Indus Motor Company Ltd.

2026
Annual Report

House of Habib


35
YEARS
Of
Unstoppable
Momentum
35 YEARS Of Safety
35 YEARS Of Reliability
35 YEARS Of Quality
35 YEARS Of Respect for People

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TOYOTA

GLOBAL VISION

Toyota will lead the future mobility society, enriching lives around the world with the safest and most responsible ways of moving people. Through our commitment to quality, ceaseless innovation and respect for the planet, we strive to exceed expectations and be rewarded with a smile. We will meet challenging goals by engaging the talent and passion of people who believe there is always a better way.



The tree has been used to symbolize the Toyota Global Vision from roots to fruits. The tree is a symbol of natural strength, useful and sustainable, something that continues to grow and nourish year after year.



TREE of *life*



Fruits

Always better cars

- Develop vehicles which exceed customer expectations

Enriching lives of communities

- Contribute to communities
- Contribute to the future of mobility

Trunk

- Stable base of business

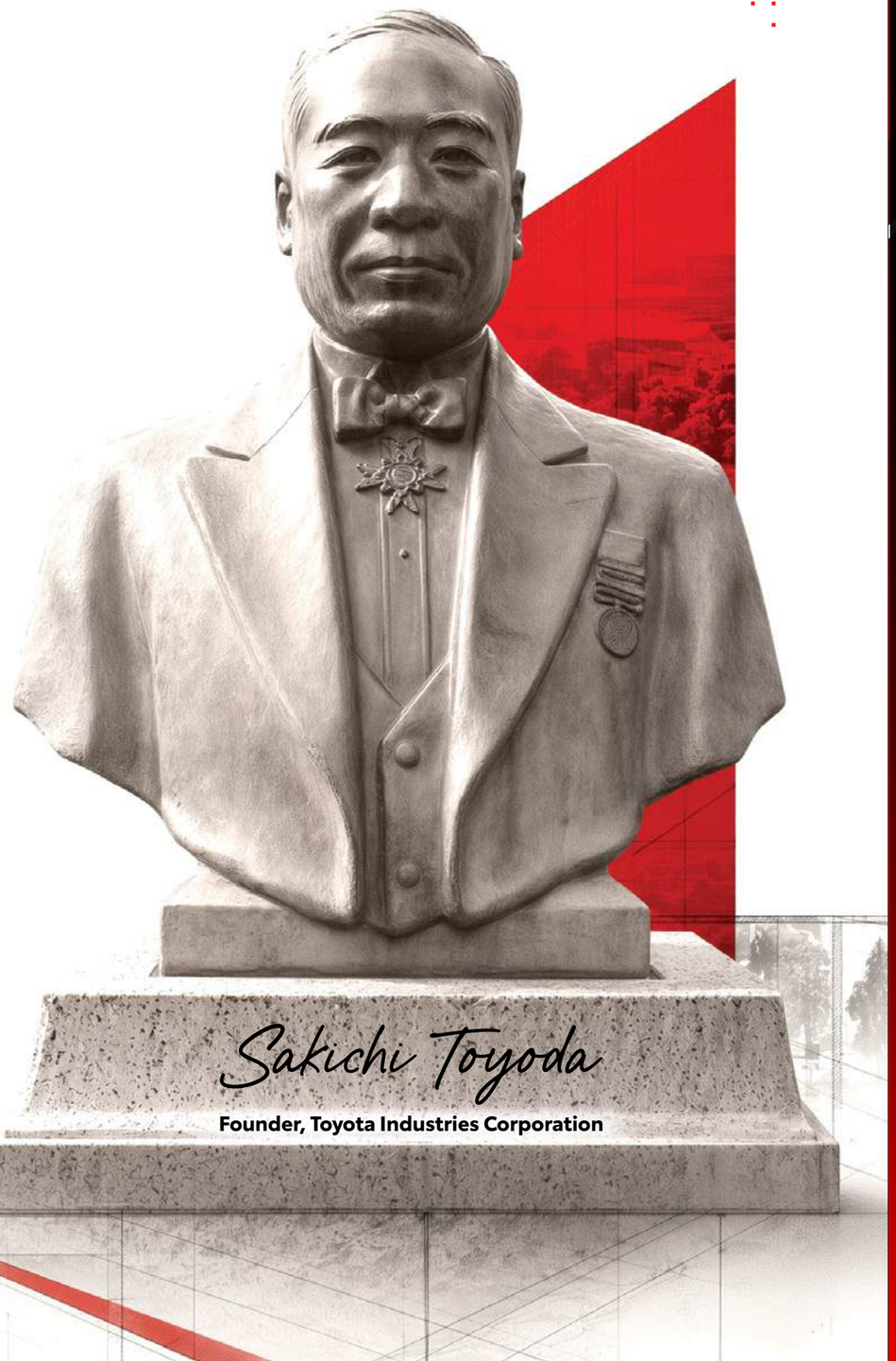
Roots

Toyota Values

- The Toyoda Precepts
- Guiding Principles at Toyota
- The Toyota Way

TOYODA *Precepts*

- Always strive to build a homelike atmosphere at work that is warm and friendly.
- Always be studious and creative, striving to stay ahead of the times.
- Always be faithful to your duties, thereby contributing to the Company and to the overall good.
- Always have respect for spiritual matters and remember to be grateful at all times.
- Always be practical and avoid frivolousness.



Sakichi Toyoda

Founder, Toyota Industries Corporation

GUIDING *Principles* TOYOTA

Since the Company was founded in 1937, Toyota Motor Corporation and its subsidiaries have continuously striven to contribute to the sustainable development of society and the earth through the provision of high-quality and innovative products and services.

1. Honor the language and spirit of the law of every country and region and undertake open and fair business activities to be a strong corporate citizen of the world.
2. Respect the culture and customs of every country and region and contribute to economic and social development through corporate activities in their respective communities.
3. Dedicate our business to provide clean and safe products and to enhancing the quality of life everywhere through all of our activities.
4. Create and develop advanced technologies and provide outstanding products and services that fulfill the needs of customers worldwide.
5. Foster a corporate culture that enhances both individual creativity and the value of teamwork, while honoring mutual trust and respect between labor and management.
6. Pursue growth through harmony with the global community via innovative management.
7. Work with business partners in research and manufacturing to achieve stable, long-term growth and mutual benefits, while remaining open to new partnerships.

IMC SUSTAINABILITY *Philosophy*

For IMC, sustainability means creating long-term business value while managing the economic, environmental and social impacts associated with vehicle manufacturing and mobility. This includes using energy, water and materials efficiently; reducing emissions and waste; protecting employee health and safety; developing people and suppliers; maintaining product quality and customer trust; and contributing to the communities connected with the Company's operations.

IMC's approach is shaped by Toyota Motor Corporation's Global Vision, Guiding Principles and Sustainability Fundamental Policy and is inspired by Toyota's enduring purpose of "Producing Happiness for All" and its philosophy of "Concern Beyond Cars." These principles reinforce the Company's commitment to delivering mobility solutions that are safe, reliable and environmentally responsible while creating lasting value for customers, employees, business partners, shareholders and the communities it serves.

The Toyota Production System and the principle of continuous improvement (Kaizen) guide how IMC translates this philosophy into its operations. Through process improvement, resource-efficiency initiatives, workplace practices and employee participation, the Company seeks to improve manufacturing performance while reducing operational impacts. Sustainability considerations are increasingly incorporated into IMC's business planning, risk management and operational decision-making. The Company's governance and management structures support oversight of priorities, while performance is monitored through relevant management systems, operational indicators, certified management systems, performance review mechanisms and internal review processes.

By integrating sustainability into strategic planning, operational decision-making and continuous improvement, IMC enhances business resilience, strengthens its competitiveness, manages emerging risks and creates long-term value for shareholders and other stakeholders. This integrated approach enables the Company to respond to evolving regulatory requirements, technological advancements and changing customer expectations while supporting responsible growth.

IMC also uses the United Nations Sustainable Development Goals, the Ten Principles of the United Nations Global Compact and the Toyota Environmental Challenge 2050 to inform its strategic priorities and provide a framework for measuring and communicating sustainability performance.

TMC's Sustainability Fundamental Policy

We, Toyota Motor Corporation and our subsidiaries, have inherited the spirit of Toyoda Principles since our foundation and have aimed to create a prosperous society through our business activities, based on The Guiding Principles at Toyota. In 2020, based on these Principles, we compiled the Toyota Philosophy and set the mission of "Producing Happiness for All." We aim to be the "best company in town" that is both loved and trusted by the people. We will contribute to the sustainable development of our society/planet by promoting sustainability, as we have, under the Toyota Philosophy, based on the Sustainability Fundamental Policy and individual policies.

CUSTOMERS

Based on our philosophy of Customer First, we develop and provide innovative, safe and outstanding high quality products and services that meet a wide variety of customer demands to enrich the lives of people around the world. *(Guiding Principles: 3 and 4)* We will endeavor to protect the personal information of customers and everyone else we are engaged in business with, in accordance with the letter and spirit of each country and region's privacy laws. *(Guiding Principle: 1)*

EMPLOYEES

We respect our employees and believe that the success of our business is led by each individual's creativity and solid teamwork. We support personal growth for our employees. *(Guiding Principle: 5)* We support equal employment opportunities and diversity and inclusion for our employees. We do not discriminate against them. *(Guiding Principle: 5)* We strive to provide fair working conditions and to maintain a safe and healthy working environment for all our employees. *(Guiding Principle: 5)* We respect and honor the human rights of people involved in our business and in particular, do not use or tolerate any form of forced or child labor. *(Guiding Principle: 5)* Through communication and dialogue with our employees, we build and share the value "Mutual Trust and Mutual Responsibility," working together for the success of our employees and the Company. We recognize our employees' right to freely associate, or not to associate, complying with the laws of the countries and regions in which we operate. *(Guiding Principle: 5)* Management of each company takes leadership in fostering a corporate culture and implementing policies that promote ethical behavior. *(Guiding Principles: 1 and 5)*

BUSINESS PARTNERS

We respect our business partners such as suppliers and dealers and work with them through long-term relationships to realize mutual growth based on mutual trust. *(Guiding Principle: 7)* Whenever we seek a new business partner, we are open to any and all candidates, regardless of nationality or scale of the company and evaluate them based on their overall strengths. *(Guiding Principle: 7)* We maintain fair and free competition in accordance with the letter and spirit of each country and region's competition laws. *(Guiding Principles: 1 and 7)*

SHAREHOLDERS

We strive to enhance corporate value while achieving stable and long-term growth for the benefit of our shareholders. *(Guiding Principle: 6)* We provide our shareholders and investors with timely and fair disclosure on our operating results, financial condition and non-financial condition information. *(Guiding Principles: 1 and 6)*

ENVIRONMENT

We aim for growth that is in harmony with the environment by seeking to minimize the environmental impact of our business operations, such as by working to reduce the effect of our vehicles and operations on climate change and biodiversity. We strive to develop, establish and promote technologies that enable the environment and economy to coexist harmoniously and to build close and cooperative relationships with a wide spectrum of individuals and organizations involved in environmental preservation. *(Guiding Principle: 3)*

COMMUNITY

We implement our philosophy of respect for people by honoring the culture, customs, history and laws of each country and region. *(Guiding Principle: 2)* We constantly pursue safer, cleaner and improved technologies that satisfy the evolving needs of society for sustainable mobility. *(Guiding Principles: 3 and 4)* We do not tolerate bribery of or by any business partner, government agency or public authority and maintain honest and fair relationships with government agencies and public authorities. *(Guiding Principle: 1)*

SOCIAL CONTRIBUTION

Wherever we do business, we actively promote and engage, both individually and with partners, in social contribution activities that help strengthen communities and contribute to the enrichment of society. *(Guiding Principle: 2)*

TOYOTA ENVIRONMENTAL *Challenge* 2050

Environmental stewardship has long been embedded in Toyota's global philosophy. This commitment began with the introduction of the Toyota Earth Charter in 1992. Revised in 2000, the Charter was complemented by the Company's first Environmental Action Plan, introduced in 1993. Updated every five years, the plan provides a consistent framework for Toyota companies worldwide to strengthen environmental performance and advance shared sustainability priorities.

In 2015, Toyota expanded this commitment through the Environmental Challenge 2050, establishing a long-term roadmap to address some of the world's most significant environmental challenges, including climate change, water scarcity, resource depletion and biodiversity conservation. The initiative is built around six priority areas that seek to reduce the environmental footprint of manufacturing and vehicle use while contributing to broader environmental progress.

As part of the Toyota Group, IMC aligns its environmental strategy with these global priorities while setting practical short- and medium-term objectives suited to its local operations. The 2030 targets serve as an important milestone toward achieving the Environmental Challenge 2050 and define measurable goals across all six focus areas, including substantial reductions in carbon dioxide (CO_2) emissions.

Achieve Zero CO_2 Emissions

- New Vehicle Zero CO_2 Emissions Challenge
- Life Cycle Zero CO_2 Emissions Challenge
- Plant Zero CO_2 Emissions Challenge

Achieve a Net Positive Environmental Impact

- Challenge of Minimizing and Optimizing Water Usage
- Challenge of Establishing a Recycling-based Society and Systems
- Challenge of Establishing a Future Society in Harmony with Nature

We **AIM** to be the **BEST COMPANY** in town that is both **LOVED & TRUSTED** by the **PEOPLE**

'We make cars. Let's make ever-better cars and make our customers happy. We must not forget that, even though we have become a global automotive manufacturer, one of our unwavering principles is putting the customer first. Let's not be caught up in immediate profits, but let's review how we do our business and look forward again. If we take one step forward in our own way, I believe it will open up for us a future.'

Akio Toyoda
Chairman,
Toyota Motor Corporation



STRATEGIC *Objectives*

Achieving Market Leadership by

Delivering Value to Customers

1. Following our "Customer First" philosophy in manufacturing and providing high quality vehicles and services that meet the needs of Pakistani customers.

