely

13.3 Deferred tax asset on tax losses and tax credits available for carry forward have been recognized to the extent that the realisation of related tax benefits is probable from reversal of existing taxable temporary differences and future taxable profits. Based on the approved business plans of entities comprising the Taxation Group, it is probable that sufficient taxable profits will be available for utilization of deferred tax asset. However, the Group has not recognised deferred tax asset in respect of minimum tax available for carry forward under section 113 of the Income Tax Ordinance, 2001 as sufficient taxable profits would not be available to utilise these in the foreseeable future. Minimum tax on which deferred tax has not been created is set to expire in the following years:

Accounting year to which minimum tax relates	Amount of minimum tax (Rupees in thousand)	Accounting year in which minimum tax will expire
2023	1,009,813	2026
2024	1,285,299	2027
2025	1,414,080	2027

13.4 The gross movement in net deferred tax liability during the year is as follows:

	Note	2025	2024
(Rupees in thousand)			
Opening balance		6,004,843	8,294,414
Credited to consolidated statement of profit or loss	45	(324,871)	(2,399,730)
Charged/(credited) to consolidated statement other comprehensive income		2,342,096	(39,415)
Exchange (loss)/gain		(1,530)	149,574
Closing balance		<u>8,020,538</u>	<u>6,004,843</u>

14. Long term advances

This represents contributions made by employees for purchase of the Group's vehicles. The vehicles are transferred to employees at the end of six years as per Group policy. The interest free long term advances have been carried at amortized cost using market interest rates ranging from 7.50% to 22.09% (2024: 7.05% to 22.09%) per annum to arrive at the present value. The reconciliation of the carrying amount is as follows:

	Note	2025	2024
(Rupees in thousand)			
Opening balance		349,043	276,816
Additions during the year		236,501	148,041
Adjustments during the year		(121,432)	(52,301)
Discounting adjustment of long term advances	42	(52,106)	(55,446)
Unwinding of discounting adjustment - net	44	53,499	31,933
Closing balance		<u>465,505</u>	<u>349,043</u>
Current portion shown under current liabilities	17	(12,797)	(12,796)
		<u>452,708</u>	<u>336,247</u>

15. Employee benefit obligations

	Note	2025	2024
(Rupees in thousand)			
Funded			
- Pension		1,085,414	942,753
- Gratuity		1,890,314	1,644,641
	15.1	2,975,728	2,587,394
Unfunded			
- Staff gratuity	15.2	86,347	72,473
- Gratuity - third party employees	15.3	768,165	653,156
		3,830,240	3,313,023

15.1 Amounts recognised in consolidated statement of financial position

The amounts recognised in the consolidated statement of financial position are as follows:

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
(Rupees in thousand)				
Present value of defined benefit obligation	1,085,414	1,026,851	3,849,505	3,433,218
Payable to employees	-	-	12,134	3,403
Fair value of plan assets	-	(84,098)	(1,971,325)	(1,791,980)
Liability as at December 31	1,085,414	942,753	1,890,314	1,644,641

15.1.1 Movement in net liability for employee benefit obligations

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
(Rupees in thousand)				
Net liability as at January 1	931,492	796,011	1,630,077	1,176,333
Charged to consolidated statement of profit or loss	115,488	123,382	447,812	404,751
Net remeasurement for the year recorded in consolidated statement of comprehensive income ('OCI')	(29,458)	12,099	(78,872)	163,365
Refund to holding company for terminated employees	-	-	624	-
Contribution by the Group	-	-	(171,983)	(114,372)
Net liability as at December 31	1,017,522	931,492	1,827,658	1,630,077

15.1.2 Movement in present value of defined benefit obligation

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
(Rupees in thousand)				
Present value of defined benefit obligation as at January 1	1,026,851	957,563	3,433,218	2,806,652
Current service cost	-	-	259,794	213,867
Past service cost	-	-	4,563	22,261
Interest cost	118,678	140,196	397,614	404,092
Benefits paid	(116,104)	(106,139)	(259,458)	(338,474)
Benefits due but not paid	-	-	(10,974)	(2,546)
Amount transferred from defined contribution plan	15,718	-	-	-
Remeasurements:				
Actuarial losses from change in financial assumptions	56,631	11,261	48,092	14,564
Experience adjustments	(16,360)	23,970	(23,839)	313,766
	40,271	35,231	24,253	328,330
Liability transferred to group companies	-	-	495	(964)
Present value of defined benefit obligation as at December 31	1,085,414	1,026,851	3,849,505	3,433,218

15.1.3 Movement in fair value of plan assets

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
(Rupees in thousand)				
Fair value as at January 1	(84,098)	(161,552)	(1,791,980)	(1,630,319)
Interest income on plan assets	(3,190)	(16,814)	(116,691)	(235,469)
Group contributions	-	-	(171,983)	(114,372)
Benefits paid	116,104	106,139	261,702	339,378
Amount transferred from defined contribution plan	(15,718)	-	-	-
Expected return on plan assets	-	(11,871)	(97,468)	(150,401)
Return on plan assets, excluding interest income	(13,098)	-	5,785	-
Plan assets transferred to related parties	-	-	128	964
Remeasurement of plan assets	-	-	(60,818)	(1,761)
Fair value as at December 31	-	(84,098)	(1,971,325)	(1,791,980)

15.1.4 Risks faced by the Group on account of gratuity and pension funds

- (i) **Final salary risk** (linked to inflation risk) - the risk that the final salary at the time of cessation of service is greater than the assumed salary. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.
- (ii) **Asset volatility** - Most assets are invested in risk-free instruments, including 3, 5, or 10-year Small Saver Certificates, Regular Income Certificates, Defence Savings Certificates, or Government Bonds. However, investments in equity instruments are subject to adverse fluctuations as a result of changes in market prices.
- (iii) **Discount rate fluctuation** - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans bond holdings.
- (iv) **Investment risks** - The risk of the investment underperforming and not being sufficient to meet the liabilities. This risk is mitigated by closely monitoring the performance of investments.
- (v) **Risk of insufficiency of assets** - This is managed by making regular contribution to the fund as per the trust deed.
- (vi) **Demographic risks:**
 - **Mortality risk** - the risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
 - **Withdrawal risk** - the risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

15.1.5 Amounts recognised in the consolidated statement of profit or loss

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Current service cost	-	-	259,794	213,867
Past service cost	-	-	4,563	22,261
Interest cost for the year	118,678	140,196	397,614	404,092
Interest income on plan asset	(3,190)	(16,814)	(116,691)	(235,469)
Expected return on plan assets	-	-	(97,468)	-
Net expense charged to consolidated statement of profit or loss	115,488	123,382	447,812	404,751

15.1.6 Remeasurements charged to consolidated statement of other comprehensive income

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Actuarial gains from change in financial assumptions	-	-	(60,818)	-
Experience adjustments	(16,360)	23,970	(23,839)	313,766
Return on plan assets, excluding interest income	(13,098)	(11,871)	5,785	(150,401)
	(29,458)	12,099	(78,872)	163,365

15.1.7 Plan assets

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Plan assets are comprised as follows:				
Debt instruments	7,360	65,384	1,182,945	1,267,198
Shares and units of mutual funds	3,166	18,251	304,916	287,774
Cash at banks	97	463	483,464	236,647
Others	-	-	-	361
	10,623	84,098	1,971,325	1,791,980

15.1.8 Sensitivity analysis

Year end sensitivity analysis on defined benefit obligation:

	Pension fund		Gratuity fund	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Discount rate + 100 bps	966,790	964,950	6,969,647	8,011,883
Discount rate - 100 bps	1,099,484	1,096,621	8,132,710	9,234,722
Salary growth rate + 100 bps	1,107,939	1,105,994	8,136,484	9,238,324
Salary growth rate - 100 bps	957,705	955,942	6,956,813	7,662,861

15.1.9 The weighted average duration of the defined benefit obligation is 8 years (2024: 8 years).

15.2 Unfunded retirement benefits - staff gratuity

The reconciliation of carrying amount is as follows:

	2025	2024
		(Rupees in thousand)
As at the beginning of the year	72,473	58,551
Interest cost	7,700	7,923
Charge for the year	9,903	6,413
Payments made during the year	(1,640)	(3,310)
Actuarial gain	1,953	(1,432)
Exchange adjustment	(4,042)	4,328
As at the end of the year	86,347	72,473

15.3 Third party employees gratuity

The reconciliation of carrying amount is as follows:

	2025	2024
		(Rupees in thousand)
Opening liability	653,156	475,053
Charged to consolidated statement of profit or loss	151,455	259,909
Payments made during the year	(36,446)	(81,806)
Liability as at year end	768,165	653,156

16. Accumulating compensated absences

This represents provision made to cover the obligation for accumulating compensated absences

	Note	2025	2024
			(Rupees in thousand)
Opening balance		805,649	685,494
Charged to consolidated statement of profit or loss	16.1	235,873	286,856
		1,041,522	972,350
Payments made during the year		(90,074)	(166,701)
Closing balance	16.2	951,448	805,649
16.1 Charge during the year			
Current service cost		67,703	90,736
Interest cost		72,787	75,358
Experience losses		(8,425)	(1,227)
Remeasurements during the year		103,808	121,989
Expense charged to the consolidated statement of profit or loss		235,873	286,856
16.2 Movement in liability for accumulating compensated absences			
Present value of obligation as at January 1		805,649	685,494
Current service cost		67,703	90,736
Interest cost on defined benefit obligation		72,787	75,358
Benefits paid during the year		(90,597)	(166,249)
Remeasurement during the year		103,808	121,989
Experience losses		(8,425)	(1,227)
Net liability transferred from/(to) related parties		523	(452)
Present value of obligation as at December 31		951,448	805,649

16.3 Sensitivity analysis

Year end sensitivity analyses on defined benefit obligation are as follows:

	2025	2024
Discount rate + 100 bps	661,075	430,975
Discount rate - 100 bps	775,361	499,701
Salary increases + 100 bps	775,409	500,137
Salary increases - 100 bps	644,997	435,800

16.4 The Group faces the following risks on account of accumulating compensated absences:

(i) **Final salary risk** (linked to inflation risk) – the risk that the final salary at the time of cessation of service is greater than the assumed salary. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases

(ii) Demographic risks:

- **Mortality Risk** - the risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- **Withdrawal Risk** - the risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

17. Current portion of non-current liabilities

	Note	2025	2024
(Rupees in thousand)			
Current portion of:			
Long term finances from financial institutions	8.2	13,457,856	8,514,447
Lease liabilities	9	170,253	274,738
Rental security deposits	10	96,122	91,795
Deferred income	11	105,162	97,247
Deferred government grant	12	301,890	327,014
Long term advances	14	12,797	12,796
		<u>14,144,080</u>	<u>9,318,037</u>

18. Short term borrowings from financial institutions - secured

	Note	2025	2024
(Rupees in thousand)			
Banking and financial institutions:			
Running finances - secured	18.1	26,650,555	8,126,337
Short term finances - secured	18.2	26,832,860	38,292,114
		<u>53,483,415</u>	<u>46,418,451</u>

18.1 Running finances from financial institutions - secured

Running finance facilities available from various commercial banks under mark-up arrangements amount to Rs 75,858 million (2024: Rs 72,600 million). Mark-up is calculated based on a range from 1 to 6 months Karachi Inter-Bank Offered Rate ('KIBOR') plus a spread, ranging from 11.07% to 13.81% (2024: 12.34% to 23.11%) per annum. In the event of a default in settlement upon expiry or demand, the mark-up rate increases to a range of 20% to 30% (2024: 20% to 30%) per annum on unpaid balances.

These aggregate facilities are secured by a hypothecation charge over the Group's stores, spares, stock-in-trade, and trade debts. Sub-limits for letters of credit and guarantees are also available under these arrangements, as disclosed in Note 18.3.

18.2 Short term finances from financial institutions - secured

Facilities for short-term finance amounting to Rs 54,121 million (2024: Rs 42,475 million) are available to the Group as sub-limits of the running finance facilities referred to in Note 18.1. Mark-up rates are based on KIBOR plus/minus a spread, ranging from 9.24% to 21.25% (2024: 6.50% to 23.43%) per annum.

These facilities are secured by a hypothecation charge over the Group's current assets including stores, spares, stock-in-trade, and trade debts and a pledge of Nestlé Pakistan Limited shares owned by the Group under a Share Pledge Agreement. Letters of credit facilities are also available as sub-limits, as referred to in Note 18.3.

18.3 Letters of credit and bank guarantees

The Group has various aggregate facilities for letters of credit and guarantees. The details of these facilities and their utilization as at December 31, 2025, are as follows.

Facility Type	Total Limit		Utilized		Sub-limits included as referred to in notes 18.1 and 18.2
	2025	2024	2025	2024	
	(Rupees in thousand)		(Rupees in thousand)		
Opening letters of credit	79,278	77,213	17,442	10,303	20,000 (RF) /
Guarantees	12,241	9,067	7,258	3,385	300 (RF)
Total	<u>91,519</u>	<u>86,280</u>	<u>24,700</u>	<u>13,688</u>	

The facilities for guarantee are secured by second hypothecation charge over stores, spares, stock-in-trade and trade debts.

19. Trade and other payables

	Note	2025	2024
(Rupees in thousand)			
Trade creditors	19.1	9,001,167	10,417,278
Accrued liabilities	19.2 to 19.5	12,567,359	9,849,687
Bills payable		3,517,442	2,290,250
Retention money payable		62,027	95,015
Sales tax withholding payable		471,843	404,405
Withholding income tax payable		137,517	101,101
Contract liabilities	19.6	1,628,671	853,015
Payable to employees' post employment funds	19.7	30,872	45,608
Excise duty payable		-	43,639
Deposit from customers		110,914	40,304
Security deposits - interest free repayable on demand - unsecured	19.8	67,524	62,796
Profit payable on term finance certificate ('TFC')		1,387	1,387
Workers' profit participation fund ('WPPF')	34.9	-	167,759
Workers' welfare fund ('WWF')	19.9	391,762	411,723
Infrastructure development cess		1,865,792	1,012,980
Others	19.10	262,833	915,686
		<u>30,117,110</u>	<u>26,712,633</u>

19.1 Trade creditors include amount due to related parties as follows:

DIC Asia Pacific Pte Limited	95,843	30,787
DIC Graphics (Thailand) Company Limited	784	959
IGI General Insurance Limited	31,091	34,089
IGI Life Insurance Limited	21,772	16,385
IGI FSI (Private) Limited	86	-
OmyaPack (Private) Limited	102,271	-
Industrial Technical Institute	10	-
Packages Foundation	748	-
S.C. Johnson & Sons of Pakistan (Private) Limited	234,679	179,220
	<u>487,284</u>	<u>261,440</u>

19.2 Accrued liabilities include amounts in respect of related parties as follows:

	2025	2024
	(Rupees in thousand)	
DIC Asia Pacific Pte. Ltd.	1,363	-
IGI General Insurance Limited	887	2,462
DIC Corporation, Japan	63,714	-
Josef Meinrad Muller	3,300	2,897
	<u>69,264</u>	<u>5,359</u>

19.3 The Supreme Court of Pakistan, through its order dated August 13, 2020, upheld the validity of the Gas Infrastructure Development Cess (GIDC) Act, 2015. The Court directed that the arrears of the Cess be recovered in twenty-four equal monthly instalments. As at December 31, 2025, the Group has an accrued liability of Rs 86.865 million (2024: Rs 86.865 million) relating to the paper and paperboard segment.

Following the Supreme Court's decision, the Group challenged its specific liability before the Lahore High Court (LHC) on the grounds that the matter remained unresolved by a High-Powered Committee previously mandated to scrutinize such records. While the LHC initially decided in favor of the Group, the matter was further litigated via a review petition by sui Northern Gas Pipelines Limited (SNGPL), which was disposed of on September 21, 2022, with directions to the Government of Pakistan to activate the High-Powered Committee.

Subsequent to the reporting date, in early 2026, the Cabinet Committee for Disposal of Legislative Cases (CCLC) approved the GIDC (Amendment) Act, 2025. This proposed legislation is intended to provide a settlement mechanism for entities currently in litigation. The Group, in consultation with its legal advisors, is evaluating the potential impact of these legislative changes on its pending court cases and the ultimate settlement of the accrued liability.

It also includes a provision of Rs 594.636 million (2024: Rs 594.636 million), in respect of GIDC provided by the Plastic segment. During the previous year, the Plastic segment stopped making payments of instalments as a stay order has been obtained by the Group from honourable High Court of Sindh.

19.4 This includes provision amounting to Rs 736 million (2024: Rs 550 million) in respect of rent of land on lease from the Government of the Punjab ('GoPb') for the period from December 2015 to December 2024.

A portion of the land on which the Group's buildings are situated (note 25), measuring 231 Kanals and 19 Marlas, was leased out to the Group by GoPb from December 1955 till November 2015 after which the lease has not been renewed. During the year 2015, the Group approached the Board of Revenue ('BoR'), GoPb to renew the lease, however, adequate response was not received. On January 5, 2019, the Supreme Court of Pakistan ('Court'), summoned BoR, to which the BoR stated that the new policy of the GoPb is not to lease state land but to sell it through open auction. Consequently, the Group was directed to deposit Rs 500 million with the BoR as security to the payment of outstanding amount of rent to be determined, with such amount being adjustable against final amount of rent. The Group deposited such amount in compliance with the direction on January 10, 2019. The Court further directed Additional Advocate General, Punjab on January 16, 2019 that subject to the Court's approval, two surveyors be appointed for determination of rent based on industrial usage of the land for the period from December 2015 till date. The surveyors were appointed, who submitted their independent valuation reports to BoR and the Court. The matter is pending for further action as of the date of the authorization for issue of consolidated financial statements. Moreover, the Court has further decided that the land shall be sold as industrial land through an open auction with the Group getting the first right of refusal.

The management has, on the basis of assessment of fair value of the said portion of land by independent valuers, as appointed by the Court, and its understanding of the prevalent market terms relating to rent of such properties in the vicinity of the said portion of land, recognised an expense of Rs 186 million (2024: Rs 150 million) in respect of rent for the year ended December 31, 2025. The management is confident that the final amount of rent will be in congruence with the provision made in these consolidated financial statements, inter alia based on the fair value determined by the independent valuers and the relevant facts and circumstances.

Furthermore, the management also intends to acquire the title of the said portion of land when the open auction takes place and is confident that it will be able to meet the highest bid.

19.5 These include Rs 1,420.68 million (2024: Rs 1,136.99 million) levied under the Sindh Development and Maintenance of Infrastructure Cess Act, 2017, which superseded the previous levy under the Sindh Finance Act, 1994. Pursuant to the interim order dated September 1, 2021, the Supreme Court of Pakistan directed petitioners to provide 100% bank guarantees covering the Cess liability for the clearance of goods. Accordingly, the Group has provided bank guarantees to the excise and taxation authorities as disclosed in note 22.1.

19.6 This represents contract liabilities of the Group towards various parties. Revenue recognized in the current year that was included in the contract liability balance at the beginning of the year amounting to Rs 853.015 million (2024: Rs 998.917 million).

19.7 Payable to employees' post employment funds

Note	2025	2024
	(Rupees in thousand)	
Packages Limited - Employees' Provident Fund	20,177	26,822
Packages Limited - Employees' Gratuity Fund	2,330	2,611
Packages Limited - Management Staff Pension Fund	8,365	16,175
19.7.1	<u>30,872</u>	<u>45,608</u>

19.7.1 All investments in collective investment schemes, listed equity, and listed debt securities out of provident fund and management staff pension fund (defined contribution plan) have been made in accordance with the provisions of Section 218 of the Act and the conditions specified thereunder as applicable at the time of making such investments. All fresh investments are now being made in accordance with the Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.

19.8 This represents amounts received from suppliers and truckers as per the respective agreements and kept in separate bank account maintained for that purpose as required under Section 217(2) of the Act. These deposits have not been utilized by the Group.

19.9 Workers' welfare fund

Note	2025	2024
	(Rupees in thousand)	
Opening balance	411,723	412,485
Group adjustment	-	(123,615)
Reversal of provision	(68,930)	-
Provision for the year	192,348	192,354
	<u>535,141</u>	<u>481,224</u>
Payments made during the year	(143,379)	(69,501)
Closing balance	<u>391,762</u>	<u>411,723</u>

19.10 This includes payable in respect of Central Research Fund :

Opening balance	37,737	9,866
Allocation for the year	54,120	37,842
	<u>91,857</u>	<u>47,708</u>
Amount paid to the fund	(37,842)	(9,971)
Closing balance	<u>54,015</u>	<u>37,737</u>

20. This includes dividend payable of Rs 1.829 million (2024: Rs 1.434 million) to DIC Asia Pacific Pte. Limited, a related party.

21. Accrued finance cost

Note	2025	2024
	(Rupees in thousand)	
Accrued mark-up/interest on:		
- Long term finances from financial institutions	1,428,968	2,006,242
- Preference shares/convertible stock	155,550	155,550
- Short term borrowings from financial institutions	1,245,690	1,290,909
	<u>2,830,208</u>	<u>3,452,701</u>

22. Contingencies and commitments

22.1 Contingencies other than disclosed elsewhere, in respect of:

- Claims against the Group by ex-employees not acknowledged as liabilities amounting to Rs 105.690 million (2024: Rs 105.690 million).
- Letters of guarantee issued to various parties aggregating to Rs 8,923.342 million (2024: Rs 5,832.384 million).
- For contingencies relating to sales tax and income tax, refer to notes 34 and 35 respectively.

22.2 Commitments

- Letters of credit and contracts for capital expenditure Rs 2,020.239 million (2024: Rs 4,328.995 million).
- Letters of credit and contracts other than for capital expenditure Rs 12,171.01 million (2024: Rs 17,201.48 million).

There are no commitments with related parties.

23. Property, plant and equipment ('PPE')

	Note	2025	2024
		(Rupees in thousand)	
Operating fixed assets	23.1	98,485,836	95,935,854
Capital work-in-progress	23.2	8,745,555	10,610,213
Major spare parts and stand-by equipment	23.3	1,072,449	923,058
		<u>108,303,840</u>	<u>107,469,125</u>

23.1 Operating fixed assets

	2025						Book value as at December 31, 2025
	Cost as at January 1, 2025	Accumulated depreciation as at January 1, 2025	Exchange differences	Additions/(deletions)	Cost as at December 31, 2025	Depreciation charge/(deletions) for the year	
Freehold land - note 23.1.1 and 23.1.2	1,096,829	-	(28,144)	-	1,068,685	-	1,068,685
Leasehold land - note 23.1.3	12,955,416	414,010	-	-	12,955,416	100,090	12,441,316
*Buildings on freehold land	12,878,541	2,202,688	(8,807)	931,111	13,800,845	498,053	11,100,818
Buildings on leasehold land - note 23.1.3	3,787,573	565,570	382	692,189	4,480,144	346,593	3,567,760
Plant and machinery	87,726,985	26,774,366	(46,189)	5,990,784	93,082,156	6,439,628	60,420,716
				(589,424)		(516,582)	
Other equipment (computers, lab equipment and other office equipment)	6,718,513	2,723,708	(22,309)	2,421,905	9,083,873	737,991	5,661,661
				(84,236)		(26,099)	
Furniture and fixtures	371,224	213,516	(1,741)	51,515	418,026	31,760	174,937
				(2,972)		(815)	
Vehicles	3,993,157	698,526	(392)	1,729,129	5,068,840	413,989	4,049,943
				(653,054)		(94,805)	
	129,528,238	33,592,384	(107,200)	11,816,633	139,957,985	8,568,104	98,485,836
				(1,279,686)		(638,301)	

*Additions during the year includes an amount of Rs 782.199 million which is transferred in from investment property.

	2024						Book value as at December 31, 2024
	Cost as at January 1, 2024	Accumulated depreciation as at January 1, 2024	Exchange differences	Additions/(deletions)	Cost as at December 31, 2024	Depreciation charge/(deletions) for the year	
Freehold land - note 23.1.1 and 23.1.2	1,012,753	-	47,596	36,480	1,096,829	-	1,096,829
Leasehold land - note 23.1.3	12,955,416	290,472	-	-	12,955,416	123,538	12,541,406
Buildings on freehold land	9,457,726	1,730,116	13,762	3,420,953	12,878,541	472,628	10,675,853
				(13,900)		(278)	
Buildings on leasehold land - note 23.1.3	395,368	312,144	(645)	3,392,850	3,787,573	253,710	3,222,003
Plant and machinery	64,255,594	21,440,263	74,177	23,818,434	87,726,985	5,643,882	60,952,619
				(421,220)		(366,976)	
Other equipment (computers, lab equipment and other office equipment)	4,730,909	2,113,745	23,047	2,039,240	6,718,513	651,299	3,994,805
				(74,683)		(61,186)	
Furniture and fixtures	312,611	183,035	2,623	56,741	371,224	28,800	157,708
				(751)		(456)	
Vehicles	2,760,585	457,876	825	1,733,680	3,993,157	350,657	3,294,631
				(501,933)		(110,796)	
	95,880,962	26,527,651	161,385	34,498,378	129,528,238	7,524,514	95,935,854
				(1,012,487)		(539,692)	

23.1.1 Land of the Group measuring 127 kanals, 28 marlas and 283.25 sq.ft situated at Lahore with a book value of Rs 6.149 million (2024: Rs 6.149 million) (the 'Mortgaged Security'), has been mortgaged under a first exclusive equitable charge of Rs 7,800 million (2024: Rs 7,800 million) in favour of MCB Bank Limited against a term finance facility of upto Rs 4,500 million (2024: Rs 4,500 million) and a running finance facility of upto Rs 2,000 million (2024: Rs 2,000 million) provided to Real estate segment by MCB Bank Limited under a tri-partite agreement between the Parent Company, MCB Bank Limited and the Real Estate segment. The Mortgaged Security has also been mortgaged under a first pari passu charge in favour of Allied Bank Limited against a term finance facility of upto Rs 4,667 million (2024: Rs 4,667 million) provided to Real Estate segment by Allied Bank Limited under a tri-partite agreement between the Parent Company, Allied Bank Limited and the Real Estate Segment.

23.1.2 Included within this owned land is a land measuring 25 acres situated in Kasur with a book value of Rs 72.356 million (2024: 72.356 million), rented out to Corn Starch segment for its industrial activities, which has been mortgaged in favour of Faysal Bank Limited and Meezan Bank Limited against term finance facilities of Rs 1,500 million each (2024: Rs 1,500 million) and in favour of Habib Bank Limited against term finance facility of Rs 1,900 million (2024: Rs 1,900 million) provided to Corn Starch segment. This charge will be up-graded to joint pari passu charge in due course.

23.1.3 Leasehold land comprises lands situated in Karachi and Haripur which were obtained by the Group on lease and are being amortized over the term of 36.5 years to 73 years respectively. The title of lands remains with the lessor at end of the lease term. However, leasehold lands have been included in property, plant and equipment in accordance with clarification issued by the Institute of Chartered Accountants of Pakistan through selected opinion.

23.1.4 The depreciation charge for the year has been allocated as follows:

	Note	2025	2024
(Rupees in thousand)			
Cost of sales and services	38	7,980,924	6,934,479
Administrative expenses	39	313,531	384,277
Distribution and marketing costs	40	273,649	205,758
		<u>8,568,104</u>	<u>7,524,514</u>

23.1.5 Following are the particulars of the Group's immovable fixed assets:

Location	Usage of immovable property	Total area (in Acres)	
		2025	2024
Kot Radha Kishan Road, District Kasur, Punjab	Factory site and offices	239.73	239.73
Depalpur, Pakpattan Road, District Okara, Punjab	Purchase centre for biomass fuel	13.23	13.23
Shahrah-e-Roomi, Lahore, Punjab	Plant site and administrative offices	107.81	107.70
Herdo Sehari, Kasur, Punjab	Administrative offices	52.01	52.01
Lakho Baryar, Kasur, Punjab	Administrative offices	103.07	103.07
148 Minuwangoda Rd, Ja-Ela 11350, Sri Lanka	Freehold land	7.65	7.65
Northwestern Industrial Zone, Port Qasim	Factory site	9.00	9.00
		<u>532.50</u>	<u>532.39</u>

23.1.6 Sale of operating fixed assets

Detail of operating fixed assets sold during the year, having book value of Rs 500,000 and more, is as follows:

Particulars of assets	Sold to	2025				Mode of sale
		Cost	Book value	Sale proceeds	Gain / (loss) on sale	
(Rupees in thousand)						
Vehicles	Employees					
	Zahid Mahmood	1,421	598	587	(11)	As per Group Policy
	Usman Amjad	9,231	8,462	8,144	(318)	- do -
	Usama Mumtaz	2,754	1,997	1,931	(66)	- do -
	Ubaid Allauddin	2,707	2,414	2,301	(113)	- do -
	Syeda Falak Zehra	2,612	2,285	2,068	(217)	- do -
	Syed Zulqarnain	2,707	2,639	2,632	(7)	- do -
	Syed Tanzeel	4,976	4,188	4,487	299	- do -
	Syed Mubeen Riaz	3,312	3,036	2,936	(100)	- do -
	Syed Muhammad Abdullah	1,976	1,515	1,428	(87)	- do -
	Sultanat Mannan	3,760	2,757	2,613	(144)	- do -
	Sohail Mushtaq	2,612	2,242	1,995	(247)	- do -
	Shaukat Hussain	1,640	888	818	(70)	- do -
	Saqib Javed	1,745	750	2,535	1,785	- do -
	Salman Shaikh	1,745	708	658	(50)	- do -
	Rubab Ali	2,656	2,169	1,928	(241)	- do -
	Rizwan Ahmed	2,703	1,734	1,801	67	- do -
	Rehman Khan	2,013	1,443	1,376	(67)	- do -
	Najeeb Ali	3,609	2,617	2,936	319	- do -
	Muhammad Ilyas	3,799	3,356	3,348	(8)	- do -
	Muhammad Farooq	2,612	2,046	1,887	(159)	- do -
	Muhammad Anas	1,782	801	805	4	- do -
	Laila Fatima	1,554	971	1,022	51	- do -
	Laiba Tariq	1,554	1,010	1,015	5	- do -
	Khurram Ali	2,146	2,053	1,732	(321)	- do -
	Kashif Shahzad	2,612	2,003	1,887	(116)	- do -
	Kashif Mahmood	2,948	1,179	2,088	909	- do -
	Israr Ahmed	2,998	2,149	2,204	55	- do -
	Imtiaz Ahmed	1,912	765	3,050	2,285	- do -
	Imran nisar	2,656	2,191	1,928	(263)	- do -
	Imran Arshad	1,976	1,548	1,428	(120)	- do -
	Hamza Irfan	1,903	1,051	915	(136)	- do -
	Hamad Afzal	4,677	4,248	4,248	-	- do -
	Fahad Waqar Malik	2,515	1,262	1,124	(138)	- do -
	Fahad Majeed	2,371	1,679	1,478	(201)	- do -
	Taniya Kiran	2,644	2,159	1,917	(242)	- do -
	Bilal Wyne	1,868	825	882	57	- do -
	Bilal Farooq	2,612	2,133	1,923	(210)	- do -
	Behram Nazir	6,609	4,847	4,872	25	- do -
	Arsam Ali	3,045	2,740	2,625	(115)	- do -
	Amna Saeed	3,045	2,766	2,707	(59)	- do -
	Amir Imtiaz Ali	7,091	5,141	5,812	671	- do -
	Ali Raza	5,879	5,095	5,053	(42)	- do -
	Ali Hussain	4,766	4,369	4,369	-	- do -
	Ahsan Raza	3,270	1,604	1,879	275	- do -
	Raza Anjum	5,995	5,395	5,396	1	- do -
	Rizwan Khalid	1,396	559	777	218	- do -
	Zeeshan Malik	2,936	2,376	2,234	(142)	- do -
	Tariq Hussain	4,929	3,861	3,973	112	- do -
	Subayyal Najeeb	2,993	1,721	1,887	166	- do -
	Sheeraz Ali	1,944	778	733	(45)	- do -
	Muhammad Zakriya	2,109	844	815	(29)	- do -
	Irfan Akram	2,422	1,716	1,597	(119)	- do -
	Hamid Jamil	2,375	1,077	1,180	103	- do -
	Esaam Rashid	1,781	1,262	1,101	(161)	- do -
	Arfa Wasim	4,719	4,522	4,451	(71)	- do -
	Sarim Rizvi	2,145	1,716	1,584	(132)	- do -

2025						
Particulars of assets	Sold to	Cost	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
(Rupees in thousand)						
Employees						
Kashif Aziz		1,531	612	880	268	As per Group Policy
Sadiq Raza		1,433	979	748	(231)	- do -
Ammar Ahmad		4,125	3,781	3,557	(224)	- do -
Asad Ajaz		2,923	2,704	2,576	(128)	- do -
Waqas Ahmad		2,638	2,286	2,021	(265)	- do -
Bilal Bawany		3,040	2,356	2,389	33	- do -
Sibat Usman		3,714	2,786	2,369	(417)	- do -
Ahsan Shahzad		4,580	3,626	3,561	(65)	- do -
Sana Ullah		4,309	3,734	3,483	(251)	- do -
Sehr Javead		1,996	1,531	1,231	(300)	- do -
Ahasn Cheema		3,678	2,627	2,560	(67)	- do -
Waqas Ilyas		1,518	696	280	(416)	- do -
Ahsan Ali		2,782	2,133	2,136	3	- do -
Hamza Rashid		2,827	2,450	2,421	(29)	- do -
Muhammad Amin		2,050	837	1,108	271	- do -
Sarosh Tariq		4,035	2,892	2,656	(236)	- do -
Abdul Razaq		2,801	2,054	1,994	(60)	- do -
Zeeshan Zafar		3,682	2,792	3,003	211	- do -
Adnan Yousaf		7,295	5,958	5,360	(598)	- do -
Aatir Ali Mansor		2,964	2,445	2,213	(232)	- do -
Kamran Shoukat		2,734	2,415	2,327	(88)	- do -
Asif Ali		5,148	3,647	3,424	(223)	- do -
Kamran Ahmad		3,991	2,825	2,474	(351)	- do -
Asif Khan		8,091	7,282	7,362	80	- do -
Shoaib ul Hassan		1,865	995	876	(119)	- do -
Nisar Ahmad		1,433	788	748	(40)	- do -
Talha Bin umer		4,669	3,774	3,564	(210)	- do -
Abubakar		2,835	1,890	1,882	(8)	- do -
Uzair Hashmi		3,880	2,619	2,557	(62)	- do -
Awais		4,829	4,064	3,987	(77)	- do -
Moghees Afzal		4,240	2,968	3,024	56	- do -
Mansha Tabassum		1,733	693	688	(5)	- do -
Shiraz Khan		3,008	2,055	1,934	(121)	- do -
Sheraz Sarwar		2,217	1,478	1,266	(212)	- do -
Maqbool Hussain		2,935	2,593	2,427	(166)	- do -
Muhammad Sarwar		3,165	2,057	2,297	240	- do -
Abdul ghaffar		3,265	2,503	2,373	(130)	- do -
Saddam Shahid Wahla		3,858	3,408	3,260	(148)	- do -
Tayyaba Ijaz		3,045	2,639	2,625	(14)	- do -
M. Naveed		3,720	2,542	2,365	(177)	- do -
Shahrukh		4,858	4,048	4,253	205	- do -
Syed Taqi Hassan		3,718	3,129	2,737	(392)	- do -
Usman Ghani		2,707	2,414	2,320	(94)	- do -
Abid Riaz		7,143	5,060	5,283	223	- do -
M. Usman Sabir		5,443	4,037	3,453	(584)	- do -
Mohammad Salman		2,754	2,043	1,691	(352)	- do -
Tahira Yasmin		8,250	6,738	6,878	140	- do -
Muhammad Daniyal Ijaz		2,799	2,239	2,060	(179)	- do -
Saad Moeen Bajwa		8,829	7,284	7,987	703	- do -
Ibrahim shah khan		5,874	5,189	5,212	23	- do -
Zuhair Riaz		4,714	4,125	4,125	-	- do -
Syed Mazahir Mehdi		2,894	2,532	2,480	(52)	- do -
Faizan Arshad		4,760	4,324	4,051	(273)	- do -
Zain Shahid		2,756	2,503	2,348	(155)	- do -
Mahnoor pasha		3,045	2,817	2,744	(73)	- do -
Salar Khawaja		2,707	2,504	2,444	(60)	- do -
Syeda Amal Minahil Shirazi		9,956	9,624	9,956	332	- do -
Shoaib Nangiana		2,753	1,101	1,486	385	- do -
Ahsan Javed		1,278	532	661	129	- do -
Khurram Saeed		2,399	1,659	1,960	301	- do -
Awais Jawaid		3,022	2,140	2,068	(72)	- do -

2025						
Particulars of assets	Sold to	Cost	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
(Rupees in thousand)						
Employees						
Zainab Itikhar		4,455	3,378	2,977	(401)	As per Group Policy
Muhammad Aamir		3,992	3,061	2,475	(586)	- do -
Ahsan Arshad		3,718	3,129	2,737	(392)	- do -
M Hassaan		3,718	3,222	2,943	(279)	- do -
Maisam Hasan		5,984	5,186	4,909	(277)	- do -
Malik Umair Aslam		5,449	4,813	4,698	(115)	- do -
Salman haider		6,952	6,662	6,399	(263)	- do -
Key Management Personnel						
Iqra Sajjad		5,049	3,829	3,101	(728)	- do -
Jawad Gillani		7,168	6,676	6,138	(538)	- do -
Faizan Mahmood		8,890	6,519	6,104	(415)	- do -
Outsiders						
Yasir Arif Raja		2,532	1,013	3,050	2,037	Negotiation
Muhammad Sharif		2,350	940	4,010	3,070	Negotiation
Shaukat Ali		2,603	1,041	4,051	3,010	Negotiation

2024						
Particulars of assets	Sold to	Cost	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
(Rupees in thousand)						
Vehicles						
Employees						
Syed Munzir Hassan		5,709	4,710	5,062	352	As per Group Policy
Jehanzeb Akhtar		5,076	4,653	4,713	60	- do -
Jasir Rehman		4,574	4,460	4,574	114	- do -
Syeda Fizza Kazmi		4,550	3,678	3,678	-	- do -
Hamad Afzal Khan		3,883	3,236	3,236	-	- do -
Muhammad Ahsan		3,360	3,108	3,360	252	- do -
M Nabeel Anwar		3,420	3,021	3,021	-	- do -
Fayyaz Hussain		2,935	2,813	2,754	(59)	- do -
Haris Javed		3,492	2,648	2,537	(111)	- do -
Salman Kayani		3,233	2,613	2,595	(18)	- do -
Muhammad Akram		2,644	2,512	2,390	(122)	- do -
Nazar Hussain		2,656	2,390	2,293	(97)	- do -
Zunair Shahzad		2,612	2,351	2,220	(131)	- do -
Mohammad Ilyas		2,612	2,307	2,220	(87)	- do -
Noor Muhammad		2,804	2,267	2,269	2	- do -
Taimur Naseer		2,762	2,256	2,082	(174)	- do -
Syed Shahid Hussain		2,737	2,212	1,977	(235)	- do -
Alina Kanwal		2,302	2,156	2,644	488	- do -
Farhan		2,564	2,137	1,917	(220)	- do -
Umar Shouk		3,350	1,982	2,425	443	- do -
Raza Anjum		2,863	1,980	1,909	(71)	- do -
Hassaan ul Haq		2,379	1,796	1,702	(94)	- do -
Salman Saleem		2,803	1,775	1,866	91	- do -
Amjad Shaikh		2,249	1,739	2,365	626	- do -
Saad Ahmad		3,200	1,712	2,261	549	- do -
Ammad Asif		3,287	1,528	1,899	371	- do -
Asma Akhtar		1,947	1,509	1,424	(85)	- do -
Sehrish Javed		1,733	1,502	1,348	(154)	- do -
Daud Jabran		2,030	1,404	1,420	16	- do -
M Jahanzaib Hassan Shah		1,747	1,398	1,303	(95)	- do -
Ammad Tariq		2,515	1,396	1,694	298	- do -
Malik Danyal Jan		2,495	1,385	1,107	(278)	- do -
Adnan Sarwar		1,780	1,320	1,100	(220)	- do -
Muhammad Siddique		1,778	1,274	1,205	(69)	- do -
Nazish Anwar		1,579	1,237	1,148	(89)	- do -

2024						
Particulars of assets	Sold to	Cost	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
		(Rupees in thousand)				
Employees						
Madiha Younas		1,546	1,224	1,224	-	As per Group Policy
Rizwan Akbar		1,815	1,210	1,088	(122)	- do -
Rana Muhammad Kashif		1,764	1,191	2,710	1,519	- do -
Faizan Arshad		1,780	1,172	935	(237)	- do -
Shahmeer Aslam		1,745	1,134	917	(217)	- do -
Shahzad Tahir		1,404	1,123	1,021	(102)	- do -
Haider Ali		1,373	1,064	992	(72)	- do -
Ahsan Cheema		1,335	1,012	825	(187)	- do -
Mian Abdul Rashid		2,304	1,002	1,322	320	- do -
Muhammad Saeed		2,488	995	1,682	687	- do -
Hamza Ayyaz		1,335	990	825	(165)	- do -
Numan Noor		2,431	972	4,000	3,028	- do -
Shahid Islam		1,429	905	762	(143)	- do -
Muhammad Imran Saeed		1,853	784	3,050	2,266	- do -
Shakir Saleem Mughal		1,920	768	1,211	443	- do -
Muhammad Jamil		1,890	756	1,187	431	- do -
Adeel Amad		1,447	728	726	(2)	- do -
Asghar Abbas		1,735	694	2,950	2,256	- do -
Samreen Saleem		1,670	668	1,049	381	- do -
Nauman Zafar		1,452	581	616	35	- do -
Rana Javed Bashi		1,399	560	668	108	- do -
Hina Jamil		1,270	508	708	200	- do -
Sabika Sheikh		1,270	508	479	(29)	- do -
Mansoor Hassan Bhatti		14,730	13,707	14,730	1,023	- do -
Ayyaz Zafar		2,972	1,672	1,893	221	- do -
Malik Umair Aslam		3,063	2,081	2,448	367	- do -
Muhammad Rauf Khan		2,612	2,503	2,481	(22)	- do -
Usman Malik		1,537	523	563	40	- do -
Shabee Ul Hassan		1,790	859	822	(37)	- do -
Zohair Tarar		1,739	696	780	84	- do -
Faisal Ammar		1,404	1,088	1,021	(67)	- do -
Ashraf Ashiq		1,100	440	566	126	- do -
Qasim Ali		3,579	3,280	3,087	(193)	- do -
Tariq Mehmood Awan		1,730	1,240	1,062	(178)	- do -
Muhammad Asif Javid		1,900	874	948	74	- do -
Nasir Ali		1,733	693	1,053	360	- do -
Muhammad Adeel		1,435	574	547	(27)	- do -
Adrees		1,625	683	848	165	- do -
Syeda Aliza Imam		3,237	2,725	2,510	(215)	- do -
Shoaib		1,710	1,382	1,242	(140)	- do -
Ammad Butt		2,530	2,150	2,155	5	- do -
Rafiq Shahid		8,884	7,995	7,837	(158)	- do -
Abid Riaz		2,651	2,099	2,040	(59)	- do -
Nauman Rashid		7,141	6,189	6,296	107	- do -
Khubaib Alam		4,489	3,816	3,512	(304)	- do -
Saad Moeen Bajwa		5,949	5,247	5,457	210	- do -
Umme-Farwa Zaidi		8,230	7,681	7,759	78	- do -
Farwa Saleem		1,433	955	886	(69)	- do -
Umair Riaz		1,610	1,181	1,071	(110)	- do -
Abdul Kabeer		1,546	1,327	1,181	(146)	- do -
Zaheer Asghar		1,747	1,427	1,311	(116)	- do -
Sajal Faheem		2,607	2,151	2,031	(120)	- do -
Ali Nazeer		2,428	2,335	2,036	(299)	- do -
Zahra Batool		3,287	2,931	2,852	(79)	- do -
Khola Malik		3,718	3,408	3,718	310	- do -
Tahir Majeed		9,139	8,225	8,194	(31)	- do -
Muhammad Abid		7,863	6,159	6,629	470	- do -
Asghar Abbas		6,989	6,174	6,163	(11)	- do -
Muneef Abid		6,100	5,185	5,373	188	- do -

2024						
Particulars of assets	Sold to	Cost	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
		(Rupees in thousand)				
	Usman Dodhy	5,282	4,534	4,708	174	As per Group Policy
	Adeel Riaz	5,103	4,593	4,813	220	- do -
	Hiba Amjad	4,127	2,786	3,191	405	- do -
	Moiz Hassan	4,109	3,184	3,232	48	- do -
Key Management Personnel						
	Kamran Waheed	8,849	8,480	8,481	1	- do -
	Waqas Munir	3,856	2,796	4,850	2,054	- do -
	Hijab Fatima	4,035	3,598	3,651	53	- do -
	Emad Ud Din	3,450	2,932	2,831	(101)	- do -
	Hussain Mohsen	2,988	1,793	2,755	962	- do -
	Nabeel Shahid	2,965	2,743	2,565	(178)	- do -
	Abrar Saeed	2,955	2,512	4,120	1,608	- do -
	Ehtisham Qureshi	2,843	1,658	1,598	(60)	- do -
	Ayesha Aziz	2,705	1,893	2,017	124	- do -
	Muhammad Latif	2,495	1,435	1,107	(328)	- do -
	Muhammad Umair	2,421	2,118	2,116	(2)	- do -
	Sadar Bahadur	2,371	1,996	1,851	(145)	- do -
	Hafiz Muhammad Tahir	2,300	1,514	1,501	(13)	- do -
	Tayyab Khan	2,284	1,789	1,807	18	- do -
	Asghar Abbas	6,118	4,385	4,277	(108)	- do -
	Asfand Yar	2,265	1,378	1,483	105	- do -
	Umer Zubairi	2,145	1,770	1,624	(146)	- do -
	Tahir Mahmood	2,092	837	1,160	323	- do -
	Haris Bin Khalid	1,914	1,515	1,464	(51)	- do -
	Mudassir Hussain	1,780	1,216	921	(295)	- do -
	Syed Taqi	1,745	1,091	1,031	(60)	- do -
	Imran Elahi	1,733	693	831	138	- do -
	Saad Nagiana	1,633	1,048	922	(126)	- do -
	Adnan Sarwar	1,551	620	959	339	- do -
	Hassnain	1,499	1,224	1,123	(101)	- do -
	Khalid Rasool	1,398	780	730	(50)	- do -
	Naeem ul Haq	1,340	536	731	195	- do -
	Qaiser Iqbal	1,330	687	780	93	- do -
	Zafar Iqbal	1,274	510	676	166	- do -
	Noor Fareed	1,274	510	740	230	- do -
	Muhammad Awais	1,270	508	479	(29)	- do -
	Erum Unber	3,876	3,585	3,411	(174)	- do -
	Zeeshan Ur Rehman	1,817	1,378	1,320	(58)	- do -
	Ali Raza	3,450	2,760	2,633	(127)	- do -
	Tariq Naveed Khan	6,926	4,987	5,125	138	- do -
	Shariq Mehmood	3,954	3,242	3,281	39	- do -
	Sohail Hassan	3,928	2,867	2,907	40	- do -
	Maria Saquib	3,828	3,024	3,062	38	- do -
	Faisal Hassan Khan	3,272	2,683	2,683	-	- do -
	Faiq Mehfooz	3,272	2,389	2,421	32	- do -
	Ishaq Rajput	3,108	1,274	1,305	31	- do -
	Omar Zahid	3,004	1,202	1,202	-	- do -
	Arfan Ahmad Rana	2,855	1,142	1,142	-	- do -
	Muhammad Ahsen Zeshan	2,854	1,142	-	-	- do -
	Umar Akram	2,675	1,626	1,653	27	- do -
	Irfan Hashmey	2,657	1,674	1,700	26	- do -
	Imran Faraz	2,657	1,435	1,461	26	- do -
	Zeeshan Ali	2,515	1,434	1,459	25	- do -
	Syed Muhammad Tahir	2,379	1,023	1,047	24	- do -
	Shahzada Aurangzeb	2,304	922	922	-	- do -
	Sohail Akhtar	2,229	892	892	-	- do -
	Khawaja Iqbal Hasan Danish	2,114	846	846	-	- do -
	Syed Muhammad Irfan	2,074	830	830	-	- do -

2024						
Particulars of assets	Sold to	Cost	Book value	Sale proceeds	Gain / (loss) on sale	Mode of sale
(Rupees in thousand)						
Employees						
Muhammad Khalid		2,049	820	820	-	As per Group Policy
Aisha Anwar		2,009	804	804	-	-do-
Nadeem Ahmed		1,780	997	1,015	18	-do-
Junaid Ahmed Khan		1,745	698	698	-	-do-
Salar Ali		1,745	698	698	-	-do-
Sarfaraz Ahmed Khan		1,745	698	698	-	-do-
Syed Tariq Ali		1,745	698	698	-	-do-
M. Azeem Akram Siddiqui		1,745	698	698	-	-do-
Syed Amir Ali		1,745	698	698	-	-do-
Kamran Ahmed		1,483	593	593	-	-do-
M Usman Rasheed		1,483	593	593	-	-do-
Bilal Zaidi		1,476	590	590	-	-do-
Usman Ahmed Khan		1,476	590	590	-	-do-
Irshad Muhammad		1,440	576	576	-	-do-
Owais Qadir		1,410	592	606	14	-do-
Imran Masood		1,410	564	564	-	-do-
Shoab Ahmed Khan		1,380	552	552	-	-do-
Asad Mehmood Malik		1,340	536	536	-	-do-
Syed Masood Yaseen		1,340	536	536	-	-do-
Muhammad Sheraz Quresh		1,340	536	536	-	-do-
Taimoor Shahzad		1,340	536	536	-	-do-
Asfia Salahuddin		1,340	536	536	-	-do-
Fakhar Uddin Ahmed		1,340	536	536	-	-do-
Azhar Ali Khan		1,300	520	520	-	-do-
Waseem Tufail Chughtai		1,270	508	508	-	-do-
Aslam Farhan		1,270	508	508	-	-do-
Waqar Ahmed		1,270	508	508	-	-do-
Muhammad Rizwan Khan		860	344	344	-	-do-
Related parties						
IGI General Insurance Limited		1,836	735	2,400	1,665	Negotiation
OmyaPack (Private) Limited		3,915	3,621	3,621	-	- do -
OmyaPack (Private) Limited		7,295	6,748	6,748	-	- do -
Outsiders						
Shakoor Hussain		3,735	2,210	4,650	2,440	Negotiation
Bilal Mustafa		2,220	888	1,322	434	- do -
Plant and machinery						
Outsiders						
M/s Mubashir Brothers		83,369	52,800	52,800	-	Negotiation
M/s Printickle (Private) Limited		2,374	674	738	64	-do-
Other equipment						
Zeeshan Ur Rehman		207	46	108	62	Negotiation

23.2 Capital work-in-progress (CWIP)

	Note	2025	2024
(Rupees in thousand)			
Civil works and other equipment		483,081	1,325,701
Plant and machinery		8,002,251	7,572,695
Advances to suppliers		166,405	573,157
Other		119,831	1,138,660
	23.2.1	8,771,568	10,610,213
Provision for loss due to shortage in CWIP	23.2.3	(26,013)	-
		8,745,555	10,610,213

23.2.1 The reconciliation of the carrying amount is as follows:

	2025							
	Cost as at January 1, 2025	Exchange differences	Capital expenditure incurred during the year (Not 23.2.2)	Advances given during the year	Transfers within capital work-in-progress	Charged off during the year	Transfers to operating fixed assets	Balance as at December 31, 2025
(Rupees in thousand)								
Civil works	1,325,701	-	1,149,589	-	8,804	(494)	(2,000,519)	483,081
Plant and machinery	7,572,695	(24,864)	7,306,690	-	615,882	(23,853)	(7,444,299)	8,002,251
Advances to suppliers	573,157	-	-	1,004,330	(624,686)	(3,420)	(782,976)	166,405
Other	1,138,660	-	1,739,615	-	-	(5,688)	(2,752,756)	119,831
	10,610,213	(24,864)	10,195,894	1,004,330	-	(33,455)	(12,980,550)	8,771,568
	2024							
	Cost as at January 1, 2024	Exchange differences	Capital expenditure incurred during the year (Not 23.2.2)	Advances given during the year	Transfers within capital work-in-progress	Charged off during the year	Transfers to operating fixed assets	Balance as at December 31, 2024
(Rupees in thousand)								
Civil works	4,075,893	-	2,964,980	-	24,182	(1,152)	(5,738,202)	1,325,701
Plant and machinery	19,485,582	14,217	14,206,509	-	85,684	(810)	(26,218,487)	7,572,695
Advances to suppliers	943,828	-	-	576,780	(124,135)	(182,403)	(640,913)	573,157
Other	184,252	-	1,679,841	-	14,269	-	(739,702)	1,138,660
	24,689,555	14,217	18,851,330	576,780	-	(184,365)	(33,337,304)	10,610,213

23.2.2 This includes borrowing cost capitalised amounting to Rs 782.269 million (2024: Rs 2,003.252 million).

23.2.3 Provision for loss due to shortage in CWIP

The reconciliation of the carrying amount is as follows:

	2025	2024
(Rupees in thousand)		
Opening balance	-	-
Charge for the year - included in 'administrative expenses'	26,013	-
Closing balance	26,013	-

23.3 Major spare parts and stand-by equipment

Balance at the beginning of the year	923,058	762,149
Additions during the year	281,483	336,861
Transfers made during the year	(132,092)	(175,952)
Balance at the end of the year	1,072,449	923,058

24. Right-of-use assets

	2025								2024										
	Cost as at January 1, 2025	Exchange differences	Lease modification	Additions / (deletions)	Cost as at December 31, 2025	Accumulated depreciation as at January 1, 2025	Exchange differences	Depreciation charge for the year	Accumulated depreciation as at December 31, 2025	Book value as at December 31, 2025	Cost as at January 1, 2024	Exchange differences	Lease modification	Additions / (deletions)	Cost as at December 31, 2024	Accumulated depreciation as at January 1, 2024	Exchange differences	Depreciation charge for the year	Accumulated depreciation as at December 31, 2024
Plant and equipment	47,179	2,535	-	-	49,714	31,256	1,748	4,903	37,907	11,807	51,455	(4,276)	-	47,179	28,943	(2,654)	4,967	31,256	15,923
Land and buildings	2,029,641	-	(74,668)	112,893 (17,412)	2,050,454	222,144	-	153,648	375,792	1,674,662	424,589	-	1,681,908 (17,720)	2,029,641	135,847	-	86,297	222,144	1,807,497
Equipment	26,211	-	-	-	26,211	12,947	-	10,500	23,447	2,764	26,211	-	-	26,211	12,947	-	-	12,947	13,264
Vehicles	-	-	-	59,897	59,897	-	-	834	834	59,063	502,255	(4,276)	(59,136)	2,103,031	177,737	(2,654)	91,264	266,347	1,836,684
	2,103,031	2,535	(74,668)	172,790 (17,412)	2,186,276	266,347	1,748	169,885	437,980	1,748,296									

24.1 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
Cost of sales and services	38	105,785	60,957
Administrative expenses	39	51,605	21,870
Distribution and marketing costs	40	12,495	8,437
		169,885	91,264

25. Investment properties

Developed
Under construction

Note	2025	2024
	(Rupees in thousand)	
25.1	13,109,610	12,790,909
25.2	163,170	431,075
	13,272,780	13,221,984

25.1 Investment properties - developed

	2025								
	Cost as at January 1, 2025	Additions	Transfer in from PPE	Transfer out to PPE	Cost as at December 31, 2025	Accumulated depreciation as at January 1, 2025	Depreciation charge for the year	Accumulated depreciation as at December 31, 2025	Book value as at December 31, 2025
	(Rupees in thousand)								
Freehold land	1,233,287	28,595	39,441	-	1,301,323	-	-	-	1,301,323
Leasehold land	10,549	-	-	-	10,549	2,136	2,137	4,273	6,276
Buildings on freehold land	9,193,425	-	-	-	9,193,425	2,034,629	37,945	2,072,574	7,120,851
Buildings on leasehold land	1,300,626	39,744	-	296,900	1,637,270	377,460	367,565	745,025	892,245
Mall equipment	111,123	17,018	-	-	128,141	54,219	12,719	66,938	61,203
External development	1,882,883	28,910	-	-	1,911,793	345,202	64,440	409,642	1,502,151
HVAC system	2,351,931	49,847	-	256,300	2,658,078	1,412,768	110,323	1,523,091	1,134,987
Electrical system	3,167,733	45,458	-	228,999	3,442,190	2,234,234	117,382	2,351,616	1,090,574
	19,251,557	209,572	39,441	782,199	20,282,769	6,460,648	712,511	7,173,159	13,109,610

	2024								
	Cost as at January 1, 2024	Additions	Transfer in from PPE	Transfer out to PPE	Cost as at December 31, 2024	Accumulated depreciation as at January 1, 2024	Depreciation charge for the year	Accumulated depreciation as at December 31, 2024	Book value as at December 31, 2024
	(Rupees in thousand)								
Freehold land	746,897	-	486,390	-	1,233,287	-	-	-	1,233,287
Leasehold land	14	-	10,535	-	10,549	-	2,136	2,136	8,413
Buildings on freehold land	9,649,360	-	-	(455,935)	9,193,425	1,995,068	39,561	2,034,629	7,158,796
Buildings on leasehold land	607,074	10,687	682,865	-	1,300,626	24,672	352,788	377,460	923,166
Mall equipment	62,831	48,292	-	-	111,123	45,263	8,956	54,219	56,904
External development	1,599,717	65,088	218,078	-	1,882,883	284,616	60,586	345,202	1,537,681
HVAC system	2,073,351	8,268	270,312	-	2,351,931	1,306,154	106,614	1,412,768	939,163
Electrical system	2,968,170	45,742	153,821	-	3,167,733	2,119,230	115,004	2,234,234	933,499
	17,707,414	178,077	1,822,001	(455,935)	19,251,557	5,775,003	685,645	6,460,648	12,790,909

25.1.1 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales and services	38	669,114	681,611
Administrative expenses	39	43,397	4,034
		712,511	685,645

25.1.2 Following are the particulars of the Group's investment properties:

Location	Usage of immovable property	Total area (in Acres)	
		2025	2024
Depalpur, Punjab	Kept for capital appreciation	16.04	16.04
Pakpattan, Punjab	Kept for capital appreciation	21.07	21.07
Faizabad, Punjab	Kept for capital appreciation	8.78	8.78
Hujra, Punjab	Kept for capital appreciation	9.86	9.86
Shahrah-e-Roomi, Chungi Amer			
Sidhu, Lahore	Rented out - note 25.1.3	0.068	0.068
Dullu Kalan, Lahore, Punjab	Kept for capital appreciation	16.84	16.84
Korangi Industrial Area, Karachi, Sindh	Rented out	4.02	4.02
		76.678	76.678

25.1.3 Leasing arrangements

These investment properties are leased out under operating leases with rentals receivable monthly. Minimum undiscounted lease payments receivable on leases of investment properties are as follows:

	Within 1 year	From 1 year to 2 years	Total
	(Rupees in thousand)		
December 31, 2025	6,290	3,617	9,907
December 31, 2024	13,821	6,168	19,989

25.1.4 Fair value of investment properties

Level 2 fair values

Fair value of certain investment properties, based on the valuation carried out by an independent valuer, as at December 31, 2025 is Rs 567.462 million (2024: Rs 567.462 million). The valuation is considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation. The different levels have been defined in note 58.

Valuation techniques used to derive level 2 fair values

Level 2 fair value of investment properties has been derived using a sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot.

Level 3 fair values

In the absence of current prices in an active market, the fair value is determined by considering the aggregate of the estimated cash flows expected to be received from licensing / leasing out the property less the costs to complete and the estimated operating expenses. The valuation is considered to be level 3 in the fair value hierarchy due to significant unobservable inputs used in the valuation. The different levels have been defined in note 58. Fair value of such investment properties has been determined to be Rs 52,685 million (2024: Rs 33,185 million).

Valuation techniques used to derive level 3 fair values

The Group has determined the fair value of investment properties of the Real Estate segment as on December 31, 2025 by internally generated valuation model instead of involving independent, professionally qualified valuer. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation. The major assumptions used in valuation model and valuation result at reporting date are as follows:

	2025	2024
Gross rentable area (sq. ft)	758,515	702,838
Rent rates assumed per sq. ft (Rs)	79 - 1713	79 - 1713
Inflation in rent and operating costs	6% - 15%	6% - 15%
Discount rate (%)	0.095	0.1303
Fair value (Rs in million)	52,685	33,185

The Group has determined the fair value of investment properties of pharmaceutical segment by involving an accredited independent valuer. As at December 31, 2025, the fair value and forced sales value of leasehold land amounts to Rs 780 million (2024: Rs 750 million) and Rs 577.7 million (2024: Rs 564.5 million), respectively, and of buildings on leasehold land amounts to Rs 60.05 million (2024: Rs 55.5 million) and Rs 45 million (2024: Rs 41.62 million), respectively. The fair values of these properties have been determined under level 3 with reference to market-based evidence after making adjustments for size, location, time, amenities and other relevant factors by comparing the subject asset with identical or similar assets for which price information is available. Valuation techniques used to derive the fair values of the investment properties have been summarised in the table below:

	Fair Value		Valuation Technique	Key unobservable Input
	2025	2024		
	(Rupees in thousand)			
Leasehold land	780,000	750,000	Market comparable approach	Price per square meter
Buildings on leasehold land	60,050	55,500		

25.2 Capital work in progress - under construction property

	2025						
	Balance as at January 01, 2025	Additions during the year	Transfer to developed property	Adjustments during the year	Transfer to Operating Fixed Assets	Inter classification	Balance as at December 31, 2025
	(Rupees in thousand)						
Civil works	105,293	121,669	(206,976)	-	-	(19,986)	-
Machine and equipment	124,054	125,762	(304,740)	-	-	91,451	36,527
Advances to suppliers	81,363	59,458	-	-	-	(81,363)	59,458
Advances against services	12,584	-	-	-	-	(12,584)	-
Overheads	107,781	208,066	(271,144)	-	-	22,482	67,185
	431,075	514,955	(782,860)	-	-	-	163,170

	2024						
	Balance as at January 01, 2024	Additions during the year	Transfer to developed property	Adjustments during the year	Transfer to Operating Fixed Assets	Inter classification	Balance as at December 31, 2024
	(Rupees in thousand)						
Civil works	260,289	318,038	(747,190)	(3,600)	(6,411)	284,167	105,293
Machine and equipment	135,705	297,346	(351,751)	(7,199)	-	49,953	124,054
Advances to suppliers	136,395	479,636	(496,925)	-	-	(37,743)	81,363
Advances against services	253,162	12,584	-	-	-	(253,162)	12,584
Overheads	202,569	174,562	(226,135)	-	-	(43,215)	107,781
	988,120	1,282,166	(1,822,001)	(10,799)	(6,411)	-	431,075

26. Intangible assets

Year ended December 31, 2025

Cost

	Note	Trademarks note 26.4	Computer software and ERP Systems	Total
		(Rupees in thousand)		
As at January 1, 2025		5,554,000	783,925	6,337,925
Additions during the year	26.1	804,041	2,564,221	3,368,262
Exchange differences		-	(1,144)	(1,144)
Disposals during the year	26.2	(423,462)	-	(423,462)
As at December 31, 2025		5,934,579	3,347,002	9,281,581

Accumulated amortisation and impairment

As at January 1, 2025		-	(587,121)	(587,121)
Amortisation for the year	26.3	-	(145,563)	(145,563)
Exchange differences		-	158	158
Impairment during the year	26.4	(5,931)	-	(5,931)
As at December 31, 2025		(5,931)	(732,526)	(738,457)

Book value as at December 31, 2025

	5,928,648	2,614,476	8,543,124
--	-----------	-----------	-----------

Year ended December 31, 2024

Cost

As at January 1, 2024		5,554,000	706,892	6,260,892
Additions during the year		-	77,033	77,033
As at December 31, 2024		5,554,000	783,925	6,337,925

Accumulated amortisation and impairment

As at January 1, 2024		-	(524,046)	(524,046)
Amortisation for the year	26.2	-	(63,075)	(63,075)
As at December 31, 2024		-	(587,121)	(587,121)

Book value as at December 31, 2024

	5,554,000	196,804	5,750,804
--	-----------	---------	-----------

26.1 During the year, SAP S/4HANA system was implemented across certain group companies. The implementation costs that meets the capitalisation criteria under IAS 38 - Intangible Assets have been recognised as an intangible asset. The capitalised costs are amortised over their estimated useful life of 10 years using the straight-line method. Amortisation commenced when the system became available for use.

26.2 During the year, the Group acquired the legal ownership of certain trademarks which were previously utilized under a licensing arrangement. At the time of the business combination, the Group had recognized such rights at fair value relating to this license as disclosed in note 26.3.

Upon the purchase of the underlying trademarks, the pre-existing licensing relationship was effectively extinguished. Consequently, the Group has derecognized the rights recognised at the time of business combination and recognized the trademarks as purchased intangible assets at their acquisition cost. This reclassification ensures the carrying amount reflects the Group's current ownership rights and prevents the duplication of assets, as the economic benefits of the trademarks are now controlled directly rather than through a contractual license.

26.3 The amortisation charge for the year has been allocated as follows:

	Note	2025	2024
(Rupees in thousand)			
Cost of sales and services	38	57,193	34,314
Administrative expenses	39	83,861	24,090
Distribution and marketing costs	40	4,509	4,671
		<u>145,563</u>	<u>63,075</u>

26.4 Brand names acquired through business combinations are categorized as intangible assets. While the underlying legal registrations have finite terms, these brands are classified as having indefinite useful lives as they are expected to generate net cash inflows for the Group indefinitely, and the costs associated with their renewal are considered insignificant.

In accordance with IAS 36, the Group performs an annual impairment test for these assets. The recoverable amounts as of December 31, 2025, were determined based on fair value less costs of disposal (FVLCD) using the Relief from Royalty Method. This valuation is classified as Level 3 in the fair value hierarchy, as it relies on significant unobservable inputs, including long-term revenue projections, royalty rates, and post-tax discount rates.

During the year, the Group recognized an impairment loss of Rs 5.930 million relating to two specific brands, Orelox and Eloxatine. This impairment resulted from management's decision to discontinue these products, leading to a revision of their recoverable amounts to nil.

Approach and the key assumptions used to determine the fair value were as follows:

Unobservable inputs	Key assumptions	Approach to determine key assumptions
Revenue forecast period	5 years	Board of the pharmaceutical segment reviewed three-year forecasts which are prepared by the pharmaceutical segment's management. Revenues beyond the three-year period is extrapolated using the estimated growth rates stated below.
Post-tax discount rate (%)	12.78%	Reflects specific risks relating to the pharmaceutical segment and the country in which the Group operates.
Long-term growth rate (%)	3.52%	This is the weighted average growth rate used to extrapolate the cash flows beyond the budget period. The rates are consistent with forecasts included in the industry reports.
Royalty rate (%)	4.28% to 6.1%	For the determination of royalty rates, an average has been taken from the 50 transactions that have happened in the global pharmaceutical sector over the past 20 years.
Revenue increase/(decrease) (%)	-29% to 70%	The compound annual growth rate (CAGR) has been calculated by using six year historical brand-wise revenues and projected five-year revenues. The lower rate between the two has been selected.

27. Investments accounted for using the equity method

27.1 The carrying amount of investments is as follows:

Note	2025	2024
(Rupees in thousand)		
Investments in associates	5,952,203	5,538,085
Investment in joint venture	582,588	617,528
	<u>6,534,791</u>	<u>6,155,613</u>

27.2 Amounts recognised in consolidated statement of profit or loss

Note	2025	2024
(Rupees in thousand)		
Investments in associates	243,334	198,379
Investment in joint venture	(34,225)	53,990
	<u>209,109</u>	<u>252,369</u>

27.3 Amounts recognised in consolidated statement of other comprehensive income

Note	2025	2024
(Rupees in thousand)		
Investment in associate	170,784	(82,599)
Investment in joint venture	(715)	(230)
	<u>170,069</u>	<u>(82,829)</u>

27.4 Investments in associates - equity method

The reconciliation of the carrying amount is as follows:

IGI Holdings Limited, Pakistan

Balance at the beginning	5,538,085	5,422,305
Share of profit for the year	341,049	288,576
Share of OCI for the year	170,784	(82,599)
Dividends received during the year	(97,715)	(90,197)
Closing balance	<u>5,952,203</u>	<u>5,538,085</u>

27.4.1 The breakup of carrying amount is as follows:

Cost	840,456	840,456
Post acquisition share of profits and reserves net of impairment losses:		
Opening balance	4,697,629	4,581,849
Share of profit from associates - net of tax	341,049	288,576
Share of other comprehensive income/(loss) - net of tax	170,784	(82,599)
Dividends received during the year	(97,715)	(90,197)
Closing balance	<u>5,111,747</u>	<u>4,697,629</u>
Balance as on December 31	<u>5,952,203</u>	<u>5,538,085</u>

27.4.2 Investment in equity instruments of associate - Quoted

IGI Holdings Limited, Pakistan

15,033,041 (2024: 15,033,041) fully paid ordinary shares of Rs 10 each		
Equity held 10.54% (2024: 10.54%)		
Market value - Rs 2,618.906 million (2024: Rs 2,618.906 million)		
	27.4.2.1	<u>5,952,203</u>
		<u>5,538,085</u>

27.4.2.1 The Group's investment in IGI Holdings Limited ('IGIHL') is less than 20% but it is considered to be an associate as per the requirement of IAS 28, 'Investments in Associates' because the Group has significant influence over the financial and operating policies through representation on the board of directors of IGIHL. Consequently, following subsidiaries of IGIHL have also been considered as associates of the Group:

- IGI General Insurance Limited
- IGI Life Insurance Limited
- IGI Investments (Private) Limited
- IGI Finex Securities Limited
- IGI FSI (Private) Limited

27.5 Investment in joint venture

OmyaPack (Private) Limited, Pakistan

49,500,000 (2024: 49,500,000) fully paid ordinary shares of Rs 10 each - Equity held 50% (2024: 50%)

The breakup of investment in joint venture as at year end is as follows:

	2025	2024
	(Rupees in thousand)	
Cost	1,478,641	1,478,641
Post acquisition share of profit and reserves:		
Opening balance	(861,113)	(914,873)
Share of profit from joint ventures - net of tax	165,775	128,990
Share of other comprehensive loss from joint ventures - net of tax	(715)	(230)
Dividends received during the year	(200,000)	(75,000)
Closing balance	(896,053)	(861,113)
Balance as on December 31	582,588	617,528

28. Other long term investments - at FVOCI

Quoted

Nestle Pakistan Limited

3,649,248 (2024: 3,649,248) fully paid ordinary shares of Rs 10 each

Equity held 8.05% (2024: 8.05%)

Cost - Rs 5,778.896 million (2024: Rs 5,778.896 million)

28.1 29,021,083 27,186,897

Systems Limited

230,250 (2024: 46,050) fully paid ordinary shares of Rs 2 each (2024: Rs 10 each)

Equity held 0.0159% (2024: 0.0159%)

Cost - Rs 15.648 million (2024: Rs 15.648million)

28.2 39,344 28,618

28.3 29,060,427 27,215,515

Unquoted

Coca-Cola Beverages Pakistan Limited

500,000 (2024: 500,000) fully paid ordinary shares of Rs 10 each

Equity held 0.0185% (2024: 0.0185%)

28.4 5,000 5,000

Pakistan Tourism Development Corporation Limited

2,500 (2024: 2,500) fully paid ordinary shares of Rs 10 each

25 25

5,025 5,025

29,065,452 27,220,540

28.1 As of December 31, 2025, an aggregate of 2,950,000 (2024: 2,620,000) shares of Nestle Pakistan Limited having market value of Rs 23,460 million (2024: Rs 19,519 million) have been pledged in favour of Habib Bank Limited ('HBL'), Pakistan and Allied Bank Limited.

The details of shares pledged are as follows:

Lender	Number of shares pledged		Purpose
	2025	2024	
Allied Bank Limited	1,090,000	1,090,000	Shares were pledged against the long term financing obtained to finance the acquisition of Tri-Pack Films Limited.
Allied Bank Limited	700,000	700,000	Shares were pledged against the long term financing obtained to finance the acquisition of Hoechst Pakistan Limited.
Allied Bank Limited	230,000	230,000	Shares were pledged against the long term financing obtained to finance equity investment in StarchPack (Private) Limited.
Allied Bank Limited	330,000	-	Shares were pledged against the long term financing obtained to finance equity investment in Bulleh Shah Packaging (Private) Limited.
Habib Bank Limited	600,000	600,000	Shares were pledged against the short term borrowing facility obtained.
	2,950,000	2,620,000	

28.2 On April 28, 2025, Systems Limited approved a share split of its ordinary shares at a ratio of 5 shares for 1 share, in its annual general meeting. The share split was effected on June 2, 2025, following which the number of shares held by the Group increased from 46,050 to 230,250 with a proportionate reduction in the value per share. There was no change in the Group's percentage ownership and no cash consideration was involved.

28.3 Cumulative fair value gain on FVOCI financial assets

	2025	2024
	(Rupees in thousand)	
Balance as at beginning of the year	23,214,960	25,953,731
Transfer of capital reserve to un-appropriated profits	(1,793,990)	-
Changes in FVOCI	1,844,912	(2,738,771)
Balance as at end of the year	23,265,882	23,214,960

28.4 This represents investment in the ordinary shares of Coca-Cola Beverages Pakistan Limited (CCBPL) that is principally engaged in the production, distribution and sale of sparkling and still beverages. CCBPL is currently classified as a Level 3 financial asset and is measured at fair value on the reporting date using income approach. Fair value of investment in the ordinary shares of CCBPL has been determined at the reporting date however, the fair value change was not recorded in these consolidated financial statements as the impact was immaterial.

28.5 Reconciliation of carrying amount

	2025	2024
	(Rupees in thousand)	
Balance as at beginning of the year	27,220,540	29,959,311
Fair value gain/(loss) recognised in other comprehensive income	1,844,912	(2,738,771)
Balance at end of the year	29,065,452	27,220,540

29. Long term loans

Note	2025	2024
	(Rupees in thousand)	
Loans to employees - considered good	13,397	9,018
Current portion shown under current assets	(4,933)	(3,362)
	8,464	5,656

29.1 These represent loans for the purchase of motor cars, motorcycles and capital goods repayable in monthly instalments over a period of 36 to 60 months, in accordance with the Group's policy. Loans for the purchase of motor cars and motorcycles are interest free, whereas loans for purchase of capital goods carry interest at the rate of 9% (2024: 9%) per annum. These are repayable within five years in equal monthly instalments, except for loans for purchase of capital goods which are repayable over a period of three years

Interest free long term loans have not been carried at amortised cost since the effect of discounting is immaterial in the context of these consolidated financial statements.

30. Stores and spares

Note	2025	2024
	(Rupees in thousand)	
Stores [including in transit Rs 9.25 million (2024: Rs 102.45 million)]	1,531,617	2,755,050
Spares [including in transit Rs 455.89 million (2024: Rs 171.06 million)]	5,728,213	3,531,187
	7,259,830	6,286,237
Provision for obsolete/slow-moving stores and spares	(141,028)	(138,675)
	7,118,802	6,147,562

30.1 Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

30.2 The movement in provision for obsolete/slow-moving stores and spares during the year is as follows:

Note	2025	2024
	(Rupees in thousand)	
Balance as at January 1	138,675	133,215
Charged during the year	2,353	5,460
Balance as at December 31	141,028	138,675

31. Stock-in-trade

Note	2025	2024
	(Rupees in thousand)	
Raw materials [including in transit Rs 7,381.933 million (2024: Rs 5,305.799 million)]	25,950,386	23,978,328
Work-in-process	9,933,773	9,281,369
Finished goods [including in transit Rs 491.931 million (2024: Rs 346.755 million)]	9,229,203	8,266,342
Goods purchased for resale	367,651	471,297
	45,481,013	41,997,336
Provision for obsolete/slow-moving stock-in-trade	(1,368,788)	(701,094)
	44,112,225	41,296,242

31.1 Raw materials amounting to Rs 592.533 million (2024: Rs 830.18 million) are in the possession of various vendors of the Group for further processing into semi-finished and finished goods to be supplied to the Group.

31.2 Work-in-process amounting to Rs 19.852 million (2024: Rs 24.539 million) is in the possession of various vendors of the Group for further processing into other semi-finished and finished goods to be supplied to the Group.

31.3 Finished goods amounting to Rs 1.337 million (2024: Rs 2.469 million) are in the possession of various customers of the Group that are yet to be sold by the Group to these customers. Further, finished goods

amounting to nil (2024: Rs 45.700 million) are in possession of various vendors of the Group for further processing into semi-finished and finished goods to be supplied to the Group.

31.4 Write-down of stock-in-trade to net realisable value amounts to Rs 148.359 million (2024: Rs 764.744 million). This has been recognised as an expense and included in 'cost of sales' in consolidated statement of profit or loss.

31.5 Goods purchased for resale amounting to Rs 182.590 million (2024: Rs 300.800 million) are in the possession of third parties. Furthermore, goods purchased for resale costing Rs 34.398 million (2024: Rs 76.939 million) are carried at their NRV amounting to Rs 29.708 million (2024: Rs 75.963 million) and the resulting NRV write down expense amounting to Rs 4.690 million (2024: Rs 0.976 million) has been charged to cost of sales.

31.6 The movement in provision for obsolete/slow-moving stock-in-trade during the year is as follows:

Note	2025	2024
	(Rupees in thousand)	
Opening balance	701,094	645,137
Provision for the year	821,155	288,873
Stock-in-trade written off against provision	(153,461)	(232,916)
Closing balance	1,368,788	701,094

Note	2025	2024
Investments at fair value through profit or loss		
Mutual funds	250,068	452,884
Investments at amortised cost - debt instruments		
Term deposit receipts	1,044,467	753,500
Treasury bills	837,367	-
	2,131,902	1,206,384

32. Short term investments

Investments at fair value through profit or loss

Mutual funds

Investments at amortised cost - debt instruments

Term deposit receipts

Treasury bills

32.1 This represents investments in 2,367,673 units (2024: 4,168,881 units) of the Al Habib Money Market Fund, classified as fair value through profit or loss (FVPL).