2. Enhancing the quality and reach of our 3S Dealership network.

3. Employing customer insight and feedback for continuous corporate renewal, including product development, improving service and customer care.

OPTIMIZING COST BY KAIZEN

1. Fostering a Kaizen culture and mindset at IMC, its dealers and vendors.

2. Implementing the Toyota Production System.

3. Removing waste in all areas and operating in the lowest cost quartile of the industry.

RESPECTING OUR PEOPLE

1. Treating employees as the most important sustainable competitive resource.

2. Providing a continuous learning environment that promotes individual creativity and teamwork. Supporting equal employment opportunities, diversity and inclusion without discrimination.

3. Building competitive value through mutual trust and mutual responsibility between the IMC Team and the Company.

BRINGING TOYOTA QUALITY TO PAKISTAN

1. Maximizing QDR (Quality, Durability and Reliability) by built-in engineering.

2. Transferring technology and promoting indigenization at IMC and its vendors.

3. Raising the bar in all support functions to meet Toyota Global Standards.

BECOME A GOOD CORPORATE CITIZEN

1. Following ethical business practices and the laws of the land.

2. Engaging in philanthropic and social activities that contribute to the enrichment of the Pakistani society, especially in areas that are strategic to both societal and business needs e.g., road safety, technical education, environment protection, etc.

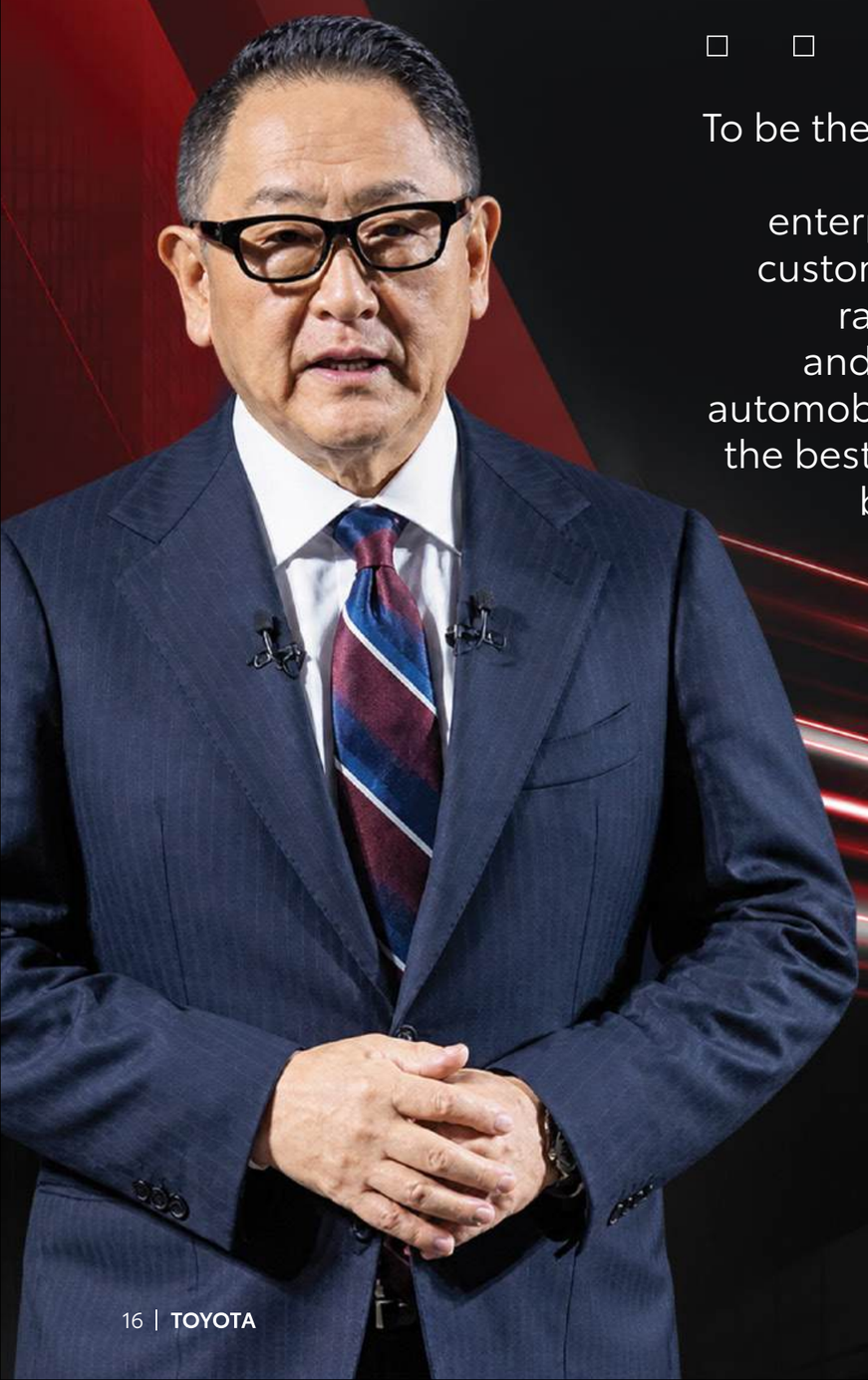
3. Enhancing corporate value and respect while achieving stable and long-term growth for the benefit of our shareholders.

VISION

To be the most respected and successful enterprise, delighting customers with a wide range of products and solutions in the automobile industry with the best people and the best technology.

MISSION

IMC's mission is reflected in the company's slogan: Action, Commitment & Teamwork to become #1 in Pakistan.





CORE *Values*

Being seen as
the best employer

World class
production quality

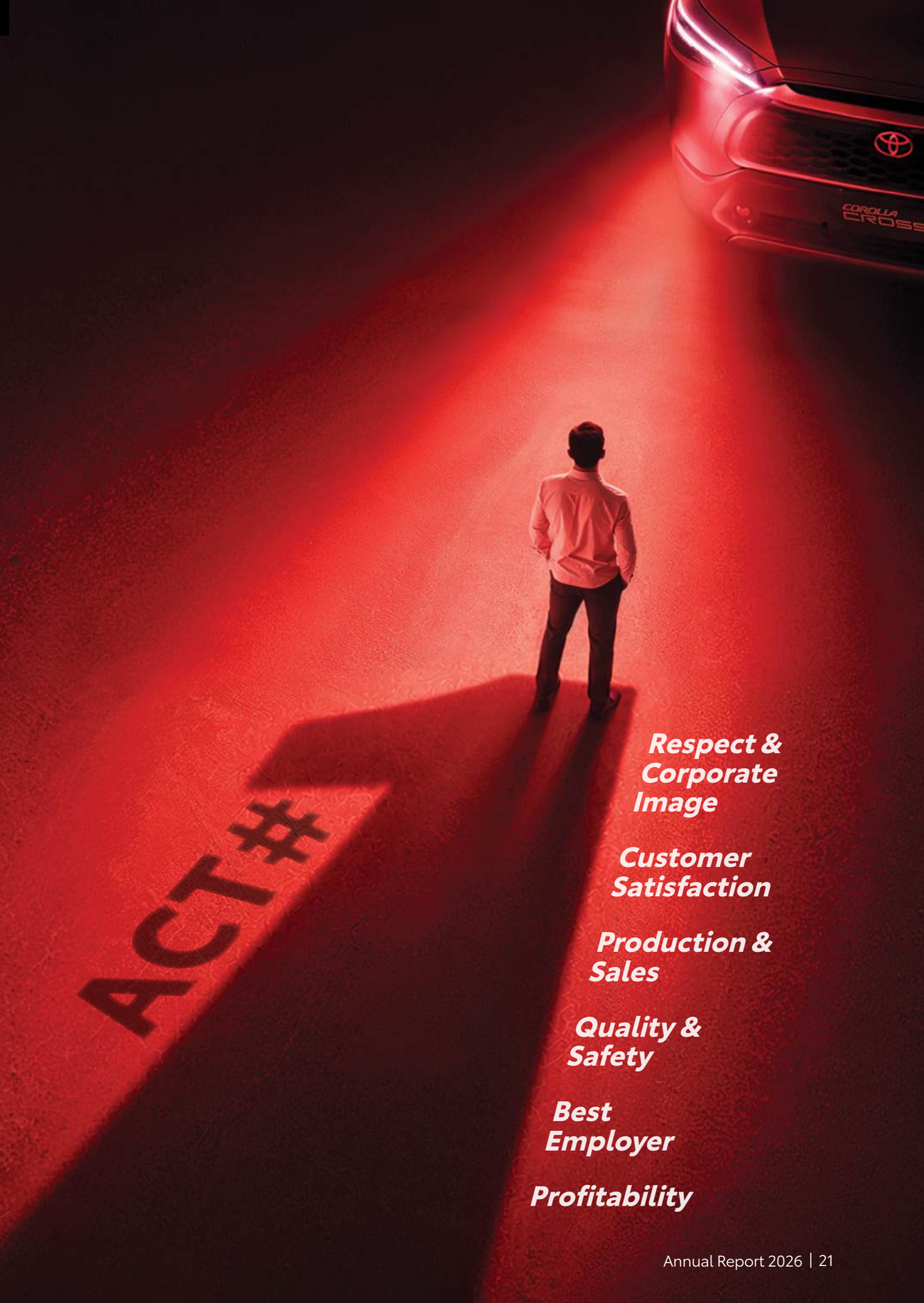
Achieving the ultimate goal of
complete customer satisfaction

Fostering the spirit
of teamwork

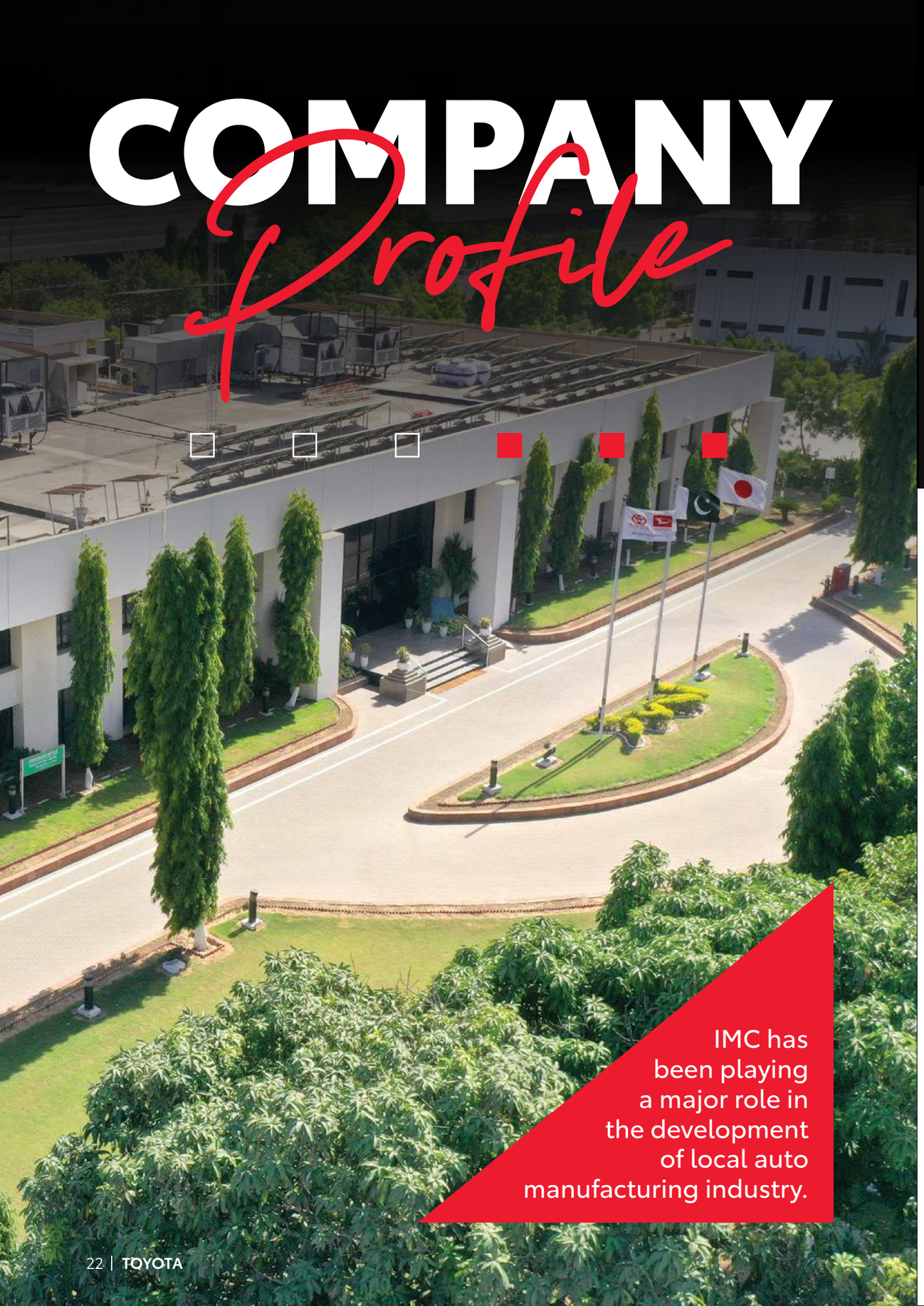
Inculcating ethical and
honest practices



ACTION
COMMITMENT
TEAMWORK



COMPANY *Profile*



IMC has been playing a major role in the development of local auto manufacturing industry.

INDUS MOTOR COMPANY LIMITED

IMC was incorporated in 1989 as a joint venture among certain House of Habib's Companies, Pakistan and Toyota Motor Corporation (TMC) and Toyota Tsusho Corporation (TTC), Japan. Since its inception, IMC has been at the forefront of Pakistan's automobile industry, manufacturing and marketing Toyota vehicles across the country.