32.2 These represent investments in term deposit receipts issued by banking companies, with maturities ranging from one to six months and carrying markup rates of 5.50% to 14.90% per annum (2024: 6.75% to 20.70%). Further, this includes a term deposit receipt amounting to Rs 588.50 million provided as 100% cash margin against a bank guarantee.

32.3 This represents investment in Treasury bills with maturities of up to six months, carrying markup rates ranging from 10.77% to 10.82% per annum (2024: nil).

33. Trade debts

Related parties - unsecured

Others

Loss allowance

33.1 Related parties - unsecured

This represents balance due from the following:

OmyaPack (Private) Limited	195	2,076
Tetra Pak Pakistan Limited	16,760	10,093
IGI Life Insurance Limited	161	-
Flexible Packages Convertors (Proprietary) Limited	122,091	122,091
IGI General Insurance Limited	180	192
Babar Ali Foundation	55	-
S. C. Johnson & Sons of Pakistan (Private) Limited	17,784	3,114
	157,226	137,566

33.1.1 The maximum aggregate amount due from these related parties at the end of any month during the year was Rs 190.754 million (2024: Rs 162.565 million).

33.2 The aging analysis of trade receivables from related parties as at reporting date is as follows:

	2025	2024
	(Rupees in thousand)	
Neither past due nor impaired	19,711	4,697
Past due but not impaired:		
Up to 90 days	10,756	3,221
90 to 180 days	2,850	497
181 to 365 days	1,818	7,060
	15,424	10,778
Past due and impaired:		
365 days and above	122,091	122,091
	157,226	137,566

33.3 Includes trade debts of Nil (2024: Rs 599.727 million) which are secured by way of inland letters of credit.

33.4 Loss allowance

The reconciliation of loss allowance during the year is as follows:

	Note	2025	2024
		(Rupees in thousand)	
Opening balance		938,409	810,351
Impairment loss recognised during the year		160,429	128,058
Bad debts written off		(34,621)	-
Exchange gain		(762)	-
Closing balance		1,063,455	938,409

34. Loans, advances, deposits, prepayments and other receivables

	Note	2025	2024
Current portion of loans to employees	29	4,933	40,862
Advances			
- To employees	34.1	124,620	124,259
- To suppliers	34.2	1,853,654	872,404
		1,978,274	996,663
Due from related parties	34.3 & 34.4	336,389	255,856
Trade deposits		347,258	290,127
Profit receivable on deposits		2,136	105,721
Security deposits		120,331	42,199
Prepayments	34.5	537,745	660,776
Insurance claim receivable	34.6	1,186	124,570

Balances with statutory authorities:

- Customs duty		600,527	268,447
- Cash margin of cess with bank		43,000	43,000
- Import rebate receivable		543,365	129,421
- Export rebate receivable		15,238	15,238
- Sales tax receivable	34.7	1,954,188	3,000,928
- Sales tax recoverable	34.8	1,186,604	1,290,176
		4,342,922	4,747,210

Workers profit participation fund

Other receivables

Loss allowance

34.1 Included in advances to employees are amounts due from executives of Rs 1.26 million (2024: Rs 9.349 million).

34.2 This represents advance payments made to contractors and suppliers against goods and services to be received in future.

34.3 Due from related parties - unsecured

This represents balance due from the following:

	2025	2024
	(Rupees in thousand)	
OmyaPack (Private) Limited	117,481	71,637
IGI Finex Securities Limited	7,100	831
IGI Holdings Limited	3,208	2,494
IGI General Insurance Limited	20,720	10,018
IGI Investments (Private) Limited	6,070	5,202
Flexible Packages Convertors (Proprietary) Limited	134,863	135,377
IGI Life Insurance Limited	38,510	25,506
Industrial, Technical and Educational Institute	75	71
Babar Ali Foundation	1,169	953
S.C. Johnson & Sons of Pakistan (Private) Limited	4,614	2,169
IGI FSI (Private) Limited	1,256	349
Packages Foundation	1,323	1,249
	336,389	255,856

These are in the normal course of business and are interest free.

34.4 The maximum aggregate amount due from these related parties at the end of any month during the year was Rs 340.523 million (2024: Rs 345.560 million). The aging analysis of due from related parties is as follows:

	2025	2024
	(Rupees in thousand)	
Neither past due nor impaired	105,993	80,504
Past due but not impaired:		
Upto 90 days	31,716	24,139
91 days to 180 days	14,706	11,193
181 or more days	183,974	140,020
	336,389	255,856

34.5 Prepayments include Rs 134.744 million (2024: Rs 31.122 million) made to IGI Life Insurance Limited, a related party (associate) and also includes prepaid property tax of Rs 115.06 million (2024: Rs 18.09 million).

34.6 This includes an amount of Rs 1.186 million (2024 : Rs 1.252 million) receivable from IGI General Insurance Limited, and Nil (2024: Rs 3.460 million) receivable from IGI Life Insurance, both of which are related parties. These are neither past due nor impaired.

34.7 This includes sales tax amounting to Rs 135.63 million (2024: Rs 138 million) on the import of plant and machinery.

34.8 Sales tax recoverable

(a) For the sales tax periods from July 2017 to June 2018, the Deputy Commissioner Inland Revenue ("DCIR"), Unit-3, Audit-III, Large Taxpayers Office, through an order dated October 28, 2020, raised an additional sales tax demand of Rs 239.48 million along with default surcharge and penalty. The demand primarily pertains to the disallowance of input tax claimed by the Group. The Group filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], which is pending adjudication. Further, the DCIR did not allow credit of Rs 2,046,122 being voluntarily paid input tax. Being aggrieved by the assessment order, the Group filed an appeal and a stay application before the Appellate Tribunal Inland Revenue (ATIR). The ATIR, vide Order STA No. 644/KB/2024 dated September 7, 2024, dismissed the appeal and upheld the demand. Subsequently, the Group filed an appeal before the Sindh High Court (SHC). On December 31, 2025, the SHC remanded the matter back to the ATIR for reconsideration. Based on the advice of its legal counsel, management believes that the matter will be decided in favour of the Group. Accordingly, no provision has been recorded in these financial statements.

(b) For the sales tax periods January 2019 to December 2019, the DCIR, Unit-3, Audit-III, Large Taxpayers Office, issued a notice dated January 17, 2022 under Section 25 of the Sales Tax Act, 1990, requiring various details and information for audit. The Group duly complied with the notice.

Subsequently, through an assessment order dated December 31, 2022, the DCIR raised a sales tax demand of Rs 661.697 million, including default surcharge and penalty. The demand primarily relates to the disallowance of input tax on imported and locally purchased items allegedly inadmissible under Section 8 of Sales Tax Act 1990 read with SRO 490(I)/2004, as amended by SRO 450(I)/2013, along with several other issues. The Group filed an appeal on March 1, 2023 before the CIR(A). Through an order of the CIR(A) dated April 28, 2023, the matter was remanded back to the DCIR for re-adjudication. The DCIR subsequently issued a notice dated July 26, 2023, fixing hearing on August 25, 2023, and initiating re-adjudication proceedings in accordance with the remand directions. The Group submitted the required information through letters dated May 14 to June 25, 2024. Thereafter, on June 29, 2024, the DCIR issued an Assessment Order, raising a revised sales tax demand of Rs 479.13 million, inclusive of default surcharge and penalty. The Group has again filed an appeal before the CIR(A), the hearing of which has been completed, and the appellate order is awaited.

Based on the advice of its legal counsel, management believes that the matter will be decided in favour of the Group. Accordingly, no provision has been recorded in these financial statements.

(c) On December 24, 2024, the DCIR issued a show cause notice to the Group, alleging that the input sales tax of Rs 605.950 million claimed by the Group on waste purchases during the period from December 2021 to July 2024 was based on fraudulent invoices issued by suppliers. As a result, the DCIR disallowed the Group's input tax claim. In response to the show cause notice, the Group made a full payment to the tax authorities under protest, while simultaneously recording the amount as a sales tax recoverable from the tax department after consultation with its tax advisors. The Group maintains that the transactions it conducted were in good faith and in compliance with the requirements of the Sales Tax Act, 1990. Being aggrieved with the above assessment order, the Group filed an appeal before the CIR(A) on October 9, 2025. The hearing before the CIR(A) has been concluded and an order is awaited. No provision has been made in these financial statements, as the management, based on the advice of its legal advisor, expects a favourable outcome.

(d) The Group received a show cause notice dated December 29, 2025 under the Sales Tax Act, 1990 (the 'Act'), alleging inadmissible input tax of Rs 148.114 million for the period from July 2024 to June 2025. The proposed disallowance was made under section 7(1), read with section 8 of the Act. Subsequently, an assessment order dated December 31, 2025 determined a tax demand of Rs 143.819 million, disallowing the input tax under section 8 of the Act. The Inland Revenue authorities concluded that the underlying transactions were irregular and not related to the Group's taxable activity. The Group strongly disputes these findings and has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), Karachi. The matter is currently pending adjudication, and the Group remains hopeful of a favorable outcome. Against the order dated December 31, 2025, the Group has deposited Rs 100 million with the authorities, which has been recorded as a recoverable asset pending the outcome of the appeal. Based on the above, it is considered un-impaired as of the reporting date.

(e) The Group received, vide order number PRA/ENF-/492 dated January 21, 2022, a sales tax demand of Rs 649.31 million including penalty of Rs 30.92 million from the Additional Commissioner, Enforcement - I, Punjab Revenue Authority ('AC') for the tax periods from January 2017 to December 2018. The Group being aggrieved by the decision, had filed an appeal before the Commissioner (Appeals) Punjab Revenue Authority, Lahore which was pending adjudication.

A recovery notice was issued by authority on June 13, 2023 for payment of due amount before June 19, 2023. A writ petition was filed by the Group before the Honourable Lahore High Court ('LHC'). The LHC directed that no coercive measures shall be taken against the Group and further directed Commissioner (Appeals) to fix an appeal for hearing. In this respect, stay were granted by the Commissioner (Appeals) against the said recovery notice. A reply was filed on November 6, 2023 where the legal arguments were submitted along with supporting documents.

Further the Commissioner (Appeals) Punjab Revenue Authority, Lahore, passed an appellate order no. 79/2022 dated November 6, 2023 (serviced on February 22, 2024) whereby the demand on account of Group's receipts from utilities was deleted and has inter-alia directed the department to recalculate tax on its receipts from rental income along with penalty and default surcharge. The Group being aggrieved, filed an appeal dated April 17, 2024 before the Appellate Tribunal, Punjab Revenue Authority, Lahore against the order.

The Appellate Tribunal, Punjab Revenue Authority, Lahore through the order dated November 20, 2025 decided the case against the Group whereby the appeal is dismissed; the order of the Commissioner (Appeals) dated November 6, 2023 and the assessment order dated January 21, 2022 stand affirmed. Further Group has filed a Reference No. 74135 of 2025, currently pending adjudication before the Honourable Lahore High Court [LHC], challenging the impugned order dated November 20, 2025. In this respect, LHC has suspended the operation of impugned order subject to submission of post dated cheque amounting to Rs 649.31 million. The Group has submitted the cheque.

The management based on opinion of legal counsel is hopeful of a favourable outcome of this case. Accordingly, no provision has been made in these consolidated financial statements.

(f) The Group has received, vide order number PRA/18/14 dated November 20, 2018, a tax demand of Rs 614.817 million including penalty of Rs. 29.277 million from Additional Commissioner, Enforcement - I, Punjab Revenue Authority ('AC') under section 52 of Punjab Sales Tax on Services Act, 2012, read with Punjab Sales Tax on Services (Withholding Rules, 2012 /2015) against short payment of withholding tax on various mall construction related services during 2014 to 2016.

The Group, being aggrieved, filed an appeal before Commissioner (Appeals) which was decided in the favour of the Group. The department filed an appeal before the Appellate Tribunal, Punjab Revenue Authority and the Group received notice from Appellate Tribunal for hearing on February 17, 2021, to discuss the matter. The order of Appellate Tribunal, Punjab Revenue Authority dated April 21, 2021, was received stating that the parties shall appear before the Commissioner (Appeals), Punjab Revenue Authority and the Commissioner shall dispose of the matter, which is pending adjudication.

The management based on opinion of legal counsel is hopeful of a favourable outcome of this case. Accordingly, no provision has been made in these consolidated financial statements.

- (g) The Deputy Commissioner Inland Revenue ('DCIR') through order dated June 24, 2015 alleged that in respect of tax periods from 2008 to 2012, the Group had incorrectly adjusted input sales tax credit amounting to Rs 146.107 million on purchases of raw materials from certain suppliers who were subsequently blacklisted / suspended and disallowed the same along with levy of default surcharge and penalty thereon with the total demand aggregating to Rs 292.214 million. In 2016, the taxation authorities adjusted an amount of Rs 292.214 million from income tax refunds of the Group against the said demand.

However, the Appellate Tribunal Inland Revenue ('ATIR'), through order dated August 28, 2017, decided the case in favour of the Group. The Group filed an application before the respective authorities to give effect to the order, the outcome of which is still pending. The tax authorities filed an appeal in Sindh High Court in the year 2018 against the decision of the ATIR and the case is pending adjudication. Since the case has been decided in the Group's favour on merits by ATIR, no provision for the above amount of Rs 292.214 million has been made in these consolidated financial statements.

- (h) For the tax periods from 2014 to 2016, the Additional Commissioner, Punjab Revenue Authority (PRA), through an order dated August 8, 2018, raised a demand of Rs 757.841 million in respect of an alleged default on the withholding of Punjab Sales Tax on various heads of accounts, together with the related penalty. The Group filed an appeal against this order before the Commissioner (Appeals), PRA on December 13, 2018, on the basis of the following major grounds:

- the relevant section of the Punjab Sales Tax on Services Act, 2012 was wrongly applied retrospectively to the alleged period of default;
- the identified heads of accounts included multiple line items on which Punjab Sales Tax is not applicable; and
- it was incorrectly assumed that all expenses disclosed in the consolidated financial statements under the identified heads had actually been paid during the said tax periods.

In 2019, the Commissioner (Appeals) ordered an inquiry under section 64(5) of the Punjab Sales Tax on Services Act, 2012, which was conducted by the Additional Commissioner Enforcement-III. The inquiry report was submitted on May 27, 2019, and the demand was consequently reduced to Rs 475.570 million based on verification of the documents provided by the Group.

In 2023, the recovery proceedings were re-initiated, and through an order dated December 18, 2023, the Additional Commissioner, PRA again raised a demand of Rs 757.841 million, requiring the Group to deposit the tax together with default surcharge and penalty by December 26, 2023. The Group obtained a stay against recovery proceedings up to April 23, 2025.

On May 12, 2025, the Commissioner (Appeals) issued an order whereby the demand was reduced to Rs 318.880 million, and an amount of Rs 9.183 million was remanded back to the assessing officer for verification. Aggrieved by this order, the Group filed an appeal with the Appellate Tribunal Punjab Revenue Authority (ATPRA). The outcome of the appeal is currently awaited.

The Group has not recognised any provision against the above demand as management is confident that the ultimate outcome of the appeal will be in the Group's favour, based on the advice of its tax consultant as well as the applicable law and underlying facts.

- (i) In respect of tax periods from January 2016 to December 2016, the DCIR through an order dated December 28, 2018 created a demand of Rs 493.391 million in respect of disallowance of input tax claimed by the Group, alleged default on charging of output sales tax and default on withholding of sales tax along with penalty thereon. The Group appealed against the order before the Commissioner Inland Revenue (Appeals) ['CIR(A)'] dated January 26, 2019 and the appeal was decided partially in favour of the Group dated September 18, 2019 and an amount of Rs 311 million was waived, therefore, reducing the demand to Rs 182.391 million. The department and the Group, both, have filed an appeal before the ATIR against CIR(A)'s order, the final outcome of which is still awaited.

The Group has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favour of the Group, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

- (j) In respect of sales tax periods from January 2019 to December 2019, the DCIR, through his order No. 3/146/2021-22 dated February 28, 2022 created a demand of Rs 515.70 million in respect of disallowance of input tax claimed by the Group, alleged default on charging of output sales tax and default on withholding of sales tax along with penalty and default surcharge thereon.

Being aggrieved by the order of DCIR, the Group filed an appeal before the CIR(A) on various grounds including that the order of the DCIR erred due to not considering the correct facts of the proceedings for the conduct of the audit despite the identification of the submissions available on record at various occasions during the proceedings and due to wrong applicability of various provisions of the Sales Tax Act, 1990.

During the year 2023, the CIR(A) through his order dated April 18, 2023 has accepted all of the contentions of the Group and has set aside all of the demands created except for an input tax claim amounting to Rs 211.900 million. CIR(A) has directed the DCIR to reconsider the demand in light of the documentary evidence that has been provided by the Group.

Being aggrieved by the decision of the CIR(A), the DCIR has filed an appeal before the ATIR that the order of the CIR(A) be set aside and the order of DCIR be restored.

The Group has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Group, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

- (k) In respect of sales tax periods from January 2018 to December 2018, the DCIR through his order No. 4/146 dated April 27, 2022 created a recovery demand of Rs 1,170 million in respect of disallowance of input tax claimed by the Group, alleged default on charging of output sales tax and default on claiming input sales tax along with penalty thereon.

Being aggrieved by the order of DCIR, the Group filed an appeal before the CIR(A) on the grounds that various sections of input tax have been erroneously applied in disallowing the input tax. Furthermore, input tax related to specific suppliers has been disallowed more than once and alleged as inadmissible. DCIR has also held that sales tax along with further tax be recoverable on categories of fixed assets that were scrapped during the period.

CIR(A) through his order dated April 26, 2023 accepted all of the contentions of the Group and has set aside all of the demands created except for an input tax claim amounting to Rs 641.931 million. CIR(A) has directed the DCIR to confront the Group under specific provisions of the law and inference is to be drawn after duly rebutting each and every argument of the Group.

Being aggrieved by the decision of the CIR(A), the DCIR has filed an appeal before the ATIR that the order of the CIR(A) be set aside and the order of DCIR be restored.

The Group has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Group, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

- (l) In respect of tax periods from 2015 to 2020, the Additional Commissioner, Punjab Revenue Authority, through his order dated January 11, 2023 has created a demand of Rs 62.33 million in respect of alleged default on withholding of Punjab Sales Tax on various heads of accounts along with penalty thereon. The Group being aggrieved, has filed an appeal against the above order with the Commissioner (Appeals), Punjab Revenue Authority, on December 21, 2023. During the year 2024, the recovery proceedings were reinitiated and the Additional Commissioner, Punjab Revenue Authority, through an order dated December 17, 2024 again created a demand of Rs 62.33 million whereby the Group was required to deposit the amount of tax along with default surcharge and penalty by December 27, 2024.

In response to this notice and to avert any recovery measures, the Group paid tax of Rs 6.233 million equating to 10% of the total demanded amount. This payment was executed in accordance with the provisions of Section 70(1) of the Punjab Sales Tax on Services Act, 2012 (Act), which held no action shall be taken against the Group whilst pendency of the appeal under section 63 of the Act subject to payment of 10 percent of the tax demand.

The Group has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Group, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

34.9 Workers' profit participation fund

	Note	2025	2024
(Rupees in thousand)			
Opening balance - liability		(167,759)	(17,618)
Reversal of provision	34.9.1	-	83,932
Provision for the year	41	(609,147)	(530,454)
Refund claimed		(8,844)	-
Payments made during the year		796,359	296,381
Closing balance - asset / (liability)		10,609	(167,759)

34.9.1 Based on a legal opinion, the Group has reversed the provision in respect of WPPF on the basis that real estate income does not form part of 'profits' under section 2(d) of The Companies Profits (Worker's Participation) Act, 1968 ('1968 Act') amended and adopted by Punjab for the purposes of calculating liability of the Group.

34.10 The reconciliation of loss allowance is as follows:

	Note	2025	2024
(Rupees in thousand)			
Opening balance		333,274	333,274
Loss allowance recognised during the year		2,782	-
Reversal of loss allowance		(25,183)	-
Closing balance		310,873	333,274

35. Income tax receivable

Income tax refundable	6,319,591	4,642,041
Income tax recoverable	3,196,129	2,526,108
	9,515,720	7,168,149

Contingencies related to income tax:

Based on the advice of the Group's tax advisor and/or established precedents, management believes there are meritorious grounds to support the Group's position regarding the matters disclosed below. Consequently, no provision for these amounts has been made in these consolidated financial statements.

35.1 In respect of tax year 2007, the department rejected the Group's claim for interest / additional payment for delayed refunds for the tax years from 1983-84 to 2003 amounting to Rs 64.616 million and adjusted the Groups' tax liability for the said year accordingly. The Group being aggrieved of the said order filed an appeal with Commissioner Inland Revenue (Appeals) [CIR(A)]. CIR(A) through his order dated January 26, 2009 maintained the rejection. An appeal against the said order was filed by the Group with ATIR. ATIR through its order dated February 23, 2010 maintained the rejection. The Group filed an appeal in the High Court of Sindh against ATIR's order on June 28, 2010, the outcome of which is still pending. However, the Group has not made any provision against the above recoverable as the management is confident that the ultimate outcome of the appeal would be in favor of the Group, inter alia on the basis of the advices of the tax consultant and legal counsel, the relevant law and facts.

35.2 In respect of tax year 2014, the department amended the deemed assessment for the year raising a tax demand of Rs 606.328 million. In this order, among other issues, the department did not accept the Group's contention for non-taxation of the transfer of paper and paperboard and corrugated business segments to BSPPL under section 97 of the Income Tax Ordinance, 2001. Such transfer has been taxed as capital gain on the value of assets transferred.

Further, certain other disallowances inter alia including on account of allocation of various expenses towards dividend and other incomes, effectively reducing the available tax losses by approximately Rs 1,200 million, were also made by the department in respect of previous tax years.

The Group being aggrieved of the above order filed an appeal before the CIR(A), who through order dated March 2, 2018, has accepted all the contentions of the Group except non-taxation of the transfer of paper and paperboard and corrugated business segments to BSPPL and taxation of provision for retirement benefits on accrual basis thereby reducing the tax refundable claimed by the Group from Rs 352.953 million to Rs 273.986 million and also reducing the original demand to Rs 78.967 million. The Group has filed an appeal against the above order before ATIR on May 4, 2018, the outcome of which is still pending. The ATIR through order No. ITA 723/KB/2018 issued on July 01, 2021 decided the main issue of transfer of assets in between wholly owned subsidiary subject to tax under capital gain in favour of the Group. However, ATIR upheld the decision of CIR(A) on account of claim of provisions for approved staff retirement benefit funds as inadmissible amounting to Rs 259.4 million. Further, being aggrieved by the unfavourable decision of ATIR against inadmissibility of provision against retirement funds, the Group filed an appeal before the Sindh High Court (SHC) on September 24, 2021. The department being aggrieved by the unfavourable decision of ATIR against deleting of output tax, penalty and default surcharge also filed an appeal before the SHC. The Group has not made any provision against the above demand and disallowance as the management is confident that the ultimate outcome of the appeal would be in the Group's favour, inter alia on the basis of the advice of the tax consultant and the relevant law and facts.

35.3 In respect of tax year 2016, the department amended the assessment for the year raising a tax demand of Rs 464.187 million. The Group being aggrieved of the said order filed an appeal before the CIR(A), who through order dated December 11, 2017, accepted all the contentions of the Group except the allowability of provision for Workers' Profit Participation Fund on payment rather than accrual basis and remanded back credit for minimum tax, thereby, reducing the tax demand to Rs 86.864 million. The Group filed an appeal against the above order before ATIR on January 9, 2018, the outcome of which is still pending. No provision for this amount has been made in the financial statements as according to the management of the Group, there are meritorious grounds that the ultimate decision would be in its favour.

35.4 In respect of tax year 2017, the Deputy Commissioner Inland Revenue ('DCIR') raised a demand through an order dated April 29, 2021, amounting to Rs 1,520 million under section 137(2) of the Income Tax Ordinance 2001, primarily by disallowing certain expenses and also including certain additions in the taxable income. Management believes that the action taken by the DCIR is, in an adhoc and arbitrary manner, despite all matters concluded in the audit for tax year 2014 on similar issues as well as the data provided during the monitoring proceedings for that year have been finalized without providing an adequate opportunity of being heard to the Group and the above mentioned additions / disallowances are made on an 'ex parte basis'. Being aggrieved, the Group filed an appeal before the CIR(A) dated May 28, 2021 against this impugned order, and at the same time, the Group also filed an application for stay against any coercive action taken by Federal Board of Revenue in Sindh High Court dated June 1, 2021. The stay is valid till the decision of CIR(A).

Based on the advice of the Group's tax advisor, the management believes that there are meritorious grounds to support the Group's stance in respect of this matter. Consequently, no provision for this amount has been made in these consolidated financial statements.

35.5 In respect of tax year 2021, a demand amounting to Rs 307.80 million was raised under sections 161, 205 and 182 of the Income Tax Ordinance 2001 by the DCIR through an order dated March 31, 2022. The tax authorities raised the demand primarily on account of non-withholding of the income tax.

Being aggrieved by the order of the DCIR, the Group filed an appeal before CIR(A) on the grounds that the order of the DCIR is erred in holding the Group as "Assessed-In-Default" for not withholding tax on payments of salaries which are below taxable slabs and pertains to the reimbursements for employees travelling and conveyance expenses, and professional taxes etc. The outcome of the appeal is still awaited.

Based on the advice of the Group's tax advisor, the management believes that there are meritorious grounds to support the Group's stance in respect of this matter. Consequently, no provision for this amount has been made in these consolidated financial statements.

35.6 In respect of tax year 2017, the DCIR issued a notice dated March 11, 2020 under section 177(1) of the Income Tax Ordinance, 2001 (the 'Ordinance'), informing the Group that it had been selected for audit under Clause 72B of Part-IV of the Second Schedule to the Ordinance, and requiring the submission of relevant information and documents. The Group duly complied with the notice.

Based on the submissions, the DCIR issued a notice dated December 22, 2021 under section 122(9) of the Ordinance, identifying certain discrepancies and indicating the intention to amend the deemed assessment order under section 120. The Group furnished the required information in response.

Thereafter, the DCIR passed an order dated April 28, 2022, raising a tax demand of Rs 428,944,984. Aggrieved by this order, the Group filed an appeal before the CIR(A). Through an appellate order dated January 26, 2023, the CIR(A) deleted or remanded back the majority of the disallowances, except for the matter relating to the carry forward of minimum tax paid under section 113(2)(c) of the Ordinance amounting to Rs 426,274,057, pertaining to tax years 2014, 2015 and 2016.

Being dissatisfied with the appellate decision on this matter, the Group has filed an appeal before the ATIR, and the hearing is currently pending. Based on the advice of its legal advisor, management expects a favourable outcome; accordingly, no provision has been made in these financial statements.

35.7 The DCIR, initiated monitoring proceedings u/s 156/161 of the Income Tax Ordinance, 2001 (the Ordinance) for Tax Year 2009 vide letter dated November 12, 2010. The Group filed constitutional petition before the High Court Sindh who remanded back the matter vide order dated December 24, 2012. After disposal of constitutional petition, the proceedings were reinitiated by DCIR vide his letter dated December 26, 2012 requiring the Group to explain its position on advertisement and sales promotion expenses amounting to Rs. 203.963 million.

In the order dated April 29, 2013, issued under section 161/205 of the Ordinance, the DCIR had imposed tax under section 161 of the Ordinance amounting to Rs. 11.663 million for non deduction of tax under section 156 of the Ordinance from certain payments under the head 'Advertisement and Sales Promotion'.

The Group filed constitutional petition before the High Court Sindh who restrained the tax department from any coercive recovery measure in respect of the impugned demand till disposal of the petition. The department, however, later adjusted this outstanding demand without issuance of any recovery notice to the Group, against refunds pertaining to Tax Year 2012. The High Court Sindh dismissed the petition on May 25, 2013 and directed the petitioner to pursue departmental hierarchy.

The Group then filed an appeal before the CIR(A) against the impugned order. The CIR(A) disposed-off the appeal vide order dated August 25, 2015 remanding back the matter to the department. The Group filed an appeal against the CIR(A)'s order before the ATIR dated October 05, 2015. The ATIR passed an order on January 13, 2022 against the Group and dismissed the appeal. The Group filed a reference before the High Court Sindh in March 2022, hearing of which is still pending.

The Group also filed a rectification application before the ATIR who allowed the application vide order dated July 29, 2022 and remanded back the matter to the tax officer. The remand back proceedings are still pending to be heard.

35.8 The Group's case was selected in the Parametric balloting done for selection of cases for audit for the Tax Year 2011 on February 25, 2013 by the Federal Board of Revenue (FBR) under section 214C of the Ordinance. The Group filed a representation against the said selection before the review panel of the FBR in terms of circular dated February 25, 2013. Without prejudice to the representation against the audit selection, the Group made complete compliance to the Information Document Request (IDR) notice dated April 04, 2013. Later, the DCIR issued the show cause notice under section 122(9) of the Ordinance to which the Group made compliance. However, the DCIR issued amended order dated June 17, 2014 and made additions of Rs. 124.115 million on various expenses. The Group filed an appeal against the DCIR order before the CIR-A, who vide order dated September 10, 2015 had disposed-off the appeal but upheld additions of sundry promotional expenses of Rs. 36.973 million. Accordingly, the Group filed appeal before the ATIR which maintained the disallowance of Rs. 36.973 million vide order dated July 14, 2021. The Group filed a constitutional petition against the ATIR order and rectification application was also filed with the ATIR by the Group dated September 06, 2021.

The ATIR passed order in favor of the Group and allowed the aforementioned expenses through order dated November 29, 2021. Further, the department's appeal for Tax Year 2011 challenging Commissioner Appeal's verdict to delete the disallowances at Rs. 87.142 million has been dismissed by the ATIR vide order dated July 06, 2022. The Department has filed an appeal before the High Court Sindh against the ATIR order, hearing of which is still pending.

35.9 The DCIR, amended the deemed assessment vide order dated January 1, 2018, for Tax Year 2014 increasing the tax liability by Rs. 275.6 million due to disallowance of certain expenses, hence, adjusting the tax refundable as assessed by the Group in the tax return. The Group was required to pay an amount of Rs.110.6 million being the short payment on account of reassessed tax liability. The Group paid the said amount under protest and filed an appeal with the CIR(A) against the said order. The CIR(A) decided on the above issue against the Group vide order dated May 6, 2019. The Group filed an appeal dated through July 12, 2019 thereagainst before the ATIR, which is pending to be heard.

35.10 In March 2022, DCIR raised demand under section 122(1) of the Ordinance against disallowance / addition from and to the taxable income mainly on account of non-furnishing of details and documentary evidence. Being aggrieved of the said order, the Group filed an appeal before the CIR (A) vide letter CT 1476 dated April 29, 2022. In June 2024, DCIR raised demand under section 161(1) of the ordinance for the monitoring of withholding taxes. Being aggrieved of the said order, the Group filed an appeal before the Commissioner (Appeals) vide letter CT 53 dated July 19, 2024. The CIR(A) issued order dated February 19, 2025 under section 129(1) whereby the matter in appeal was remanded back.

Subsequently, the DCIR issued a notice dated February 25, 2025, under section 129(1) requiring information, reply to the aforesaid notice was furnished dated May 6, 2025, wherein the DCIR was provided references to all the letters already furnished previously through which details and evidence were submitted during monitoring proceedings. There is no further correspondence in this regard and the appeal effect order is awaited. The maximum exposure as at December 31, 2025 is approximately Rs 217.186 million. The management and their tax advisors are of the opinion that the position of the Group is sound on a technical basis and eventual outcome is expected to be in favour of the Group.

35.11 In August 2023, the Additional Commissioner Inland Revenue ('ADCIR') passed an order under section 122(5A) of the Ordinance for the tax year 2019, thereby disallowing certain deductions. The ADCIR also levied the super tax under section 4B and disallowed deductible allowance under section 60A. Being aggrieved, the Group has filed appeal before the CIR (A). Being aggrieved the Group filed appeal before the CIR (A). The CIR (A) issued appellate order under Section 129 of the ordinance dated May 30, 2024 allowing stock written off, reversal of provision for slow moving stock, shared cost, deductible allowance under section 60A and tax credit under section 65B. In response of the issues decided by the CIR (A) against the Group, a reference has been filed before the High court of Sindh. The maximum exposure as at December 31, 2025 is approximately Rs 89.866 million. The management and their tax advisors are of the opinion that the position of the Group is sound on a technical basis and eventual outcome is expected to be in favour of the Group.

35.12 For Tax Year 2016, an assessment order dated October 31, 2018 was issued by DCIR, whereby the DCIR disallowed deductions of Rs. 336.75 million, added a vehicle disposal gain of Rs. 5.58 million, restricted the tax credit u/s 65B amounted to Rs. 114.4 million and disallowed the adjustment of brought forward losses amounted to Rs. 1,682.54 million. Upon appeal, the CIR(A), through an order dated February 13, 2020, upheld the addition of Rs. 5.58 million and a disallowance of deduction of Rs. 157 million (related to GIDC), while remanding the remaining matters for fresh examination and directing rectification of brought-forward losses of Rs. 1,682.54 million and the 65B tax credit. A rectification application dated November 24, 2020 remains pending to give effect to these appellate directions.

The Group has filed an appeal before the ATIR against the matters sustained by the CIR(A), which is currently awaiting adjudication. Management is confident of a favorable outcome and hence no provision has been recognised in these financial statements.

35.13 During the year 2023, on October 26, the Group received notices for the Sindh Workers' Welfare Fund for the tax years 2018, 2019, 2021, 2022, and 2023. No further correspondence was received by year-end for the notices pertaining to the tax years 2018 and 2019. However, for the tax years 2021, 2022, and 2023, demands amounting to Rs 23.8 million, Rs 38.2 million, and Rs 34.4 million, respectively, were raised through Order-in-Original.

As a trans-provincial entity, the Group is liable to pay the Workers' Welfare Fund to the Federal Board of Revenue. Consequently, an appeal was filed by the Group before the CIR (SRB). Based on the advice of its tax consultants, the Group is confident that the ultimate decision regarding the aforementioned matter will be in its favour.

35.14 In respect of the tax year 2020, the Commissioner Inland Revenue (Appeals), through an appeals order (under section 170(4)) dated March 31, 2021, short-allowed the credit of taxes claimed by Rs 235.42 million, pertaining to tax credit under section 61, taxes deducted under various sections, and adjustments from the tax year 2015 amounting to Rs 17.98 million, Rs 3.23 million, and Rs 214 million, respectively. The Group filed an appeal before CIR(A) against the order dated March 31, 2023. During the previous year, on August 29, 2023, an appellate order was passed on an 'ex-parte' basis, which disposed of the appeal filed by the Group in CIR(A) against the order dated March 31, 2021. On August 30, 2023, rectification was filed before CIR(A) against the appellate order dated August 29, 2023. On December 26, 2025, the ADCIR issued a fresh amendment, reducing the Group's refundable amount to Rs 92.22 million. Based on the order, the Group has accepted the disallowance of brought forward minimum tax of Rs 126.5 million based on recent Supreme Court and disallowance of tax credit u/s 65B amounted to Rs. 17.98 million. An appeal has been filed against the additional minimum tax u/s 113 of Rs. 32.93 million which is pending adjudication. Management, is confident that ultimate decision in respect the aforementioned matter shall be made in Group's favour.

35.15 In respect of tax year 2019, a demand amounting to Rs 378.79 million was raised under sections 161, 205 and 182 of the Income Tax Ordinance 2001 by the Deputy Commissioner Inland Revenue ('DCIR') through an order dated December 31, 2024. The tax authorities raised the demand primarily on account of non-withholding of the income tax.

Being aggrieved by the order of the DCIR, the Group filed an appeal before ATIR on the grounds that the order of the DCIR is erred in holding the Group as 'Assessed-In-Default' for not withholding tax on payments of salaries which are below taxable slabs and pertains to the reimbursements for employees travelling and conveyance expenses, and professional taxes etc. The outcome of the appeal is still awaited.

Based on the advice of the Group's tax advisor, the management believes that there are meritorious grounds to support the Group's stance in respect of this matter. Consequently, no provision for this amount has been made in these consolidated financial statements.

35.16 In respect of tax year 2020, the Additional Commissioner Inland Revenue (ACIR) amended the assessment for the year raising a tax demand of Rs 464.187 million, through an order dated December 29, 2025. Through this order, among other issues, the ACIR disallowed the adjustment of minimum tax credit under section 113 of the Income Tax Ordinance 2001 ('ITO 2001') and tax credit under section 65B of ITO 2001 and treated the tax withheld under section 148 of ITO 2001 as minimum tax.

Being aggrieved by the order of the ACIR, the Group filed an appeal before the ATIR on December 30, 2025. The outcome of the appeal is still awaited.

Based on the advice of the Group's tax advisor, the management believes that there are meritorious grounds to support the Group's stance in respect of this matter. Consequently, no provision for this amount has been made in these consolidated financial statements.

35.17 In respect of tax year 2020, a demand amounting to Rs 50.40 million was raised under sections 161, 205 and 182 of the Income Tax Ordinance 2001 by the DCIR through an order dated December 30, 2025. The tax authorities raised the demand primarily on account of non-withholding of the income tax.

Being aggrieved by the order of the DCIR, the Group filed an appeal before the CIR(A) on the grounds that the order of the DCIR is erred in holding the Group as "Assessed-In-Default" for not withholding tax on account of various expenses. The outcome of the appeal is still awaited.

Based on the advice of the Group's tax advisor, the management believes that there are meritorious grounds to support the Group's stance in respect of this matter. Consequently, no provision for this amount has been made in these consolidated financial statements.

36. Cash and bank balances

Note	2025	2024
	(Rupees in thousand)	
At Banks:		
- Savings accounts	403,323	457,882
- Current accounts	4,962,910	2,717,148
	5,366,233	3,175,030
In hand [including USD 1,876 (2024: USD 184), EURO 5,190 (2024: EURO 6,490) and GBP 1,350 (2024: GBP 550)]	21,307	20,928
	5,387,540	3,195,958

36.1 The balances in savings accounts bear mark-up which ranges from 4.00% to 11.50% (2024: 5.17% to 22.50%) per annum.

36.2 Included in these are restricted funds of Rs 32.557 million (2024: Rs 32.22 million) in respect of deposits that are repayable on demand.