Our product lineup includes multiple variants of the iconic Toyota Corolla and Yaris in the passenger car segment, Hilux in the light commercial vehicle segment, Fortuner in the SUV segment and the Corolla Cross in the Hybrid Electric Vehicle (HEV) segment.

IMC's state-of-the-art manufacturing facility is located on a 109.5-acre site at Port Qasim, Karachi. Vehicles are delivered to customers nationwide through a robust network of 58 independent authorized dealerships, ensuring convenience and aftersales support across Pakistan.

Over the past 35 years, IMC has sold around 1.2 million vehicles, demonstrating consistent growth and innovation. From its modest beginnings of producing 20 vehicles per day in 1993, the Company's daily production capacity has expanded to 288 units per day (with overtime) on a double-shift basis. This achievement reflects IMC's strong commitment to developing human talent and embracing the Toyota Way of quality and lean manufacturing.

The Company has made substantial investments in capacity enhancement and product development to meet evolving customer needs. The Toyota Corolla continues to dominate the 'C-segment' sedan category, while other models enjoy strong success in their respective markets. In FY2023–24, IMC proudly launched the Toyota Corolla Cross HEV—the first locally manufactured hybrid vehicle in Pakistan with the highest ever localized content.

In addition to serving the domestic market, IMC has, in previous years, expanded its international footprint through the export of vehicles to Oceanic countries. Models including the Corolla Cross, Fortuner and Hilux have been exported to these markets, demonstrating Pakistan's automotive manufacturing capabilities and IMC's contribution to the global Toyota value chain.

IMC employs 2,241 people and places a strong emphasis on training, leadership development and cultivating a culture of high performance, empowerment and teamwork. Guided by the Company's core values, employees uphold high standards of business ethics and safety, communicate openly and foster mutual respect. According to Toyota Motor Corporation's bi-annual morale survey, IMC employees consistently rate the Company highly for work environment and job satisfaction.

Beyond its own growth, IMC has been instrumental in developing Pakistan's automotive value chain. By nurturing localization and technology transfer to 53 local vendors, the Company has created thousands of jobs and contributed significantly to poverty alleviation at the grassroots level. IMC is also one of Pakistan's leading taxpayers and a key contributor to the national exchequer.

BOARD OF Directors



Mohamedali R. Habib

Chairman

Mr. Mohamedali R. Habib is the Chairman of Indus Motor Company Limited and a Founding Director of the Company. He has been a Director of Habib Metropolitan Bank Limited since 2004 and currently serves as the Chairman on the Board of Directors of the Bank. In addition, he serves as a Member on the Board of Thal Limited and a Director of the Pakistan Business Council. He was appointed Group CEO of HBZ Group in 2016. He is a Trustee of Habib University Foundation and serves as a Member of the Board of Governors of Habib University.

He graduated in Business Management–Finance from Clark University, Massachusetts, USA, in 1987 and also holds a Post Graduate Diploma in General Management from Stanford-National University of Singapore. He is also a member of the Young Presidents' Organization (YPO) Pakistan Chapter.



Shinji Yanagi

Vice Chairman

Mr. Shinji Yanagi was appointed as Director on the Board and the Vice Chairman of Indus Motor Company Limited in April 2021. He has been serving at Toyota Motor Corporation for over 30 years and has worked in different capacities. He has also served as President for Toyota Motor Engineering, Egypt. Mr. Yanagi has been serving as the member of the Pakistan Japan Business Forum (PJBF) since April 2021.

He has completed his Bachelor's degree in Economics from Keio University, Japan.

Mr. Ali Asghar Jamali was appointed as Chief Executive of Indus Motor Company Limited in January 2017. He has been with the Company since October 2000 and has served in key roles in various departments, owing to which he has acquired rich experience in end-to-end management of company operations. Mr. Jamali has served as the Chairman of Pakistan Automotive Manufacturers Association and as Member of the Managing Committee of Overseas Investor Chamber of Commerce & Industry.

He is a Fellow member of the Institute of Chartered Accountants of Pakistan and has attended the Advanced Management Program at Harvard University, Accelerated Management Program at the Wharton School of Business and the AI-Driven Organization Program at the MIT Sloan School of Management, USA. He is also a member of the Young Presidents' Organization.



Ali Asghar Jamali

Chief Executive/Director



Imran Ali Habib

Director

Mr. Imran Ali Habib joined the Board of Directors of Indus Motor Company Limited in February 2019. He is presently the Senior Executive Vice President & Chief Strategic Officer of HAB Bank in New York, USA, where he is responsible for looking after the Bank's Management & Business Development. He began his career with Habib Bank AG, Zurich in the United Arab Emirates in 2008 where he last served as Senior Vice President, before moving to the United States in 2016.

Mr. Imran currently serves as the Chairman on the Boards of Thal Ltd. and Shabbir Tiles & Ceramics Ltd. He also serves as a Member on the Board of HAB Bank and Habib University Foundation, USA.

He is a graduate of Bryant University (Bachelor of Science in Business Administration) and has attended the Program for Leadership Development and is an Alumni of Harvard Business School (USA). He is also a Member of the Young Presidents' Organization Pakistan Chapter & Metro New York Chapter.

Muhammad H. Habib has been a Director on the Board of Indus Motor Company Limited, since June 2020. He is a Board Member of Habib Bank AG, Zurich, Switzerland and Chairman of the Board of Directors for Habib Canadian Bank in Canada and the Habib Bank Zurich Plc in UK.

Mr. Habib is also a member of the Board of Directors of HBZ Bank in South Africa, Habib Metropolitan Bank Ltd. in Pakistan, Habib Insurance Company Ltd. in Pakistan and Gefan Finanz AG, Zug in Switzerland.

He is a Trustee of Habib Education Trust and Chancellor of Habib University. He also serves on the Global Advisory Board for Babson College, USA.

Mr. Habib studied at Collège du Léman, Geneva, and received his Degree in Finance from Babson College, USA. He is also a member of the Young Presidents Organization.



Muhammad H. Habib

Director



Asif Qadir

Independent Director

Mr. Asif Qadir is a businessperson who has been at the helm of 6 different companies. Mr. Qadir holds a degree in Chemical Engineering from Columbia University, New York, USA. He has over 30 years of experience with Exxon and Engro and held positions as Worldwide Business Advisor. He joined Exxon Chemical Pakistan Limited in 1978 as a Process Engineer and held various assignments in manufacturing and marketing of fertilizers.

In his past career, he occupied the position of President and CEO of Engro Polymer & Chemicals Ltd. He has also served on the Board of Engro Corporation Ltd., Engro Fertilizers Ltd., Engro Powergen Ltd., Sindh Engro Coal Mining Company Ltd., Karachi Stock Exchange, Pakistan Poverty Alleviation Fund, Inbox Business Technologies (Pvt) Ltd., Thal Limited and Cherat Cement Company Ltd.

He is currently serving as Director of Tripack Films Ltd., Descon Oxychem Ltd., Century Paper & Board Mills Limited, Unicol (Pvt) Ltd. and Liaquat National Hospital and Medical College.



Giri Venkatesh

Director

Mr. Giri Venkatesh was appointed as Director of the Indus Motor Company Limited in February 2025. Currently, he is serving as the Vice President of Corporate Planning Division and is the Asia Chief Compliance Officer at Toyota Motor Asia. He has served in various management positions at Toyota Motor in Malaysia and Singapore.

He obtained a B.A (Hons) Degree in Business Administration from Middlesex University, United Kingdom and a Master of Science Degree (MSc) in Strategic Automotive Dealership Management from Loughborough University, United Kingdom. He is also an Accredited Director by the Singapore Institute of Directors.



Shigeki Furuya

Director

Mr. Shigeki Furuya was appointed as an Executive Director of Indus Motor Company Limited in April 2022. He has been associated with Toyota Tsusho Corporation from 1987, during which time he has held various senior positions. He has been with the Company from 1996 to 2003 and then from 2007 to 2008 and has served as an Advisor in the Product Development Department. Currently, he has been serving as Senior Director Product Development of the Company.

He is a graduate from Yamanashi University, Japan.



Riyaz T. Chinoy

Independent Director

Mr. Riyaz Towfiq Chinoy is a seasoned Industrial Engineer from Case Western Reserve University, USA. He brings over three decades of leadership experience in Pakistan's industrial manufacturing sector. After retiring from his corporate role in 2021, Mr. Chinoy founded Yaqin Steel Limited, a startup focused on pioneering large-scale steel production in Pakistan.

His dedication to corporate governance, sustainability education and social impact continues to shape his work and inspire his contributions across both industry and community development. He has long been involved in philanthropic efforts, particularly in education. He is also on the Board of The Citizens Foundation, SINA HealthSystems Foundation, Orange Tree Foundation, the Duke of Edinburgh Awards, Pakistan and as General Secretary to Habib Public School Alumni Association.

He currently also serves on the advisory Board of the Packages Group, TCF and on the boards of several leading companies, including Jubilee General Insurance, Bulleh Shah Packages, Packages Convertors Ltd, Starch Pack (Pvt.) Ltd and Magnus Investments Ltd. Mr. Chinoy has been a certified Independent Director, since 2007, from PICG and a Fellow of the Institute of Engineers, Pakistan.



Syeda Tatheer Zehra Hamdani

Independent Director

Syeda Tatheer Zehra Hamdani was appointed on the Board of Directors of Indus Motor Company Limited in October, 2019. Ms. Hamdani currently serves as President's Chief of Staff, Senior Director and Head of Student Affairs at Habib University. Ms. Hamdani began her career in the development sector in 2003, focusing on the conceptualization, design and implementation of internationally funded and government-supported projects in primary and secondary education across Sindh. In 2008, she joined the Habib University Foundation (HUF) to support the establishment of Habib University, an entrepreneurial venture that involved in establishing Pakistan's first liberal arts and sciences university from the ground up.

Over the years, Ms. Hamdani has contributed to all aspects of the University's development, including academic affairs, faculty recruitment, communications, external relations, student affairs, resource mobilization and international partnerships. In her current role, she works closely with the President and senior leadership team to advance institutional strategy, strengthen organizational effectiveness and support the University's continued growth and development.

Ms. Hamdani holds a Master of Business Administration degree from the Institute of Business Management, Pakistan.



SENIOR *Leadership* TEAM

Company Information

BANKERS

Allied Bank Limited
Bank Alfalah Limited
Bank AL-Habib Limited
BankIslami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

AUDITORS

A.F. Ferguson & Co.
Chartered Accountants,
State Life Building No. 1-C,
I.I. Chundrigar Road, Karachi.

LEGAL ADVISORS

A.K. Brohi & Company
Mahmud & Co.
Masood Aziz & Associates
Fazleghani Advocates
Sajeel Mirza Mann & Shah

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block "B",
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi-74400.
Tel : 0800-23275
UAN : 111-111-500
Email : info@cdcsrsl.com

CREDIT RATING

Credit Rating Company:
VIS Credit Rating Company Limited
Long term rating: AA+
Short term rating: A-1+

FACTORY / REGISTERED OFFICE

Plot No. N.W.Z/1/P-1, Port Qasim Authority,
Bin Qasim, Karachi.
Phone : (PABX) (92-21) 34720041-48
(UAN) (92-21) 111-TOYOTA (869-682)
Website : www.toyota-indus.com

CHIEF FINANCIAL OFFICER

Mr. Mohammad Ibadullah

COMPANY SECRETARY

Mr. Muhammad Arif Anzer

BOARD AUDIT & RISK COMMITTEE MEMBERS

Mr. Asif Qadir (Chairman)
Mr. Muhammad H. Habib
Mr. Imran Ali Habib
Mr. Riyaz T. Chinoy
Mr. Giri Venkatesh
Mr. Shiraz Sanawar (Secretary)

BOARD HUMAN RESOURCE AND REMUNERATION COMMITTEE MEMBERS

Syeda Tatheer Zehra Hamdani (Chairman)
Mr. Mohamedali R. Habib
Mr. Shinji Yanagi
Mr. Riyaz T. Chinoy
Mr. Ali Asghar Jamali
Mr. Khurram Mahmood (Secretary)

BOARD ETHICS COMMITTEE MEMBERS

Mr. Riyaz T. Chinoy (Chairman)
Mr. Ali Asghar Jamali
Syeda Tatheer Zehra Hamdani
Mr. Khurram Mahmood (Secretary)

Shareholder Information

FACTORY / REGISTERED OFFICE

Plot No. N.W.Z./1/P-1, Port Qasim Authority
Bin Qasim, Karachi.
PABX: (92-21) 34720041-48
UAN: (92-21) 111-TOYOTA (869-682)

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block "B"
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi-74400.
Tel: 0800-23275
UAN: 111-111-500
Email: info@cdcsrsl.com

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on Monday, September 28, 2026, at 9:00 a.m. at the Avari Towers, Fatima Jinnah Road, Karachi and through a Video Link facility.

Shareholders whose names appear on the register of members as at September 21, 2026, are encouraged to participate in the Meeting and exercise their right to vote.

Any shareholder may appoint a proxy to attend and vote on his or her behalf. Proxies must be deposited with the Share Registrar of the Company not less than 48 hours before the Meeting.

OWNERSHIP

As at June 30, 2026, the Company had 6,942 registered shareholders holding its ordinary shares.

DIVIDEND PAYMENT

The proposal of the Board of Directors for the payment of final cash dividend will be considered at the Annual General Meeting. Subject to approval by the shareholders, the net dividend amount will be credited to the respective accounts of shareholders whose names appear on the register of members as at September 21, 2026. Income tax will be deducted in accordance with the applicable laws and prevailing regulations.

LISTING ON PAKISTAN STOCK EXCHANGE

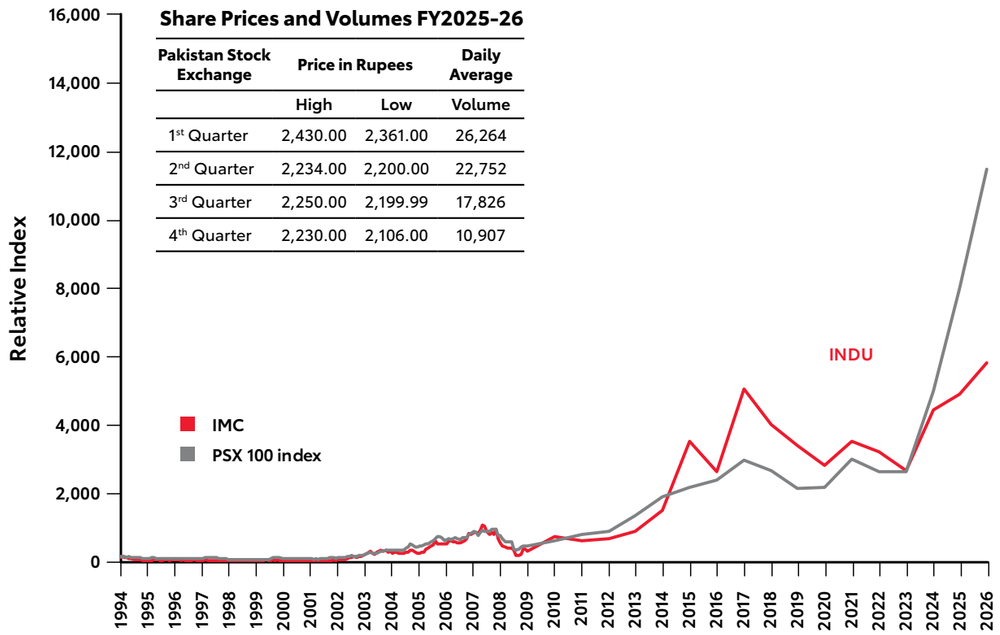
The ordinary shares of Indus Motor Company Limited are listed on the Pakistan Stock Exchange.

STOCK CODE

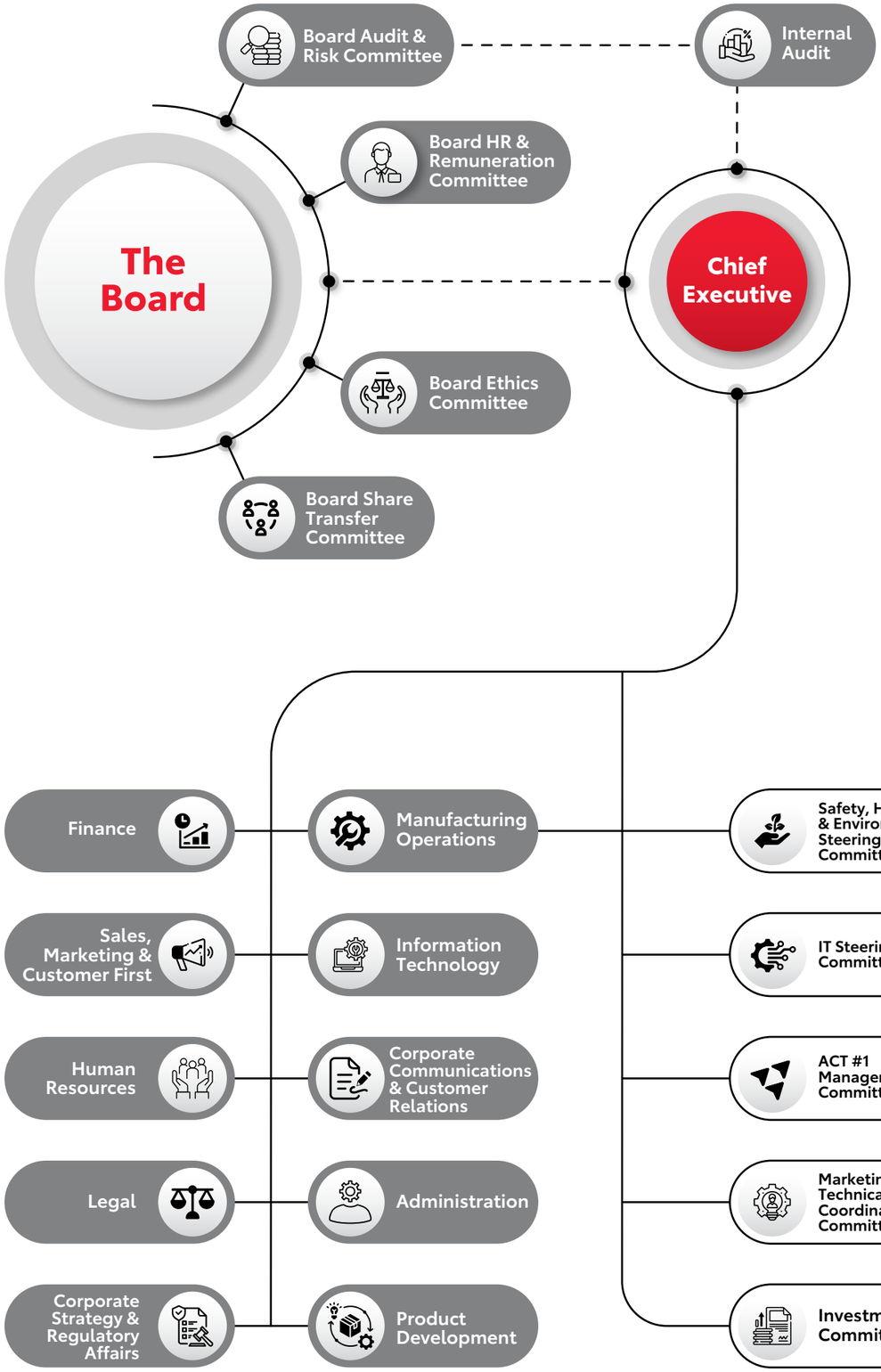
The stock code of Indus Motor Company Limited on the Pakistan Stock Exchange is 'INDU'.

Indus vs PSX 100

(1994 - 2026) As at June 30



ORGANIZATION Structure

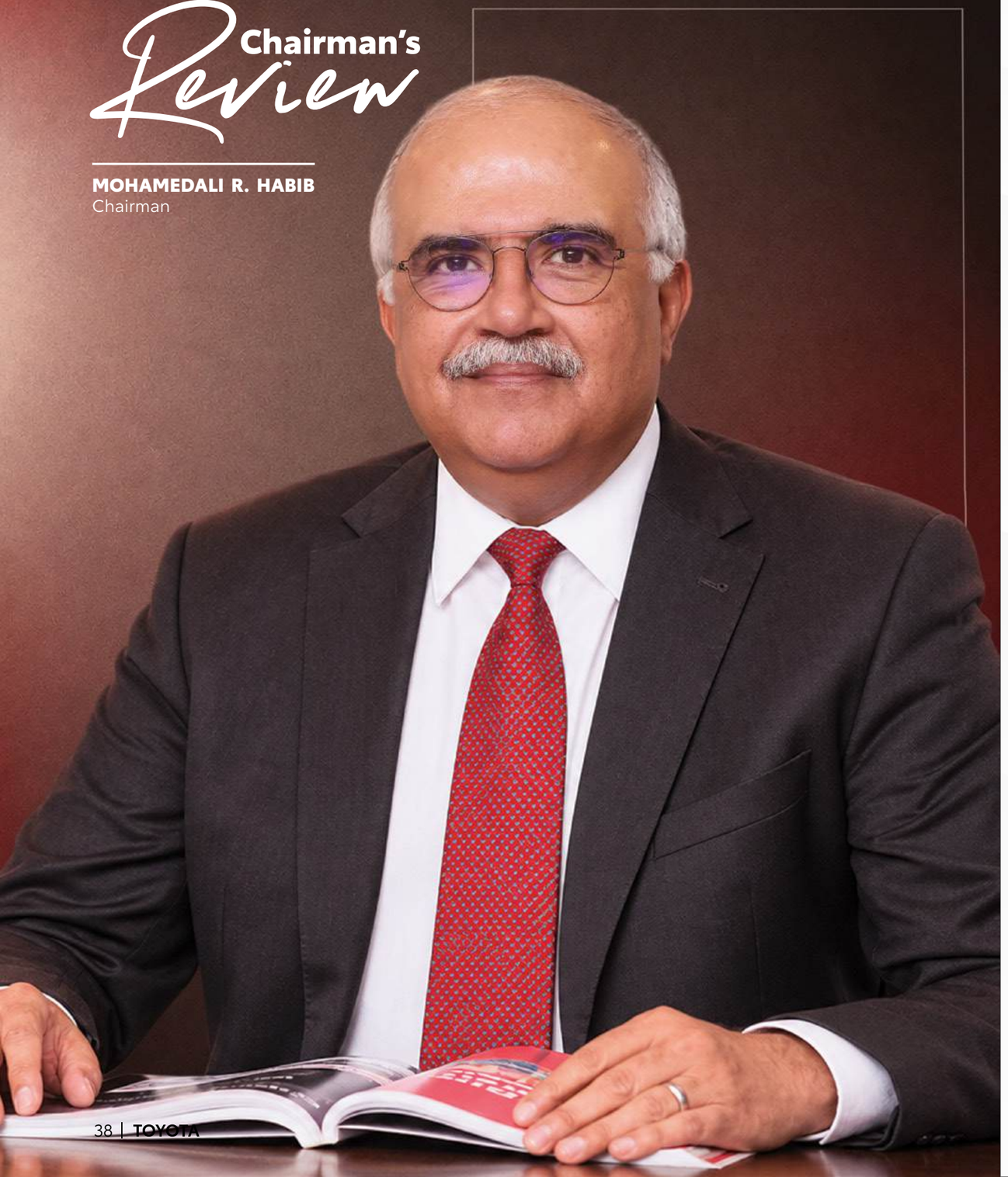


Governance



Chairman's Review

MOHAMEDALI R. HABIB
Chairman



On Board's Performance

Indus Motor Company Limited (IMC) complied with all the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 with respect to the composition, procedures and meetings of the Board of Directors (the "Board") and its committees. IMC also endeavors to follow the best Corporate Governance practices.

This year, IMC is pleased to report on the timely adoption of IFRS S1 and IFRS S2 on Sustainability and Climate-related Disclosures as per SECP order no. SMD/PRDD/Comp/(108)/2023 dated 31 December 2024, reaffirming our commitment to transparent and robust sustainability reporting. Sustainability remains a cornerstone of our long-term strategy, guided by Toyota's Environmental Challenge 2050 and IMC's 8th Environmental Action Plan 2031.

The Board Audit & Risk Committee (BARC), chaired by an Independent Director, also provides oversight of the Company's sustainability and climate-related governance, including compliance with IFRS S1 & S2, sustainability targets, Sustainability and climate-related risks and opportunities in accordance with its Terms of Reference.

The Board Human Resources & Remuneration Committee, chaired by an Independent Director, also oversees the integration of sustainability-related performance into executives' remuneration.

The Board Ethics Committee, chaired by an Independent Director, also oversees the integration of Diversity, Equity and Inclusion (DEI) in the company's DEI plan in accordance with its Terms of Reference.

Collectively, these governance bodies at the Board level provide a robust framework for oversight and continuous improvement, with each Board committee undertaking an annual self-evaluation to assess its effectiveness and performance.

During FY2025–26, the composition of the Board of Directors and its Committees remained unchanged. The Board continued to comprise the same Directors and the Board Committees maintaining their respective composition throughout the year.

As required under the Code of Corporate Governance, an annual evaluation of the Board of the Indus Motor Company Limited (the "Company") is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. Areas where improvements are required are duly considered and action plans are framed. For the purpose of the Board evaluation, a comprehensive criteria has been developed.

The Board has recently completed its annual self-evaluation, which is anonymous, for the year ended June 30, 2026 and I report that the overall performance of the Board measured on the basis of approved criteria for the year was "satisfactory" and has improved against previous years. The overall assessment as "satisfactory" is based on an evaluation of the following integral components, which have a direct bearing on Board's role in achievement of Company's objectives:

1. **Board Composition & Diversity:** The Board of Directors comprises a balanced mix of independent and non-executive directors, bringing diverse perspectives and expertise to the table. All directors, regardless of classification, were actively engaged in key deliberations and decision-making processes.
2. **Strategic Engagement:** The Board demonstrates a strong understanding of the interests of all stakeholders, including shareholders, customers, employees, vendors and society at large. It has articulated a clear strategic vision for the Company's evolution over the next five years and has devoted substantial time to strategic planning. Annual performance goals and targets have been defined for management across all critical operational areas.
3. **Diligence & Oversight:** The Board members diligently fulfilled their responsibilities, thoroughly reviewing and approving corporate strategies, objectives, financial statements, budgets and other key reports. Meetings were supported by well-prepared agendas and comprehensive documentation circulated in advance, enabling informed decision-making. The Board convened with sufficient frequency to effectively discharge its duties.
4. **Business Performance Monitoring:** The Board remained well-informed on the Company's progress toward strategic and financial objectives through regular briefings by management, internal and external auditors and independent consultants. It provided timely and effective oversight and guidance to ensure alignment with corporate goals.
5. **Governance & Control Environment:** The Board has established a strong governance framework, setting the tone at the top by promoting a culture of integrity, accountability and compliance. It has implemented robust internal controls and adheres to best practices in corporate governance, fostering ethical conduct across the organization.



MOHAMEDALI R. HABIB
Chairman

Corporate Governance Framework

The Board aims to ensure the highest standards of corporate governance, accountability and risk management. The main philosophy of business has been to create value for all stakeholders through fair business practices. This translates into policies approved by the Board of Directors and implemented throughout the Company to enhance the economic and social value for all stakeholders of the Company.

Board's Function & Decision Making

The Board of Directors, acting as fiduciaries on behalf of shareholders, is primarily responsible for the governance and strategic oversight of the Company. In fulfilling this role, the Board provides strategic direction to management, sets performance benchmarks and monitors progress to ensure alignment with organizational goals.