36.3 Included in these are restricted funds of Rs 1.387 million (2024: Rs 1.387 million) held as payable to TFC holders.

37. Revenue from contracts with customers - net

The Group derives the following types of revenue:

Note	2025	2024
	(Rupees in thousand)	
Sale of goods	186,897,643	170,816,847
Services	6,330,064	5,944,437
	193,227,707	176,761,284

37.1 Sale of goods

Local sales		
- Own manufactured	209,694,530	190,152,291
- Purchased for resale	1,772,428	2,194,583
	211,466,958	192,346,874
Export sales	8,481,673	8,046,208
Toll manufacturing	147,215	86,747
	220,095,846	200,479,829
- Sales tax	(27,580,780)	(25,153,656)
- Trade discount	(5,487,274)	(4,356,245)
- Sales return	(87,655)	(124,912)
- Commission	(42,494)	(28,169)
	(33,198,203)	(29,662,982)
	186,897,643	170,816,847

37.2 Services

License fee	3,905,240	3,414,357
Service and management charges	2,544,431	2,487,964
Advertisements and parking income	514,409	465,032
	6,964,080	6,367,353
Less: Sales tax	634,016	422,916
	6,330,064	5,944,437

37.2.1 The future aggregate minimum rentals/license fee receivable under non-cancellable operating leases are as follows:

	2025	2024
	(Rupees in thousand)	
- Not later than one year	3,395,551	3,133,527
- Later than one year but not later than five years	17,188,283	15,893,853
	<u>20,583,834</u>	<u>19,027,380</u>

37.2.2 Sales tax is applicable on service and management charges, and advertisements and parking income for the entire year, and on license fee from July 2025 to October 2025.

38. Cost of sales and services

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales - own manufactured	38.1	122,622,866	122,282,888
Cost of sales - purchased for resale	38.2	28,113,315	17,345,538
Cost of services	38.3	3,029,782	3,078,392
		<u>153,765,963</u>	<u>142,706,818</u>
38.1 Cost of sales - own manufactured			
Materials consumed		74,714,154	79,789,577
Salaries, wages and amenities	38.1.1 & 38.4	10,710,167	9,684,280
Travelling and conveyance		547,606	394,702
Fuel and power	38.1.2	15,858,968	16,273,129
Production supplies consumed		3,024,730	2,254,821
Rent, rates and taxes		36,349	109,660
Insurance	38.1.3	1,265,598	1,295,926
Repairs and maintenance		2,839,881	2,629,635
Packing expenses		2,893,914	2,815,080
Depreciation on operating fixed assets	23.1.4	7,980,325	6,924,143
Depreciation on right-of-use assets	24.1	94,100	60,957
Amortisation of intangible assets	26.3	57,193	34,314
Safety equipment		48,144	46,354
Technical fee and royalty	38.1.4	250,571	348,119
Provision for obsolete/slow-moving stock-in-trade		823,508	288,873
Material handling charges		558,171	472,899
Medical expenses		139,136	123,217
Demurrage charges		13,336	12,771
Subcontracting cost		475,292	414,335
Other expenses		1,906,988	1,717,906
		<u>124,238,131</u>	<u>125,690,698</u>
Work-in-process:			
At beginning of the year	31	9,281,369	2,424,822
At end of the year	31	(9,933,773)	(9,281,369)
		(652,404)	(6,856,547)
Cost of goods manufactured	38.1.5	123,585,727	118,834,151
Finished goods:			
At beginning of the year	31	8,266,342	11,715,079
At end of the year	31	(9,229,203)	(8,266,342)
		(962,861)	3,448,737
Cost of sales		<u>122,622,866</u>	<u>122,282,888</u>

38.1.1 Salaries, wages and amenities include Rs 856.590 million (2024: Rs 721.008 million) against manpower contractors for services rendered during the year.

38.1.2 This includes a grid levy of Rs 410.02 million (2024: nil), arising from the 'Off the Grid Levy' imposed under the Off the Grid (Captive Power Plants) Levy Act, 2025 during the year.

38.1.3 This includes expense of Rs 19.265 million (2024: Rs 25.308 million) charged by IGI Insurance Limited, a related party.

38.1.4 This represents royalty charged by a related party, DIC Corporation, Japan (having its registered office at DIC Building, 7-20, Nihonbashi 3-chome, Chuo-Ku, Tokyo 103-8233, Japan).

38.1.5 Cost of goods manufactured includes the following:

	Note	2025	2024
		(Rupees in thousand)	
Stores and spares consumed		11,615,870	8,267,170
Amounts written off in respect of:			
Raw material		245,388	73,000
Stores and spares		3,624	2,190
Finished goods		146,730	85,410
Advances		-	162,110
		<u>395,742</u>	<u>322,710</u>
38.2 Cost of sales - purchased for resale			
Purchases made during the year		28,009,669	17,494,481
Opening stock of goods purchased for resale	31	471,297	322,354
Closing stock of goods purchased for resale	31	(367,651)	(471,297)
		<u>28,113,315</u>	<u>17,345,538</u>
38.3 Cost of services			
Salaries, wages and amenities	38.4	168,081	203,216
Depreciation on investment properties	25.1.1	669,114	681,611
Depreciation on operating fixed assets	23.1.4	599	10,336
Depreciation on right-of-use assets		11,685	-
Fuel and power		1,021,992	1,080,111
Rent, rates and taxes		458,996	415,261
Building Maintenance Services		228,381	211,685
Insurance		84,003	79,348
Consultancy		10,012	7,958
Mall operating expenses		376,919	388,866
		<u>3,029,782</u>	<u>3,078,392</u>
38.4 Salaries, wages and amenities			
Salaries, wages and amenities include following in respect of retirement benefits:			
		2025	2024
		(Rupees in thousand)	
Defined benefit plan			
- Gratuity fund		220,548	197,912
Defined contribution plans			
- Provident fund		159,846	159,211
- Pension fund		143,315	141,288
Other benefit plan			
- Accumulating compensated absences		129,272	153,382
		<u>652,981</u>	<u>651,793</u>

39. Administrative expenses

Note	2025	2024
	(Rupees in thousand)	
Salaries, wages and amenities	3,954,314	3,562,625
Fuel and power	52,870	53,105
Travelling and conveyance	295,939	335,724
Rent, rates and taxes	291,453	238,221
Professional services	872,483	689,994
Insurance	84,318	65,269
Printing, stationery and periodicals	66,704	67,118
Postage, telephone and telex	60,032	88,929
Motor vehicles running	66,504	82,518
Computer charges	300,984	193,898
Repairs and maintenance	163,099	132,926
Depreciation on operating fixed assets	313,531	384,277
Depreciation on right-of-use assets	51,605	21,870
Amortisation of intangible assets	83,861	24,090
Depreciation on investment properties	43,397	4,034
Communication	10,179	9,856
Security and maintenance	46,646	48,386
Publication and subscription	8,316	355
Software license / maintenance fee	160,889	143,163
Training expenses	43,992	3,927
Electricity	44,345	58,639
Amenities	20,236	17,909
Shared staff cost	18,932	16,796
Other expenses	432,013	479,873
	7,486,642	6,723,502

39.1 Salaries, wages and amenities include following:

Defined benefit plans

- Gratuity funds	141,599	139,802
- Pension funds	115,488	123,382

Defined contribution plans

- Provident funds	96,408	67,992
- Pension funds	107,460	110,861

Other benefit plan

- Accumulating compensated absences	73,742	97,567
	534,697	539,604

39.2 Salaries, wages and amenities include Rs 133.04 million (2024: Rs 198.872 million) in respect of services rendered by manpower contractors during the year.

39.3 Professional services

The charges for professional services include the following in respect of auditors' services (excluding sales tax) for:

Parent Company and nine subsidiaries audited by A.F. Ferguson & Co., Chartered Accountants ('AFF')

	2025	2024
	(Rupees in thousand)	
- Statutory audits of separate and consolidated financial statements	32,684	28,355
- Half yearly reviews	11,346	8,458
- Tax services	45,164	33,168
- Other assurance services	1,842	1,265
- Workers' profit participation fund audit, management staff pension and gratuity fund audit, audit of special purpose financial statements and other certification charges	15,114	10,318

Three subsidiaries audited by multiple audit firms other than AFF

	2025	2024
	(Rupees in thousand)	
- Statutory audits	29,239	14,770
Out of pocket expenses of all auditors	8,070	7,323
	143,459	103,657

39.4 This includes the expense charged by IGI Insurance Limited, a related party.

39.5 This includes Rs 8.06 million (2024: Rs 9.78 million) in respect of rentals under ijarah arrangements.

39.6 Administrative expenses include Rs 81.95 million (2024: Rs 164.141 million) for stores and spares consumed.

40. Distribution and marketing costs

Note	2025	2024
	(Rupees in thousand)	
Salaries, wages and amenities	3,854,488	1,575,295
Travelling and conveyance	959,689	581,835
Rent, rates and taxes	64,601	56,361
Freight and distribution	3,363,050	2,972,158
Insurance	159,550	147,519
Electricity	13,111	9,424
Postage, telephone and telex	36,794	27,700
Advertisement and sales promotion	1,671,054	1,242,185
Depreciation on operating fixed assets	273,649	205,758
Amortisation on intangible assets	4,509	4,671
Depreciation on right-of-use assets	12,495	8,437
Repairs and maintenance	85,090	62,374
Bad debts written off	-	28,489
Training expense	191,289	336,122
Pharmaceutical miscellaneous expenses	437,177	125,007
Sales commission	320,200	348,213
Entertainment expenses	21,418	5,307
Other expenses	334,641	1,861,319
	11,802,805	9,598,174

40.1 Salaries, wages and amenities include following:

Defined benefit plans

- Gratuity funds	85,665	67,037
------------------	--------	--------

Defined contribution plans

- Provident funds	34,598	27,342
- Pension funds	73,608	79,755

Other benefit plan

- Accumulating compensated absences	32,859	35,907
	226,730	210,041

40.2 Salaries, wages and amenities include Rs 103.693 million (2024: Rs 92.176 million) in respect of labour contractors for services rendered during the year.

40.3 This includes Rs 0.916 million (2024: Rs 0.788 million) in respect of expense charged by IGI Insurance Limited, a related party.

40.4 Distribution and marketing costs include Rs 13.967 million (2024: Rs 15.249 million) for stores and spares consumed.

41. Other expenses

Note	2025	2024	
(Rupees in thousand)			
Worker's profit participation fund	34.9	609,147	530,454
Workers' welfare fund	19.9	192,348	192,354
Loss on disposal of operating fixed assets		-	433
Derecognition of intangible assets	26.2	423,462	-
Impairment loss on intangible assets	26.4	5,931	-
Exchange loss - net		673,213	-
Donations	41.1	205,474	97,501
Central research fund		54,120	37,842
Legal and consultancy		124,617	258,433
Loss on insurance claim	41.2	50,908	-
Unclaimed input tax written off		104,521	13,900
Miscellaneous		29,570	-
		<u>2,473,311</u>	<u>1,130,917</u>
41.1 This includes donations to :			
Packages Foundation		202,474	96,012
National Management Foundation		3,000	-
41.1.1		<u>205,474</u>	<u>96,012</u>

41.1.1 Following is the interest of Directors of the Parent Company in the donee during the year:

Name of donee	Directors of the Parent Company	Interest in donee
Packages Foundation	Syed Hyder Ali (Chief Executive Officer)	Trustee
	Hasan Askari	Trustee
	Syed Aslam Mehdi	Trustee
National Management Foundation	Syed Hyder Ali (Chief Executive Officer)	Trustee

No other directors and their spouses had any interest in the donee during the year.

41.2 During the year, raw materials amounting to Rs 160.908 million were destroyed by a fire incident and hence, have been written off. As of the reporting date, an insurance claim of Rs 110 million has been settled by the insurance company against this loss. Accordingly, the resulting net loss of Rs 50.908 million has been recorded under this head.

42. Other income

Note	2025	2024	
(Rupees in thousand)			
Income on bank deposits		115,532	174,315
Rental income from investment properties	42.1	99,180	90,659
Profit on disposal of operating fixed assets		89,739	139,836
Scrap sales		283,265	215,752
Liabilities, no longer payable, written back		72,743	175,022
Amortization of deferred government grant	12	336,568	233,177
Amortization of deferred income	11	114,479	105,507
Deferred income on capital grant		-	9,000
Insurance claim	42.2	16,002	806,441
Indenting commission income		17,196	4,004
WPPF provision written back		10,238	4,925
WWF provision written back	19.9	68,930	-
Discounting adjustment on long term advances	14	52,106	55,446
Dividend income from mutual funds	42.3	6,613	83,732
Gain on modification of lease		8,149	25,925
Exchange gain		-	52,056
Income from Treasury Bills		45,047	-
Profit on disposal of investment property		58,500	-
Others		225,676	114,607
		<u>1,619,963</u>	<u>2,290,404</u>

42.1 This includes rental income from OmyaPack (Private) Limited, a Joint Venture of the Group.

42.2 This represents insurance claim for the recovery of loss due to business interruption.

42.3 This represents dividend income earned from investments in conventional mutual funds.

43. This represents dividend income from other long term investments as referred to in note 28.

44. Finance cost

Note	2025	2024	
(Rupees in thousand)			
Interest and mark-up including commitment charges on			
- Long term finances from financial institutions		8,019,743	10,325,444
- Short term borrowings from financial institutions - secured		5,698,503	7,332,134
- Lease liabilities	9	283,444	110,213
Return on preference shares/convertible stock	8.1 & 21	155,550	155,550
Interest on security deposits	10	82,448	69,088
Unwinding of finance cost on long term advances	14	53,499	31,933
Bank charges		305,075	331,776
		<u>14,598,262</u>	<u>18,356,138</u>

45. Levy and Income Taxes

Levies:			
- Final taxes		285,282	193,847
- Minimum taxes		972,810	1,279,437
	45.1	<u>1,258,092</u>	<u>1,473,284</u>
Current income tax:			
- For the year		4,877,479	3,744,987
- Prior years		233,477	4,282
		<u>5,110,956</u>	<u>3,749,269</u>
Deferred income tax	13.4	(324,871)	(2,399,730)
		<u>4,786,085</u>	<u>1,349,539</u>

45.1 This represents minimum taxes and final taxes paid under sections 113, 150 and 154 of the Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

45.1.1 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the statement of profit or loss, is as follows:

	2025	2024
(Rupees in thousand)		
Current tax liability for the year as per applicable tax laws	6,369,048	5,222,553
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(5,110,956)	(3,749,269)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	<u>(1,258,092)</u>	<u>(1,473,284)</u>
	-	-

45.2 Income tax and levy charge reconciliation

	2025	2024
	(%)	
Numerical reconciliation between the average effective tax rate and the applicable tax rate		
Applicable tax rate as per Income Tax Ordinance, 2001	29.00	29.00
Tax effect of amounts that are:		
Effect of consolidation adjustments that are subject to tax	(0.96)	10.93
Derecognition of deferred tax on minimum tax	20.49	43.87
Not deductible for tax purposes	12.93	61.49
Super tax - current year	13.69	58.18
Exempt for tax purposes	(0.13)	(0.93)
Chargeable to tax at different rates	(2.81)	15.97
Intergroup dividend subject to tax	4.73	16.54
Not chargeable for tax purpose	(0.41)	-
Prior year tax	4.11	0.28
Effect of difference in tax rate	-	(3.54)
Deferred tax previously not recognized	(0.13)	(4.60)
Effect of tax credit under section 61	(0.10)	(1.28)
Tax effect under presumptive tax regime and others	-	6.39
Effect of allowance against property income	(9.46)	(46.98)
Deferred tax not created on alternate corporate tax	1.04	-
Impact of reduced rate	(1.34)	-
Prior year deferred tax change	0.73	-
Effect of amounts that are allowed for tax purposes	(0.76)	(2.91)
Deferred tax not recognized on minimum tax	22.43	6.31
Effect of minimum tax not available for carry forward	2.44	3.34
Others	0.38	3.45
	66.87	166.51
Average effective tax rate charged to consolidated statement of profit or loss	95.87	195.51

45.3 Unrecognised temporary differences

	Note	2025	2024
		(Rupees in thousand)	
Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:			
- Foreign currency translation - PLL	45.3.1	255,128	357,838
- Undistributed earnings	45.3.2	15,985,510	12,843,259
		16,240,638	13,201,097

45.3.1 Temporary differences have arisen as a result of the translation of the financial statements of the Group's subsidiary in Sri Lanka. However, a deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future.

45.3.2 The Group's subsidiaries have undistributed earnings which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the Parent Company is able to control the timing of distributions from the subsidiaries and is not expected to distribute these profits in the foreseeable future.

46. Remuneration of Chief Executive, Directors and Executives

46.1 The aggregate amount charged in the consolidated financial statements for the year for remuneration, including certain benefits, to the Chief Executive, Executive and Non-Executive Directors of the Parent Company and Executives of the Group is as follows:

	Chief Executive		Executive Director		Non-Executive Directors		Executives	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)							
Short term employee benefits								
Managerial remuneration	150,317	135,626	36,920	35,335	-	-	2,929,156	2,349,808
Housing	53,537	47,949	8,951	8,256	-	-	629,455	546,024
Utilities	14,171	12,934	1,989	1,835	-	-	132,004	111,606
Bonus and incentives	114,056	60,107	-	-	-	-	1,121,329	866,450
Leave passage	9,185	8,125	-	-	-	-	60,359	49,102
Reimbursement of medical expenses	15,850	15,963	275	87	-	-	98,832	75,378
Directors' meeting fees	-	-	-	-	19,125	25,075	-	-
Other perquisites and benefits - note 46.2	39,243	23,703	1,626	2,351	-	-	975,969	628,491
	396,359	304,407	49,761	47,864	19,125	25,075	5,947,104	4,626,859
Post employment benefits								
Contribution to provident, gratuity and pension funds	37,932	33,460	-	-	-	-	378,057	327,863
	434,291	337,867	49,761	47,864	19,125	25,075	6,325,161	4,954,722
Number of persons	1	1	1	1	8	8	576	486

46.2 The Group also provides the Chief Executive and some of the directors and executives with Group maintained cars, fuel and utilities, which are included in other perquisites and benefits.

46.3 Premium charged in the consolidated financial statements in respect of directors' indemnity insurance policy, purchased by the Group during the year, amounts to Rs 0.847 million (2024: Rs 0.847 million).

47. Transactions with related parties

The related parties include the joint ventures, associates, group companies, key management personnel including directors, staff retirement plans and other related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Related party transactions carried out during the year are as follows:

Relationship with the Group	Nature of transactions	2025	2024
		(Rupees in thousand)	
i. Joint ventures	Purchase of goods and services	1,164,259	1,080,554
	Sale of goods and services	101,350	36,347
	Rental income	8,983	8,080
	Dividend income	200,000	75,000
	Purchase of property, plant and equipment	-	3,621
	Reimbursement of salaries to Group	27,614	22,075
ii. Associates	Purchase of goods and services	1,343	38,592
	Sale of goods and services	261	1,604
	Dividend income	97,715	90,198
	Rental and other income	27,421	24,947
	Insurance claims	135,480	507,070
	Insurance premium	2,579,200	2,058,131
	Dividend paid	568,514	759,448
	Reimbursement of salaries by Group	-	2,200
	Reimbursement of salaries to Group	216,587	157,684

Relationship with the Group	Nature of transactions	2025	2024
		(Rupees in thousand)	
iii. Other related parties	Purchase of goods and services	1,855,516	2,168,246
	Sale of goods and services	30,635	1,819
	Royalty and technical fee - expense	131,260	132,974
	Dividend paid	683,997	683,818
	Donations	202,474	96,012
	Rental and other income	3,102	2,679
iv. Post employment benefit plans	Expense charged in respect of retirement plans	1,155,959	1,093,509
	Dividend paid	42,486	97,516
v. Key management personnel	Salaries and other employee benefits - note 47.1	1,096,872	791,961
	Dividend paid	76,896	141,594
	Meeting fee	19,125	25,075

47.1 This represents remuneration of the Chief Executive, executive director and some of the executives that are included in the remuneration disclosed in note 46 to these consolidated financial statements.

All transactions with related parties have been carried out on mutually agreed terms and conditions.

There are no transactions with key management personnel other than under the terms of employment.

47.2 The related parties with whom the Group had entered into transactions or had arrangements/agreements in place during the year have been disclosed below along with their basis of relationship:

Name	Basis of relationship	Aggregate % of shareholding in the Parent Company
DIC Asia Pacific Pte Limited	Group company	None
DIC Corporation Japan	Group company	- do -
S.C. Johnson & Sons of Pakistan (Private) Limited	Group company	- do -
IGI Life Insurance Limited	Associate	- do -
IGI Holdings Limited	Associate	- do -
IGI Finex Securities Limited	Associate	- do -
IGI General Insurance Limited	Associate	- do -
IGI Investments (Private) Limited	Associate	29.88%
IGI FSI (Private) Limited	Associate	None
OmyaPack (Private) Limited	Joint venture	- do -
Packages Limited Employees Gratuity Fund	Post Employment Benefit Plan	0.12%
Packages Limited Management Staff Pension Fund	Post Employment Benefit Plan	0.74%
Packages Limited Employees Provident Fund	Post Employment Benefit Plan	2.31%
Packages Foundation	Group Company	None

Name	Basis of relationship	Aggregate % of shareholding in the Parent Company
Babar Ali Foundation	Common director/Trustee	11.30%
Gurmani Foundation	Common director/Trustee	1.34%
Syed Maratib Ali Trust	Common director/Trustee	None
Syed Hyder Ali	Chief Executive Officer	5.55%
Towfiq Habib Chinoy	Chairman	0.04%
Tariq Iqbal Khan	Director	0.01%
Syed Aslam Mehdi	Director	0.01%
Syed Shahid Ali	Director	0.14%
Josef Meinrad Muller	Director	0.00%
Atif Aslam Bajwa	Director	0.00%
Hasan Askari	Director	0.00%
Saba Kamal	Director	0.00%
Osman Khalid Waheed	Director	0.00%
Syed Babar Ali	Key Management Personnel	3.39%
Khurram Raza Bakhtayari	Key Management Personnel	None
Kamran Waheed	Key Management Personnel	- do -
Sajjad Iftikhar	Key Management Personnel	- do -
Muhammad Faizan Mahmood Khan	Key Management Personnel	- do -
Jawad Gilani	Key Management Personnel	- do -
Muhammad Amir Janjua	Key Management Personnel	- do -
Muhammad Ali Sheikh	Key Management Personnel	- do -
Iqra Sajjad	Key Management Personnel	- do -
Faisal Munir	Key Management Personnel	- do -
Waqas Munir	Key Management Personnel	- do -
Salman Fazlur Rehman	Key Management Personnel	- do -
Soban Waqar	Key Management Personnel	- do -

48. Capacity and production

Note	Capacity		Actual production		
	2025	2024	2025	2024	
Paper and paperboard produced - metric tonnes	387,000	394,200	284,907	256,829	
Paper and paperboard converted - metric tonnes	77,999	76,326	47,286	43,680	
Plastics all sorts converted - metric tonnes	38,261	38,261	19,798	18,642	
Inks produced - tonnes	17,798	17,095	10,467	10,166	
BoPP and CPP films produced - microns/mils	138,800	111,300	55,254	54,339	
Corrugator - tonnes	186,000	186,000	90,676	88,670	
Corn-based starch products - metric tonnes	48.1	76,500	85,000	69,089	35,741

The variance of actual production from capacity is primarily on account of production planned as per market demand.

48.1 Plant capacity is based on 340 working days, that can be exceeded if the plant is operational for more than 340 days during a year. Actual production is less than the installed capacity due to planned maintenance shutdowns.

48.2 The capacity and production of the Pharmaceutical segment is not determinable as it is a multiproduct plant facility involving varying processes of manufacture.

49. Number of employees

	2025	2024
Total number of employees as at December 31	4,665	4,834
Average number of employees during the year	4,750	4,443

50. Rates of exchange

Following exchange rates have been applied for translating material balances in foreign currency:

	Average rate		Spot rate	
	2025	2024	2025	2024
USD	281.18	278.36	280.12	278.35
EURO	317.66	300.36	328.85	289.14

51. Cash flow information

51.1 Cash generated from operations

Note	2025	2024	
	(Rupees in thousand)		
Profit before levy and income tax	6,304,764	1,443,856	
Adjustments for:			
- Depreciation on operating fixed assets	23.1.4	8,568,104	7,524,514
- Depreciation on right-of-use assets	24.1	169,885	91,264
- Loss on derecognition of intangible assets	41	423,462	-
- Impairment loss on intangible assets	41	5,931	-
- Depreciation on investment properties	25.1.1	712,511	685,645
- Discounting adjustment on long term advances	14	(52,106)	(55,446)
- Unwinding of discounting adjustment on long term advances	14	53,499	31,933
- Capital work in progress and investment property expensed out	23.2.1	33,455	195,164
- Gain on modification of lease	42	(8,149)	(25,925)
- Deferred income on capital grant	42	-	(9,000)
- Amortisation on intangible assets	26	145,563	63,075

Note	2025	2024	
	(Rupees in thousand)		
- Amortisation of deferred income	11	(114,479)	(105,507)
- Amortisation of deferred government grant	12	(336,568)	(233,177)
- Government grant deducted from borrowing cost	12	-	(39,654)
- Provision for accumulating compensated absences	16	235,873	180,267
- Provision for employee benefit obligations	15	580,903	542,469
- Impairment losses on financial assets		130,924	128,058
- Exchange loss/(gain) adjustments - net	41 & 42	673,213	(52,056)
- Profit on disposal of operating fixed assets	42	(89,739)	(139,836)
- Provisions and unclaimed balances written back	42	(151,911)	(179,947)
- Interest cost on lease liability	9	283,444	110,213
- Provision for obsolete/slow-moving stores and spares	30.2	2,353	5,460
- Transaction cost	8.3	-	148
- Unwinding of discount on liability	8.3	334,317	271,321
- Provision made for obsolete/slow-moving stock-in-trade	38.1	823,508	288,873
- Finance cost other than interest on lease liability and unwinding of discount	44	14,261,319	18,213,992
- Dividend income from other long term investments classified as investing cash flows	43	(1,208,177)	(618,209)
- Share of profit of investments accounted for under equity method - net of tax		(506,824)	(417,566)
Profit before working capital changes		31,275,075	27,899,929

Effect on cash flow due to working capital changes:

(Increase) / decrease in current assets

- Stores and spares	(973,593)	219,455
- Stock-in-trade	(3,639,491)	2,843,683
- Trade debts	(3,588,223)	(5,063,620)
- Loans, advances, deposits, prepayments and other receivables	267,952	970,034
- Rental security deposits	7,434	31,723
	(7,925,921)	(998,725)

Increase in current liabilities

- Trade and other payables	2,839,146	2,229,472
	26,188,300	29,130,676

51.2 Cash and cash equivalents

Cash and bank balances	36	5,353,596	3,769,407
Short term running finances - secured	18	(26,650,555)	(8,126,337)
Short term investments	32	1,294,535	617,884
		(20,002,424)	(3,739,046)

51.3 Reconciliation of liabilities arising financing activities

	Opening balance as at January 1, 2025	Cash flows	Other changes*	Closing balance as at December 31, 2025
	(Rupees in thousand)			
Long term finances from financial institutions	68,755,066	8,614,973	334,317	77,704,356
Short term borrowings	46,418,451	(11,459,254)	18,524,218	53,483,415
Lease liabilities	1,678,562	(1,074,098)	1,051,491	1,655,955
Unclaimed and unpaid dividend	139,099	(2,690,602)	2,768,354	216,851
	116,991,178	(6,608,981)	22,678,380	133,060,577

	Opening balance as at January 1, 2024	Cash flows	Other changes*	Closing balance as at December 31, 2024
	(Rupees in thousand)			
Long term finances from financial institutions	55,040,086	14,728,757	(1,013,777)	68,755,066
Short term borrowings	40,021,257	(6,244,539)	12,641,733	46,418,451
Lease liabilities	185,558	(147,432)	1,640,436	1,678,562
Unclaimed and unpaid dividend	341,155	(3,615,038)	3,412,982	139,099
	<u>95,588,056</u>	<u>4,721,748</u>	<u>16,681,374</u>	<u>116,991,178</u>

*Other changes represent non-cash movements.

52. Loss per share

52.1 Basic loss per share

		2025	2024
Loss for the year	Rupees in thousand	(1,836,306)	(2,845,899)
Participating preference dividend		-	(63,749)
Weighted average number of ordinary shares	Number	89,379,504	89,379,504
Basic loss per share	Rupees	<u>(20.55)</u>	<u>(32.55)</u>

52.2 Diluted loss per share

		2025	2024
Loss for the year	Rupees in thousand	(1,836,306)	(2,845,899)
Return on preference shares/ convertible stock	Rupees in thousand	155,550	155,550
		<u>(1,680,756)</u>	<u>(2,690,349)</u>
Weighted average number of ordinary shares	Number	89,379,504	89,379,504
Weighted average number of notionally converted preference shares/ convertible stock	Number	8,186,842	8,186,842
		<u>97,566,346</u>	<u>97,566,346</u>
Diluted loss per share	Rupees	<u>(20.55)</u>	<u>(32.55)</u>

53. Segment information

A business segment is a group of assets and operations engaged in providing products that are subject to risk and returns that are different from those of other business segments. The Group's operations comprise the following main business segment types:

Types of segments	Nature of business
Packaging	Manufacture and market packing products
Consumer Products	Manufacture and market consumer/tissue products
Ink	Manufacture and market industrial and commercial ink products
Real Estate	Construction and development of real estate
Paper and Board	Manufacture and market paper and board products
Plastic	Manufacture and market Biaxially Oriented PolyPropylene (BoPP) film and Cast PolyPropylene (CPP) films
Pharmaceutical	Manufacture and sale of biopharmaceutical products
Corn starch	Manufacture and sale of Corn-based starch products, its derivatives, by-products and trading of Corn
Trading	Trading of paper and related products, raw materials, crude plastic, nylon, packing materials and equipment, as well as agricultural materials and waste
Unallocated	Workshop and other general businesses

	Packaging Division	Consumer Products Division	Ink Division	Real Estate	Paper and Board	Plastic	Pharmaceutical	Corn Starch	Trading	Unallocated	Total										
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024									
Total revenue	58,488,208	57,153,540	15,894,270	12,417,223	11,749,894	6,413,071	6,018,471	44,481,213	40,064,094	30,203,691	28,413,004	30,955,414	28,747,828	8,051,080	20,253,051	23,819	228,348,224	188,404,529			
Interest revenue	(1,674,099)	(1,551,953)	(173,084)	(1,822,937)	(1,780,215)	-	-	(7,446,841)	(8,243,372)	(4,675,094)	(3,235,124)	-	(2,412,023)	(1,205,913)	(16,788,867)	(5,585,535)	(638,707)	(35,120,517)	(21,843,245)		
Revenue from external customers	56,814,109	56,032,245	15,451,186	10,584,286	9,989,679	6,413,071	6,018,471	37,036,372	31,820,722	25,527,597	26,177,880	30,955,414	26,747,428	5,753,477	3,484,184	2,465,545	(141,355)	(314,888)	193,227,707	176,761,284	
%age of revenue	29%	32%	9%	8%	6%	3%	3%	19%	16%	13%	14%	16%	15%	3%	2%	1%	0%	0%	100%	100%	
Interest expense	(2,697,817)	(2,998,839)	(475,772)	(830,888)	(346,340)	(938,755)	(1,807,544)	(4,910,244)	(6,919,157)	(2,578,498)	(2,519,344)	(99,856)	(144,517)	(1,199,636)	(1,278,359)	(262,225)	(82,451)	(1,012,751)	(1,628,649)	(14,588,262)	(18,365,138)
Depreciation and amortisation	(1,704,706)	(1,551,953)	(401,516)	(211,700)	(101,341)	(689,390)	(640,109)	(3,028,880)	(2,844,218)	(1,977,273)	(1,688,554)	(730,693)	(736,106)	(432,145)	(310,154)	(1,271)	(280)	(317,343)	(280,247)	(9,596,332)	(8,364,498)
Segment profit before tax	3,411,180	3,137,753	2,791,192	2,306,076	1,928,888	1,502,888	1,702,339	1,593,685	(5,833,163)	(234,544)	(289,715)	4,954,744	3,479,442	(1,383,380)	(1,933,057)	173,264	137,611	3,188,293	2,013,369	10,901,955	5,609,705
Segment taxation	(214,314)	(111,656)	-	(727,015)	(730,489)	(733,575)	(351,085)	135,703	141,389	(132,190)	(141,731)	(2,054,661)	(1,622,294)	366,258	483,242	(22,954)	-	(2,547,610)	(2,291,743)	(5,940,358)	(4,624,287)
Segment profit after tax	3,196,866	3,026,097	2,791,192	2,306,076	775,873	971,930	860,110	637,965	(4,960,834)	(5,791,774)	(365,734)	1,857,148	(1,027,822)	(1,449,815)	150,310	137,611	641,683	(278,374)	4,961,227	985,418	
%age of profit (loss) after tax	64%	61%	46%	46%	20%	17%	13%	-100%	-17%	-7%	-9%	58%	37%	-21%	-147%	3%	3%	13%	-6%	100%	100%
Segment assets - note 53.7	38,005,000	35,712,748	8,179,727	10,880,303	9,216,192	14,124,848	14,317,124	61,118,982	56,665,400	33,449,700	32,263,508	14,466,697	15,541,349	13,480,218	12,808,637	9,649,164	3,625,466	46,787,198	40,272,125	251,591,701	226,402,276
Segment liabilities	21,911,986	21,961,958	3,212,691	1,629,205	8,416,706	6,805,314	9,332,398	10,053,912	46,792,579	43,909,434	28,682,593	27,084,951	6,272,978	11,679,445	10,989,440	9,120,575	3,250,126	45,238,478	30,614,322	190,720,429	163,245,088
	15%	14%	4%	3%	4%	6%	6%	24%	23%	13%	13%	6%	5%	5%	4%	1%	1%	19%	16%	100%	90%

53.1 Reconciliation of segment profit

Note	2025	2024
	(Rupees in thousand)	
Total profit for reportable segments	10,901,585	5,609,705
Net income from associates and joint ventures	506,824	417,566
Intercompany adjustments	(5,103,645)	(4,583,415)
Profit before tax as per consolidated statement of profit or loss	6,304,764	1,443,856

53.2 Reconciliation of segment assets

Total assets for reportable segments	251,591,701	226,402,276
Intersegment assets	(49,395,031)	(34,415,199)
Fair valuation gain on assets upon acquisition of subsidiaries	24,370,973	25,663,296
Other corporate assets	40,524,473	31,018,569
Total assets as per consolidated statement of financial position	267,092,116	248,668,942

Segment assets are measured in the same way as in the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset. Investment in shares (classified as FVOCI, amortised cost or financial assets at fair value through profit or loss) held by the Group are not considered to be segment assets, but are managed by the treasury function.

53.3 Reconciliation of reportable segment liabilities

	2025	2024
	(Rupees in thousand)	
Total liabilities for reportable segments	145,481,951	132,630,746
Intersegment liabilities	(9,395,768)	(3,284,920)
Unallocated liabilities	45,238,478	30,614,322
Total liabilities as per consolidated statement of financial position	181,324,661	159,960,148

Segment liabilities are measured in the same way as in the consolidated financial statements. These liabilities are allocated based on the operations of the segment. The Group's borrowings are not considered to be segment liabilities, but are managed by the treasury function.

53.4 Reconciliation of segment taxation and levies

	2025	2024
	(Rupees in thousand)	
Total tax expense including levy for reportable segments	(5,940,358)	(4,624,287)
Intercompany adjustment	(103,819)	1,801,464
Tax as per consolidated statement of profit or loss	(6,044,177)	(2,822,823)

53.5 Reconciliation of segment profit/(loss) after tax

Total profit after tax for reportable segments	4,961,227	985,418
Intercompany adjustment for loss before tax	(4,596,821)	(4,165,848)
Intercompany adjustment for taxation	(103,819)	1,801,464
Profit/(loss) as per consolidated statement of profit or (loss)	260,587	(1,378,966)

53.6 Information by geographical area

	Revenue		Non-current assets	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Afghanistan	1,370,870	1,202,258	-	-
Austria	56,313	-	-	-
Bahrain	188,913	227,545	-	-
Belgium	-	21,348	-	-
Brazil	23,253	-	-	-
Canada	568,540	520,049	45,438	74,473
Croatia	10,014	-	-	-
Egypt	661	-	-	-
Eswatini	717,342	-	-	-
Ethiopia	6,146	88,299	-	-
France	-	6,345	-	-
Germany	362,523	254,567	-	-
Indonesia	-	1,457	-	-
Italy	160,204	19,951	-	-
Kenya	363,373	143,123	-	-
Kosovo	-	57,665	-	-
Lebanon	21,437	22,035	-	-
Macedonia	58,606	32,108	-	-
Malaysia	3,209	21,691	-	-
Mexico	110,740	93,800	-	-
Netherlands	48,452	72,129	-	-
Oman	13,191	135,038	-	-
Pakistan	177,111,927	160,726,400	166,685,271	160,780,112
Poland	199,627	9,379	-	-
Qatar	58,880	31,502	-	-
Saudi Arabia	-	364,571	-	-
Serbia	29,532	-	-	-
Spain	1,038,949	176,064	-	-
Sri Lanka	5,391,020	5,098,025	1,248,639	1,152,946
Sweden	-	14,722	-	-
Turkey	1,206,302	752,440	-	-
United Arab Emirates (UAE)	1,177,465	4,781,494	10,690	574
United Kingdom (UK)	1,740,431	548,602	-	-
United States of America (USA)	1,189,787	1,338,677	-	-
	193,227,707	176,761,284	167,990,038	162,008,105

Sales are allocated to geographical areas according to the country receiving the goods or services.

53.7 As of the reporting date, certain impairment indicators were observed, prompting the Group management to conduct an impairment test on three of its Cash Generating Units (CGUs), which fall under the following segments: (i) Tri-Pack Films Limited (Plastic segment), (ii) Bulleh Shah Packaging (Private) Limited (Paper and Board segment), and (iii) StarchPack (Private) Limited (Corn-based starch products segment).

As of December 31, 2025, the cumulative carrying amount of these CGUs was Rs 90,221 million.

Considering the impairment indicators, Group management assessed the recoverable amounts of these CGUs, as required by International Accounting Standard 36 – Impairment of Assets, and concluded that it exceeded the carrying amounts of the CGUs. Therefore, the CGUs are not impaired as of the reporting date.

53.8 Information about major customers

Included in the total revenue is revenue from six (2024: six) customers of the Group from the Packaging, Paper & board and Corrugator (2024: packaging, Paper & board and Corrugator) segment which represents approximately Rs 29,129.919 million (2024: Rs 24,693.538 million) of the Group's total revenue. The Group's revenue from other segments is earned from a large mix of customers.

54. Financial risk management

54.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is carried out by the Group's finance department under policies approved by the Board of Directors (the 'Board'). The Group's finance department evaluates and hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as currency risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The Group's overall risk management procedures to minimize the potential adverse effects of financial market on the Group's performance are as follows:

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Canadian dollar, the Euro, UAE Dirham and the Sri Lankan Rupee. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities or net investments in foreign operations that are denominated in a currency that is not the Group's functional currency.