The overarching objective of the Board is to safeguard and enhance shareholder value. At IMC, the Board is actively engaged in addressing strategic priorities and supervising the Company's operations, with a focus on identifying and managing emerging risks and opportunities. Additionally, the Board plays a critical role in formulating, reviewing and approving the Company's long-term strategies, annual targets and financial objectives.

Decisions Delegated to the Management

Management is principally responsible for the execution of strategies and implementation of policies approved by the Board of Directors. It is tasked with overseeing the day-to-day operations of the Company in an efficient, ethical and compliant manner, ensuring alignment with the strategic objectives set by the Board.

Board's Annual Evaluation of Performance

In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors of IMC conducts an annual review of its performance, including a formal self-evaluation of the Board and its committees. This structured assessment is aimed at measuring the Board's effectiveness and aligning its performance with the strategic objectives of the Company.

For the financial year ended June 30, 2026, the Board completed its annual self-evaluation exercise. A report by the Chairman, in accordance with Section 192 of the Companies Act, 2017, detailing the Board's overall performance, is included in this Annual Report.

A comprehensive evaluation framework has been developed to assess performance across multiple dimensions, both at the individual and collective levels.

Evaluation Criteria for the Board

- **Board Composition:** Effectiveness in bringing in a mix of gender, talents, skills and philosophical perspectives. Integrity, credibility, trustworthiness and active participation of members.
- **Leadership & Planning:** The Board spends sufficient time on strategy formulation. Its ability to provide guidance and direction to the Company, review adequacy of resources and follow-up and review of annual targets set by the management.
- **Board Effectiveness:** All Board members understand and fulfill their responsibilities and comply with all relevant laws. Significant issues are placed in front of the Board for consideration.
- **Board Accountability:** The Board reviews potential risks, adequacy of internal controls and the risk management procedure.
- **Strategy & Performance:** The Board devotes appropriate time to review the implementation of Company's strategic and financial plans.
- **Organization:** The Board meetings are structured to make effective use of the members' time and skills. Board members receive appropriate supporting materials for timely decision-making.
- **Ethics & Compliance:** The Board ensures that professional standards and corporate values are put in place that promote integrity for the Board, Senior Management and employees in the form of the Company's Code of Conduct. It is notified of material communications received from governmental or regulatory agencies related to areas of any non-compliance.
- **Risk Management:** The Board has a sound process for identifying and regularly reviewing the Company's principal risks and makes necessary adjustments in light of changes to the internal and external environment. The overall performance of the Board is measured on the basis of above mentioned.

Directors' Orientation

The Company has made sufficient arrangements to carry out orientation sessions for its directors to acquaint them with the Company's operations, applicable laws and regulations and their duties and responsibilities in order to enable them to effectively govern the affairs of the Company on behalf of shareholders.

Directors Training Program

All the directors of the Company have either acquired the prescribed certification under the Director Training Programs offered by Pakistan Institute of Corporate Governance (PICG) or ICAP or are exempted based on their education and experience.

External Oversight of Functions

IMC is committed to maintaining the efficiency, effectiveness and integrity of its operations through continuous performance monitoring and benchmarking. Functional goals are regularly assessed to ensure alignment with strategic objectives and performance is evaluated against clearly defined standards.

The following is a summary of the oversight measures implemented to achieve and sustain these benchmarks:

- All processes and functions are subject to systematic audits conducted by the Internal Audit Department to ensure compliance and control effectiveness.
- Comprehensive Safety, Health and Environmental (SHE) audits of both plant site and the corporate office were conducted by SHE specialists to assess adherence to global best practices.
- The Company's information systems and network security infrastructure were independently audited by qualified external IT auditors to evaluate cybersecurity resilience and data protection measures.
- Manufacturing operations are continuously reviewed and benchmarked against Toyota Global standards and regulatory guidelines.
- Parts quality assessments are routinely carried out to verify the accuracy as per Toyota Global standards.

Approved Policy for Related Party Transactions

The Board of Directors has approved a comprehensive Policy on Related Party Transactions to ensure transparency, fairness and compliance with regulatory requirements. The policy mandates that all related party transactions must be conducted on an arm's length basis, meaning they are to be carried out under terms and conditions comparable to those applicable in similar transactions with unrelated third parties, within the ordinary course of business.

As per the policy, all related party transactions require approval from the Board of Directors, based on the recommendations of the BARC, which is chaired by an independent director. These transactions include, but are not limited to, purchase of parts and raw materials, services, the sale of vehicles, parts and lubricants, payment of dividends, investments (subject to shareholder and Board approvals where applicable) and remuneration and benefits provided to key management personnel.

Disclosure of Related Party Transactions

The Company has provided comprehensive disclosures of related party transactions in the financial statements accompanying this Annual Report. These disclosures are fully compliant with the requirements of the Fourth Schedule to the Companies Act, 2017, as well as the applicable International Financial Reporting Standards (IFRS).

Policy for Governance of Risk & Internal Controls

IMC has established a comprehensive risk management framework aimed at proactively identifying, assessing and mitigating risks to safeguard the Company's long-term strategic objectives and overall sustainability. Regular risk assessments are conducted to maintain a clear understanding of key risk exposures, assign accountability and implement targeted actions to effectively address them.

Given their strategic significance, material issues and principal risks are fully embedded within IMC's business planning processes and are subject to continuous oversight by the Board of Directors. Risks across strategic, commercial, operational, financial, sustainabilty, climate and compliance domains are evaluated and prioritized based on their potential impact and likelihood of occurrence.

For each identified risk, appropriate mitigation strategies and action plans are formulated, executed and monitored to ensure effective risk response and resilience across the organization.

Board's Policy on Diversity

The Board of Directors of IMC remains strongly committed to fostering a culture of diversity, equal opportunity and talent development across all levels of the organization, including at the Board and executive management levels. The Company actively seeks to attract and retain highly qualified professionals for all roles, ensuring a merit-based and inclusive approach to recruitment and development.

The Board recognizes that diversity—particularly at the leadership level—is a critical enabler of effective governance and strategic decision-making. A diverse Board, reflecting a broad mix of gender, experience, knowledge and expertise, enhances overall Board performance and contributes meaningfully to the achievement of the Group's strategic objectives, especially given the Company's expansive geographic presence.

IMC is committed to ensuring that diversity, equity and inclusion are central to our recruitment and selection processes. Our goal is to attract, hire and retain a workforce that reflects the diverse communities we serve. The recruitment process will be designed to identify and remove barriers to entry, ensuring fairness and equal opportunity for all candidates.

The DEI Committee ensures departments actively contribute to building a diverse and inclusive workforce. They set clear DEI targets and ensure diversity, equity and inclusion are prioritized in recruitment, retention and career development. Senior leaders track progress.

Disclosure of Director's Interest in Significant Contracts / Conflict of Interest of Board Members

To proactively prevent actual or perceived conflicts of interest, the Company promotes formal disclosure of vested interests in accordance with its Code of Business Ethics and the Board-approved Policy on Conflict of Interest for Directors. These frameworks incorporate not only the relevant regulatory provisions but also align with international best practices.

Board members are expected to exercise transparency by disclosing any personal interests that may influence their judgment. In cases of uncertainty, directors are encouraged to seek guidance from the Chair prior to deliberation. Furthermore, any potential conflicts of interest—identified before the finalization of the meeting agenda—are appropriately described and quantified and directors' comments and recommendations are duly documented for evaluation and record-keeping purposes.

Policy for Remuneration to Non-Executive Directors

As authorized under the Articles of Association, the Board of Directors is empowered to determine the remuneration of Non-Executive and Independent Directors from time to time. In line with this authority, the Board has approved a Remuneration Policy for Directors and Members of Senior Management, which outlines the following key principles:

- Non-Executive Directors, including Independent Directors, shall not receive any remuneration other than a meeting fee for attending meetings of the Board and its Committees.
- The meeting fee payable to Directors for attending Board or Committee meetings shall be reviewed and approved by the Board of Directors from time to time.
- Directors shall be entitled to reimbursement of all reasonable expenses, including travel, boarding and lodging, incurred in connection with attendance at Board meetings, Committee Meetings and General Meetings of the Company.

Foreign Directors

In compliance with the Companies Act, 2017 and applicable Securities and Exchange Commission of Pakistan (SECP) regulations, the Company obtained all necessary approvals for the appointment of a foreign national as Director. This included security clearance from the Ministry of Interior and confirmation of eligibility under Section 153 of the Act. The appointment was duly approved by the Board and reported to the SECP, ensuring full regulatory compliance.

Human Resource Management Policy & Succession Planning

As IMC continues its trajectory of growth, the strategic importance of human capital development remains paramount. The Company has consistently maintained a strong track record of attracting and retaining skilled professionals across all functions, ensuring the availability of qualified, experienced and performance-driven talent to support each department's operational and strategic needs.

At IMC, we are committed to cultivating a high-performing, motivated workforce aligned with the Company's vision and mission. This is achieved through a continuous focus on professional development, robust training programs and competitive compensation structures aligned with market standards.

Our approach is underpinned by a progressive Succession Planning Policy, designed to transform internal talent into future-ready leaders capable of assuming critical roles.

Social & Environmental Policy

IMC has established a comprehensive Social and Environmental Policy, underscoring the Company's commitment to fostering an inclusive, equitable and sustainable society. The policy is designed to support initiatives that drive long-term transformation, social integration and environmental stewardship.

Our approach to social responsibility is guided by ethical business practices that are inclusive, environmentally conscious, gender-sensitive and supportive of individuals with diverse abilities. The Company ensures that social and environmental considerations are fully integrated into the formulation of its strategies, policies and operational procedures.

IMC consistently demonstrates its commitment to responsible corporate citizenship by actively engaging with and contributing to the well-being of the communities and ecosystems in which it operates. We firmly believe that the Company's long-term success is intrinsically linked to the development of the communities we serve.

The Social and Environmental Policy is fully aligned with our corporate values and affirms IMC's unwavering dedication to sustainable development across Pakistan.

Sustainability Governance

Sustainability is embedded within IMC's overall governance and decision-making framework, with the Board of Directors retaining ultimate oversight of sustainability and climate-related matters.

The Board Audit & Risk Committee (BARC) oversees sustainability and climate-related risks and opportunities, targets and action plans, including the Company's Environmental Action Plan (EAP), while the Board Human Resources and Remuneration Committee (BHRRC) considers sustainability performance in executive remuneration.

At management level, the CEO-chaired SHE Steering Committee provides oversight of implementation and monitors progress against the EAP on a monthly basis. Sustainability and climate-related considerations are integrated into IMC's strategy, enterprise risk management, corporate planning, budgeting, investment decisions and performance monitoring, with material matters escalated through established governance channels.

This framework promotes clear accountability, effective oversight and the integration of sustainability considerations into long-term business decision-making.

Our People

At IMC, human capital is regarded as the Company's most valuable asset. The organization is committed to fostering a professional environment that enables employees to realize their full potential and build meaningful careers. Key principles guiding this commitment include:

- **Upholding Human Rights:** IMC strictly adheres to its Code of Conduct, which affirms the Company's dedication to human rights, fair labor practices and equal employment opportunities for all individuals, regardless of background.
- **Zero Tolerance for Labor Violations:** The Company ensures that its operations do not, directly or indirectly, engage in or support human rights violations such as forced labor or child labor. In line with this policy, IMC does not employ minors at any of its sites.
- **Inclusion of Differently-Abled Individuals:** Employment opportunities are extended to differently-abled persons wherever operationally feasible, reinforcing the Company's inclusive employment philosophy.
- **Workplace Health and Safety:** IMC makes every reasonable and practicable effort to maintain safe, secure and healthy working environments across plant and corporate offices.

Communication with Stakeholders

IMC is fully committed to fostering transparent, constructive and long-term relationships with all stakeholders. The Company actively encourages stakeholder engagement and values their input in management decision-making processes.

IMC ensures the timely, fair and comprehensive disclosure of all material information, providing stakeholders with insight into the Company's strategic direction, financial performance and operational activities through its Annual Report, corporate website and other official communication channels.

To strengthen investor relations, the Company conducts regular corporate briefing sessions with investors and research analysts, offering updates on performance and forward-looking plans.

The Company's stakeholder engagement policy employs a variety of communication tools and methods to effectively understand and address stakeholder concerns. Engagement strategies are tailored to align with business decisions, operational priorities and organizational goals.

Communication frequency is guided by regulatory requirements under the Code of Corporate Governance, contractual obligations and business needs. Internal communication with employees is facilitated through in-house newsletters, climate surveys, employee portals and digital bulletin boards, promoting transparency and organizational alignment.

Investors Grievance Policy

At IMC, we place the highest value on our relationships, particularly with our investors and shareholders. We are committed to maintaining their trust through transparent communication and efficient resolution of concerns. To this end, the Company has established a comprehensive Investor Grievance Policy to guide the handling and resolution of investor and shareholder complaints in a timely and effective manner.

The objective of this policy is to protect the interests of all investors and ensure their grievances are addressed promptly, fairly and professionally.

The Company adheres to a standard practice of resolving all investor grievances within ten (10) working days of receipt. Formal responses are issued to the complainant and, where applicable, are shared with the Share Registrar, SECP and Stock Exchange.

All investor complaints—regardless of the channel through which they are received—are recorded and maintained by the Corporate Secretariat, along with corresponding resolutions, ensuring accountability and traceability in line with regulatory expectations.

Employee Health & Safety Policy

At IMC, the health and safety of employees is our top organizational priority. The Company is fully committed to integrating Safety, Health and Environmental (SHE) considerations into its strategic planning, policy development and operational procedures. The Health and Safety Policy is designed to uphold global best practices, safeguard personnel and ensure environmental responsibility across all operations.

IMC recognizes that safety, health and welfare of employees, contractors, visitors and persons present at IMC premises are its responsibility. The Company is committed to ensure a safe and healthy working environment for all personnel and prevention of work-related injuries and illness by providing and maintaining a safe and healthy working environment in compliance with the relevant safety and health rules and regulations. Safety will always take precedence over production, sales and profits.

The SHE Committee, led by the Chief Executive, oversees and monitors SHE activities across the Company. The Committee formulates day-to-day policies, processes and frameworks to support the implementation of and compliance with the overall SHE Policy. It meets monthly to review performance, ensure adherence to established guiding principles and oversee the fulfillment of responsibilities by relevant stakeholders.

Whistleblowing Policy

In alignment with IMC's unwavering commitment to integrity, transparency and accountability, a robust whistleblowing mechanism has been implemented to foster a workplace culture where concerns related to unethical behavior, regulatory non-compliance, occupational fraud or violations of the Company's Code of Conduct can be reported without fear of retaliation.

This policy is structured to provide a secure and confidential platform to report any conduct that may adversely impact the interests of the Company.

IMC encourages all eligible stakeholders under the policy to actively participate in the ethical stewardship of the Company by reporting inappropriate conduct through confidential and well-defined reporting channels, with assurance of non-reprisal and responsible follow-up.

Company's Approach to Managing & Reporting Policies

IMC adopts a structured and diligent approach to policy management and reporting, underscoring its unwavering commitment to transparency, accountability and ethical business practices. Recognizing that well-defined policies serve as the cornerstone of a resilient organizational structure, the Company has implemented a comprehensive framework that governs policy formulation, communication, execution and periodic review.

All policies are developed with input from relevant stakeholders, aligned with legal requirements and industry best practices. To ensure clarity and accessibility, policies are disseminated through the Company's intranet platform and reinforced through regular training sessions aimed at enhancing employee awareness and ensuring compliance across all functions.

These policies provide clear operational and reporting guidelines for management and stakeholders. Each policy is periodically reviewed to reflect evolving regulatory requirements, operational improvements and alignment with international standards of corporate governance.

IT Governance

Recognizing Information Technology (IT) Governance as an integral component of its broader Corporate Governance structure, IMC has strategically aligned its IT resources to drive operational efficiency, support long-term business objectives and enhance shareholder value.

To this end, the Company has established an IT Steering Committee tasked with providing strategic oversight, setting enterprise-wide IT priorities and monitoring the implementation of IT policies. The Committee operates under a formally defined mandate and convenes periodically to address key areas including:

- Defining the Company's strategic technology roadmap;
- Ensuring alignment between IT and business strategies;
- Strengthening information security and data protection protocols;
- Overseeing the design and development of technology solutions, services and policies;
- Managing business continuity and disaster recovery planning.

This governance framework ensures that IT remains a key enabler of sustainable growth and operational excellence across the organization.

Business Continuity & Disaster Recovery Plan

The Board of Directors ensures that a comprehensive and regularly updated Business Continuity and Disaster Recovery (BCDR) Plan is in place to safeguard the uninterrupted operations of the Company in the event of extraordinary circumstances.

This plan is designed to protect critical business functions and organizational assets through robust measures including systematic data archival, real-time backups and secure off-site storage. The Board provides oversight to ensure that management has implemented adequate IT security protocols, high-availability systems and a fully functional disaster recovery facility (alternate data center).

Furthermore, the plan identifies key personnel responsible for disaster response and mandates regular testing of the BCDR protocols to validate the resilience and preparedness of IT infrastructure in the face of potential disruptions.

Compliance with the Code of Corporate Governance

In alignment with its commitment to best Governance practices, the Board of Directors maintained full compliance throughout FY2025–26 with the provisions of the Code of Corporate Governance, the Listing Regulations of the Pakistan Stock Exchange and the Financial Reporting Framework as prescribed by the SECP.

Included within this Report are the BARC's report on adherence to the Code of Corporate Governance, the Statement of Compliance by the Chairman and the Review Report issued by the Company's External Auditors—all of which collectively reaffirm the Company's dedication to regulatory compliance and transparency.

Presence of the Chairman of the BARC at the General Meetings

During FY2025-26, one Annual General Meeting took place. The Chairman of the BARC attended the meeting, wherein he was available to answer any question pertaining to the BARC's activities.

Composition of Governance Committees

IMC has a range of long-standing in-house committees responsible for monitoring and discussing management and corporate activities from viewpoints of various stakeholders to make prompt decisions for developing strategies, speeding up operations while ensuring heightened transparency and the fulfilment of social obligations. IMC has a unique corporate culture that places emphasis on problem-solving and preventative measures in line with the Toyota Global Standards.

IMC follows the Guiding Principles at Toyota and not only complies with local laws and regulations, but also meets social norms, corporate ethics and expectations of various stakeholders. IMC undertakes open and fair corporate activities to meet local standards as well as the Toyota Global Standards.

THE BOARD-CONSTITUTED COMMITTEES

Board Audit & Risk Committee (BARC)

The Board Audit & Risk Committee comprises five Non-Executive Directors, including two Independent Directors and is chaired by an Independent Director. The Committee supports the Board in fulfilling its oversight responsibilities relating to financial reporting, regulatory compliance, internal controls, risk management, sustainability related financial disclosures and both internal and external audit functions. The Committee also oversees Indus Motor Company Limited's approach to climate-related risks and opportunities and the related financial disclosures in line with the applicable requirements of IFRS S1 and IFRS S2. This includes oversight of the processes, governance arrangements and controls supporting the Company's sustainability and climate-related reporting.

Operating under clearly defined Terms of Reference approved by the Board, the Committee ensures that its activities remain aligned with corporate governance standards and applicable reporting requirements. As part of its governance practice, the Committee holds separate sessions with both the external and internal auditors, without the presence of management, to facilitate open discussion on any significant matters arising during the audit process.

The Committee affirms that it has effectively discharged its duties in accordance with its Terms of Reference. Additionally, a formal mechanism exists for the annual performance evaluation of the Board Audit & Risk Committee.

Board Human Resources & Remuneration Committee

The Board HR & Remuneration Committee operates as a sub-committee of the Board of Directors and is responsible for formulating and recommending Human Resource Management policies to the Board. Its mandate includes advising on the selection, performance evaluation, compensation and succession planning for the CEO and senior management team members who report directly to the CEO. The Committee also considers the integration of climate-related performance targets into executive remuneration, where relevant, in line with IMC's sustainability objectives and the applicable requirements of IFRS S1 and IFRS S2.

The Committee comprises three Non-Executive Directors, including two Independent Directors, one Executive Director and the CEO. It is chaired by an Independent Director, ensuring objectivity and independence in its deliberations. Through its oversight of executive performance and remuneration, the Committee supports the alignment of management incentives with the Company's climate-related targets and broader sustainability priorities.

Board Ethics Committee

The Board Ethics Committee is responsible for overseeing the Company's ethical standards and ensuring compliance with applicable policies and regulations. It facilitates prompt action on disclosures related to unethical practices and misconduct and is entrusted with the review and investigation of whistleblowing reports.

The Committee comprises the CEO and two Independent Directors and is chaired by an Independent Director to uphold impartiality and objectivity in its proceedings.

Board Share Transfer Committee

The Board Share Transfer Committee, constituted by the Board of Directors, is authorized to review and approve all share transfer requests. All resolutions passed by the Committee are duly presented to the Board for notation in subsequent meetings, ensuring transparency and oversight in shareholding matters.

The Management's Constituted Committees

Investment Committee

The Investment Committee supports the Board in discharging its oversight responsibilities related to the Company's capital investments. It evaluates proposed capital expenditures and submits recommendations for the Board's consideration and approval. The Committee is also tasked with formulating Company-wide policies for investments in fixed assets, which are subject to Board approval and with establishing guiding principles to effectively implement these policies.

The Committee comprises the CEO, two Directors, the Chief Financial Officer (CFO), the Company Secretary and the Heads of the Departments.

Marketing Technical Coordination Committee

The Marketing Technical Coordination Committee is tasked with ensuring strategic alignment and operational coordination between the Marketing and Technical departments. The Committee oversees the management and approval of new product introductions and modifications to existing model specifications, along with associated timelines.

Chaired by the CEO, the Committee convenes on a monthly basis and includes key representatives from both the Marketing and Technical functions.

ACT #1 Management Committee

The ACT #1 Management Committee is mandated to oversee the organization's key performance indicators (KPIs) and monitor financial performance on a monthly basis. The Committee evaluates departmental goals and the progress achieved against defined targets.

Additionally, the Committee reviews developments in government regulations and macroeconomic conditions to inform the Company's strategic direction and risk management framework. Meetings are chaired by the CEO and also include two Executive Directors and all Head of Departments. The meeting is attended by senior representatives from all functional departments.

SHE Committee

The SHE Steering Committee convenes on a monthly basis to monitor company-wide SHE performance, including statistical trends, KPIs and compliance with applicable local regulations. The Committee plays a pivotal role in embedding a culture of safety and environmental responsibility across the organization, starting from the top leadership.

Chaired by the CEO, the Committee provides strategic oversight and formulates the Company's overarching SHE policies and framework. It enables senior management to gain direct insight into operational-level SHE challenges and facilitates timely and effective resolution through informed decision-making.

IT Steering Committee

The IT Steering Committee meets regularly to provide strategic oversight of the Company's Information Technology landscape, ensuring alignment between business objectives and technology initiatives. The Committee is responsible for setting IT priorities, guiding technology investments and overseeing the implementation of policies related to information security, infrastructure and innovation.

Chaired by the Senior General Manager Product Development, the Committee supports business continuity, data protection and the development of scalable, integrated technology solutions. It plays a key role in driving digital transformation while ensuring compliance with relevant regulatory and cybersecurity standards.

Report of the Board Audit & Risk Committee

The Board Audit & Risk Committee (BARC) of IMC is constituted by the Board of Directors and has five (05) members, three (03) non-executive and two (02) independent directors. The Chairman of the Committee, Mr. Asif Qadir, is an Independent Director. The BARC possesses significant economic, financial and business acumen. The Company's Head of Internal Audit has been appointed as Secretary of the BARC.

This year, the Board delegated additional oversight responsibilities to the BARC for reviewing the Company's Sustainability Report before its approval, monitoring the Company's sustainability risks & opportunities, and overseeing compliance as per the requirements of IFRS S1 and IFRS S2. These additional responsibilities have been included in the Committee's Terms of Reference (TORs).

During the year, five meetings of the BARC were held including one meeting exclusively on Risk management agenda. Chief Executive Officer and Chief Financial Officer also attended the meetings upon invitation. The External auditors of the Company attended one meeting and discussed matters related to conduct of annual audit activity, audited financial statements of the company and related matters, further the BARC also met with head of internal audit and other members of the internal audit function as per requirements of Code of Corporate Governance.

The BARC has concluded its annual review of the conduct and operations of the Company for the year ended June 30, 2026, and reports that:

1. The BARC reviewed quarterly, half-yearly and annual financial statements of the Company and has recommended for approval of the Board of Directors. It also reviewed preliminary announcements of results prior to external communication and publication;

2. The financial statements of the Company for the year ended June 30, 2026, have been prepared on a going concern basis under requirements of Companies Act 2017, incorporating the requirements of the Code of Corporate Governance, International Financial Reporting Standards and other applicable laws & regulations.

3. These financial statements present a true and fair view of the state of the Company's affairs as of June 30, 2026 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

4. Appropriate accounting policies have been consistently applied, and all applicable accounting standards were followed in preparation of the financial statements for the year ended June 30, 2026.

5. Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the applicable laws and financial reporting is consistent with management processes and is adequate for shareholders' needs.

6. The BARC has reviewed the related party transactions and recommended the same for approval of the Shareholders in the Annual General Meeting after ratification from the Board of Directors.

7. The Company has issued a "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" which has also been reviewed by the External Auditors of the Company.

8. The CEO and CFO endorsed the financial statements before presentation of the same to the BARC for the approval and recommendation to board. They acknowledge their responsibility for true and fair presentation of the Company's financial statements, accuracy of reporting, compliance with regulations & applicable accounting standards, establishment & maintenance of internal controls and systems of the company.

9. During the year, one meeting of the Risk Management Committee was held, in which the major risks to the Company and the corresponding mitigation controls were discussed in detail.

10. The BARC has reviewed and taken assurance that important financial, operational and compliance controls are in place. Moreover, risk mitigation policies & measures and internal accounting & control systems are effective.

11. Management has established an independent 'Speak Up'(whistleblowing) mechanism, enabling employees to directly approach Internal Audit and the Board Ethics Committee with concerns relating to potential improprieties in financial or other matters. The Committee periodically reviews the effectiveness of this mechanism to ensure that employees and management have a reliable channel to report concerns to the BARC, and that all reported matters are thoroughly scrutinized. During the year, no cases were reported to the BARC.

12. Based on the results of the last annual self-evaluation, the BARC expressed satisfaction with its overall performance. The Committee members undertook the Self-Evaluation of the BARC, covering its structural composition, overall performance, awareness of key risks to the Company, adequacy of internal control and risk management frameworks, and the quality of deliberations at meetings.

Annual Report 2026

13. The BARC understands that the Company has issued a comprehensive Annual Report which also covers Sustainability Report as per IFRS S1 & S2, which gives fair, balanced and understandable information to offer an in-depth understanding about the management style, the policies set in place by the Company, its performance during the year, and future prospects to various stakeholders of the Company.

14. The Annual Report also includes various trends, financial analysis, sustainability & climate related risks & opportunities, Company's strategy, risk management, governance, relevant metrics, explanatory notes and statements to help the relevant stakeholders understand the company's state of affairs and prospects.