In USD

Cash at bank	1,145	682
Loans, advances, deposits and other receivables	2,015	349
Cash in hand	23	27
Trade debts	3,672	2,087
Trade and other payables	(41,118)	(27,679)
	<u>(34,263)</u>	<u>(24,534)</u>

In EURO

Cash at bank	0.4	7
Loans, advances, deposits and other receivables	-	734
Cash in hand	7	8
Trade Debts	127	-
Trade and other payables	(3,831)	(1,709)
	<u>(3,697)</u>	<u>(960)</u>

	2025	2024
	(Rupees in thousand)	
	1,145	682
	2,015	349
	23	27
	3,672	2,087
	(41,118)	(27,679)
	<u>(34,263)</u>	<u>(24,534)</u>
	0.4	7
	-	734
	7	8
	127	-
	(3,831)	(1,709)
	<u>(3,697)</u>	<u>(960)</u>

At December 31, 2025, if the Rupee had strengthened/weakened by 10% against the US dollar with all other variables held constant, loss for the year would have been Rs 586.679 million lower/higher (2024: Rs 417.400 million), mainly as a result of foreign exchange gains/losses on translation of US dollar-denominated financial assets and liabilities.

At December 31, 2025, if the Rupee had strengthened/weakened by 10% against the Euro with all other variables held constant, loss for the year would have been Rs 74.283 million lower/higher (2024: Rs 14.574 million), mainly as a result of foreign exchange gains/losses on translation of Euro-denominated financial assets and liabilities.

The impact of fluctuation in other currencies is not considered material in the current year, hence, not disclosed.

(ii) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Group is exposed to equity securities price risk because of investments held by the Group and classified as fair value through other comprehensive income. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board. The primary goal of the Group's investment strategy is to maximize investment returns. To manage its price risk arising from investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The Group's certain investments in equity instruments of other entities are publicly traded on the Pakistan Stock Exchange Limited ('PSX').

The table below summarizes the impact of increases/decreases of the KSE-100 index on the Group's post-tax profit for the year and on equity. The analysis is based on the assumption that the Pakistan Stock Exchange had increased/decreased by 10% with all other variables held constant and all the Group's equity instruments moved in line with the index:

	Impact on other than post-tax profit components of equity	
	2025	2024
	(Rupees in thousand)	
Other long term investments	2,906,042	2,721,550

The Group has short term investment in mutual fund that is carried at fair value through profit or loss ('FVPL'). Therefore, the Group is exposed to other price risk due to macroeconomic factors.

As at December 31, 2025, if the market value of Group's investment in units held in mutual fund had been 10% higher/lower, with all other variables held constant, the impact would have been as follows:

	Impact on profit for the year	
	2025	2024
	(Rupees in thousand)	
Short term investments	25,007	45,288

(iii) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk arises mainly from short term and long-term borrowings, lease liabilities, bank balances and preference shares. These borrowings issued at variable rates expose the Group to cash flow interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

	2025	2024
Fixed rate instruments:		
(Rupees in thousand)		
Financial assets		
Bank balances - savings accounts	403,323	457,882
Short term investments	1,881,834	753,500
	2,285,157	1,211,382
Financial liabilities		
Preference shares/convertible stock - unsecured	(932,650)	(932,650)
Lease liabilities	(1,655,955)	(1,678,562)
	(2,588,605)	(2,611,212)
Net exposure	(303,448)	(1,399,830)
Floating rate instruments:		
Financial liabilities		
Long term finances from financial institutions	(77,704,356)	(68,755,066)
Short term borrowings from financial institutions - secured	(53,483,415)	(46,418,451)
	(131,187,771)	(115,173,517)
Net exposure	(131,187,771)	(115,173,517)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

At December 31, 2025, if interest rates on floating rate borrowings had been 2% higher/lower with all other variables held constant, profit for the year would have been Rs 1,600.491 million (2024: Rs 1,405.117 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation.

Credit risk of the Group arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to distributors and customers, including outstanding receivables and committed transactions. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

(i) Exposure to credit risk

The Group monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets exposed to credit risk are as under:

	2025	2024
(Rupees in thousand)		
Long term loans	8,464	5,656
Long term security deposits	513,291	347,699
Trade debts	22,804,898	19,347,599
Short term investments	2,131,902	1,206,384
Loans, deposits and other receivables	1,472,314	2,227,568
Balances with banks	5,366,233	3,175,030
	32,297,102	26,309,936

(ii) Impairment of financial assets

The Group's trade debts against local and export sales are subject to the expected credit loss model. While bank balances and debt investments carried at amortised cost are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial and hence, not recognised.

Trade debts

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before December 31, 2025 and 24 months before January 1, 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the Gross Domestic Product and the Consumer Price Index of the country in which it majorly sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at December 31, 2025 and December 31, 2024 was determined as follows:

	Current balances	Up to 90 days	91 to 180 days	181 to 365 days	365 days or more	Total
(Rupees in thousand)						
December 31, 2025						
Expected loss rate	0.11%	1.87%	10.76%	38.92%	86.38%	
Gross carrying amount of trade debts	14,251,514	7,123,872	1,223,517	660,863	608,587	23,868,353
Loss allowance	15,684	133,216	131,650	257,208	525,697	1,063,455
(Rupees in thousand)						
December 31, 2024						
Expected loss rate	0.22%	2.42%	23.64%	22.96%	87.02%	
Gross carrying amount of trade debts	12,675,924	6,024,781	444,118	520,987	620,198	20,286,008
Loss allowance	27,887	145,800	104,989	119,619	540,114	938,409

(iii) Credit quality of financial assets

The credit quality of Group's financial assets that are neither past due nor impaired (mainly bank balances) can be assessed with reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		Rating Agency	2025	2024
	Short term	Long term		(Rupees in thousand)	
Allied Bank Limited	A1+	AAA	PACRA	15,315	123,837
Bank Al-Habib Limited	A1+	AAA	PACRA	57,094	37,540
BankIslami Pakistan Limited	A1	AA-	PACRA	800,461	413,070
The Bank of Punjab	A1+	AA+	PACRA	12,988	500,245
Citibank N.A.	F1	A+	Fitch Ratings	10	10
Deutsche Bank AG, Pakistan	A1	A	S&P	319	414
Faysal Bank Limited	A1+	AA	PACRA	22,729	138,658
Habib Bank Limited	A1+	AAA	VIS	305,522	458,432
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	367,082	433,524
Hatton National Bank	N/A	AA-	Fitch Ratings	9,849	30,201
Industrial & Commercial Bank of China	F1+	A	Fitch Ratings	69	69
Samba Bank Limited	A1	AA	PACRA	100	252
JS Bank Limited	A1+	AA	PACRA	37,424	39,177
MCB Bank Limited	A1+	AAA	PACRA	2,645,095	261,470
MCB Islamic Bank Limited	A1	A+	PACRA	562	188
Meezan Bank Limited	A1+	AAA	VIS	71,977	107,706
Pan Asia Banking Corporation	N/A	BBB-	Fitch Ratings	680	717
National Bank of Pakistan	A1+	AAA	PACRA	6,858	12,289
National Development Bank	N/A	A	Fitch Ratings	1,017	1,070
The Bank of Khyber	A1	A+	PACRA	86	-
TD bank	N/A	A+	Fitch Ratings	20,872	17,587
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	462,861	371,407
United Bank Limited	A1+	AAA	VIS	-	-
Soneri Bank Limited	A1+	AA-	PACRA	31,812	4,055
Commercial Bank of Ceylon PLC	A1+	AA-	PACRA	49,284	91,301
Bank of Montreal	N/A	AA-	Fitch Ratings	7	7
Bank of China Limited	F1+	AA-	Fitch Ratings	-	57
Bank of China Limited	F1+	A-	Fitch Ratings	-	119
BMO Canadian Bank	N/A	AA-	Fitch Ratings	3,928	-
Habib Bank Zurich	A1+	AAA	VIS	393,709	-
Bank Alfalah Limited	A1+	AAA	PACRA	38,255	126,561
Askari Bank Limited	A1+	AA+	PACRA	1,550	3,320
Al Baraka Bank Pakistan Limited	A-1	A-	VIS	661	661
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	7,621	1,068
AfrAsia Bank Limited	N/A	B1	Moody's Investors Service	436	18
				<u>5,366,233</u>	<u>3,175,030</u>

(c) Liquidity risk

Liquidity risk represents the risk that the Group shall encounter difficulties in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the Group's businesses, the Group's finance department maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors the forecasts of the Group's cash and cash equivalents (note 51.2) on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

At December 31, 2025

	Carrying value	Total contractual cashflows	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
			(Rupees in thousand)			
Long term finances from financial institutions	77,704,356	95,921,151	19,298,881	21,506,263	43,395,939	11,720,068
Security deposits	692,937	909,816	96,123	-	693,722	119,971
Short term borrowings from financial institutions - secured	53,483,415	53,483,415	53,483,415	-	-	-
Trade and other payables	25,621,525	25,621,525	25,621,525	-	-	-
Unclaimed dividend	149,159	149,159	149,159	-	-	-
Unpaid dividend	67,692	67,692	67,692	-	-	-
Accrued finance cost	2,830,208	2,830,208	2,830,208	-	-	-
Lease liabilities	1,655,955	5,502,452	864,433	1,312,538	1,156,090	2,169,391
	<u>162,205,247</u>	<u>184,485,418</u>	<u>102,411,436</u>	<u>22,818,801</u>	<u>45,245,751</u>	<u>14,009,430</u>

At December 31, 2024

	Carrying value	Total contractual cashflows	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
			(Rupees in thousand)			
Long term finances from financial institutions	68,755,066	90,615,092	12,914,903	19,698,021	43,048,405	14,953,763
Security deposits	571,218	823,258	91,795	300,447	375,558	55,458
Short term borrowings from financial institutions - secured	46,418,451	46,418,451	46,418,451	-	-	-
Trade and other payables	23,718,011	23,718,011	23,718,011	-	-	-
Unclaimed dividend	135,188	135,188	135,188	-	-	-
Unpaid dividend	3,911	3,911	3,911	-	-	-
Accrued finance cost	3,452,701	3,452,701	3,452,701	-	-	-
Lease liabilities	1,678,562	5,601,940	561,490	2,496,884	2,543,566	-
	<u>144,733,108</u>	<u>170,768,552</u>	<u>87,296,450</u>	<u>22,495,352</u>	<u>45,967,529</u>	<u>15,009,221</u>

55. Financial instruments by categories

	At fair value through profit and loss	At fair value through other comprehensive income	At amortised cost	Total
	(Rupees in thousand)			
Financial assets as at December 31, 2025				
Long term loans	-	-	13,397	13,397
Long term deposits	-	-	513,291	513,291
Trade debts	-	-	22,804,898	22,804,898
Loans, deposits and other receivables	-	-	1,472,314	1,472,314
Other long term investments	-	29,065,452	-	29,065,452
Short term investments	250,068	-	1,044,467	1,294,535
Cash and bank balances	-	-	5,387,540	5,387,540
	<u>250,068</u>	<u>29,065,452</u>	<u>31,235,907</u>	<u>60,551,427</u>
Financial assets as at December 31, 2024				
Long term loans	-	-	9,018	9,018
Long term deposits	-	-	347,699	347,699
Trade debts	-	-	19,347,599	19,347,599
Loans, deposits and other receivables	-	-	2,227,568	2,227,568
Other long term investments	-	27,220,540	-	27,220,540
Short term investments	452,884	-	753,500	1,206,384
Cash and bank balances	-	-	3,195,958	3,195,958
	<u>452,884</u>	<u>27,220,540</u>	<u>25,881,342</u>	<u>53,554,766</u>

Financial liabilities at amortised cost

Long term finances from financial institutions	64,246,500	60,240,619
Lease liabilities	1,655,955	1,678,562
Security deposits	692,937	571,218
Short term borrowings from financial institutions - secured	53,483,415	46,418,451
Trade and other payables	25,621,525	23,718,011
Unclaimed dividend	149,159	135,188
Unpaid dividend	67,692	3,911
Accrued finance cost	2,830,208	3,452,701
	<u>148,747,391</u>	<u>136,218,661</u>

	2025	2024
	(Rupees in thousand)	
	64,246,500	60,240,619
	1,655,955	1,678,562
	692,937	571,218
	53,483,415	46,418,451
	25,621,525	23,718,011
	149,159	135,188
	67,692	3,911
	2,830,208	3,452,701
	<u>148,747,391</u>	<u>136,218,661</u>

56. Offsetting financial assets and financial liabilities

There are no significant financial assets and financial liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements.

57. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings) including bank overdraft less cash and bank balances and liquid investments.

The gearing ratios as at December 31, 2025 and 2024 were as follows:

	2025	2024
	(Rupees in thousand)	
Borrowings	132,843,726	116,852,079
Less: cash and bank balances and liquid investments	7,519,442	4,402,342
Net debt	125,324,284	112,449,737
Total equity	85,767,455	88,708,794
Total capital	<u>211,091,739</u>	<u>201,158,531</u>
	(Percentage)	
Gearing ratio	59%	56%

In accordance with the terms of agreements with the lenders of long term finances (as referred to in note 8 to these financial statements), the Group is required to comply with certain financial covenants. The Group complied with these ratios throughout the reporting period.

There are no indications that the Group would have difficulties in complying with the covenants when they will be next tested as at December 31, 2026.

58. Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The table below analyses the financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- 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 (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets that are measured at fair value:

At December 31, 2025

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
Assets	(Rupees in thousand)			
Investments - FVPL	250,068	-	-	250,068
Investments - FVOCI	29,060,427	-	5,025	29,065,452
	<u>29,310,495</u>	<u>-</u>	<u>5,025</u>	<u>29,315,520</u>

At December 31, 2024

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
Assets	(Rupees in thousand)			
Investments - FVPL	452,884	-	-	452,884
Investments - FVOCI	27,215,515	-	5,025	27,220,540
	<u>27,668,399</u>	<u>-</u>	<u>5,025</u>	<u>27,673,424</u>

Valuation techniques used to measure fair values

Fair valuation of investment properties for disclosure purposes has been disclosed in note 25.1.4 to these consolidated financial statements and movement in fair value reserve has been disclosed in the consolidated statement of changes in equity. There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the year and there were no changes in valuation techniques during the year. Since the ordinary shares of Coca-Cola Beverages Pakistan Limited are not listed, therefore these are included in Level 3. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Changes in Level 2 and 3 fair values are analysed at the end of each reporting period during the annual valuation discussion between the Chief Financial Officer and the investment advisor. As part of this discussion, the investment advisor presents a report that explains the reason for the fair value movements.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active 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. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The carrying values of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at reporting date.

59. Disclosure requirement for entities not engaged in Shariah non-permissible business activities

Statement of Financial Position	Note	2025	2024
		(Rupees in thousand)	
Statement of Financial Position			
Financing obtained as per Islamic mode:			
Long term finances - Shariah compliant	8	27,389,318	28,915,466
Short term borrowings - Shariah compliant	18	21,245,145	12,220,897
Accrued finance cost on Islamic finances	21	1,288,951	1,181,374
Short term investments - Shariah compliant	32	587,697	-
Bank balances - Shariah compliant	36	1,477,433	1,626,130
Statement of Profit or Loss			
Revenue earned from a shariah-compliant business segment	37	193,227,707	176,761,284
Source and detailed break up of other income			
Other income earned from shariah compliant:			
Net profit on disposal of operating fixed assets and investment property		148,239	139,403
Liabilities no longer payable written back		151,911	179,947
Exchange gain - net		-	52,056
Amortization of deferred income		114,479	114,507
Amortization of government grant		336,568	233,177
Discounting adjustment of long term advances		52,106	55,446
Rental income from investment properties		99,180	90,659
Miscellaneous		242,872	118,611
Interest income earned from Shariah Compliant		24,694	40,036
Scrap Sales		283,265	215,752
Other income earned from non - shariah compliant:			
Income from bank deposits		90,838	134,279
Insurance claims		16,002	806,441
Gain on modification of lease		8,149	25,925
Income from treasury bills		45,047	-
Dividend income from mutual funds		6,613	83,732

59.1 Relationship with shariah compliant institutions

The Group has obtained short term borrowings and long term finances, and has maintained bank balances with shariah compliant banks.

60. Interests in other entities

60.1 Subsidiaries

The Group's subsidiaries at December 31, 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of business / country of incorporation	Ownership interest held by the Group (%)		Principal activities	Registered address	Principal place of business	Manufacturing units and offices
		2025	2024				
Bulleh Shah Packaging (Private) Limited	Pakistan	100.00%	100.00%	Manufacturing and sale of paper, paperboard and corrugated boxes.	4th floor, the Forum, Suite No. 416-422, G-20, Block 9, Khayaban-e-Jami, Karachi, Pakistan	416-422, G-20, The Forum, Block - 9, Khayaban-e-Jami, Clifton Karachi and G.D. Arcade, 2nd Floor, 73-E, Fazzal-ul-Haq Road, Blue Area, Islamabad - 44000, Pakistan	7 km, Kot Radha Kishan Road, Off 4 km Kasur-Raiwind Road, District Kasur & Main Road, Sector 28, Landhi Town, Karachi
Anemone Holdings Limited	Mauritius	100.00%	100.00%	Intermediate holding company of FPCPL	2nd floor, The AXIS, 26 Cyber city, Ebene, Republic of Mauritius	2nd floor, The AXIS, 26 Cyber city, Ebene, Republic of Mauritius	None
DIC Pakistan Limited	Pakistan	54.98%	54.98%	Manufacturing and sale of inks	G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore and Plot No. 6, Sector No. 28, Korangi Industrial Area, Karachi	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore and Plot No. 6, Sector No. 28, Korangi Industrial Area, Karachi
Tri-Pack Films Limited	Pakistan	69.26%	69.26%	Manufacture and sale of biaxially oriented polypropylene (BoPP) film and cast polypropylene (CPP) films.	4th Floor, The Forum, Suite No. 416-422, G-20,Block No. 9, Clifton, Khayaban-e-Jami, Karachi	4th Floor, The Forum, Suite No. 416-422, G-20,Block No. 9, Clifton, Khayaban-e-Jami, Karachi	Plot No. D-9 to D-14 & G-1 to G-4 North Western Industrial Zone, Port Qasim Authority, Karachi Plot No. 68, 69, 78/1, Phase IV, Hattar Industrial Estate, Hattar, Khyber Pakhtunkhwa.

Name of Entity	Place of business / country of incorporation	Ownership interest held by the Group (%)		Ownership interest held by non-controlling interests	Principal activities	Registered address	Principal place of business	Manufacturing units and offices
		2025	2024					
Packages Lanka (Private) Limited	Sri Lanka	79.07%	79.07%	20.93%	Manufacturing and sale of flexible packaging. Holding company of Linnaea Holdings Inc.	148 Minuwangoda Rd, Ja-Ela 11350, Sri Lanka	148 Minuwangoda Rd, Ja-Ela 11350, Sri Lanka	148 Minuwangoda Rd, Ja-Ela 11350, Sri Lanka
Linnaea Holdings Inc.	Canada	79.07%	79.07%	20.93%	Intermediate holding company of CPI	880 Lakeshore Road East, Mississauga, Ontario	880 Lakeshore Road East, Mississauga, Ontario	None
Chanter Packages Inc. (CPI)	Canada	72.07%	72.07%	27.93%	Manufacturing and sale of flexible packaging	880 Lakeshore Road East, Mississauga, Ontario	880 Lakeshore Road East, Mississauga, Ontario	880 Lakeshore Road East, Mississauga, Ontario
Packages Real Estate (Private) Limited	Pakistan	75.16%	75.16%	24.84%	Development and construction of real estate	4th floor, the Forum, Suite No. 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore
Packages Power (Private) Limited	Pakistan	100.00%	100.00%	nil	Generation and sale of electricity	4th floor, the Forum, Suite No. 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton Karachi, Pakistan	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore	None
Packages Convertors Limited	Pakistan	100.00%	100.00%	nil	Manufacturing and sale of packaging material and tissue products	4th floor, the Forum, Suite No. 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore
StarChPack (Private) Limited	Pakistan	100.00%	100.00%	nil	Manufacturing and sale of Corn-based starch products, its derivatives and by products	4th floor, the Forum, Suite No. 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton Karachi, Pakistan	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore Village Lakhui Baryar, 7 Km Kot Radha Kishan Road, Off 4-Km Kasur Raiwind Road, Kasur

Name of Entity	Place of business / country of incorporation	Ownership interest held by the Group (%)		Ownership interest held by non-controlling interests	Principal activities	Registered address	Principal place of business	Manufacturing units and offices
		2025	2024					
Packages Investments Limited	Pakistan	100.00%	100.00%	nil	Holding of investments in various companies	4th floor, the Forum, Suite No. 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan	Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore	None
Hoechst Pakistan Limited	Pakistan	41.07%	41.07%	58.93%	Manufacturing, sale and trading of pharmaceutical and	Plot 23, Sector 22, Korangi Industrial Area, Karachi	Plot 23, Sector 22, Korangi Industrial Area, Karachi	Plot 23, Sector 22, Korangi Industrial Area, Karachi
H-Pack Wellness (Private) Limited	Pakistan	41.07%	0.00%	58.93%	Manufacturing and distribution of wellness and nutraceutical products	Plot 23, Sector 22, Korangi Industrial Area, Karachi	Plot 23, Sector 22, Korangi Industrial Area, Karachi	Plot 23, Sector 22, Korangi Industrial Area, Karachi
Packages Trading FZCO	United Arab Emirates	100.00%	100.00%	nil	Trading of packaging products	6 WB, 541, 5th Floor, Building 6 West B, P.O box 54598, Dubai Airport Freezone Authority	6 WB, 541, 5th Floor, Building 6 West B, P.O box 54598, Dubai Airport Freezone Authority	None

60.1.1 In addition to the offices mentioned above, the Group has following sales offices :

- 2nd Floor, G.D. Arcade, 73-E, Fazal-ul-Haq Road, Blue Area, Islamabad, Pakistan;
- C-2, Hassan Arcade Nusrat Road, Multan Cantt., Pakistan;
- House No. 18-B, Sir Abdullah Haroon Road, Near Marriott Hotel, Karachi; and
- Unit No 4, 17 Aziz Avenue, Canal Bank, Lahore.
- Jaspal Arcade, Plot No 5, I&T Center, Sector G-8/4, Islamabad.
- New Building located at, 31/E-I, Gulberg III, Lahore.
- 71A , Small industrial state, Kohat Road, Peshawar.
- No 502, 5th Floor, Plot no 74-Abdali Road, Multan.
- P-833 situated at State Life Building No.02, Faisalabad.

60.2 Non-controlling interests ('NCI')

Set out below is summarized financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

	Hoechst Pakistan Limited		Tri-Pack Films Limited		DIC Pakistan Limited		Packages Lanka (Private) Limited and its subsidiaries		Packages Real Estate (Private) Limited	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)									
Summarized statement of financial position										
Current assets	10,478,439	10,970,298	12,896,561	12,969,883	5,808,566	5,627,466	2,520,192	2,417,824	2,022,224	2,168,269
Current liabilities	6,112,801	6,532,317	16,972,407	13,780,691	4,446,523	4,340,547	1,899,919	1,882,124	4,905,783	4,726,471
Current net assets/(liabilities)	4,365,638	4,437,981	(4,075,846)	(810,808)	1,362,043	1,286,919	620,273	535,700	(2,883,559)	(2,558,202)
Non-current assets	4,036,190	2,586,437	20,553,139	19,293,625	5,071,737	3,588,726	1,681,460	1,613,230	12,102,625	12,148,855
Non-current liabilities	208,109	209,475	11,710,186	13,304,260	3,970,183	2,464,767	291,730	280,973	4,486,615	5,367,441
Non-current net assets	3,828,081	2,376,962	8,842,953	5,989,365	1,101,554	1,123,959	1,389,730	1,332,257	7,616,010	6,781,414
Net assets	8,193,719	6,814,943	4,767,107	5,178,557	2,463,597	2,410,878	2,010,003	1,867,957	4,732,451	4,223,212
Accumulated NCI	13,756,331	12,943,848	2,918,620	3,045,100	1,101,854	1,078,108	405,788	383,221	1,175,524	1,049,046
Summarized statement of comprehensive income										
Revenue	30,955,414	26,747,828	30,203,691	29,413,004	12,417,223	11,749,894	5,763,640	5,873,255	6,413,071	6,018,471
Profit for the year	2,900,083	1,857,147	(366,734)	(431,446)	775,873	971,930	761,104	683,916	860,110	637,964
Other comprehensive income/(loss)	21,855	16,820	(44,716)	17,010	(4,482)	(6,695)	(103,763)	166,857	(872)	(4,662)
Total comprehensive income/(loss)	2,921,938	1,873,967	(411,450)	(414,436)	771,391	965,235	657,341	850,773	859,238	633,302
Total comprehensive income/(loss) allocated to NCI	1,721,898	950,707	(126,480)	(209,369)	347,280	436,182	137,581	178,317	213,435	157,342
Dividends paid to NCI	909,415	312,612	-	71,560	323,534	426,402	115,014	119,503	86,957	25,000
Summarized cash flows										
Cash flows from operating activities	4,937,388	(834,060)	5,503,775	1,839,221	1,282,552	244,346	436,625	441,778	1,904,284	607,305
Cash flows from investing activities	(2,117,655)	177,288	(1,989,649)	(5,001,421)	(1,643,488)	(2,501,913)	(251,286)	(671,470)	(613,227)	(1,022,565)
Cash flows from financing activities	(2,786,657)	659,195	(4,443,082)	4,891,683	477,869	1,085,174	(356,282)	(699,482)	619,280	(216,725)
Net increase/(decrease) in cash and cash equivalents	33,076	2,423	(928,956)	1,729,483	116,933	(1,172,393)	(170,943)	(929,174)	1,910,337	(631,985)

60.3 Interests in associates and joint ventures

Set out below is the associate and joint venture of the Group as at December 31, 2025 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of business / country of incorporation	% of ownership interest		Nature of relationship	Measurement method	Quoted fair value		Carrying amount	
		2025	2024			2025	2024	2025	2024
(Rupees in thousand)									
IGI Holdings Limited	Pakistan	10.54%	10.54%	Associate	Equity method	3,811,778	2,168,906	5,952,203	5,538,085
OmyaPack (Private) Limited	Pakistan	50.00%	50.00%	Joint venture	Equity method	(*)	(*)	582,588	617,528
Total equity accounted investments								6,534,791	6,155,613

Business activities of Group's associates and joint ventures

IGI Holdings Limited is engaged in investment business.

OmyaPack (Private) Limited is engaged in manufacture and sale of high quality ground calcium carbonate products.

(*) These are privately held entities for which no quoted price is available.

60.3.1 There are no commitments and contingent liabilities of the Group in respect of associates and joint ventures.

60.3.2 Summarized financial information of associates

The table below provides summarized financial information of the associate. The information disclosed reflects the amounts presented in the consolidated financial statements of the relevant associate and not the Group's share of those amounts:

	IGI Holdings Limited	
	2025	2024
	(Rupees in thousand)	
Summarized statement of financial position		
Current assets	37,540,615	44,165,886
Non-current assets	107,504,107	86,550,715
Total assets	145,044,722	130,716,601
Current liabilities	31,773,891	28,021,330
Non-current liabilities	45,246,767	36,405,325
Total liabilities	77,020,658	64,426,655
Net assets	68,024,064	66,289,946
Reconciliation to carrying amounts:		
Opening net assets	64,095,062	66,162,326
Profit for the year	3,235,761	2,390,030
Other comprehensive income/(loss)	1,620,339	(1,406,627)
Dividends paid	(927,098)	(855,783)
Closing net assets	68,024,064	66,289,946
Effect of equity method adjustments as at	(11,551,546)	(13,746,451)
Closing net assets after equity method adjustments	56,472,518	52,543,495
Group's share - %	10.54%	10.54%
Group's share	5,952,203	5,538,085
Carrying amount	5,952,203	5,538,085
Summarized statement of comprehensive income		
Revenue	27,335,508	25,164,655
Profit before tax	4,900,801	2,877,689
Profit after tax	3,235,761	2,390,030
Other comprehensive income/(loss)	1,620,339	(1,406,869)
Total comprehensive income	4,856,100	983,161
Dividends received from associates	97,715	90,197

60.3.3 Summarized financial information of joint venture

The table below provides summarized financial information of the joint venture that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not the Group's share of those amounts. These have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy:

Summarized statement of financial position

	OmyaPack (Private) Limited	
	2025	2024
	(Rupees in thousand)	
Current assets		
Cash and bank balances	513,110	199,743
Other current assets	709,300	884,679
Total current assets	1,222,410	1,084,422
Non-current assets	979,859	1,022,337
Current liabilities		
Financial liabilities (excluding trade payables)	112,538	43,513
Other current liabilities	664,756	562,068
Total current liabilities	777,294	605,581
Non-current liabilities		
Financial liabilities	97,828	110,954
Other non-current liabilities	161,971	155,169
Total non-current liabilities	259,799	266,123
Net assets	1,165,176	1,235,055
Reconciliation to carrying amounts:		
Opening net assets	1,235,055	1,127,535
Transaction with owners in their capacity as owners (dividend paid)	(400,000)	(150,000)
Profit for the year	331,550	257,981
Other comprehensive loss	(1,429)	(461)
Closing net assets	1,165,176	1,235,055
Group's share - %	50.00%	50.00%
Group's share	582,588	617,528
Carrying amount	582,588	617,528
Summarized statement of comprehensive income		
Revenue	2,565,223	2,117,980
Interest income	39,113	49,505
Depreciation and amortisation	132,978	116,418
Interest expense	20,057	20,629
Income tax expense	(241,850)	(198,695)
Profit before tax	573,400	456,676
Profit after tax	331,550	257,981
Other comprehensive loss	(1,429)	(461)
Total comprehensive income	330,121	257,520
Dividends received from joint ventures	200,000	75,000

61. Date of authorisation for issue of financial statements

These consolidated financial statements were authorised for issue on March 26, 2026 by the Board of Directors of the Parent Company. The Board of Directors have the power to amend and re-issue the financial statements.

62. Events after the reporting period

62.1 Subsequent to the reporting period on January 23, 2026, the Group received a redemption notice from International Finance Corporation ('IFC'), the holder of its convertible preference shares, for the redemption of 2 million of such preference shares as disclosed in note 8.1. The Board of Directors approved the redemption request in its meeting held on January 27, 2026, in accordance with the terms of issue, at a price to be mutually agreed with IFC.

The outstanding preference shares, after redemption will be equal to 6,186,842 shares. These financial statements do not include the effect of the above redemption, which will be accounted for in the subsequent year.

62.2 The Board of Directors have proposed a dividend of Rupee 16 per share, amounting to Rs 1,430.072 million at its meeting held on March 26, 2026 for approval of the members at the Annual General Meeting to be held on April 30, 2026. These financial statements do not include the effect of the above dividend that will be accounted for in the period in which it is approved.

63. Corresponding figures

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison and better presentation. However, no significant reclassifications have been made, except for the following:

Nature	From	To	Amount (Rs in thousand)
<i>In the statement of financial position:</i>			
Gratuity - third party employees	Trade and other payables	Employee benefit obligations - gratuity	653,156
Raw material	Stock-in-trade	Stores and spares	835,920
Accumulating compensated absences	Trade and other payables	Accumulating compensated absences	114,052
Term deposit receipts	Cash and bank balances	Short term investments	588,500
<i>In the statement of profit or loss:</i>			
Demurrage charges	Administrative expenses	Cost of sales and services	12,771


Chief Executive Officer


Director


Chief Financial Officer

Shareholders' Information

Registered Office

4th Floor, The Forum, Suite # 416-422, G-20, Block 9
Khayaban-e-Jami, Clifton Karachi - 75600
Tel: (021) 35831618 / 35831664 / 35833011
35874047 - 49
Fax: (021) 35860251

Share Registrar

FAMCO Share Registration Services (Pvt.) Limited
8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S.
Shahrah-e-Faisal Karachi - 75400
Tel: (021) 34380101-2
Fax: (021) 34380106

OWNERSHIP

On December 31, 2025, there were 3,782 members on the company's ordinary share register.

DIVIDEND PAYMENT

The Board of Directors of the Company has recommended 160 % (Rs. 16.00) final dividend for the year ended 2025. The proposal shall be placed before the shareholders of the Company in the Annual General Meeting for their consideration and approval on Thursday, April 30, 2026. The dividend shall be paid with in ten working days from the date of AGM, if approved by the shareholders, and the same will be directly credited to the designated bank accounts of the shareholders listed in the Company's share register at the close of business on Wednesday, April 22, 2026, and shall be subject to the Zakat and tax deductions as per applicable laws.

Financial Calendar

RESULTS

First quarter ended March 31, 2025	Approved on Announced on	24-04-2025 25-04-2025
Half year ended June 30, 2025	Approved and announced on	29-08-2025
Third quarter ended September 30, 2025	Approved on Announced on	28-10-2025 29-10-2025
Year ended December 31, 2025	Approved on	26-03-2026

DIVIDEND

Final – Cash (2025)	Approved on Statutory time limit up to which payable Paid on	30-04-2025 13-05-2025 12-05-2025
Last AGM held on 71st Annual General Meeting to be held on		30-04-2025 30-04-2026

Listing on Stock Exchange

The equity shares of Packages Limited (the "Company") are listed on the Pakistan Stock Exchange Limited (PSX).

Stock Code

The trading symbol for dealing in equity shares of Packages Limited at the PSX is 'PKGS'.

Share Registrar

The shares department of the Company is operated by FAMCO Share Registration Services (Pvt.) Limited and serves around 3,782 of its shareholders. It is managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the registration function.

The Share Registrar has online connectivity with the Central Depository Company of Pakistan Limited (CDC). It undertakes activities pertaining to dematerialization of shares, share transfers, transmissions, issue of duplicate/replaced share certificates, change of address and other related matters.

For assistance, shareholders may contact either the Registered Office or the Share Registrar at details appearing below:

Contact persons:

Mr. Ubaid Hussain/Ms. Suman Kishore
Tel. (021) 35874047-49 Ext: 237 & 233
Fax. (021) 35860251
Email: shares.desk@packages.com.pk

Muhammad Taha
Tel. (021) 34380101-5
Fax. (021) 34380106
Email: info.shares@famcosrs.com

Service Standards

Packages Limited has always endeavored to provide its investors and shareholders with prompt services. Listed below are various services and the maximum time limits set for their execution, subject to receipt of the complete set of required documents:

	For requests received through post or over the counter
Transfer of shares	15 days after receipt
Transmission of shares	15 days after receipt
Issue of duplicate share certificates	30 days after receipt
Updating of IBAN	2 working days after receipt
Change of address	2 days after receipt

Well qualified personnel of Share Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

Statutory Compliance

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant and prescribed information.

Dematerialization of Shares

The equity shares of the Company are under the dematerialization category. As of date, 92.21% of the equity shares of the Company have been dematerialized by the shareholders.

Members holding shares in physical form are encouraged to convert their physical shares into Book-Entry-Form (CDC) pursuant to the requirements of Section 72 of the Companies Act, 2017.

Investors' Grievances

To date none of the investors or shareholders has filed any letter of complaint against any service provided by the Company to its shareholders.

Legal Proceedings

No case has ever been filed by shareholders against the Company for non-receipt of shares/refund.

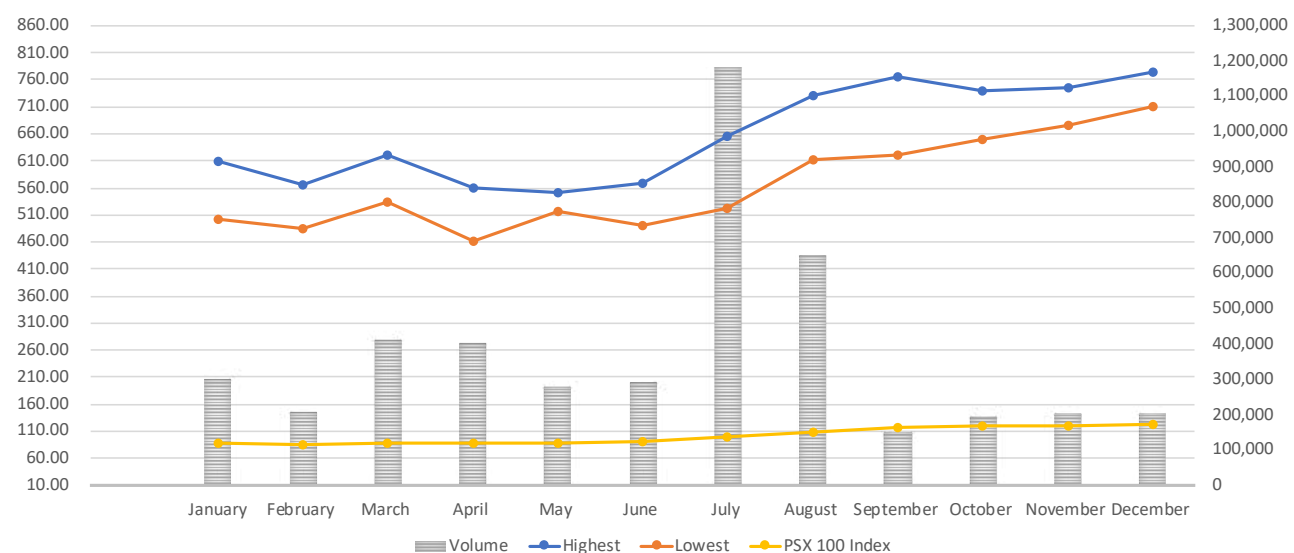
Web Presence

Updated information regarding the Company can be accessed at its website, www.packages.com.pk. The website contains the latest financial results of the Company along with its profile and corporate philosophy.

Share Price/Volume

The monthly high and low prices and the volume of shares traded on the Pakistan Stock Exchange during the financial year 2025 are as under:

Month(s)	Share price on the PSX (Rs.)		Volume of Shares Traded	KSE-100 Index
	Highest	Lowest		Close
January	608.00	501.00	299,134	117,586.98
February	565.00	485.21	209,514	114,528.08
March	619.98	535.00	411,285	118,769.77
April	559.99	462.00	401,179	118,938.11
May	550.00	517.97	281,239	119,961.91
June	570.00	490.00	294,316	125,627.31
July	654.74	522.10	1,182,677	139,419.61
August	730.00	611.01	652,020	150,591.00
September	765.00	621.25	150,716	165,493.58
October	740.00	651.00	193,923	168,990.07
November	745.00	675.56	205,570	166,677.69
December	775.00	710.12	203,398	174,472.79



Pattern of Shareholding

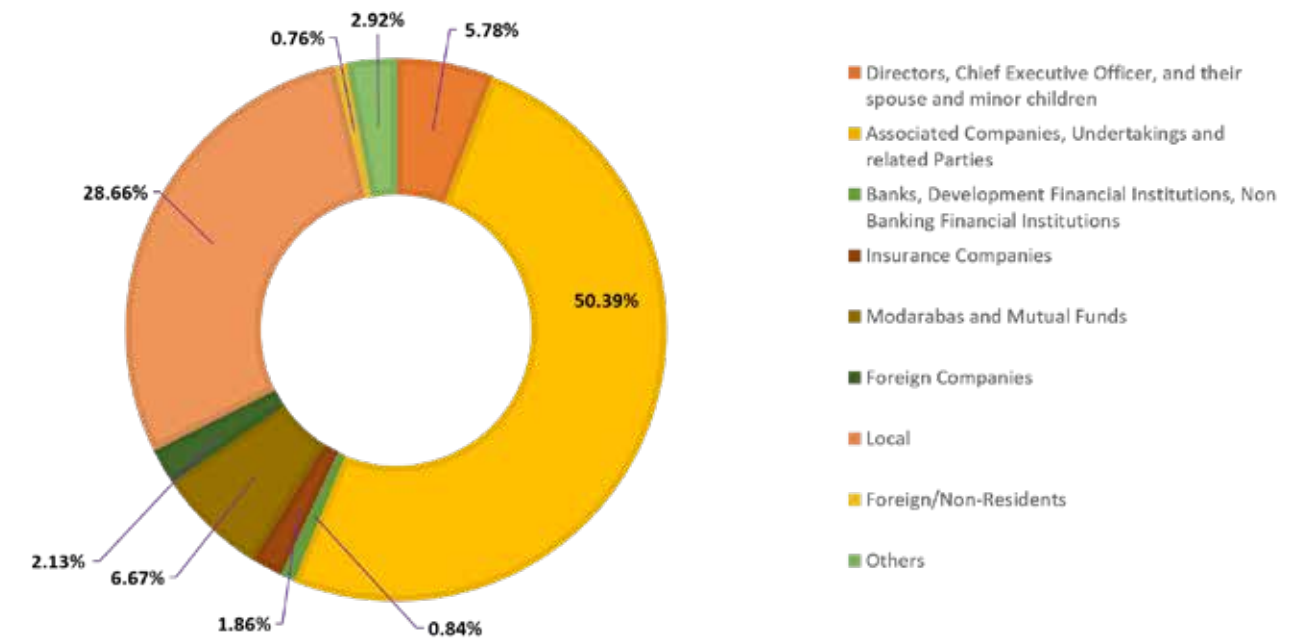
The shareholding pattern of the equity share capital of the Company as of December 31, 2025 is as follows:

Shareholding		Number of Shareholder(s)	Total Shares Held
From	To		
1	100	2,123	43,634
101	500	649	179,436
501	1,000	289	226,548
1,001	5,000	420	984,336
5,001	10,000	98	732,646
10,001	15,000	39	492,945
15,001	20,000	18	312,843
20,001	25,000	18	406,988
25,001	30,000	21	584,987
30,001	35,000	10	320,988
35,001	40,000	7	271,267
40,001	45,000	5	208,397
45,001	50,000	4	191,634
50,001	55,000	6	314,849
55,001	60,000	2	113,844
60,001	65,000	5	310,537
65,001	70,000	4	265,279
70,001	75,000	1	71,379
75,001	80,000	6	463,588
80,001	85,000	1	84,962
85,001	90,000	1	86,999
90,001	95,000	2	187,920
95,001	100,000	2	198,167
100,001	105,000	2	208,494
125,001	130,000	1	127,486
135,001	140,000	2	271,403
140,001	145,000	1	140,349
145,001	150,000	2	293,951
150,001	155,000	2	305,160
155,001	160,000	1	157,806
190,001	195,000	1	194,982
195,001	200,000	1	198,000
210,001	215,000	1	210,005

Categories of Shareholders

Shareholding		Number of Shareholder(s)	Total Shares Held
From	To		
220,001	225,000	1	221,210
225,001	230,000	1	229,026
240,001	245,000	1	241,975
245,001	250,000	1	250,000
260,001	265,000	1	264,239
270,001	275,000	1	274,500
280,001	285,000	1	281,500
285,001	290,000	1	287,290
290,001	295,000	1	293,377
300,001	305,000	2	607,668
320,001	325,000	1	322,842
325,001	330,000	1	330,000
350,001	355,000	1	350,987
400,001	405,000	1	403,055
410,001	415,000	1	411,887
465,001	470,000	1	467,000
580,001	585,000	1	584,319
595,001	600,000	1	600,000
660,001	665,000	1	660,036
690,001	695,000	1	692,476
760,001	765,000	1	761,283
820,001	825,000	1	821,714
955,001	960,000	1	959,662
990,001	995,000	1	990,641
1,195,001	1,200,000	1	1,198,668
2,065,001	2,070,000	1	2,067,893
2,075,001	2,080,000	1	2,078,429
2,285,001	2,290,000	1	2,287,175
2,665,001	2,670,000	1	2,668,962
2,985,001	2,990,000	1	2,988,593
3,030,001	3,035,000	1	3,034,983
4,375,001	4,380,000	1	4,378,178
5,395,001	5,400,000	1	5,396,650
6,000,001	6,005,000	1	6,001,049
10,100,001	10,105,000	1	10,103,227
26,705,001	26,710,000	1	26,707,201
		3,782	89,379,504

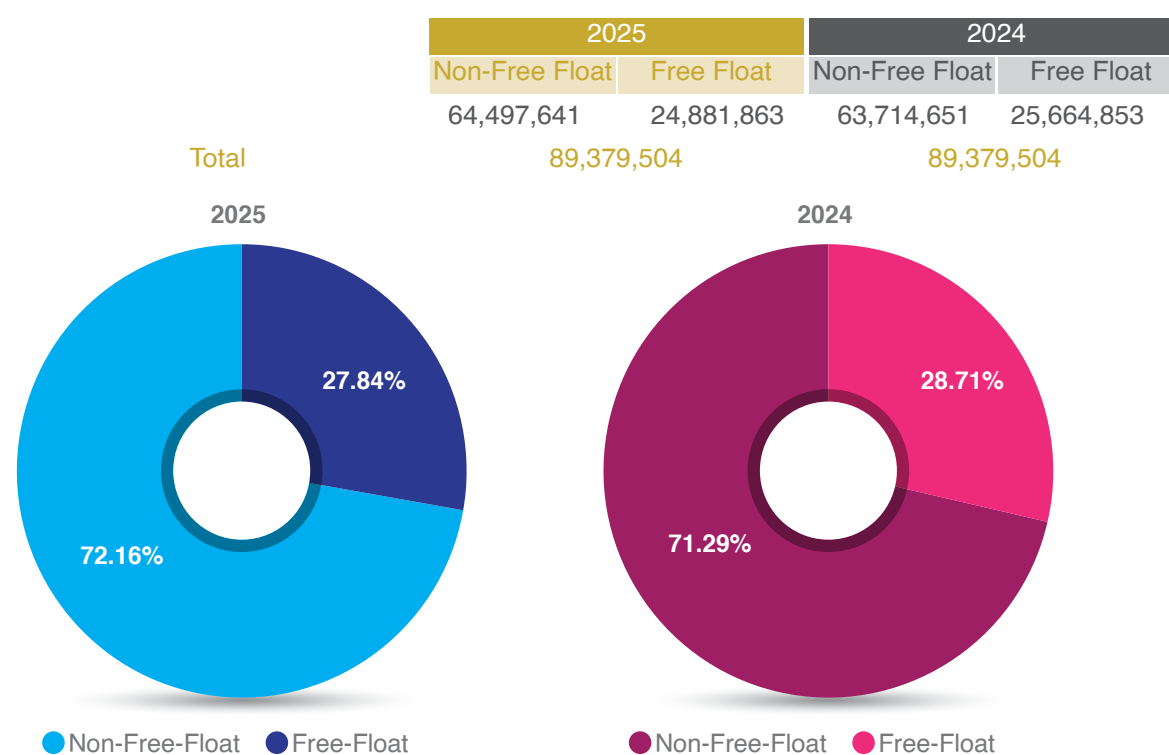
S.No.	Shareholders' Category	Number of Shareholder(s)	No. of Shares	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children	11	5,166,123	5.78
2	Associated Companies, Undertakings and Related Parties	7	45,039,504	50.39
3	Banks, Development Financial Institutions & Non-Banking Financial Institutions	12	746,430	0.84
4	Insurance Companies	10	1,661,156	1.86
5	Modarabas and Mutual Funds	18	5,957,392	6.67
6	Foreign Companies	12	1,899,648	2.13
7	General Public:			
	a. Local	3,426	25,617,264	28.66
	b. Foreign/Non-Resident	217	680,498	0.76
8	Others	69	2,611,491	2.92
	Total	3,782	89,379,504	100.00



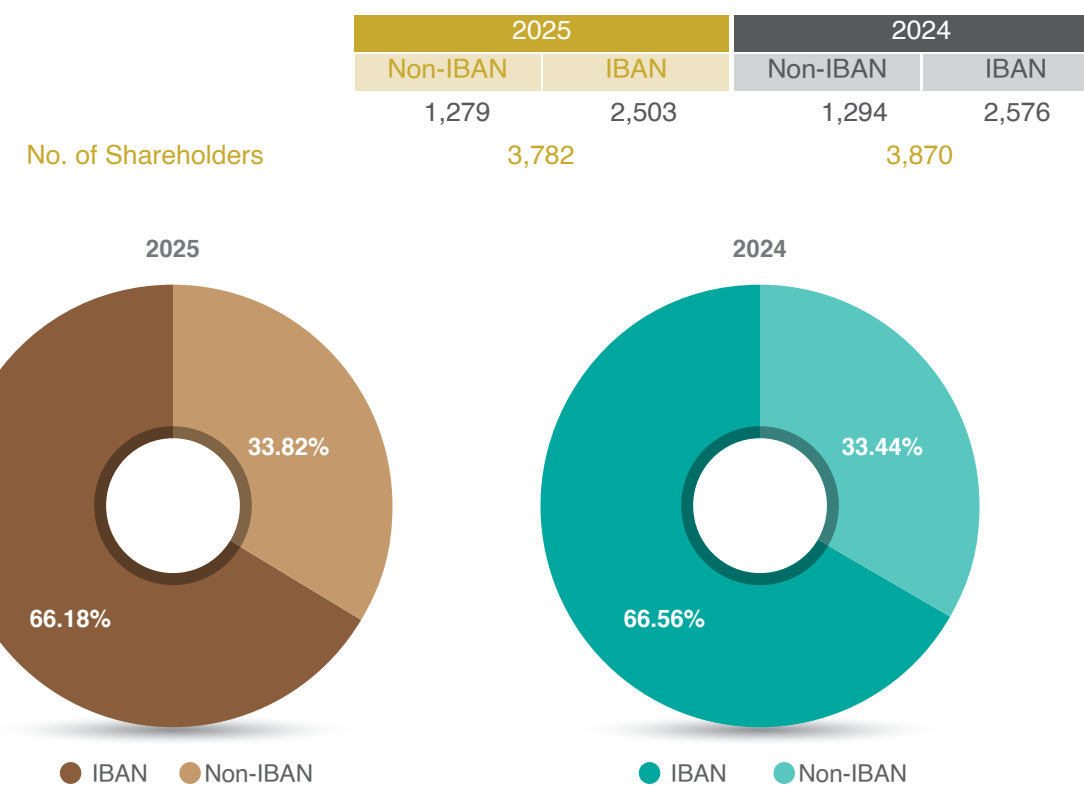
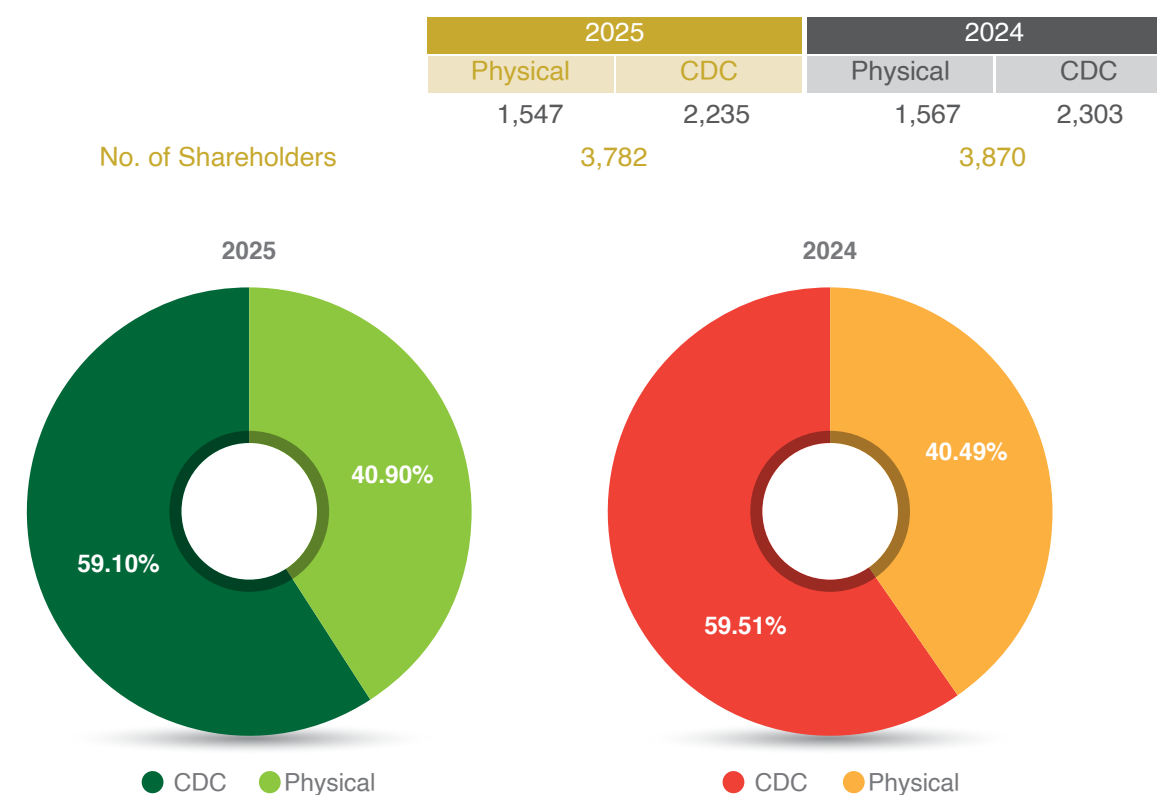
Details of Shareholding

Shareholders' Category	Number of Shareholder(s)	Number of Shares held
i. Associated Companies, Undertakings and Related Parties		
Babar Ali Foundation	1	10,103,227
IGI Finex Securities Limited	1	01
IGI Investments (Pvt.) Limited	1	26,707,201
IGI Holdings Limited	1	5,396,650
Trustees Packages Ltd Employees P.F.	1	2,067,893
Trustees Packages Ltd.Mgt. Staff Pen.Fund	1	660,036
Trustees Packages Ltd.Emp. Gratuity.Fund	1	104,494
Total:	7	45,039,502
ii. Directors and their spouse(s) and minor children		
Syed Hyder Ali	2	4,956,137
Amina Hyder Ali	1	24,919
Hasan Askari	1	100
Atif Aslam Bajwa	1	100
Towfiq H. Chinoy	1	40,000
Saba Kamal	1	300
Tariq Iqbal Khan	1	6,000
Syed Aslam Mehdi	1	10,081
Syed Shahid Ali Shah	1	127,486
Osman Khalid Waheed	1	1,000
Total:	11	5,166,123
iii. Executive		
	1	100
iv. Shareholders Holding 10% or more Voting Rights		
IGI Investments (Pvt.) Limited	26,707,201	29.88
Babar Ali Foundation	10,103,227	11.30

Free Float and Non-Free Float of Shares



Shareholding Position/IBAN



Notice of the 71st Annual General Meeting

Notice is hereby given that the 71st Annual General Meeting of the shareholders of Packages Limited (the 'Company') will be held on Thursday, April 30, 2026 at 10:00 a.m, on a hybrid model i.e. in person at the Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Block 8 Clifton, Karachi and virtually via Zoom to transact the following business:

ORDINARY BUSINESS

- 1) To confirm the minutes of the last Annual General Meeting of the Company held on April 30, 2025.
- 2) To receive, consider and adopt the Audited Financial Statements of the Company together with the Directors' and Auditors' Report thereon for the year ended December 31, 2025.



www.packages.com.pk/financial-reports/

- 3) To consider, approve and declare the dividend on the ordinary and preference shares of the Company. The Board of Directors has recommended a final cash dividend for the year ended December 31, 2025:
 - a) to the preference share/convertible stock holder (International Finance Corporation) at the rate of Rs. 19/- (10%) per preference share/convertible stock of Rs. 190 proposed by the Board in terms of and as adjusted under the Subscription Agreement between Packages Limited and International Finance Corporation, totaling Rs. 155,549,998; and
 - b) to the ordinary shareholders at the rate of Rs. 16.00/- (160%) per ordinary share of Rs. 10 each.
- 4) To appoint external auditors of the Company for the ensuing year and to fix their remuneration. The current auditors, A.F. Ferguson & Co., Chartered Accountants, being eligible to do so, have given their consent to be re-appointed as auditors of the Company and the Board of Directors has recommended their appointment as such.

SPECIAL BUSINESS

- 1) To consider and, if deemed fit, pass a Special Resolution, as proposed in the Statement of Material Facts, pursuant to Section 199 of the Companies Act, 2017 (the 'Act') to authorize grant of a cross-company security to DIC Pakistan Limited, an unlisted subsidiary of the Company.

A Statement of Material Facts covering the above-mentioned Special Business, as required under Section 134(3) of the Act has been circulated to the shareholder(s) along with this notice of annual general meeting.

ANY OTHER BUSINESS

- 1) To transact any other business with the permission of the Chair.

By Order of the Board

April 09, 2026
Karachi

IQRA SAJJAD
Company Secretary

Virtually Participation in the AGM Proceedings

The Securities and Exchange Commission of Pakistan ("SECP"), vide its various circulars issued from time to time has directed the listed companies to hold general meetings virtually in addition to the requirements of holding physical meetings. The shareholders interested in attending the AGM virtually are requested to get themselves registered by sending their particulars at the designated email address shares.desk@packages.com.pk mentioning their name, folio number and email address by the close of business hours on April 28, 2026. The log-in credentials and link to participate in the AGM would be provided to the registered shareholders via a response email. The shareholders are also encouraged to send their comments/suggestions, related to the agenda items of the AGM on the abovementioned email address by April 28, 2026.

Notes:

1. The Share Transfer Books of the Company will be closed for determining the entitlement for the payment of final cash dividend from Thursday, April 23, 2026 to Thursday, April 30, 2026 (both days inclusive). Transfer requests received at the office of the Share Registrar of the Company, FAMCO Shares Registration Services (Pvt.) Limited, situated at 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi at the close of business on Wednesday, April 22, 2026 will be treated in time for the purposes of entitlement to the transferees.
2. A shareholder entitled to attend and vote at the meeting may appoint another person as his/her proxy to attend, speak and vote at the meeting on his/her behalf. Instrument appointing proxy must be deposited at the Registered Office of the Company situated at 4th Floor, The Forum, Suite # 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi not less than 48 hours before the time of the meeting.
3. Shareholders holding physical shares are also required to bring their original Computerized National Identity Card (CNIC) and/or copy of CNIC of shareholder(s) of whom he/she/they hold proxy(ies) for. Such shareholder(s) shall not be allowed to attend the AGM and/or sign the Register of Shareholders at the AGM without such CNIC(s).
4. The CDC Account Holders and Sub-Account Holders, whose registration details are available in the Share Book Details Report, shall be required to produce their respective original CNIC or original passport at the time of attending the Annual General Meeting to facilitate identification. Such Account Holders and Sub-Account Holders should also bring/know their respective participation I.D. No. and the CDC Account No. and in case of proxy, he/she must enclose an attested copy of his/her CNIC or Passport. Representative(s) of corporate shareholder(s) should bring attested copy of Board Resolution/Power of Attorney and/or all such documents that are required for such purpose and enumerated under Circular No. 1 dated 26 January 2000 issued by the SECP. Proxy form is also available on the Company's website and can be downloaded from www.packages.com.pk

Circulation of Annual Accounts and Notice of the Meetings

In accordance with Section 223 of the Companies Act, 2017 and pursuant to SRO 389(1)/2023 dated 21 March 2023, the audited financial statements of the Company for the year ended December 31, 2025, along with the Directors', Auditors', and Chairman Report thereon, Notice of Annual General Meeting, and other related material have been made available on the Company's website and published for sharing using a QR Code. The same can be downloaded and viewed from the QR enable code and respective weblink. The Company has obtained shareholders' approval to do so in one of its earlier General Meetings. Furthermore, shareholders are hereby informed that under Section 223(6) and 473 of the Act, whereby circulation of Audited Financial Statements and Notice of the Meeting has been allowed in electronic format through email, the same has been circulated through email in cases where email addresses have been provided by the shareholders to the Company and hence the consent of shareholder(s) to receive the copies through email is not required.

Shareholders can request a hard copy of the same, which shall be provided free of cost, if a request has been made by the shareholders on the standard request form available on the website of the Company.

Statutory Code of Conduct at AGM

Shareholders are requested to observe the Statutory Code of Conduct at the AGM in accordance with Section 215 of the Companies Act, 2017 and Regulation 28 of the Companies (General Provisions and Forms) Regulations, 2018, whereby shareholders are not permitted to exert influence or approach the Management directly for decisions which may lead to creation of hurdles in the smooth functioning of the Management. As mentioned in these provisions, shareholders shall not bring material that may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of the AGM and shall not conduct themselves in a manner to disclose any political affiliation. Additionally, the Company is not permitted to distribute gifts in any form to its shareholders in its meetings as per Section 185 of Companies Act, 2017.

Withholding Tax on Dividend Income

- i. In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001 withholding tax on dividend income will be deducted as per applicable law. All shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website

of the Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names along with their valid CNICs/NTNs (National Tax Numbers) are entered into ATL, before April 22, 2026; enabling the Company to make required tax deduction on the amount of cash dividend. Accordingly, shareholders are also advised to check and ensure their respective status as appearing in the ATL available on FBR's website <http://www.fbr.gov.pk/> as well as to ensure that their CNIC/passport number has been recorded by the Participant/Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate bodies (non-individual shareholders) should ensure that their names and NTNs are mentioned and appear in the ATL maintained on FBR's website and recorded by respective Participant/Investor Account Services or in case of physical shareholding, by Company's Share Registrar.

- ii. According to the FBR, withholding tax in case of joint shareholders accounts will be determined separately based on the 'Filer/Non-Filer' status of the principal shareholder as well as the status of the joint holder(s) as per their shareholding proportions. Shareholders who hold shares jointly with other shareholders are requested to provide, in writing, the shareholding proportions of the principal shareholder and the joint holder(s) in respect of shares held by them to the Company's Share Registrar, FAMCO Shares Registration Services (Pvt.) Limited. In case the required information is not provided to the Company's Registrar before April 22, 2026 it will be assumed that the shares are held in equal proportion by the principal shareholder and the joint holder(s).
- iii. Withholding tax exemption from dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Company's Share Registrar before April 22, 2026.
- iv. Non-resident shareholder(s) shall submit declaration of such undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of their residential status for the purposes of tax deduction on dividend to the Company Share Registrar before April 22, 2026. Shareholder may send a declaration using a standard format as placed on Share Registrar and Company's websites as mentioned below:

www.famcosrs.com & www.packages.com.pk

Zakat Deduction

To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on NJSP to the Share Registrar. In case shares are held in scrip less form, such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their Participant/Investor Account Services. Further, Non-Muslim shareholders are also required to file Solemn Affirmation (on the format available on Company's website) with the Share Registrar of the Company in case shares are held in physical certificates or with CDC Participant/Investor Account Services in case shares are in scripless form. No exemption from deduction of Zakat will be allowed unless the above documents complete in all respects have been made available as above.

Payment of Cash Dividend Through Electronic Mode (Mandatory)

Under Section 242 of the Act, it is mandatory for all listed companies to pay cash dividend to its shareholders through electronic mode directly into the bank account designated by the entitled shareholders, in order to receive dividend directly into their bank account.

Furthermore, in accordance with the Companies (Distribution of Dividend) Regulations, 2017, shareholders are advised to provide their CNIC Number and International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above-referred office address or to the respective Participants/Broker (if shares are held through CDS Account).

As per Regulation No. 6 of the Companies (Distribution of Dividend) Regulations, 2017 and Section 243(3) of the Companies Act, 2017, the Company will be constrained to withhold payment of dividend to shareholders in case of non-availability of CNIC and/or NTN of the shareholder or authorized person, as the case may be.

Unclaimed Dividend/Shares

Under Section 244 of the Companies Act, 2017 the Company is required to approach shareholders to claim their unclaimed dividend/shares. In this regard the Company has been periodically reaching out to its shareholders by publishing notices in newspapers after sending individual letters. Those shareholders, who have not claimed their dividend amounts as yet, are hereby once again requested to ensure that their claims for unclaimed dividend amounts and/or shares certificate are lodged promptly.

Change of Particulars (Postal/Email Address and IBAN etc.)

Shareholders having physical shares are requested to promptly notify any change in their particulars to Company's Share Registrar, in writing whereas CDC account holders are requested to update their addresses with their CDC Participant/CDC Investor Account Services on immediate basis of any change occurring in the particulars.

Conversion of Physical Shares into CDC Account

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP. The Company has been periodically reaching out to its shareholders through various newspaper and general meeting notices requesting conversion of physical shareholding. The shareholders are hereby again encouraged to open a CDC sub-account with any broker or Investor Account directly with CDC to convert their physical shares into scripless form. This is beneficial in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

Postal Ballot/E-Voting

In accordance with the Companies (Postal Ballot) Regulations, 2018, the right of vote through postal ballot shall be provided to the shareholders of every company, subject to the requirements of Sections 143 and 144 of the Companies Act, 2017.

- a) E-voting Procedure Details of the e-voting facility will be shared through an e-mail with those shareholders of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of shareholders of the Company within due course. The web address, login details, will be communicated to shareholders via email. Identity of the shareholders intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login. E-voting lines will be open from April 23, 2026, 05:00 p.m. and shall close on April 29, 2026 at 5:00 p.m. Shareholders can cast their votes any time during this period. Once the vote is cast by a shareholder, he/she shall not be allowed to change it subsequently.
- b) For voting through postal ballot, shareholders may exercise their right to vote as per provisions of the Companies (Postal Ballot) Regulations, 2018. The shareholders shall ensure that duly filled and signed ballot paper along with copy of CNIC should reach the Chairman of the meeting through post on the Company's registered office situated at 4th Floor, The Forum, Suite # 416-422, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi or email at chairman.generalmeetings@packages.com.pk one day before the AGM i.e. on April 29, 2026, during working hours. The signature on the ballot paper shall match with the signature on CNIC. Ballot paper for voting through post will be published and will also be available on the Company's website www.packages.com.pk
- c) A. F. Ferguson & Co. Chartered Accountants (the 'Firm'), has been appointed as a Scrutinizer. The Firm has confirmed that it has received a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and is also registered with the Audit Oversight Board of Pakistan. All partners of the Firm are qualified and have sufficient experience to perform their duties in light of applicable laws, regulations, and the said engagement and are also compliant with the requirements of the Code of Ethics of ICAP.

STATEMENT OF MATERIAL FACTS AS REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

DIC Pakistan Limited (DIC), an unlisted subsidiary of the Company, is engaged in the manufacturing, processing and selling of finished and semi-finished inks. DIC intends to draw down, subject to compliance with necessary formalities, finance availed through such financing facilities from lender(s) and banking institution(s). The respective financing facilities has been secured, inter alia, partially by a cross-company security to be provided by the Company via a mortgage over the land owned by the Company and already leased to DIC situated at Village Lakkhu Baryar & Village Hardosahari, 7km Kot Radha Kishan Road, Off 4 km Kasur Raiwind Road, Kasur up to maximum of 13.34 acres. The provision of such cross-company security is as per the provisions of the Memorandum and Articles of Association of the Company and all applicable laws. The Board of Directors of the Company has, after due deliberations and necessary diligence thereon, resolved and approved to provide the aforementioned cross-company security and the members are requested to ratify and confirm the said provision and to consider and if deemed fit, pass the below resolution, with or without modification as mentioned in the notice of the AGM.

Provision of cross company security for DIC Pakistan Limited

RESOLVED THAT the CFO and the CIO, be and are hereby authorized on behalf of the Company to, in their discretion, singly create the Mortgage over the Mortgaged Property in favor of ABL as security for the proposed Facilities to be availed by DIC, and sign and execute document(s) to confirm/evidence of such Mortgage and give irrevocable instructions with regard thereto and to sign and execute all security documents including memorandum(s) of deposit of title deed(s), Tri-partite Agreement, and/or any other security documents that may be required at any time in connection with the proposed Facilities and containing such terms and conditions as may be specified by ABL, as security for the proposed Facilities and in order to, inter alia, induce ABL to provide the Facilities.

FURTHER RESOLVED THAT the Company Secretary, be and is hereby authorised on behalf of the Company to singly present such of the abovementioned documents as require registration under law before the Securities & Exchange Commission of Pakistan, Company Registration Office, Karachi for registration and get such of those documents as require registration duly registered in order to perfect the security interest(s) of the Institution and such of those as require authentication duly authenticated by the Notary Public or any other competent authority and is further authorized to execute all documents required in this regard.

FURTHER RESOLVED THAT the CFO, be and is hereby authorised on behalf of the Company to singly discuss, negotiate and settle, as they may consider appropriate, the terms of the Tri-partite Agreement and to sign and execute the Tri-partite Agreement, and all other related or ancillary documents as may be considered necessary to give effect to the same.

FURTHER RESOLVED THAT the CFO, be and is hereby authorised on behalf of the Company to, in their discretion, singly do all such acts, matters and things as may be necessary for carrying out the purposes aforesaid and giving full effect to the above resolutions.

FURTHER RESOLVED THAT any/all acts, deeds and things already done by the Company in respect of the finance facilities availed/to be availed from ABL prior to this Board resolution hereof are hereby acknowledged and shall stand retrospectively ratified.

Name of associated company	DIC Pakistan Limited
Basis of relationship	An unlisted subsidiary
Earnings per share for the last three years	2025 (PKR 126.31); 2024 (PKR 158.23) ; 2023 (PKR 173.67)
Break-up value per share	PKR 401.07
Financial position	(PKR in '000') Total assets: 10,880,303; Total liabilities: 8,416,706; Capital employed: 8,411,813; Revenue: 12,417,223; PAT: 775,873
Further information in relation to a project of associated company that has not commenced operations	Not applicable as no such operations
Maximum amount of investment to be made	Not applicable as this is provision of a cross-company security (CCS)
Purpose/benefits likely to accrue to the Company and its members	To offer support for its financial management as this is Company's long term equity investment to earn dividend income
Sources of funds to be utilized for investment	Not applicable as this is provision of a cross-company security (CCS)
Salient features of the agreement(s) with associated company	
Direct or indirect interest of directors, sponsors, majority shareholders and their relatives in the associated company	Syed Aslam Mehdi, Executive Director of the Company is a non-executive director of DIC. The Company holds 54.98% of equity of DIC.
In case any investment in associated company has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	Investment in 3,377,248 fully paid ordinary shares of Rs 10 each and equity held PKR 15,010 (in thousands) to the tune of 54.98%
Category-wise amount of investment	Provision of cross-company security (CCS)
Average borrowing cost of the Company	No funds borrowed to make the investment
Rate of interest, mark up, profit, fees or commission etc. to be charged by the Company	Provision of CCS
Particulars of collateral or security to be obtained in relation to the proposed investment	No funds borrowed to make the investment
Information if the investment carries conversion feature	Not applicable.
Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	Not applicable. As repayments by DIC are to made to external party(ies)

Notes: As required by Regulation 4(1) of the Regulations, it is declared that DIC neither holds any shares in the Company nor has any other interest in the Company. As required by Regulation 4(3) of the Regulations, the latest audited financial statements of DIC shall be made available for inspection of the members at the venue of the AGM.

The Company Secretary
Packages Limited
4th Floor, The Forum, Suite No. 416-422, G-20,
Block-9, Khayaban-e-Jami, Clifton,
Karachi-75600, Pakistan

Form of Proxy
71st Annual General Meeting

I/We _____

of _____

being member(s) of Packages Limited and holder of _____

Ordinary Shares as per Share Register Folio _____ and/or CDC Participant

I.D. No. and Sub Account No. _____ hereby appoint Mr./Ms. _____

of _____ or failing him / her _____

of _____ as my/our proxy in my/our absence to attend and vote for me/ us on my/our behalf at the Seventy-First Annual General Meeting of the Company to be held on Thursday, 30th day of April 2026, at 10:00 a.m. at the Auditorium of the Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi and at any adjournment thereof.

Signed _____ this day of _____ 2026.

1. Witness

Signature: _____

Name: _____

Address: _____

CNIC or _____

Passport No. _____

2. Witness

Signature: _____

Name: _____

Address: _____

CNIC or _____

Passport No. _____

(Signature should agree with the specimen signature registered with the Company)

Note:

Proxies must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the Company.

CDC Shareholders and their Proxies are requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.

تشکیل نیابت داری

71واں سالانہ اجلاس عام

Electronic Dividend Credit Mandate Form

We wish to inform you that in accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive your dividends directly in your bank account, please complete the particulars as mentioned below and return this letter duly signed along with a copy of your CNIC to the Share Registrar of the Company FAMCO Share Registration Services, 8-F, Near Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shah-rah-e-Faisal, Karachi.

In case your shares are held in CDC then you must submit this dividend mandate form directly to your Broker/ Participant/CDC Account Services.

Yours sincerely,

Iqra Sajjad
For Packages Limited
Company Secretary

SHAREHOLDER'S SECTION:

I hereby communicate to receive my future dividends directly in my bank account as detailed below:

Name of shareholder : _____
Folio No. / CDC Participant ID & A/C No. : _____ Company name: Packages Limited
Contact number of shareholder Landline _____ Cell: _____
Name of Bank : _____
Bank branch & full mailing address : _____
IBAN Number (See note below) : _____
Title of Account : _____
CNIC No. (copy attached) : _____
NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company /Participant/CDC Investor Account Services informed in case of any change in the said particulars in future.

Shareholder's Signature

CNIC No.
(Copy attached)

Note: Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.

The payment of cash dividend will be processed on the basis of the account number alone. Your Company is entitled to rely on the account number as per your instructions. The Company shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, delay, or failure in performance of any of its obligations hereunder which is caused by incorrect payment instructions and/or due to any event beyond the control of the Company.

میں/ہم _____ ساکن _____

بطور ہیکر/لیمنڈ _____ رکن و حامل _____ عام حصص بمطابق شیئر رجسٹر فولیو نمبر _____

(حصص کی تعداد _____ اور ذیلی کھاتہ نمبر _____ یا بصورت دیگر _____)

ساکن _____ یا بصورت دیگر _____ ساکن _____

کو اپنی جگہ بروز جمعرات 30 اپریل 2026 بوقت 10:00 بجے صبح بمقام دی انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8 کلفٹن کراچی میں منعقد یا ملتوی ہونے والا 71واں سالانہ اجلاس عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا/کرتی ہوں۔

دستخط کیے گئے مورخہ _____ 2026

1.

گواہ:

دستخط: _____

نام: _____

پتہ: _____

سی این آئی سی نمبر پاسپورٹ نمبر _____

2.

گواہ:

دستخط: _____

نام: _____

پتہ: _____

سی این آئی سی نمبر پاسپورٹ نمبر _____

نوٹ:

پراسسز کے موثر ہونے کے لئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔

نیابت دار کا کمپنی کارکن ہونا ضروری نہیں ہے۔ سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ کی تصدیق کاپی پر کسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

الیکٹرونک کریڈٹ مینڈیٹ فارم

معزز شیئر ہولڈر

آپ کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 242 کی شقوں کے مطابق ایک لسٹڈ کمپنی کے لئے یہ ضروری ہے کہ وہ اپنے شیئر ہولڈرز کو نقد منافع منقسم کی ادائیگی صرف بذریعہ الیکٹرونک طریقہ کار براہ راست شیئر ہولڈرز کی جانب سے نامزد کردہ بینک اکاؤنٹ میں کرے۔

اپنے منافع منقسم کو براہ راست اپنے بینک اکاؤنٹ میں وصولی کی غرض سے برائے مہربانی ذیل میں درج کوائف کو مکمل کریں اور اس خط کو باقاعدہ دستخط کر کے اپنے کمپیوٹرائزڈ/اسمارٹ شناختی کارڈ کی کاپی کے ہمراہ کمپنی کے رجسٹرار میسرز فیکو شیئر رجسٹریشن (پرائیوٹ) لمیٹڈ، 8 ایف، نزد ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو جمع کراویں۔

سی ڈی سی شیئر ہولڈرز سے درخواست ہے کہ اپنے منافع منقسم کے مینڈیٹ اور کمپیوٹرائزڈ شناختی کارڈ کی کاپی کو براہ راست اپنے بروکر (پرائیویٹ) سی ڈی سی کو جمع کراویں۔

آپ کے مخلص
سیکریٹری لمیٹڈ

اترا سجاد
کمپنی سیکریٹری

شیئر ہولڈرز پر کریں:

میں بذریعہ ہذا اطلاع دیتا ہوں کہ آئندہ میں اپنے منافع منقسم کو براہ راست اپنے بینک اکاؤنٹ میں درج ذیل تفصیل کے مطابق وصول کروں گا۔

شیئر ہولڈر کا نام:

فولیو نمبر/سی ڈی سی اکاؤنٹ نمبر:

شیئر ہولڈر کا رابطہ نمبر:

شیئر ہولڈر کا بینک اکاؤنٹ کا نام:

آئی پی اے این نمبر (نیچے درج نوٹ نمبر 1 ملاحظہ فرمائیں):

بینک کا نام:

بینک برانچ اور ڈاک کا مکمل پتہ:

کمپیوٹرائزڈ شناختی کارڈ نمبر (کاپی منسلک کریں):

این ٹی این (کارپوریٹ ادارے کی صورت میں):

آگاہ کیا جاتا ہے کہ میری جانب سے فراہم کردہ مذکورہ بالا کوائف درست اور میری معلومات کے عین مطابق ہیں اور میں آئندہ ان کوائف میں کسی بھی تبدیلی کی صورت میں کمپنی/پرائیویٹ منسٹ / سی ڈی سی انویسٹمنٹ سرویسز کو مطلع کرتا رہوں گا۔

کمپیوٹرائزڈ/اسمارٹ شناختی کارڈ نمبر (کاپی منسلک)

شیئر ہولڈر کے دستخط

نوٹ:

- برائے مہربانی اپنا مکمل آئی پی اے این اپنی متعلقہ برانچ سے چیک کرنے کے بعد فراہم کریں تاکہ الیکٹرونک کریڈٹ براہ راست آپ کے بینک اکاؤنٹ میں ممکن ہو سکے۔
- نقد منافع منقسم کی ادائیگی صرف بینک اکاؤنٹ نمبر پر عمل میں لائی جائے گی۔ کمپنی آپ کی ہدایات کے مطابق اکاؤنٹ نمبر پر انحصار کرنے کا استحقاق رکھتی ہے۔ کمپنی ایسے کسی بھی نقصان، ضیاع، مالی ذمے داری یا دعویٰ کے لئے بلاواسطہ یا بلاواسطہ قطعے ذمے دار نہ ہوگی جو کسی غلطی، تاخیر ایسی کسی کالی ادائیگی کی پر فارمنس میں ناکامی کی صورت میں سامنے آئے جو ادائیگی کی غلط اور نامناسب ہدایات کی وجہ سے ہو اور/یا کسی ایسے واقعے کے باعث پیش آئے جس پر کمپنی کا کو اختیار نہ ہو۔

Request Form for Transmission of Annual Report & Notice of Meeting(s) Through Email or in Hard Copy

FAMCO Share Registration Services (Pvt) Limited
8-F, Near Hotel Faran
Nursery, Block 6, P.E.C.H.S.
Shahrah-e-Faisal
Karachi.