Sustainability Report

15. The BARC has reviewed annual Sustainability report prepared in accordance with IFRS S1 & S2 and has recommended it to the Board for approval. The report highlights IMC's continued progress in environmental and sustainability performance, including improvements in Scope 1 & 2 emissions intensity, hazardous waste, water consumption, supplier emissions intensity, training, and green dealership coverage, while maintaining zero fatalities. The committee monitors and review sustainability related risks and opportunities, and overseas compliance with relevant laws and related disclosures.

Internal Audit Function

16. The BARC has effectively implemented the internal control framework through an in-house Internal Audit function, which is independent of the External Audit function. The Company's system of internal controls is sound in design and has been continually evaluated for effectiveness and adequacy.

17. In accordance with the BARC approved Internal audit plan, the Internal audit department carried out independent audits. The BARC monitored Internal audit progress against the plan every quarter, reviewed significant audit findings and recommendations together with the management responses thereon, and took necessary actions or referred matters to the Board where necessary. The BARC also closely monitors the status of open / outstanding audit observations and ensures that appropriate action plans are in place for their timely resolution.

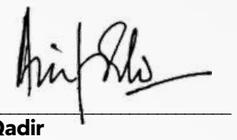
18. The Internal Audit has direct access to the Chairman of the BARC and the committee has ensured staffing of personnel with sufficient internal audit acumen and that the function has all necessary access to management and the right to seek information and explanations.

External Auditors

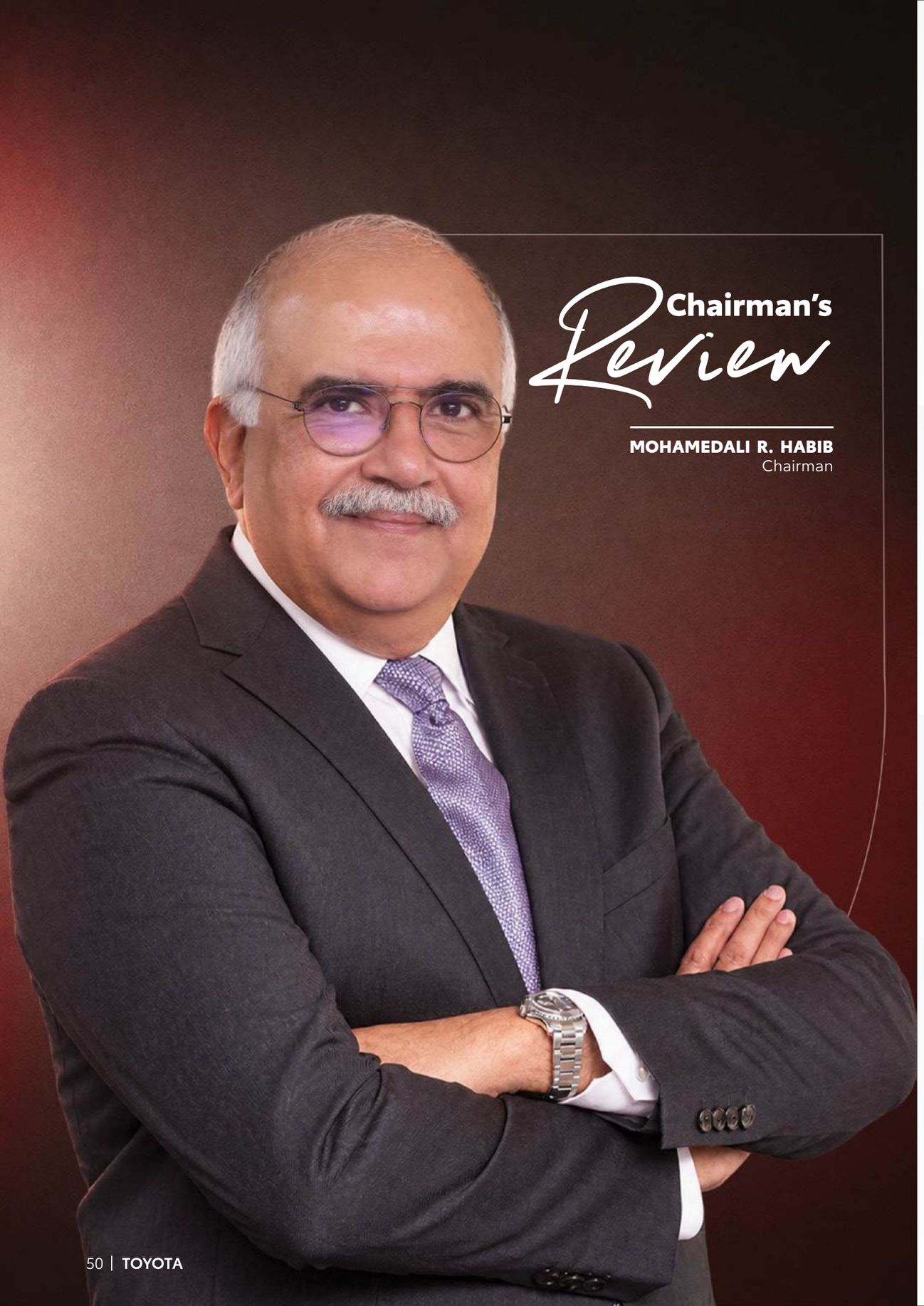
19. The BARC evaluated the performance of the External Auditor using a pre-approved evaluation framework, taking into consideration the satisfactory QCR rating by ICAP, maintenance of independence, adherence to ethical and professional standards, timely completion of the statutory audit, and the clarity and comprehensiveness of the Covering Letter, Audit Report, and Management Letter.

20. Appointment of external auditors and fixing of their audit fee was reviewed and the BARC recommended to the Board of Directors for re-appointment of M/s. A.F. Ferguson & Co., Chartered Accountants, as external auditors for the year ending June 30, 2027. Being one of the Big Four Audit firms, and as per the aforementioned evaluation, the BARC is satisfied with the integrity, objectivity and effectiveness of the services provided by the firm. The current engagement partner has started his tenure from FY2022-23.

21. M/s. A.F. Ferguson & Co., Chartered Accountants has been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and they are registered with Audit Oversight Board of Pakistan. The firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP and have submitted their consent to continue as auditors for the year ending June 30, 2027.



Asif Qadir
Chairman Board Audit & Risk Committee



Chairman's Review

MOHAMEDALI R. HABIB
Chairman

Dear Shareholders,

This year represents a significant milestone in our journey of continuous improvement and responsible corporate reporting as we present Indus Motor Company Limited's first Annual Report, combining our financial and sustainability disclosures into one comprehensive report. This initiative reflects our commitment to enhancing transparency, strengthening stakeholder engagement and providing a holistic view of our performance, strategy, governance and contribution to sustainable development. By integrating our business results with our environmental, social and governance priorities, we reaffirm our commitment to creating long-term value for all stakeholders while advancing our vision of sustainable mobility and responsible growth in line with Toyota's guiding principles.

FY2025–26 marked an important year of economic stabilization and gradual recovery for Pakistan. Despite significant domestic and global challenges, including climate-related shocks, geopolitical uncertainties and external market pressures, the economy demonstrated resilience through improved macroeconomic management, fiscal discipline, stronger external buffers and continued structural reforms. The year witnessed a recovery in industrial activity, moderation in inflationary pressures, improved investor confidence and progress toward a more sustainable, private-sector-led growth model.

Real GDP growth was provisionally estimated at 3.70% in FY2025-26, compared with 3.18% in FY2024-25, supported by recovery across key sectors, including Large-Scale Manufacturing (LSM), which grew by 5% compared with a contraction of 0.8% in the corresponding year. Significant progress was achieved in fiscal consolidation, with the fiscal deficit narrowing to 0.7% of GDP during July–March FY2025-26, while the country recorded a primary surplus of Rs. 4.1 trillion, equivalent to 3.2% of GDP, representing one of the strongest fiscal performances in recent years. The external sector remained resilient, supported by strong remittance inflows, improved foreign exchange reserves and exchange rate stability.

While FY2025–26 established a stronger foundation for economic recovery, challenges remain in enhancing productivity, improving export competitiveness, strengthening energy sector efficiency and accelerating sustainable investment-led growth. Continued policy reforms, investment in human capital and private-sector participation will be essential to translating economic stabilization into long-term, inclusive economic progress.

Amid Pakistan's improving macroeconomic environment, the automotive industry recorded a strong recovery during FY2025–26, with Pakistan Automotive Manufacturers Association (PAMA)-reported passenger car and light commercial vehicle sales increasing by 39% to over 206,000 units. This recovery reflected improving consumer sentiment and continued product innovation, complemented by policy measures to rationalize used-vehicle imports that strengthened the long-term competitiveness of the local automotive manufacturing industry. However, imported used vehicles continued to account for approximately 19% of the PAMA market, despite the domestic industry operating significantly below its installed production capacity. Continued policy consistency will be essential to promote localization, strengthen the vendor ecosystem and maximize the industry's contribution to Pakistan's economic growth.

Company Performance

Building on this positive industry momentum, I am pleased to report that your Company delivered a stronger performance in FY2025–26. Unit sales increased by 33% year-on-year to 45,035 units, reflecting the recovery in market demand and the strength of our brands. While sales remain below historical peak levels, the year's performance represents an encouraging step in our growth journey and reinforces our confidence in the long-term potential of Pakistan's automotive industry. We remain committed to advancing innovation, strengthening our market leadership and creating sustainable long-term value for our shareholders and all stakeholders.

As a result, net sales revenue rose to Rs. 258.75 billion, up from Rs. 215.14 billion in FY2024–25. Through prudent cost management, increased localization and favorable exchange rate fluctuations, profit before tax increased to Rs. 42.82 billion, compared to Rs. 37.67 billion the previous year. Other income also contributed around 37.06% to the profit before tax. Consequently, earnings per share improved to Rs. 324.50, compared to Rs. 292.74 per share in FY2024–25. Net profit after tax reached Rs. 25.51 billion, up from Rs. 23.01 billion in the prior year.

This performance is a testament to the resilience of our teams, the loyalty of our customers and the trust of our shareholders.

Sustainability Performance

Sustainability remains integral to IMC's long-term strategy and our commitment to creating enduring value for stakeholders. Our sustainability journey continues to deliver meaningful environmental impact while advancing responsible and future-ready growth. During the year, your Company became the first automotive company in Pakistan to successfully complete the plantation of one million trees nationwide Since 2018. We also planted 16,000 mangroves along the Sindh coastline, contributing to ecosystem restoration and strengthening climate resilience.

Our sustainability efforts extend across the value chain. Today, 85% of our dealership network operates on solar energy as "Green Dealerships", while over 13% of our local suppliers have transitioned to solar power as "Green Suppliers". At our manufacturing facility, we are accelerating the adoption of renewable energy by expanding Pakistan's largest roof-mounted solar installation of 6.7 MW under the 8th Environmental Action Plan FY2030-31. In addition, the implementation of various carbon reduction projects at the plant during the year reduced CO_2 emissions by 762 tons.

These achievements reflect our steadfast commitment to integrating sustainability into every aspect of our business. We remain focused on creating long-term value for our stakeholders while contributing to a more resilient, resource-efficient and low-carbon future.

Cybersecurity & Digital Resilience

Cybersecurity remains a key priority for IMC and an integral part of our governance and risk management framework. During FY2025-26, the Company strengthened access controls, continuous security monitoring, threat detection, infrastructure and digital protection, supported by vulnerability assessments, penetration testing and reviews of critical system controls. Independent assurance was obtained through an assessment by a leading international audit firm, alongside internal audits and management reviews. Awareness initiatives were also continued across employees, dealerships and business partners.

The Company further enhanced backup, disaster recovery and business continuity arrangements to strengthen preparedness for cyber incidents and operational disruptions. Key risks, control assessments and improvement initiatives continued to be reviewed through established governance channels, including the Board Audit & Risk Committee and the Board. The Board remains committed to the continuous enhancement of the Company's cyber resilience to safeguard operations, stakeholder interests and long-term shareholder value.

Creating Shared Value

Creating shared value is integral to IMC's corporate philosophy and our commitment to the communities we serve. Through Concern Beyond Cars, our umbrella CSR program, your Company continues to invest in initiatives that improve lives and strengthen the communities we serve. In line with the Company's CSR policy, IMC allocates 1% of its profit before tax annually to community development initiatives. During the year, Rs. 377 million was invested in programs focused on livelihood support, healthcare, education, sports, environmental stewardship, road safety awareness and flood relief and rehabilitation efforts in Khyber Pakhtunkhwa. These initiatives positively impacted 255,761 beneficiaries, representing a 27% increase over the previous year.

Our commitment to creating shared value extends beyond financial contributions. We remain dedicated to empowering communities, fostering inclusive growth and creating a lasting positive impact for society.

Pakistan Automotive Industry & Upcoming Auto Policy

Pakistan's automotive industry enters FY2026–27 at a pivotal juncture. The sector has demonstrated resilience amid improving macroeconomic conditions; however, the expiry of the Automotive Industrial Development Policy 2021–26 and the anticipated announcement of its successor have created a period of policy transition for manufacturers and investors. Concurrently, the implementation of the National Tariff Policy (2025–30) represents a significant structural reform that will shape the future competitiveness of the industry. However, its intended benefits may not be fully realized and could potentially be outweighed by adverse impacts unless complemented by robust administrative measures to stimulate domestic economic activity and strengthen the industrial base.

As Pakistan advances towards a more liberalized trade regime, it is imperative to strike an appropriate balance between fostering competition and maintaining an enabling policy environment that supports domestic manufacturing, localization, technology transfer, innovation and sustained long-term industrial investment.

We foresee that a stable and predictable long-term policy environment, supported by improved access to consumer financing and continued investment in local value additions, will be essential to unlocking the sector's growth potential.

Addressing structural challenges, including the high cost of doing business and supply chain constraints, will further strengthen the industry's competitiveness and its contribution to employment, industrial development and the national economy. We remain confident that, with constructive collaboration between policymakers and industry stakeholders, Pakistan's automotive sector is well positioned to achieve sustainable and inclusive long-term growth.