Sub: Request for transmission of Annual Reports and Notice of AGM through Email or in Hard copy

I/we hereby request to receive the Annual Report and Notice of the Meeting through email or in hard copy instead of receiving the same through QR code.

Name of the Shareholder(s) _____ Folio No. / CDC

Participants ID A/C No. _____ CNIC No. _____

Contact _____ Number _____ Passport No. (in case of foreign

shareholder) _____ Valid Email Address _____

Valid Postal Address _____

Mode of Receiving all Future Annual Reports along with Notice of the Meeting through email or in hard copy under section 223 (6) of the Companies Act, 2017, instead of receiving them through QR code.

(Please select any one option)

OPTION 1: Through email on the valid email address provided above

OPTION 2: Hard copy(s) on my postal address

I/we hereby further authorize the Company to update my/our particulars mentioned above in the member register of the Company along with email address mentioned.

Signature of the Shareholder

درخواست برائے ترسیل سالانہ رپورٹ / اجلاس عام کا نوٹس

فینکو شیئر رجسٹریشن (پرائیوٹ) لمیٹڈ
ایف-8، نزد ہوٹل فاران، نرسری، بلاک-6،
پی ای سی ایچ ایس، شاہراہ فیصل
کراچی

عنوان: درخواست برائے سالانہ رپورٹ اور نوٹس برائے سالانہ اجلاس عام کی ای میل یا ہارڈ کاپی کی صورت میں

میں/ہم اس کے ذریعے میٹنگ کی سالانہ رپورٹ اور نوٹس کیو آر کوڈ کے ذریعے وصول کرنے کی بجائے ای میل یا ہارڈ کاپی میں وصول کرنے کی درخواست کرتے ہیں۔

شیئر ہولڈر کا نام:----- فوئیو نمبر / سی دی سی شرکت کنندہ کی آئی ڈی اکاؤنٹ نمبر-----

قومی شناختی کارڈ نمبر----- ٹیلیفون نمبر----- موبائل نمبر-----

پاسپورٹ نمبر (غیر ملکی شیئر ہولڈر کی صورت میں)----- valid ای میل ایڈریس-----

valid پوسٹل ایڈریس-----

کمپنیز ایکٹ 2017 کی دفعہ 223 (6) کے تحت مستقبل کی تمام سالانہ رپورٹس کیو آر کوڈ کے بجائے ای میل کے ذریعے یا ہارڈ کاپی میں وصول کرنے کا طریقہ:

برائے مہربانی درج ذیل میں سے ایک کا انتخاب کریں

اپشن 1: درج بالا فراہم کردہ Valid ای میل ایڈریس پر بذریعہ ای میل

اپشن 2: میرے رجسٹرڈ پوسٹل ایڈریس پر ہارڈ کاپیز کی صورت میں

اس درخواست کے ذریعے کمپنی کو مزید اس بات کا اختیار دیتا ہوں / دیتے ہیں کہ وہ مذکورہ ای میل ایڈریس کے ساتھ کمپنی کے ممبر رجسٹر میں مذکورہ بالا میری تفصیلات اپ ڈیٹ کرے۔

----- شیئر ہولڈر کے دستخط-----

1. ای ووٹنگ کی سہولت کے ای ووٹنگ طریقہ کار کی تفصیلات کمپنی کے آن شیئر ہولڈرز کے ساتھ ای میل کے ذریعے شیئر کی جائیں گی جن کے فعال CNIC نمبر، سیل نمبر اور ای میل ایڈریس مقررہ وقت کے اندر کمپنی کے شیئر ہولڈرز کے رجسٹر میں دستیاب ہونگے۔ ویب ایڈریس، لاگ ان تفصیلات، ای میل کے ذریعے شیئر ہولڈرز کو بتائی جائیں گی۔ ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے شیئر ہولڈرز کی شناخت الیکٹرونک سکنچر یا لاگ ان کے لیے تصدیق کے ذریعے کی جائیں گی۔ ای ووٹنگ کی لائنز 23 اپریل 2026 شام 05:00 بجے شروع ہونگی اور 29 اپریل 2026 شام 05:00 بجے بند ہونگی۔ شیئر ہولڈرز اس مدت کے دوران کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک بار جب کسی شیئر ہولڈر کی طرف سے ووٹ ڈال دیا جاتا ہے تو اسے بعد میں تبدیل کرنے کی اجازت نہیں ہوگی۔

2. پوسٹل بیٹ کے ذریعے ووٹنگ کے لیے، شیئر ہولڈرز کمپنیز (پوسٹل بیٹ) ریگولیشنز، 2018 کی دفعات کے مطابق ووٹ کا حق استعمال کر سکتے ہیں۔ شیئر ہولڈرز اس بات کو یقینی بنائیں کہ CNIC کی کاپی کے ساتھ باضابطہ طور پر پُر کیا گیا اور دستخط شدہ بیٹ پیپر میٹنگ کے چیئرمین تک چوتھی منزل، دی فورم، سوئٹ نمبر 416-422، G-20، بلاک 9، خیابان جامی، کلفٹن، کراچی میں واقع کمپنی کے رجسٹرڈ آفس پر پوسٹ کے ذریعے یا ای میل chairman.generalmeetings@packages.com.pk پر AGM سے ایک دن پہلے یعنی 29 اپریل 2026 کو کاروباری اوقات کے دوران پہنچ جائے۔ بیٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہونے چاہیں۔ پوسٹ کے ذریعے ووٹنگ کے لیے بیٹ پیپر شائع کیا جائے گا اور یہ کمپنی کی ویب سائٹ www.packages.com.pk پر بھی دستیاب ہوگا۔

3. اسے ایف فرگوس اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس ('فرم') کو اسکرودنائزر مقرر کیا گیا ہے۔ فرم نے تصدیق کی ہے کہ اُسے انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ری ویو کے تحت تسلی بخش ریٹنگ ملی ہے اور یہ آڈٹ اور سائٹ بورڈ آف پاکستان میں رجسٹرڈ ہے۔ فرم کے تمام پارٹنرز اہل ہیں اور قابل اطلاق قوانین، ضوابط اور مذکورہ کام کی روشنی میں اپنے فرائض انجام دینے کے لیے کافی تجربہ رکھتے ہیں اور ICAP کے کوڈ آف ایکٹس کے تقاضوں کے مطابق بھی ہیں۔

تصریحات:

1- کمپنی کی شیئرز ٹرانسفر بکس حتی ڈیویڈنڈ کی ادائیگی کے سلسلے میں اہلیت کا تعین کرنے کے لئے 23 اپریل، 2026 بروز جمعرات سے 30 اپریل، 2026 بروز جمعرات (بشمول دونوں ایام) بند رہیں گی۔ تاہم کمپنی کے رجسٹرار سمیرز فیکو شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، F-8 نزد ہوٹل فاران، نرسری، بلاک-6، پٹی ای سی ایچ اےس، شاہراہ فیصل، کراچی می 22 اپریل 2026 بروز بدھ کو کاروباری اوقات کے اختتام تک وصول ہونے والی ٹرانسفر کی درخواستیں رجسٹریشن کی اہلیت کے لئے بروقت تصور ہوں گی۔

2- کوئی شیئر ہولڈر جو اجلاس میں شرکت کرنے اور ووٹ دینے کا حقدار ہے، وہ اپنی جگہ کسی دوسرے فرد کو شرکت کرنے، بولنے اور ووٹ دینے کے لئے اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کی تقرری کی دستاویز کمپنی کے رجسٹرار دفتر واقع چوتھی منزل، دی فورم، سوٹ نمبر 416-422، G-20، بلاک 9، خیابان جامی، کلفٹن، کراچی کے پتے پر اجلاس کے وقت سے کم از کم 48 گھنٹے قبل جمع کرانی ہوگی۔

3- فزیکل شیئر کے حامل شیئر ہولڈرز کو اپنا اصل CNIC اور یا شیئر ہولڈرز (ز) کے CNIC کی کاپی، جن کی پراکسی کے حامل ہیں، ساتھ لانا ہوگی۔ CNIC کے بغیر شیئر ہولڈرز کو AGM میں شرکت کرنے اور/ یا شیئر ہولڈرز ممبرز کے رجسٹر میں دستخط کرنے کی اجازت نہیں ہوگی۔

4- CDC اکاؤنٹ ہولڈرز اور سب اکاؤنٹ ہولڈرز، جن کے رجسٹریشن کی تفصیلات شیئر بک تفصیلات رپورٹ میں دستیاب ہیں، ان کو سالانہ اجلاس عام میں شرکت کے وقت اپنی شناخت کی تصدیق کے لئے اپنا متعلقہ اصل کیپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ پیش کرنا ہوگا۔ ایسے اکاؤنٹ ہولڈرز اور سب اکاؤنٹ ہولڈرز کو اپنا متعلقہ شرکت کا آئی ڈی نمبر اور CDC اکاؤنٹ نمبر، اور پراکسی ہونے کی صورت میں اپنے CNIC یا پاسپورٹ کی تصدیق شدہ کاپی منسلک کرنا ہوگی۔ کارپوریٹ ممبر (ز) کے نمائندہ ہونے کی صورت میں بورڈ کی قرارداد پاور آف اٹارنی اور یا ایسی تمام دستاویز ساتھ لانا ہوں گی جو SECP کے سرکلر نمبر 1 مجریہ 26 جنوری 2000 کے تحت اس مقصد کے لئے درکار ہیں۔ پراکسی فارم کمپنی کی ویب سائٹ www.packages.com.pk پر بھی دستیاب ہے۔

سالانہ اکاؤنٹس اور اجلاسوں کے نوٹس کی ترسیل

کمپنیز ایکٹ، 2017 کے سیکشن 223 اور SRO 389(1)/2023 مورخہ 21 مارچ 2023 کے مطابق، 31 دسمبر 2024 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے، ڈائریکٹرز، آڈیٹرز اور چیئرمین رپورٹ کے ساتھ، سالانہ اجلاس عام کی اطلاع اور دیگر متعلقہ مواد کمپنی کی ویب سائٹ پر دستیاب اور بذریعہ QR کوڈ اشتراک کے لئے شائع کر دیا گیا ہے۔ اسے فعال QR کوڈ اور ویب لنک کے ذریعے بھی ڈاؤن لوڈ کیا اور دیکھا جاسکتا ہے۔ کمپنی نے اپنی ایک گذشتہ جزل میٹنگ میں ایسا کرنے کے لئے شیئر ہولڈرز کی منظوری حاصل کی ہے۔ مزید برآں، ممبرز کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ، 2017 کے سیکشن 6(223) اور 473 کے مطابق، جس کے تحت ای میل کے ذریعے الیکٹرانک فارمیٹ میں آڈٹ شدہ مالیاتی گوشوارے اور اجلاس کی اطلاع کی ترسیل کی اجازت دی گئی ہے۔ یہ ای میل کے ذریعے اُن ممبرز کو بھیجا گیا ہے جن کی جانب سے کمپنی کو ای میل ایڈریس فراہم کیا گیا ہے اور اس لیے ای میل کے ذریعے کلیاں وصول کرنے کے لیے ممبرز کی رضامندی کی ضرورت نہیں ہے۔

شیئر ہولڈرز اس کی ہارڈ کاپی کی درخواست کر سکتے ہیں، جو مفت فراہم کی جائے گی، اگر ممبر کی جانب سے کمپنی کی ویب سائٹ پر دستیاب اسٹینڈرڈ ریکویسٹ فارم پر درخواست کی گئی ہو۔

AGM میں قانونی ضابطہ اطلاع

شیئر ہولڈرز سے درخواست ہے کہ وہ کمپنیز ایکٹ 2017 کے سیکشن 215 اور کمپنیز (جزل پروویڈن اینڈ فارمز) ریگولیشنز 2018 کے ریگولیشن 28 کے مطابق AGM میں قانونی ضابطہ اخلاق کی پابندی کریں، جب کہ شیئر ہولڈرز کو اثر و رسوخ پر زور دینے یا فیصلوں کے لئے براہ راست انتظامیہ تک پہنچنے کی اجازت نہیں ہوگی جو انتظامیہ کے لئے امور کی ہموار انجام دہی میں رکاوٹ کا سبب بن سکتے ہیں۔ جیسا کہ ان دفعات میں درج ہے، شیئر ہولڈرز کوئی ایسا سامان اپنے ساتھ نہیں لائیں گے جو شرکاء یا AGM کے منعقد ہونے کی حدود میں کسی خطرے کا باعث ہو، اور خود کو AGM کے نوٹس میں شامل لپیٹا تک محدود رکھیں گے اور نہ ہی ایسا رویہ اختیار کریں گے جو کسی سیاسی وابستگی کو ظاہر کرتا ہو۔ اس کے علاوہ کمپنیز ایکٹ 2017 کے سیکشن 185 کی رو سے کمپنی کو اپنے اجلاسوں میں شیئر ہولڈرز کو کسی بھی شکل میں متخالف تقسیم کرنے کی اجازت نہیں ہے۔

ڈیویڈنڈ انکم پر دودھ ہولڈنگ ٹیکس

i انکم ٹیکس آرڈیننس، 2001 کے پہلے شیڈول کے حصے ہی کے ڈویڈنڈ I کے ساتھ پڑھے گئے سیکشن 150 کی تعمیل میں، ڈیویڈنڈ آمدنی پر لاگو قانون کے مطابق دودھ ہولڈنگ ٹیکس کاٹا جائے گا۔ تمام شیئر ہولڈرز جن کے نام فیڈرل بورڈ آف ریونیو (FBR) کی ویب سائٹ پر فراہم کردہ ایکٹو ٹیکس چیٹرز لسٹ (ATL) میں درج نہیں ہیں، باوجود اس کے کہ وہ فالگرز ہیں، کو مشورہ دیا جاتا ہے کہ وہ اس بات کو یقینی بنائیں کہ ان کے نام کارآمد CNIC/NTNs (نیشنل ٹیکس نمبرز) کے ساتھ 22 اپریل، 2026 سے پہلے ATL میں درج ہوں؛ تاکہ کمپنی کے لئے کیش ڈیویڈنڈ پر مطلوبہ ٹیکس کی کوٹنی کرنا ممکن ہو۔ اسی مناسبت سے، شیئر ہولڈرز کو یہ مشورہ بھی دیا جاتا ہے کہ وہ FBR کی ویب سائٹ http://www.fbr.gov.pk/ پر دستیاب ATL میں اپنی مطلق حیثیت کو چیک کریں اور یقینی بنائیں اور ساتھ ہی یہ بھی یقینی بنائیں کہ ان کا CNIC/Passport نمبر پرائیویٹ/انویسٹر اکاؤنٹ سروسز یا کمپنی کے شیئر رجسٹرار (فزیکل شیئر ہولڈنگ کی صورت میں) کے ذریعے ریکارڈ کیا گیا ہے۔

ii FBR کے مطابق جوائنٹ شیئر ہولڈرز اکاؤنٹس کی صورت میں دودھ ہولڈنگ ٹیکس کا تعین الگ سے پرنسپل شیئر ہولڈرز کے 'فالگر/نان فالگر' ہونے کی حیثیت اور ساتھ ساتھ جوائنٹ ہولڈرز کی شیئر ہولڈنگ کے تناسب کے مطابق حیثیت کی بنیاد پر کیا جائے گا۔ دوسرے شیئر ہولڈرز کے ساتھ مشترکہ طور پر شیئرز رکھنے والے ممبرز سے درخواست کی جاتی ہے کہ وہ تحریری طور پر پرنسپل شیئر ہولڈرز اور جوائنٹ ہولڈرز کے شیئر ہولڈنگ کا تناسب کمپنی کے شیئر رجسٹرار، فیکو شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کو فراہم کریں۔ اگر 22 اپریل، 2026 سے پہلے کمپنی کے رجسٹرار کو مطلوبہ معلومات فراہم نہیں کی گئی تو یہ تصور کیا جائے گا کہ شیئرز پرنسپل شیئر ہولڈرز اور جوائنٹ ہولڈرز کے برابر تناسب میں رکھے گئے ہیں۔

iii ڈیویڈنڈ انکم سے دودھ ہولڈنگ ٹیکس سے استثنیٰ کی اجازت صرف اس صورت میں دی جائے گی جب 22 اپریل، 2026 سے پہلے کمپنی کے شیئر رجسٹرار کو درست ٹیکس استثنیٰ کے سرٹیفیکٹ کی کاپی دستیاب کر دی جائے۔

iv انکم ٹیکس آرڈیننس، 2001 کے سیکشن 82 برائے رہائشی کی حیثیت کے تعین کی تعریف کے تحت، ڈیویڈنڈ پر ٹیکس کی کوٹنی کے لیے غیر رہائشی شیئر ہولڈرز کو انڈر ٹیکنگ کی ڈیکلریشن مع کارآمد پاسپورٹ کی کاپی، کمپنی کے شیئر رجسٹرار کے پاس 22 اپریل، 2026 سے پہلے جمع کرانا ہوگی۔ ممبرز درج ذیل رجسٹرار اور کمپنی کی ویب سائٹ پر موجود مقررہ فارمیٹ استعمال کرتے ہوئے ڈیکلریشن بھیج سکتے ہیں: www.packages.com.pk & www.famcorsrs.com

ذکوٰۃ کی کوٹنی

ذکوٰۃ کی لازمی کوٹنی سے استثنیٰ کا دعویٰ کرنے کے لیے، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ NJSP پر ذکوٰۃ اعلامیہ فارم CZ-50 کی ایک نوٹرائزڈ کاپی شیئر رجسٹرار کو جمع کرائیں۔ اگر شیئرز اسکرپ لیس فارم میں رکھے گئے ہیں تو اس طرح کے ذکوٰۃ اعلامیہ فارم (CZ-50) کو شیئر ہولڈرز کے CDC اکاؤنٹ میں، ان کے شریک / انویسٹر اکاؤنٹ سروسز کے ذریعے اپ لوڈ کیا جانا چاہیے۔ مزید برآں، غیر مسلم شیئر ہولڈرز کے لئے بھی لازمی ہے کہ وہ کمپنی کے شیئر رجسٹرار کے پاس (کمپنی کی ویب سائٹ پر دستیاب فارمیٹ پر) شیئرز کے فزیکل سرٹیفیکٹ میں یا CDC کے شراکت دار انویسٹر اکاؤنٹ کی خدمات کے پاس اسکرپ لیس فارم کی صورت میں شیئرز ہونے کی تصدیق کریں۔ ذکوٰۃ کی کوٹنی سے اس وقت تک کوئی رعایت نہیں دی جائے گی جب تک کہ مندرجہ بالا تمام دستاویزات مکمل طور پر جمع نہ کر دی جائیں۔

کمپنیز ڈیویڈنڈ کی الیکٹرونک ذریعہ سے ادائیگی (لازمی)

کمپنیز ایکٹ، 2017 کے سیکشن 242 کے تحت، تمام لسٹڈ کمپنیوں کے لئے لازمی ہے کہ وہ اپنے حقدار شیئر ہولڈرز کو الیکٹرانک موڈ کے ذریعے براہ راست اُن کے نامزد کردہ بینک اکاؤنٹ میں نقد ڈیویڈنڈ ادا کریں۔ براہ راست اُن کے بینک اکاؤنٹ میں ڈیویڈنڈ وصول کرنے کے لئے۔

مزید برآں، کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز، 2017 کے مطابق، شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ اپنا CNIC نمبر اور انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) کی تفصیلات ہمارے شیئر رجسٹرار (اگر شیئر فزیکل فارم میں رکھے گئے ہیں) کو اُن کے اوپر دیئے گئے دفتری پتے یا متعلقہ پرائیویٹ/بروکر (اگر شیئرز CDS اکاؤنٹ کے ذریعے رکھے گئے ہیں) کو فراہم کریں، اگر اب تک ایسا نہیں کیا گیا ہے۔ معلومات ناطے کی صورت میں، کمپنی ڈیویڈنڈ کی ادائیگی روکنے پر مجبور ہوگی۔

کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز، 2017 کے ریگولیشن نمبر 6 اور کمپنیز ایکٹ، 2017 کے سیکشن 243(3) کے مطابق کمپنی شیئر ہولڈرز یا مجاز فرد، جیسا معاملہ ہو، کہ CNIC اور/ یا NTN کی عدم دستیابی کی صورت میں، شیئر ہولڈرز کو ڈیویڈنڈ کی ادائیگی روکنے پر مجبور ہوگی۔

غیر دعویٰ شدہ ڈیویڈنڈ/ شیئرز

کمپنیز ایکٹ، 2017 کے سیکشن 244 کے تحت، کمپنی کو چاہیے کہ وہ شیئر ہولڈرز سے رجوع کرے تاکہ وہ اپنے غیر دعویٰ شدہ ڈیویڈنڈ/ شیئرز کا دعویٰ کریں۔ اس سلسلے میں کمپنی انفرادی خطوط بھیجنے کے بعد اخبارات میں نوٹس شائع کر کے اپنے شیئر ہولڈرز سے رابطہ میں ہے۔ وہ شیئر ہولڈرز، جنہوں نے ابھی تک اپنے ڈیویڈنڈ کی رقم کا دعویٰ نہیں کیا ہے، اُن سے ایک بار پھر اس بات کو یقینی بنانے کی درخواست کی جاتی ہے کہ غیر دعویٰ شدہ ڈیویڈنڈ کی رقم اور/ یا شیئرز سرٹیفیکٹ کے لئے فوری طور پر دعویٰ درج کریں۔

تفصیلات کی تہدیلی (پوسٹل / ای میل ایڈریس اور IBAN وغیرہ)

فزیکل شیئرز رکھنے والے شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی تفصیلات میں ہونے والی کسی بھی تہدیلی کو فوری طور پر کمپنی کے شیئر رجسٹرار کو تحریری طور پر مطلع کریں جبکہ CDC اکاؤنٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی تفصیلات میں ہونے والی کسی بھی تہدیلی، اپنے پتے کو فوری بنیاد پر CDC پرائیویٹ/ CDC انویسٹر اکاؤنٹ سروسز کے ساتھ اپ ڈیٹ کریں۔

فزیکل شیئرز کی CDC اکاؤنٹ میں تہدیلی

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، ہر موجودہ لسٹڈ کمپنی کے لیے لازم ہے کہ وہ اپنے فزیکل شیئرز کو بک انٹری فارم میں تہدیل کرے جیسا کہ بیان کیا ہے اور SECP کی مطلع کردہ تاریخ سے کمپنی وقتاً فوقتاً اپنے شیئر ہولڈرز سے، جن کے پاس فزیکل شیئر ہولڈنگ ہے، مختلف اخبارات اور عام اجلاس کے نوٹسز کے ذریعے رابطے میں رہی ہے۔ شیئر ہولڈرز کی ایک بار پھر حوصلہ افزائی کی جاتی ہے کہ وہ کسی بھی بروکر یا انویسٹر اکاؤنٹ میں براہ راست CDC کے ساتھ CDC سب اکاؤنٹ کھولیں جس میں وہ اپنے فزیکل شیئرز کو اسکرپ لیس فارم میں تہدیل کرا سکتے ہیں، یہ بہت سے طریقوں سے فائدہ مند ہے، بشمول شیئرز کی محفوظ تحویل اور جب چاہیں ان کی فروخت، کیونکہ پاکستان اسٹاک ایکسچینج کے موجودہ ضوابط کے تحت فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔

پوسٹل بیٹ/ای دوئنگ

کمپنیز (پوسٹل بیٹ) ریگولیشنز، 2018 کے مطابق، ڈائریکٹرز کے انتخاب کے مقصد کے لیے اور کمپنیز ایکٹ، 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط کسی دوسرے لیجیٹڈ کے لیے مجموعی طور پر 10% یا اس سے زیادہ کے حامل ممبرز قانون کے مطابق شیئر ہولڈنگ کو پوسٹل بیٹ کے ذریعے یعنی ڈاک یا ای دوئنگ کے ذریعے اپنے ووٹ کا حق استعمال کرنے کی اجازت دی جائے گی، مذکورہ ضابطوں میں موجود شرائط کے ساتھ۔

اطلاع برائے 71 واں سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ پیکیجز لمیٹڈ (کمپنی) کے شیئرز ہولڈرز کا 71 واں سالانہ اجلاس بروز جمعرات 30 اپریل 2026 بوقت صبح 10:00 بجے ایک ہائیر اینڈ ماڈل پر یعنی ذاتی طور پر بمقام انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP)، چارٹرڈ اکاؤنٹنٹس ایوینو، بلاک 8، کلفٹن، کراچی اور ورچوئل بذریعہ زوم درج ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

عمومی امور

- 1- کمپنی کے گزشتہ سالانہ اجلاس عام منعقدہ 30 اپریل 2025 کی کاروائی کی توثیق۔
- 2- آڈٹ شدہ مالیاتی گوشوارے مع ڈائریکٹرز اور آڈیٹری رپورٹ برائے سال مئی 2025 وصول کرنا، ان پر غور کرنا اور ان کو اختیار کرنا۔



www.packages.com.pk/financial-reports/

- 3- کمپنی کے عمومی اور ترجیحی شیئرز پر ڈیویڈنڈ پر غور کرنا، منظوری دینا اور اعلان کرنا۔ بورڈ آف ڈائریکٹرز نے نقد منافع منقسمہ برائے سال مئی 2025 درج ذیل کی سفارش کی ہے:

(الف) ترجیحی شیئرز/تبادلہ پذیر اسٹاک ہولڈرز (انٹرنیشنل فننس کارپوریشن) کو 19.00 روپے (10 فیصد) فی 190 روپے ترجیحی شیئرز/تبادلہ پذیر اسٹاک کے حساب سے ادائیگی جو بورڈ کی جانب سے تجویز کردہ اور پیکیجز لمیٹڈ اور انٹرنیشنل فننس کارپوریشن کے درمیان سبسکرپشن معاہدہ کی رو سے اور اس کے تحت ہم آہنگ کیا گیا مجموعی مزایہ 155,549,998 روپے اور

(ب) عام شیئرز ہولڈرز کو 16.00 روپے (160 فیصد) فی 10 روپے والے عام حصص پر

- 4- رواں سال کے لئے کمپنی کے بیرونی آڈیٹرز کا تقرر کرنا اور ان کے مشاہرے کا تعین کرنا۔ موجودہ آڈیٹرز مہرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) نے اہل ہونے کی بنا پر بطور آڈیٹر دوبارہ تقرری کے لئے رضامندی ظاہر کی ہے اور بورڈ آف ڈائریکٹرز نے ان کی دوبارہ تقرری کی سفارش کی ہے۔

خصوصی امور

- 1- غور کرنا اور اگر مناسب سمجھا جائے تو، ایک خصوصی قرارداد منظور کرنا، جیسا کہ کمپنیز ایکٹ، 2017 ('ایکٹ') کے سیکشن 199 کے مطابق، مادی حقائق کے بیان میں تجویز کیا گیا ہے، تاکہ کمپنی کی ان لسٹڈ ذیلی کمپنی DIC پاکستان لمیٹڈ کو کراس کمپنی ضامن کی منظوری دی جاسکے۔

مذکورہ بالا خصوصی امور کا احاطہ کرنے والے مادی حقائق کا بیان جیسا کہ ایکٹ کے سیکشن 134(3) کے تحت ضروری ہے، سالانہ اجلاس عام کے اس نوٹس کے ساتھ شیئرز ہولڈرز کو بھیج دیا گیا ہے۔

دیگر امور

- 1- صدر مجلس کی اجازت سے کسی دیگر امور کی انجام دہی۔

بجلم بورڈ

اقرا سجاد

کمپنی سیکریٹری

09 اپریل، 2026

کراچی

ورچوئل طور پر AGM کی کاروائی میں شرکت

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") نے اپنے وقتاً فوقتاً جاری کردہ سرکلرز کے ذریعے لسٹڈ کمپنیز کو ہدایت کی ہے کہ وہ اپنے سالانہ اجلاس فزیکل میٹنگ کی ضروریات کے علاوہ ورچوئل طور پر بھی منعقد کریں۔ کمپنی کی جانب سے شیئرز ہولڈرز کو AGM میں شرکت کے لئے مزید سہولت فراہم کرنے کی غرض سے درج ذیل انتظامات کئے گئے ہیں۔ AGM میں ورچوئل طور پر شرکت کے خواہشمند شیئرز ہولڈرز سے درخواست ہے کہ وہ اپنے کوائف مقررہ ای میل ایڈریس shares.desk@packages.com.pk پر بھیج کر خود کو رجسٹر کروالیں جن میں ان کا نام، فوٹیو نمبر اور اپنا ای میل ایڈریس ہو، مورخہ 28 اپریل 2026 تک کاروباری اوقات کے اختتام تک مل جانے چاہئیں۔ AGM میں شرکت کے لئے لاگ ان اور لنک کی تفصیلات رجسٹرڈ شیئرز ہولڈرز کو ای میل کے ذریعے فراہم کردی جائیں گی۔ شیئرز ہولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ 28 اپریل 2026 تک مذکورہ ای میل ایڈریس پر AGM کے امور سے متعلق اپنے تبصرے / تجاویز بھیجیں۔

اگرچہ بیرونی جھگڑوں خصوصاً توانائی اور تجارتی شعبوں میں خطرات برقرار ہیں تاہم پاکستان ساختی اصلاحات، برآمدی منڈیوں کی تنوع اور زرمبادلہ کے ذخائر کو مضبوط بنانے اور مالیاتی نظم و ضبط پر مسلسل توجہ کے ذریعے ان چیلنجز سے نمٹنے کی صلاحیت رکھتا ہے۔

سرپرست کمپنی اپنی ذیلی کمپنیوں کی مالیاتی پوزیشن کو مضبوط بنانے، سرمائے کے ڈھانچے کو بہتر بنانے اور کلیدی ترقی و تنوع کے مواقع کا جائزہ لینے کے لئے پُر عزم ہے۔ نظم و ضبط پر مبنی خطرات کا انتظام، کاروباری کارکردگی میں بہتری، اور حصص یافتگان کے لئے طویل مدتی منفعت کی تخلیق پر توجہ مرکوز رہے گی جبکہ پائیداری اور ذمہ دارانہ کاروباری طرز عمل کو گروپ کی حکمت عملی کا لازمی حصہ بنانے کو یقینی بنائے گا۔

اس کے علاوہ تقاضوں کے تحت بورڈ کی کارکردگی کا جائزہ ایک بیرونی مشاورت کار کے ذریعے ہر تین سال میں ایک مرتبہ لیا جانا چاہئے۔ لہذا 2025 میں کارکردگی کے جائزے کے عمل کی مقصدیت کو یقینی بنانے کے لئے پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس کی خدمات حاصل کی گئیں تاکہ بورڈ، اس کی کمیٹیوں اور انفرادی ممبران کی کارکردگی کی شخصیات کی جاسکے۔

کمپنی کا عملہ اور صارفین

انتظامیہ کمپنی کے متعلقین خاص طور پر اپنے صارفین کے اس کی مصنوعات اور خدمات پر مسلسل اعتماد پر ان کی مشکور ہے۔

انتظامیہ کمپنی کے تمام ملازمین کا بھی شکریہ ادا کرنا چاہتی ہے جنہوں نے انتھک محنت کی۔ ہم ان کی محنت، دیانت اور لگن کو سراہتے ہیں۔

مستقبل کا منظر نامہ

آگے کی جانب، 2026 میں توقع ہے کہ پاکستان کی معیشت مشرق وسطیٰ میں بڑھتی ہوئی جغرافیائی سیاسی کشیدگی اور اس کے ممکنہ اثرات کے باوجود محتاط طور پر مستحکم رہے گی۔ عالمی سطح پر تیل کی قیمتوں میں اتار چڑھاؤ طلبی نچلے سے ترسیلات زر میں رکاوٹیں اور بیرونی کھاتوں پر دباؤ قلیل مدتی دشواریاں پیدا کر سکتے ہیں، تاہم ملک میں جاری معاشی استحکام کی کوششیں، محتاط مالیاتی نظم و ضبط، مارکیٹ پر مبنی شرح مبادلہ اور کثیرالجہتی شراکت داروں کے ساتھ مسلسل تعاون کے ذریعے استحکام میں معاونت ملنے کا امکان ہے۔

توفیق حیدر علی
چیئرمین

26 مارچ 2026

لاہور

بورڈ کی تھیل

قسم	تعداد
آزاد ڈائریکٹران	3
نان ایگزیکٹو ڈائریکٹران	5
ایگزیکٹو ڈائریکٹران	2
خاتون ڈائریکٹر (آزاد ڈائریکٹران میں شامل)	1

قسم	فیصد
آزاد ڈائریکٹران	30%
نان ایگزیکٹو ڈائریکٹران	50%
ایگزیکٹو ڈائریکٹران	20%

بورڈ کی ساخت میں تبدیلیاں

2025 کے دوران بورڈ کی تشکیل میں کوئی تبدیلی نہیں ہوئی۔

بورڈ آف ڈائریکٹرز کے اجلاس

سال 2025 کے دوران بورڈ آف ڈائریکٹرز کے چھ (6) اجلاس ہوئے اور ہر ڈائریکٹر کی طرف سے شرکت کئے گئے اجلاسوں کی تعداد ذیل میں بیان گئی ہے:

نمبر شمار	ڈائریکٹران کے نام	حاضر شدہ اجلاس کی تعداد
1	جناب توفیق حبیب چنائے (چیئرمین)	6
2	سید حیدر علی	5
3	سید شاہد علی	--
4	جناب حسن عسکری	6
5	جناب عاطف اسلم ہاجوہ	5
6	محترمہ صبا کمال	6
7	جناب طارق اقبال خان	6
8	سید اسلم مہدی	6
9	جناب جوزف میزاؤ مولر	5
10	جناب عثمان خالد وجید	4

جو ڈائریکٹران بورڈ کے اجلاسوں میں شرکت نہ کر سکے انہوں نے رخصت کی درخواست کی۔ لہذا ان کی رخصت منظور کر لی گئی۔

آڈٹ اینڈ رسک مینجمنٹ کمیٹی

کوڈ آف کارپوریٹ گورننس کے نفاذ سے بورڈ کی ایک آڈٹ اینڈ رسک مینجمنٹ کمیٹی موجود ہے۔ یہ کمیٹی چیئرمین سمیت تین (3) نان ایگزیکٹو ڈائریکٹر ان اور دو (2) آزاد ڈائریکٹران پر مشتمل ہے۔

سال کے دوران آڈٹ اینڈ رسک مینجمنٹ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر ممبر کی حاضری درج ذیل رہی:

نمبر شمار	ممبر کا نام	حاضر شدہ اجلاس کی تعداد
1	جناب حسن عسکری صاحب (چیئرمین)	4
2	سید شاہد علی	1
3	جناب عاطف اسلم ہاجوہ	3
4	جناب طارق اقبال خان	4
5	جناب عثمان خالد وجید	4

انسانی وسائل اور معاوضہ کمیٹی

انسانی وسائل اور معاوضہ کمیٹی چھ (6) ممبران پر مشتمل ہے جس میں تین (3) نان ایگزیکٹو ڈائریکٹران، ایک (1) ایگزیکٹو ڈائریکٹر اور دو (2) آزاد ڈائریکٹران بشمول کمیٹی کی چیئرمین شامل ہے۔

سال کے دوران انسانی وسائل اور معاوضہ کمیٹی کے دو (2) اجلاس ہوئے۔ ہر ممبر کی حاضری درج ذیل رہی:

نمبر شمار	ممبر کا نام	حاضر شدہ اجلاس کی تعداد
1	محترمہ صبا کمال (چیئرمین)	2
2	سید حیدر علی	1
3	جناب حسن عسکری	2
4	جناب عاطف اسلم ہاجوہ	2
5	جناب توفیق حبیب چنائے	2
6	جناب جوزف میزاؤ مولر	2

آئی ٹی اور ڈیجیٹلائزیشن کمیٹی

آئی ٹی اور ڈیجیٹلائزیشن کمیٹی تین (3) ممبران پر مشتمل ہے جس میں ایک (1) نان ایگزیکٹو ڈائریکٹر اور دو (2) آزاد ڈائریکٹران بشمول کمیٹی کی چیئرمین شامل ہے۔

سال کے دوران آئی ٹی اینڈ ڈیجیٹلائزیشن کمیٹی کے دو (2) اجلاس ہوئے۔ ہر ممبر کی حاضری درج ذیل رہی:

نمبر شمار	ممبر کا نام	حاضر شدہ اجلاس کی تعداد
1	محترمہ صبا کمال (چیئرمین)	2
2	جناب عاطف اسلم ہاجوہ	2
3	جناب عثمان خالد وجید	1

پائیداری کمیٹی

بورڈ کی ایک پائیداری کمیٹی اس وقت سے موجود ہے جب سے اس سلسلے میں لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں ترامیم کی گئی ہیں۔ کمیٹی دو (2) آزاد ڈائریکٹران پر مشتمل ہے جن میں اس کا چیئرمین بھی شامل ہے۔

سال کے دوران پائیداری کمیٹی کا ایک (1) اجلاس ہوا۔ ہر ممبر کی حاضری درج ذیل رہی:

نمبر شمار	ممبر کا نام	حاضر شدہ اجلاس کی تعداد
1	جناب عثمان خالد وجید	1
2	محترمہ صبا کمال	1

جو ممبران بورڈ کی ذیلی کمیٹیوں کے اجلاس میں شرکت نہ کر سکے ان کی رخصت منظور کر لی گئی۔

بورڈ کی مذکورہ بالا تمام کمیٹیوں نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں بیان کردہ ذمہ داریوں کو اختیار کیا ہے۔

ملحقہ فریقین کے ساتھ لین دین

کمپنیز ایکٹ، 2017 کی دفعہ 208 اور کمپنیز (ریلیٹڈ پارٹی ٹرانزیکشنز اور مینجمنٹس آف ریلیٹڈ ریکارڈز) ریگولیشنز، 2018 کے تحت کمیٹی نے:

(الف) ملحقہ فریقین کے لین دین کی پالیسی قائم کی ہے جس کی بورڈ نے ہاضابطہ منظوری دی ہے۔

(ب) ملحقہ فریقین کے ساتھ لین دین کے لیے شرائط مرتب کیں تاکہ ”عمومی طریقہ کار کے تحت یکساں بنیاد پر“ انجام پائیں۔

(ج) ملحقہ فریق کے ساتھ سودوں کی منظوری کے لئے درکار کم از کم معلومات بورڈ کے کاغذات میں ڈائریکٹران کو ترسیل اور منکشف کی جاتی ہیں۔

ڈائریکٹران کا معاوضہ

اس پالیسی کا مقصد بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے انفرادی ڈائریکٹران کے معاوضے کے پیکیجز کو طے کرنے کے لیے شفاف طریقہ کار کو اپنانا ہے۔

پالیسی کے تحت بورڈ یا کمیٹیوں کے ڈائریکٹران کے اجلاسوں میں شرکت کے لیے ڈائریکٹران کے معاوضے کا تعین بورڈ وقتاً فوقتاً مارکیٹ کے رجحانات کی بنیاد پر کرے گا۔

گروپ کی دیگر کمپنیوں میں پیکیجز کے نامزد ڈائریکٹران بورڈ/کمیٹی کے اجلاس کی فیس کی وصولی کے حقدار نہیں ہوں گے۔ اگر کوئی ڈائریکٹر اس جگہ سے باہر رہائش پذیر ہے جہاں بورڈ کا کوئی اجلاس ہوتا ہے اور جو بورڈ/کمیٹی کے اجلاسوں میں شرکت کے مقصد سے اس جگہ سے آئے گا تو ڈائریکٹر اصل کی بنیاد پر اخراجات کی وصولی کا حقدار ہوگا۔

ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹران کو ادا کئے گئے معاوضوں کی مجموعی رقم کی مزید تفصیلات اس سالانہ رپورٹ کے مالیاتی گوشواروں کے نوٹ 33، صفحہ نمبر 161 میں بیان کی گئی ہیں۔

ادارتی اور مالیاتی رپورٹنگ فریم ورک

آپ کی کمیٹی کے ڈائریکٹر ان بیان کرتے ہیں کہ:

(i) کمیٹی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی گوشواروں میں معاملات کی حالت، اس کے کاروباری نتائج، نقدی کے بہاؤ اور لیکویٹی میں ہونے والی تبدیلیوں کو شفاف انداز سے پیش کیا گیا ہے۔

(ii) کمیٹی کے کھاتوں کی کتابیں مناسب انداز سے مرتب کی گئی ہیں۔

(iii) مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے اور حساباتی تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔

(iv) کمپنیز ایکٹ 2017 اور بین الاقوامی مالیاتی رپورٹنگ کے معیارات جو پاکستان میں لاگو ہیں، ان کے مطابق مالی گوشوارے تیار کیے گئے ہیں۔ کسی بھی اخلاف کا مناسب طور پر منکشف کیا گیا ہے اور وضاحت کی گئی ہے۔

(v) اندرونی گرفت کا نظام بشمول مالیاتی اور کاروباری کنٹرولز، خرید و فروخت، رسیدوں اور ادائیگیوں، اثاثوں اور واجبات کی بروقت اور مناسب ریکارڈنگ کے لیے اکاؤنٹنگ سسٹم اور رپورٹنگ کا ڈھانچہ ڈیزائن کے لحاظ سے درست ہے اور اسے مؤثر طریقے سے نافذ کیا گیا ہے اور نگرانی کی جاتی ہے۔

(vi) کمیٹی کے چلتے ہوئے ادارے کی صلاحیت کے بارے میں کوئی شبہات نہیں ہیں۔

(vii) لسٹنگ ریگولیشنز میں بیان کردہ ادارتی نظم و ضبط کے بہترین طور طریقوں سے کوئی اخلاف نہیں ہوا۔

(viii) ڈائریکٹرز رپورٹ میں کمیٹی کے گزشتہ سال کے کاروباری نتائج سے قابل ذکر اخلاف کو اجاگر کیا گیا ہے اور وجوہات کو وضاحت سے بیان کیا گیا ہے۔

(ix) گزشتہ چھ سالوں کے کلیدی کاروباری اور مالیاتی اعداد و شمار صفحہ نمبر 87 پر منسلک ہیں۔

(x) ٹیکسوں، ڈیوٹیوں، محصولات اور چارجز کی مد میں اگر کوئی قانونی ادائیگی بتایا ہے تو اس کی مختصر تفصیل اور وجوہات کے ساتھ رقم مالیاتی گوشواروں میں منکشف کی گئی ہے۔

(xi) اہم منصوبوں اور فیصلوں جیسے کہ ادارتی تنظیم نو، کاروبار میں توسیع اور آپریشنز کی بندش کے ساتھ مستقبل کے امکانات، خطرات اور غیر یقینی صورتحال، اگر کوئی ہوں، تو انہیں منکشف کیا گیا ہے۔

(xii) سال کے دوران منعقد ہونے والے بورڈ اور کمیٹیوں کے اجلاسوں کی تعداد اور ہر ڈائریکٹر کی حاضری منسلک ہے۔

(xiii) ترقیتی پروگراموں کی تفصیلات جن میں ڈائریکٹران نے شرکت کی، صفحہ نمبر پر 78 منسلک ہیں۔

(xiv) حصص داری کی ساخت صفحہ نمبر 299 پر منسلک ہے، اور

(xv) ڈائریکٹران، اعلیٰ انتظامی عملے اور ان کے شریک حیات اور نایاب بچوں کی کمیٹی کے حصص میں تمام خرید و فروخت منسلک کی گئی ہے۔

چیت ایگزیکٹو آفیسر / ڈائریکٹران / سرپرستوں / شریک حیات اور اعلیٰ انتظامی عملے کی حصص میں خرید و فروخت

ڈائریکٹران، چیت ایگزیکٹو آفیسر، چیت فنانشل آفیسر، کمیٹی سیکرٹری، اندرونی آڈٹ کے سربراہ، دیگر اعلیٰ انتظامی عملے، ان کے شریک حیات / سرپرستوں اور نایاب بچوں کی کمیٹی کے حصص میں خرید و فروخت کی تفصیلات درج ذیل ہیں:-

حصص کی خریداری / منتقلی	حصص کی خریداری / منتقلی	حصص کی فروخت / عطیہ اہبہ
ڈائریکٹران	--	99,459
چیت ایگزیکٹو آفیسر	91,778	--
چیت فنانشل آفیسر	--	--
کمیٹی سیکرٹری	--	--
اندرونی آڈٹ کے سربراہ	--	--
ایگزیکٹو	--	175,322
شریک حیات / سرپرست	20,500	4,100
ناایاب بچے	--	--

حصص داری کی ساخت

31 دسمبر 2025 تک حصص یافتگان کے مخصوص طبقے کی حصص داری کی ساخت کا بیان، جس کا اکتشاف رپورٹنگ فریم ورک کے تحت ضروری ہے، رپورٹ میں منسلک ہے، براہ کرم صفحہ نمبر 299 ملاحظہ کریں۔

بورڈ اور اس کی کمیٹیوں کا سالانہ جائزہ

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت بورڈ نے اپنے انفرادی ممبران، مجموعی طور پر بورڈ اور اس کی کمیٹیوں کی کارکردگی کا جائزہ لینے کے لئے ایک جامع نظام تشکیل دیا ہے۔

حصص یافتگان کے لئے ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹران آپ کی کمپنی کی رپورٹ کے ساتھ 31 دسمبر 2025 کو ختم ہونے والے سال کے مالیاتی گوشوارے پیش کرتے ہوئے اظہارِ مسرت کرتے ہیں۔

مالیاتی اور کاروباری کارکردگی

مالیاتی کارکردگی کا خلاصہ درج ذیل ہے:

	2025	2024
	روپے ملین میں	
منافع منقسمہ کی آمدنی	5,098	4,060
کرایہ جاتی آمدنی	774	667
عمومی اخراجات - خالص	(806)	(890)
کاروبار سے منافع	5,066	3,837
مالیاتی لاگت	(1,536)	(1,588)
محصولات و انکم ٹیکس	(476)	(337)
آمدن بعد از ٹیکس	3,054	1,912
بنیادی آمدن فی حصص - پاکستانی روپے	34.17	20.68

ہیکیز لمیٹڈ ایک انویسٹمنٹ ہولڈنگ کمپنی کے طور پر کام کرتی ہے اور اس کی کارکردگی کا تعین پاکستان کے اندر اور باہر واقع اس کی گروپ کمپنیوں کی مالیاتی کارکردگی سے ہوتا ہے جو کہ عام اقتصادی ماحول سے متاثر ہوتی ہیں۔

منافع منقسمہ کی آمدنی ہیکیز لمیٹڈ کی آمدنی کا بڑا ذریعہ ہے۔ نتیجے کے طور پر اس کی آمدنی کی ساخت گروپ کمپنیوں کے منافع منقسمہ کی تقسیم کی ساخت کے مطابق ہوگی۔ انتظامیہ کا خیال ہے کہ یہ ادارتی ڈھانچہ گروپ کمپنیوں کے مرکوز انتظام کے لیے سازگار ہے جو بہتر کاروباری کارکردگی کا باعث بنتا ہے۔

کمپنی کو گزشتہ سال 4,060 ملین روپے کے مقابلے میں سال 2025 کے دوران اپنی گروپ کمپنیوں سے 5,098 ملین روپے کا منافع منقسمہ حاصل ہوا جس سے 26 فیصد اضافے کی عکاسی ہوتی ہے۔ منافع میں اضافے کی بنیادی وجہ ہسٹ پاکستان لمیٹڈ، ہیکیز کنورٹرز لمیٹڈ، ہیکیز ریکل اسٹیٹ (پرائیویٹ) لمیٹڈ اور نصلے پاکستان لمیٹڈ کی گزشتہ سال کی یہ نسبت بہتر کارکردگی کے نتیجے میں ان سے حاصل ہونے والا زیادہ منافع منقسمہ تھا۔ بلھے شاہ پیکیجنگ (پرائیویٹ) لمیٹڈ اور اسٹارچ پیک لمیٹڈ میں سرمایہ کاریوں کے لئے کمپنی کے قرضے بڑھ کر 10.9 بلین تک بچنےے کے باوجود مالیاتی لاگت میں شرح سود میں کمی کی وجہ سے 3 فیصد کمی ہوئی۔

جس کے نتیجے میں آمدن بعد از ٹیکس میں 60 فیصد اضافہ ہوا جو کہ گزشتہ سال کی 1,912 روپے کے مقابلے میں بڑھ کر3,054 ملین روپے تک پہنچ گئی۔

گروپ کمپنیوں میں سرمایہ کاری

آپ کی کمپنی نے بلھے شاہ پیکیجنگ (پرائیویٹ) لمیٹڈ (‘BSPL’) اور اسٹارچ پیک (پرائیویٹ) لمیٹڈ (‘SPAC’) میں حصصی سرمایہ کاری اور ذیلی قرضوں کی مد میں 9,750 ملین روپے کی معاونت کی۔

بلھے شاہ پیکیجنگ (پرائیویٹ) لمیٹڈ میں حصصی سرمایہ کاری

بورڈ آف ڈائریکٹرز کے فیصلے کے تحت کمپنی نے 3,200 ملین روپے (2024 میں : صفر) سرمایہ کاری کی اور 4,800 ملین روپے کے واجب الادا قرضہ (2024 : صفر) کو جو کہ بذات خود موجودہ سال میں ملا تھا، سے BSPL کے عمومی حصص میں تبدیل کر دیا۔

اسٹارچ پیک (پرائیویٹ) لمیٹڈ میں حصصی سرمایہ کاری

بورڈ آف ڈائریکٹرز کے SPAC میں 1,400ملین روپے (2024 میں : صفر) کی سرمایہ کاری کے فیصلے کے تحت کمپنی نے کل رقم میں سے 31 دسمبر 2025 تک 500 ملین روپے (2024 میں 500 ملین) کی حصصی سرمایہ کاری کی اور 1,000 ملین روپے کے واجب الادا قرضے کو SPAC کے عمومی حصص میں تبدیل کر دیا۔

حکومت پنجاب (GoPB) سے لیز پر لی گئی زمین کا کرایہ

زمین کا ایک حصہ جس پر کمپنی کی عمارتیں واقع ہیں جس کی پچائش 231 کنال اور 19 مرلے ہے، اس کو حکومت پنجاب نے کمپنی کو دسمبر 1955 سے نومبر 2015 تک لیز پر دیا تھا جس کے بعد لیز کی تجدید نہیں کی گئی۔ معاملہ معزز سپریم کورٹ تک پہنچایا گیا اور اس کی ہدایات کے مطابق کمپنی نے500ملین روپے جمع کرائے اور بعد ازاں صنعتی استعمال کے لئے زمین کے کرائے کا حساب لگانے کے لئے دو سرورسز مقرر کئے گئے۔ سرورسز کی رپورٹیں جمع کرا دی گئی ہیں اور اس کے بعد سے معاملہ ان انفرادی مالیاتی گوشواروں کے اجراء کی اجازت کی تاریخ تک مزید کارروائی کے لیے زیر التواہے۔ مزید برآں عدالت نے فیصلہ کیا ہے کہ کمپنی کو انکار کا پہلا حق ملنے کے ساتھ کھلی نیلامی کے ذریعے زمین کو فروخت کیا جائے گا۔

انتظامیہ نے آزاد تشخیص کنندگان کی طرف سے کی گئی زمین کے مذکورہ حصے کی تشخیص کی بنیاد پر دسمبر 2025 کو ختم ہونے والے سال کے دوران کرائے کے سلسلے میں 186 ملین روپے (2024 میں 150 ملین روپے) کے اخراجات کو بک کیا ہے۔

مزید برآں عدالت کی طرف سے معاملے کا فیصلہ آنے پر انتظامیہ زمین کے مذکورہ حصے کی ملکیت حاصل کرنے کا ارادہ رکھتی ہے۔

مالیاتی انتظام

کمپنی کے پاس نقدی کے بہاؤ کا ایک موثر نظام ہے جس کے تحت نقدی کی آمد ورفت کا باقاعدگی سے تخمینہ لگایا جاتا ہے اور اس کی سخت نگرانی کی جاتی ہے۔

منافع کاری اور خطرات کی تشخیص کے ذریعے سرمایہ جاتی اخراجات کا محتاط انتظام کیا جاتا ہے۔ بڑے سرمایہ جاتی اخراجات کو طویل مدتی معاہدوں کی تائید حاصل ہوتی ہے تاکہ کاروبار میں نقدی کے بہاؤ کے خطرے کو کم سے کم کیا جاسکے۔ 2025 کے دوران سرمایہ جاتی اخراجات 654.7ملین روپے تھے۔

کمپنی کا سرمایہ کاری پورٹ فولیو کافی متنوع ہے جو کہ نصلے پاکستان لمیٹڈ، ہیکیز کنورٹرز لمیٹڈ، ٹرائی پیک فلز لمیٹڈ، بلھے شاہ پیکیجنگ (پرائیویٹ) لمیٹڈ، ڈی آئی سی پاکستان لمیٹڈ، ہیکیز ریکل اسٹیٹ (پرائیویٹ) لمیٹڈ، ہیکیز انکا (پرائیویٹ) لمیٹڈ، اسٹارچ بیک (پرائیویٹ) لمیٹڈ، ہیکیز ٹریڈنگ FZCO، ہسٹ پاکستان لمیٹڈ اور دیگر کلیدی سرمایہ کاریوں میں لکویٹی شراکت سے ظاہر ہوتا ہے۔

بورڈ اس بات سے مطمئن ہے کہ طویل مدتی یا قلیل مدتی بشمول قرضوں تک رسائی میں کوئی رکاوٹ نہیں ہے اور 31 دسمبر 2025 کو ایک مضبوط کھاتے کے ساتھ خالص قرضہ لکویٹی کی شرح 24:76 ہے۔

خطرات کا انتظام

بورڈ آف ڈائریکٹرز اور بورڈ کی آڈٹ کمیٹی اثرات اور رونما ہونے کے امکانات کے لحاظ سے خطراتی پہلوؤں کا باقاعدگی سے جائزہ لیتے ہیں۔ چیت ایگزیکٹو آفیسر کی قیادت میں اعلیٰ انتظامی ٹیم خطرے میں کمی کے اقدامات کی ذمہ دار ہے۔ مارکیٹ کے حالات کا مسلسل جائزہ لینے کی کمپنی کی صلاحیت اور بروقت کارروائی سے کمپنی کو مؤثر طریقے سے خطرات سے نشتے میں مدد ملتی ہے۔

قرضہ جاتی خطرہ

کمپنی کے تمام مالیاتی اثاثے سوائے نقد رقم کے قرضہ جاتی خطرے کے تابع ہیں۔ کمپنی کو یقین ہے کہ اسے قرضہ جاتی خطرات کی کسی بڑی تعداد کا سامنا نہیں ہے اور وہ“متوقع قرضہ جاتی خساروں“ (ECL) کی رسائی کے ذریعے مالیاتی اثاثوں پر پڑنے والے اثرات کا مسلسل جائزہ لیتی رہتی ہے۔ ‘A’ درجہ بندی کے حامل بینکوں اور مالیاتی اداروں میں اپنے متنوع سرمایہ کاری پورٹ فولیو کے ذریعے اثرات کو کم کیا جاتا ہے ۔

روایتیت کا خطرہ

روایتیت کے خطرات کے محتاط انتظام سے مراد وعدوں کو پورا کرنے کے لئے کافی فنڈز کی دستیابی ہے۔ کمپنی کی رقومات کے انتظام کی حکمت عملی کا مقصد نقدی کی اندرونی پیداوار اور مالیاتی اداروں سے طے شدہ قرضہ جاتی طریقوں کے ذریعے روایتیت کے خطرات کا انتظام کرنا ہے۔

شرح سود کا خطرہ

متغیر طویل مدتی قرضے کی شرح میں شرح سود کے خطرے کے خلاف ”قبل از وقت ادائیگی کے اختیار“ کو بنیادی شرح سود میں کسی بھی منفی حرکت کی صورت میں استعمال کیا جا سکتا ہے۔ کمپنی کو شرح سود کا خطرہ طویل مدتی قرضوں اور قلیل مدتی قرضوں سے پیدا ہوتا ہے۔ مقررہ نرخوں پر مالیاتی اوزار بلحاظ مالیت شرح سود کے خطرے سے دوچار کرتے ہیں۔ متغیر شرحوں پر مالیاتی اوزار کمپنی کے نقدی کے بہاؤ کو شرح سود کے خطرے سے دوچار کرتے ہیں۔ ہمارا ادارہ مالیاتی نتائج پر ممکنہ اثرات کو کم کرنے کے لئے شرح سود کے خطرات کی فعال طور پر نگرانی اور انتظام کرتا ہے۔

زرہبادلہ کے خطرات

غیر ملکی کرنسی کا خطرہ بنیادی طور پر وہاں پیدا ہوتا ہے جہاں غیر ملکی کرنسیوں میں لین دین کی وجہ سے قابل وصولی اور واجب الادا رقومات ہوں۔

سرمائے کا انتظام

کمپنی کی پالیسی کے تحت سرمائے کی ایک مضبوط بنیاد کو برقرار رکھنا ہے تاکہ سرمایہ کاروں، قرض دہندگان اور مارکیٹ کا اعتماد بحال رکھا جاسکے اور مستقبل میں کاروباری ترقی کے تسلسل کو برقرار رکھا جاسکے۔ سال کے دوران سرمائے کے انتظام کے لحاظ سے کمپنی کے نقطہ نظر میں کوئی تبدیلی نہیں آئی۔

قومی خزانے میں معاونت

آپ کی کمپنی قومی معیشت میں اہم شراکت دار ہے اور اس نے سال 2025 کے دوران سیلز ٹیکس، انکم ٹیکس، درآمدی ڈیوٹیوں اور آئینی محصولات کی مد میں قومی خزانے میں 845 ملین روپے جمع کرائے ہیں۔

ریٹائرمنٹ فنڈز

کمپنی اس وقت تین ریٹائرمنٹ فنڈز چلا رہی ہے جن میں پرائیڈنٹ فنڈ، گرہجوبیٹی فنڈ اور پنشن فنڈ شامل ہیں۔ 31 دسمبر 2024 کو ان کے آڈٹ شدہ مالیاتی گوشواروں کی بنیاد پر ان فنڈز سے کی گئی سرمایہ کاری کی مالیت درج ذیل تھی:

پروویڈنٹ فنڈ	5,941.69 ملین روپے
گرہجوبیٹی فنڈ	829 ملین روپے
پنشن فنڈ	4,284.05 ملین روپے

مصارف منافع

کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنی کے سال 2025 کے مالیاتی نتائج کے مد نظر رکھتے ہوئے 160 فیصد (یعنی 16 روپے فی حصص) نقد منافع منقسمہ کی سفارش کی ہے۔ اس کے مطابق مندرجہ ذیل تخصیصات کی گئی ہیں:

روپے ہزار میں	
ترجمی منافع منقسمہ / منفعیت کی تخصیص	
کے بعد سال 2024 کی کل جامع آمدنی	3,043,994
غیر مختص منافع جو سرمائے کے ذخیرے میں منتقل کئے گئے	1,793,990
غیر مصرف شدہ منافع آگے لایا گیا	970,801
تخصیص کے لیے دستیاب	5,808,785
شراکت داری منافع منقسمہ - ترجمیمی حصص یافتگان	
منافع منقسمہ	(1,430,072)
2026 میں لے جایا جائے گا	4,378,713

آڈیٹرز

موجودہ آڈیٹر میسرز A.F. فرگوسن اینڈ کو ریٹائر ہو رہے ہیں اور انہوں نے اپنی دوبارہ تقرری کی پیشکش کی ہے۔ انہیں انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کی جانب سے تسلی بخش درجہ بندی حاصل ہے،اس کے ساتھ انہوں نے ICAP کے اختیار کردہ انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) کے ضابطہ اخلاق کے رہنما اصولوں کی پاسداری کی تصدیق کی ہے ۔

آڈٹ کمیٹی کی تجویز پر بورڈ آف ڈائریکٹرز نے 31 دسمبر 2026 کو ختم ہونے والے سال کے لئے کمپنی کے آڈیٹرز کے طور پر ان کی دوبارہ تقرری کی سفارش کی ہے جن کی فیس باہمی رضامندی سے طے ہوگی۔

کمپنی کے کاروبار سے ماحولیات پر اثرات اور ادارتی سماجی ذمہ داری

ماحولیات پر کمپنی کے کاروباری اثرات اور ادارتی سماجی ذمہ داری کے حوالے سے آپ کی کمپنی کی طرف سے کئے گئے اقدامات کا بیان سالانہ رپورٹ کے صفحہ 54 پر کیا گیا ہے۔

ادارتی نظم و ضبط کے ضابطے کی پاسداری

لسنڈ کمپنیز (کوڈ آف کارپوریت گورننس) ریگولیشنز2019 کو کمپنی نے اختیار کیا ہے اور اس کی ہاضابطہ پاسداری کی جاتی ہے۔ اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک ہے، براہ کرم صفحہ 85 ملاحظہ کریں۔

اہم تبدیلیاں

31 دسمبر 2024 کے بعد سے کوئی اہم تبدیلیاں رونما نہیں ہوئی ہیں اور کمپنی نے کوئی ایسا معاہدہ نہیں کیا ہے جو اس تاریخ پر اس کی مالیاتی پوزیشن کو متاثر کرے سوائے ان کے جنہیں کمپنی کے 31 دسمبر 2025 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں میں بیان کیا گیا ہے۔

ڈائریکٹران کی تعداد

(الف) مرد	9
(ب) خاتون	1

مجموعی مالیاتی گوشوارے برائے سال مختتمہ 31 دسمبر 2025 پر ڈائریکٹرز رپورٹ

سرپرست کمپنی کے ڈائریکٹران 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے گروپ کے مجموعی مالیاتی گوشوارے پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔ سال 2024 کے مقابلے میں سال 2025 کے مجموعی نتائج کا موازنہ درج ذیل ہے:

	2025	2024
روپے میں ہیں		
فروخت - خالص	193,228	176,761
کاروبار سے منافع - EBIT	19,188	18,764
مالیاتی لاگتیں	(14,598)	(18,356)
سرمایہ کاری آمدن	1,208	618
ملحقہ اور مشترکہ کمپنیوں کے منافع میں حصہ	507	418
منافع قبل از محصولات و انکم ٹیکس	6,305	1,444
محصولات و انکم ٹیکس	(6,044)	(2,823)
سال کا منافع / (خسارہ)	261	(1,379)

سال 2025 کے دوران گروپ کی خالص فروخت 193,228 ملین روپے رہی جبکہ گزشتہ سال 176,761 ملین روپے تھی، اس طرح فروخت 9 فیصد زیادہ رہی، اس کے ساتھ ساتھ کاروباری منافع 19,188 ملین روپے رہا جو کہ گزشتہ سال 18,764 ملین روپے تھا، جس سے 2 فیصد اضافے کی عکاسی ہوتی ہے۔ فروخت میں اضافے اور فروخت کے سازگار مرکب کی وجہ سے منافع میں اضافہ ہوا لیکن گزشتہ سالوں میں کئے گئے کلیدی سرمایہ جاتی اخراجات کے نتیجے میں فرسودگی کے بلند اخراجات اور بڑھتی ہوئی مارکیٹنگ لاگت نے اسے جزوی طور پر کم کر دیا۔

گروپ کا منافع قبل از ٹیکس 6,305 ملین روپے رہا جو کہ گزشتہ سال 1,444 ملین روپے تھا یعنی اس میں 4.4 گنا اضافہ ہوا۔ منافع میں اضافے کی بنیادی وجہ مالیاتی لاگت کم ہو کر 3,758 ملین روپے گئی جس میں کمی کی بنیادی وجہ شرح سود میں کمی اور طویل مدتی قرضوں کی ادائیگی تھی۔

محصولات و انکم ٹیکس میں 2.1 گنا اضافہ ہوا، جس کی وجہ فنانس ایکٹ 2025 میں حالیہ ترمیم کے تحت کم از کم ٹیکسوں کی مدت تین سال سے کم کر کے دو سال کر دی گئی تھی جس کی وجہ سے گزشتہ سالوں کے کم از کم ٹیکس کے واجبات کی ادائیگی کرنا پڑی۔

گروپ کی ذیلی کمپنیوں کی کاروباری کارکردگی کا ایک مختصر جائزہ درج ذیل ہے:

پیکیز کنورٹرز لمیٹڈ

پیکیز کنورٹرز لمیٹڈ (PCL) گروپ کی ایک آنلسٹڈ پبلک لمیٹڈ مکمل ملکیتی ماتحت کمپنی ہے۔ یہ بنیادی طور پر پیکیزنگ کے مواد، نشو مصنوعات اور سینیٹری نیپکن کی تیاری اور فروخت میں مصروف عمل ہے۔ 2025 کے دوران PCL کی خالص فروخت 51,125 ملین روپے رہی جبکہ 2024 میں 49,176 ملین روپے تھی، جس سے 4 فیصد اضافے کی نشاندہی ہوتی ہے۔ 2025 کے دوران PCL کا منافع قبل از ٹیکس 4,873 ملین روپے رہا جبکہ 2024 میں 4,717 روپے تھا جس سے 3 فیصد اضافے کی نشاندہی ہوتی ہے۔ اضافے کی بنیادی وجہ فروخت کا بہتر مرکب، لاگتوں پر سخت کنٹرول، کم شرح سود اور رواں سرمائے کا موثر انتظام ہے۔

بیٹے شاہ پیکیزنگ (پرائیویٹ) لمیٹڈ

بیٹے شاہ پیکیزنگ (پرائیویٹ) لمیٹڈ (BSPL) گروپ کی مکمل ملکیتی ذیلی کمپنی ہے، جو بنیادی طور پر کاغذ اور کاغذی بورڈ اور کورویٹڈ گٹے کی تیاری اور تہذیبی میں مصروف عمل ہے۔ سال 2025 کے دوران BSPL کی فروخت 63,134 ملین روپے رہی جو کہ گزشتہ سال 2024 میں 57,870 ملین روپے تھی جس سے 9 فیصد اضافے کی

عکاسی ہوتی ہے۔ سال 2025 کے دوران BSPL کا خسارہ قبل از محصولات و انکم ٹیکس 5,135 ملین روپے رہا جبکہ 2024 کے دوران 6,426 ملین روپے تھا جس سے بہتر کاروباری کارکردگی کی نشاندہی ہوتی ہے۔ خساروں کی بنیادی وجوہات میں گٹے اور کاغذ کی مصنوعات کی بلاکاوٹ درآمدات، فروخت کا ناموافق مرکب اور بلند سودی لاگت ہے۔ مزید برآں گزشتہ سال کے دوران 791 ملین روپے کا ایک مرتبہ کا بیہ منافع بھی تھا۔ مستقبل میں BSPL کاروباری نتائج کو بہتر بنانے کے لئے حجم فروخت میں اضافے، فروخت کے سازگار مرکب اور لاگتوں پر سخت کنٹرول پر توجہ مرکوز کرے گی۔

ڈی آئی سی پاکستان لمیٹڈ

ڈی آئی سی پاکستان لمیٹڈ (DIC) گروپ کی ایک ان لسٹڈ پبلک لمیٹڈ ذیلی کمپنی ہے جو بنیادی طور پر صنعتی روشنائی کی تیاری، پروسیسنگ اور فروخت میں مصروف عمل ہے۔ سال 2025 کے دوران DIC کی خالص فروخت 12,417 ملین روپے رہی جو کہ گزشتہ سال 11,750 ملین روپے تھی، جس سے فروخت میں 6 فیصد اضافے کی عکاسی ہوتی ہے۔ سال 2024 کے دوران DIC کا منافع قبل از محصولات و انکم ٹیکس 1,503 ملین روپے رہا جبکہ 2024 کے دوران 1,702 ملین روپے تھا۔ اس کی بنیادی وجوہات میں مصنوعات کا متنوع مرکب، زرمبادلہ کے خساروں اور سال 2025 میں قصور میں اپنی نئی جگہ پر منتقلی اور تجارتی پیداوار کے آغاز کے نتیجے میں فرسودگی کے اخراجات میں اضافہ شامل ہیں۔ مستقبل میں انتظامیہ حجم فروخت میں اضافے اور لاگتوں پر سخت کنٹرول کے ذریعے نتائج کو بہتر بنانے پر توجہ مرکوز کرے گی۔

پیکیز انکا (پرائیویٹ) لمیٹڈ

پیکیز انکا (پرائیویٹ) لمیٹڈ (PLL) سری انکا میں قائم گروپ کی ایک ذیلی کمپنی ہے، جو بنیادی طور پر لچکدار پیکیزنگ کی تیاری اور فروخت میں مصروف عمل ہے۔ PLL کا سال 2025 میں فروخت 4,704 ملین سری لنکن روپے رہی جو کہ گزشتہ سال 2024 میں 4,999 ملین سری لنکن روپے تھا جس سے فروخت میں 6 فیصد کمی کی نشاندہی ہوتی ہے۔ سال 2025 میں کمپنی کا منافع قبل از ٹیکس 960 ملین سری لنکن روپے رہا جبکہ 2024 میں منافع قبل از ٹیکس 1,006 ملین سری لنکن روپے تھا جس سے 5 فیصد کمی کی نشاندہی ہوتی ہے، جس کی بنیادی وجہ حکومت کی طرف سے پیکیزنگ کے مواد کی شکل میں تبدیلیوں کے نتیجے میں نقدی کے اندرونی بہاؤ میں تاخیر تھی۔ مستقبل میں PLL حجم فروخت میں اضافے اور مصنوعات کے سازگار مرکب کے ذریعے کاروباری نتائج کو بہتر بنانے پر توجہ مرکوز کرے گی۔

پیکیز ریل اسٹیٹ (پرائیویٹ) لمیٹڈ

پیکیز ریل اسٹیٹ (پرائیویٹ) لمیٹڈ (PREPL) گروپ کی ایک ذیلی کمپنی ہے جو بنیادی طور پر جائیداد کی ترویج میں مصروف عمل ہے۔ یہ اس وقت ہیکیز مال کے نام سے ایک ریل اسٹیٹ پروجیکٹ چلا رہی ہے اور ادائیگی صارفین کو دفتر کی جگہ بھی لیز پر دیتی ہے۔ سال 2025 کے دوران PREPL کی خالص آمدن 6,413 ملین روپے رہی جو کہ 2024 میں 6,018 ملین روپے تھی جس سے 7 فیصد اضافے کی عکاسی ہوتی ہے۔ سال 2025 کے دوران PREPL کا منافع قبل از محصولات و انکم ٹیکس 1,594 ملین روپے رہا جو کہ 2024 میں 989 ملین روپے تھا جس سے 61 فیصد اضافے کی عکاسی ہوتی ہے جس کی بنیادی وجہ کم شرح سود کے نتیجے میں مالیاتی لاگتوں میں بچت اور قرضوں کی ادائیگیوں کے نتیجے میں قرض کی سطح میں کمی ہے۔

اسٹارچ پیک (پرائیویٹ) لمیٹڈ (SPL)

اسٹارچ پیک (پرائیویٹ) لمیٹڈ (SPL) گروپ کی مکمل ملکیت میں ذیلی کمپنی ہے، جو کہ بنیادی طور پر کھیتی کے نشاستے کی مصنوعات، اس کے ماخذ، ذیلی مصنوعات کی تیاری اور فروخت اور کھیتی کی خرید و فروخت میں مصروف عمل ہے۔ سال 2025 کے دوران SPL کی

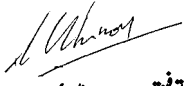
فروخت 8,166 ملین روپے رہی جو کہ سال 2024 کے دوران 3,599 ملین روپے تھی جس سے 2.3 گنا اضافے کی عکاسی ہوتی ہے۔ سال 2025 کے دوران SPL کا خسارہ قبل از محصولات و انکم ٹیکس 1,383 ملین روپے رہا جو کہ سال 2024 کے دوران 1,933 ملین روپے تھا۔ مستقبل میں SPL خاص طور پر قیمتی نشاستوں کے ساتھ اپنی مصنوعات کے پورٹ فولیو میں اضافے، مستعد پیداوار اور کھیتی کی مستعد خریداری کے ذریعے مالیاتی سال 2026 میں مستحکم کارکردگی کو ہدف بنا رہی ہے۔

ٹرائی پیک فلز لمیٹڈ (TPFL)

ٹرائی پیک فلز لمیٹڈ (TPFL) گروپ کی ایک ذیلی لسٹڈ پبلک لمیٹڈ کمپنی ہے جو کہ خصوصی طور پر ہائی اینڈ پٹی اور اینڈ پٹی پروڈکٹس (BOPP) فلم اور کاسٹ پٹی پروڈکٹس (CPP) فلز کی تیاری اور فروخت میں مصروف عمل ہے۔ سال 2025 کے دوران TPFL کی خالص فروخت 30,204 ملین روپے رہی جبکہ گزشتہ سال فروخت 29,413 ملین روپے تھی جس سے 3 فیصد اضافے کی نشاندہی ہوتی ہے جو مارکیٹ میں پائیدار طلب کی عکاسی کرتی ہے۔ سال 2024 کے دوران TPFL کا خسارہ قبل از ٹیکس و محصولات 235 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں خسارہ قبل از محصولات و انکم ٹیکس 290 ملین روپے تھا، جس کی بنیادی وجہ نئی BOPP پیداواری لائن میں سرمایہ کاری کے نتیجے میں فرسودگی اور مالیاتی لاگت میں اضافہ تھی۔ مستقبل میں کمپنی کو توقع ہے کہ وہ بلند حجم فروخت، رواں سرمائے کے بہتر انتظام اور مقررہ لاگتوں پر سخت کنٹرول کے ذریعے کلیدی سرمایہ جاتی اخراجات کے فوائد سے استفادہ کرے گی۔

پیکیز ٹریڈنگ FZCO، دہلی، بولے ای

پیکیز ٹریڈنگ FZCO (FZCO) گروپ کی مکمل ملکیت میں ایک کمپنی ہے جو کہ دہلی اینٹیگریٹڈ ایکٹامک زونز اتھارٹی اینٹیگریٹڈ ریگولیشنز 2022 کے تحت قائم ہوئی اور دہلی اینٹیگریٹڈ ایکٹامک زونز اتھارٹی میں رجسٹر ہے۔ یہ ذیلی کمپنی بنیادی طور پر تجارتی خرید و فروخت کے ساتھ ساتھ ضمنی سرگرمیوں جیسے درآمدات، برآمدات، تقسیم اور ویئر ہاؤسنگ میں مصروف عمل ہے۔ 2025 کے دوران FZCO کی خالص آمدن 265 ملین AED رہی جبکہ 2024 کے دوران خالص آمدن 106 ملین AED تھی جس سے 2.5 گنا اضافے کی عکاسی ہوتی ہے۔ FZCO کا منافع قبل از ٹیکس 2.3 ملین AED رہا جو کہ گزشتہ 1.8 ملین AED تھا جس سے 28 فیصد اضافے کی عکاسی ہوتی ہے جس



زفین حبیب چاؤدری

چیرمین

26 مارچ 2026

لاہور

کی بنیادی وجوہات میں فروخت میں اضافہ اور تجارتی پورٹ فولیو میں توسیع شامل ہے۔

بکٹ پاکستان لمیٹڈ

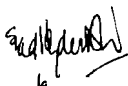
بکٹ پاکستان لمیٹڈ (HPL) بنیادی طور پر دواسازی اور ملحقہ مصنوعات کی تیاری، فروخت اور ٹریڈنگ میں مصروف عمل ہے۔ سال 2025 کے دوران HPL کی خالص آمدن 30,929 ملین روپے رہی جو کہ گزشتہ سال اسی مدت میں 26,748 ملین روپے تھی جس سے 16 فیصد اضافے کی نشاندہی ہوتی ہے۔ موجودہ سال کے دوران HPL کا منافع قبل از محصولات و انکم ٹیکس 4,964 ملین روپے رہا جبکہ 2024 میں 3,479 ملین روپے تھا جس سے 43 فیصد اضافے کی نشاندہی ہوتی ہے، جس کی بنیادی وجوہات میں فروخت میں اضافہ، مصنوعات کا سازگار مرکب اور رواں سرمائے کا موثر انتظام شامل ہیں۔

مستقبل کا منظر نامہ

آگے کی جانب، 2026 میں توقع ہے کہ پاکستان کی معیشت مشرق وسطیٰ میں بڑھتی ہوئی جغرافیائی سیاسی کشیدگی اور اس کے ممکنہ اثرات کے باوجود محتاط طور پر مستحکم رہے گی۔ عالمی سطح پر تیل کی قیمتوں میں اتار چڑھاؤ غلجی خطے سے ترسیلات زر میں رکاوٹیں اور بیرونی کھاتوں پر دباؤ قبیل مدتی دشواریاں پیدا کر سکتے ہیں، تاہم ملک میں جاری معاشی استحکام کی کوششیں، محتاط مالیاتی نظم و ضبط، مارکیٹ پر مبنی شرح مبادلہ اور کثیرالجہتی شراکت داروں کے ساتھ مسلسل تعاون کے ذریعے استحکام میں معاونت ملنے کا امکان ہے۔

اگرچہ بیرونی دشواریوں خصوصاً توانائی اور تجارتی شعبوں میں خطرات برقرار ہیں تاہم پاکستان ساختی اصلاحات، برآمدی منڈیوں کی تنوع اور زرمبادلہ کے ذخائر کو مضبوط بنانے اور مالیاتی نظم و ضبط پر مسلسل توجہ کے ذریعے ان چیلنجز سے نمٹنے کی صلاحیت رکھتا ہے۔

گروپ اپنی مالیاتی پوزیشن کو مضبوط بنانے، سرمائے کے ڈھانچے کو بہتر بنانے اور کلیدی ترقی و تنوع کے مواقع کا جائزہ لینے کے لئے پرعزم ہے۔ نظم و ضبط پر مبنی خطرات کا انتظام، کاروباری کارکردگی میں بہتری، اور حصص یافتگان کے لئے طویل مدتی منفعت کی تخلیق پر توجہ مرکوز رہے گی جبکہ پائیداری اور ذمہ دارانہ کاروباری طرز عمل کو گروپ کی حکمت عملی کا لازمی حصہ بنانے کو یقینی بنائے گا۔



سید حیدر علی

چیف ایگزیکٹو آفیسر

اور ہیڈنگ ڈائریکٹر