Looking Ahead

Despite the evolving policy landscape, we remain confident in the long-term fundamentals of Pakistan's automotive industry. Our focus will continue to be on executing our long-term strategy through operational excellence, accelerated localization, technology-led product development and disciplined capital allocation. We will continue to strengthen our competitiveness while delivering products and services that meet the evolving expectations of our customers.

As industry adapts to the changing market dynamics, we will continue to engage constructively with policymakers and industry stakeholders to support the development of a competitive, sustainable and investment-friendly automotive ecosystem. Guided by our commitment to quality, innovation and responsible corporate stewardship, we remain focused on creating enduring value for our customers, shareholders, employees, business partners and the communities we serve.

Acknowledgements

On behalf of the Board, I wish to extend heartfelt appreciation to our employees, dealers, vendors and partners for their hard work and dedication in navigating a challenging yet rewarding year. We are equally grateful to our shareholders for their trust and confidence in the Company.

We pray to Allah Almighty to continue blessing our efforts and to guide us in our commitment to building a stronger future for Pakistan's automotive industry.



Mohamedali R. Habib
Chairman

DIRECTORS' Report

The Directors of Indus Motor Company Limited take pleasure in presenting the Directors' Report, together with the Audited Financial Statements of the Company for the year ended June 30, 2026:

This report has been prepared in accordance with Section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 and will be submitted to the shareholders at the 37th Annual General Meeting of the Company to be held on September 28, 2026.

Financial Results, Appropriations & Subsequent Effects

The financial results and appropriations for the year ended June 30, 2026 are as follows:

	2026	2025
	(Rupees in '000)	
Profit After Taxation	25,505,832	23,009,659
Other Comprehensive (Loss) – net of tax	(115)	(64)
OCI & Un-appropriated Profit brought forward	589,088	413,093
	26,094,805	23,422,688
Appropriations		
1st Interim Dividend @ 510% i.e. Rs. 51.00 per share (2025: 390% i.e. Rs.39.00 per share)	4,008,600	3,065,400
2nd Interim Dividend @ 460% i.e. Rs. 46.00 per share (2025: 370% i.e.Rs.37.00 per share)	3,615,600	2,908,200
3rd Interim Dividend @ 510% i.e. Rs. 51.00 per share (2025: 500% i.e. Rs.50.00 per share)	4,008,600	3,930,000
	11,632,800	9,903,600
Unappropriated Profit Carried Forward at year end	14,462,005	13,519,088
Subsequent Effects		
Proposed Final Dividend @ 470% i.e. Rs. 47 per share (2025: 500% i.e. Rs. 50 per share)	3,694,200	3,930,000
Proposed Transfer to General Reserves	10,500,000	9,000,000
	14,194,200	12,930,000
Basic and Diluted Earnings per share (Rupees)	324.50	292.74

Principal Activities of the Company

Indus Motor Company Limited (the Company) was incorporated in Pakistan as a public limited company in December 1989 and started commercial production in May 1993. The shares of the Company are quoted on the Pakistan Stock Exchange. The Company's principal activity is the assembly, progressive manufacturing and marketing of Toyota vehicles in Pakistan.

Company Performance

Indus Motor Company Limited delivered a strong performance during the year ended June 30, 2026, with total sales of CKD and CBU units increasing by 33% to 45,035 units, compared to 33,757 units in the corresponding period last year. The Company maintained a market share of approximately 14.7% in the domestic automotive sector. In line with the increase in sales, vehicle production also recorded a significant 37% growth, reaching 45,597 units compared to 33,251 units produced in the previous year.

Net sales revenue rose to Rs. 258.75 billion, from Rs. 215.14 billion in the corresponding period of the previous year. Profit after tax increased significantly to Rs. 25.51 billion, as compared to Rs. 23.01 billion last year. The increase in revenue and profitability is mainly attributable to higher sales volume, a decline in material costs driven by a relatively favorable exchange rate, effective cost reduction initiatives and increased localization of parts or components. Return on investments and bank placements continue to be a significant portion of the company's profitability. Other income for the year was also supported by unrealized gain recognized on re-measurement of long term liability of Sindh Infrastructure Development Cess payable, in accordance with IFRS requirements.

Contribution to National Exchequer

During the year, the Company contributed a sum of around Rs. 140 billion to the national exchequer, which is around 1% of total tax revenue collection by the Government of Pakistan. Since the Company's incorporation in 1989, our contribution stands in excess of Rs. 1,030 billion.

Principal Risks & Factors Affecting Financial Performance

The Company's overall financial performance improved during the current year, driven primarily by higher sales volumes. The growth was supported by strong customer demand for sedans, particularly the Toyota Corolla and Toyota Yaris, reflecting their established market reputation and continued customer preference. The successful introduction of minor model enhancements in the Toyota Yaris further strengthened its appeal. The Company also benefited from effective cost-reduction measures and favorable exchange rate movements, which contributed to a reduction in the cost of input materials. Nevertheless, currency fluctuations, inflation and international commodity prices remain key factors affecting the Company's cost structure. In addition, the prevailing duty and taxation regime continues to have a significant impact on vehicle production costs and sales volumes.

Sustainability-Related Financial Disclosures

During the year, the Company prepared its first Sustainability-related Financial Disclosures in accordance with IFRS S1, General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2, Climate-related Disclosures, as adopted in Pakistan by the Securities and Exchange Commission of Pakistan (SECP). The disclosures identify and assess sustainability & climate-related risks and opportunities that could reasonably be expected to affect the Company's prospects, including its cash flows, financial performance, access to finance and cost of capital over the short, medium and long term. These considerations are integrated into the Company's strategy, ESG, enterprise risk management, corporate planning, budgeting, investment decisions and performance monitoring, with oversight by the Board Audit and Risk Committee (BARC) and the Board, implementation monitored through management's SHE Steering Committee. The complete Sustainability-related Financial Disclosures, including the Company's governance, strategy, risk management, metrics and environmental performance, form part of the Annual Report.

Diversity, Equity & Inclusion (DEI)

The Company also promotes Diversity, Equity and Inclusion (DEI) through equal opportunity, merit-based recruitment, employee development, a respectful and inclusive workplace.

Corporate Social Responsibility (CSR)

Creating shared value remains integral to the Company's corporate philosophy and its commitment to the communities it serves. During the year, the Company invested Rs. 377 million in a range of CSR initiatives under its "Concern Beyond Cars" program, focused on sustenance support, healthcare, education, sports, mobility and road safety, environmental stewardship, flood relief and rehabilitation in Khyber Pakhtunkhwa. These initiatives positively impacted 255,761 beneficiaries, representing a 27% increase over the previous year.

The Company's key CSR initiatives and contributions during the year included:

- Donations aggregating approximately Rs. 83 million have been made to various hospitals and related foundations to support healthcare initiatives.
- Donations aggregating approximately Rs. 96 million have been made to various educational institutions.
- Plantation of more than 1,000,000 tree saplings across the country under the Company's "Million Tree Plantation Program" since its launch in December 2018.
- Implementation of the "Toyota 5S Ecological Conservation Program" for students and young adults through online participation.
- Distribution of food rations during Ramadan and on other occasions among underprivileged families in neighboring villages.
- Weekly distribution of free cooked meals in neighboring villages.
- Provision of free weekly medical camps and fortnightly psychiatric camps in neighboring villages.
- To promote inclusivity, the Company pledged Rs. 25 million to support entrepreneurship among Persons with Disabilities (PwDs) and provided prosthetics and wheelchairs to 100 individuals.

Awards & Recognition

During the year, the Company achieved 18 total awards. These include significant recognition from Toyota Motor Asia (TMA), receiving seven awards across marketing, customer experience, technical and value-chain excellence. These included CDEA (Gold), Value Chain, Consumer Choice, Marketing, Excellence, Warranty Reduction and Zero Field Action Awards, reflecting strong performance against Toyota's regional standards and benchmarks.

The Company also received notable recognition at the national level, including the MAP 40th Corporate Excellence Award – Automobile Assembler and Best Use of AI in Content Creation at the Pakistan Digital Awards. Its sustainability and social impact efforts were recognized through multiple NFEH awards for Tree Plantation, CSR Reporting, Research & Publication, Measurable Impact & Evaluation, alongside the Responsible Investment, Reporting & Transparency, Community Impact Awards from The Professionals Network.

Further accolades included the Diamond Award from the Employee Federation of Pakistan and a MERIT Certificate from ICMA International, underscoring the Company's commitment to excellence across its operations and stakeholder engagements.

Internal Control

The Company has employed an effective system of internal controls to carry on the business of the Company in an orderly manner, safeguard its assets and secure the accuracy and reliability of its records. Management supervision and reviews are an essential element of the system of internal controls. The Management has delegated the function of detailed examination and special review to the team of internal auditors.

The Board ensures adequacy of internal control activities either directly or through its Committees. The Board also reviews the Company's financial operations and position at regular intervals by means of interim accounts, reports, profitability reviews and other financial and statistical information. Analysis of budgetary controls is in place and the Board reviews material variances with explanations and actions taken thereon on a periodic basis.

Risk Management

The Company maintains a formal risk management framework to identify, assess and manage risks arising from its business activities and the broader political and macroeconomic environment. The framework covers mainly strategic, financial, operational and compliance risks. Identified risks are regularly reviewed by the Management Committee alongside departmental objectives and performance, with appropriate mitigation measures implemented to minimize their potential impact.

Strategic Risk

The Company operates in a highly competitive and rapidly evolving automotive industry, where changes in customer preferences, economic conditions, market demand, competitive dynamics and technological developments may affect sales volumes, market share and profitability. Changes in Government automotive policies, taxation, tariffs, import restrictions, localization requirements and environmental regulations may also impact the Company's business strategy, cost structure and competitiveness. In addition, the transition towards hybrid, electric and other emerging automotive technologies requires continuous investment in technology, product development, manufacturing capabilities and human capital to remain competitive and meet evolving customer and regulatory expectations. Strategic risks and their mitigation measures are regularly reviewed by the management and the Board.

Operational Risk

The Company is exposed to operational risks arising from disruptions in the supply chain, shortages or delays in imported and locally sourced components, production interruptions, equipment breakdowns, utility constraints and other business continuity challenges. Fluctuations in the availability and cost of raw materials, energy and logistics may further affect manufacturing costs and production efficiency. Product quality, warranty claims, recalls, cybersecurity incidents and other operational failures may also adversely affect business continuity, customer satisfaction and the Company's reputation. The Company continues to strengthen its supply chain, quality management, operational controls and business continuity measures to mitigate these risks.

Financial Risk

The Company is exposed to various financial risks, including foreign exchange, interest rate, credit and cost risks. Movements in exchange rates may increase the cost of imported components, machinery and other materials, while changes in interest rates may affect financing costs and vehicle affordability, thereby influencing customer demand. Liquidity risk may arise from mismatches between cash inflows and financial obligations, whereas credit risk may result from the failure of customers, dealers or financial counterparties to meet their obligations. Inflation and increase in raw materials, energy and other input costs may also exert pressure on margins. The Company manages these risks through prudent financial planning, cash flow management, foreign currency hedging, monitoring of exposures and appropriate internal controls.

Compliance Risk

The Company is subject to a wide range of laws, regulations and regulatory requirements relating to corporate governance, taxation, customs and trade, environmental protection, labor, product safety, automotive standards and securities market requirements. Changes in Government policies, regulatory frameworks, environmental standards, import duties and taxation may increase compliance obligations and operating costs. Non-compliance may result in financial penalties, legal or regulatory action and reputational damage. The Company therefore maintains appropriate compliance frameworks, internal controls and monitoring mechanisms to ensure adherence to applicable laws, regulations and regulatory requirements.

The Company's risk management structure is aligned with global practices followed by Toyota, supporting sustainable growth through effective identification, assessment and management of business risks.

Code of Corporate Governance

The Directors of your Company are aware of their responsibilities under the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Rule Book of the Pakistan Stock Exchange. Your Company has taken all necessary steps to ensure good corporate governance and full compliance with the Code, we confirm the following:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained in accordance with the requirements of the law;
- Chief Executive and Chief Financial Officer duly endorsed the financial statements before the approval of the Board;
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure therefrom has been adequately disclosed and explained;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts about the Company's ability to continue as a going concern;
- Statement of the pattern of shareholding has been included as part of this Annual Report; and
- Statement of shares held by associated undertakings and related persons have also been disclosed separately.

Composition of the Board

The composition of the Board of Directors of the Company as on June 30, 2026 is as follows.

1. The total number of Directors is 10 and as follows:

   a) Male 09

   b) Female 01

2. The number of Directors under respective categories are as follows:

   a) Independent Directors including a Female Director 03

   b) Non-Executive Directors 04

   c) Executive Directors 03

Board of Directors Meetings

A total of four (04) meetings of the Board of Directors were held during the twelve-month period from July 1, 2025 to June 30, 2026. Names of the Directors (at any time during the year) along with their attendance at the Board Meetings is as follows.

S. No.	Name of Directors	Meetings Attended
1	Mr. Mohamedali R. Habib (Chairman)	3
2	Mr. Shinji Yanagi (Vice Chairman)	4
3	Mr. Ali Asghar Jamali (CEO)	4
4	Mr. Riyaz T. Chinoy (Independent Director)	3
5	Mr. Asif Qadir (Independent Director)	3
6	Mr. Imran A. Habib (Director)	4
7	Mr. Muhammad H. Habib (Director)	4
8	Mr. Giri Venkatesh (Director)	4
9	Mr. Shigeki Furuya (Director)	4
10	Syeda Tatheer Zehra Hamdani (Independent Director)	4

Committees of the Board

The Board has formed the following Committees and details of members are as under:

1. Board Audit, Risk & ESG Committee
   1) Mr. Asif Qadir, Chairman
   2) Mr. Riyaz T. Chinoy
   3) Mr. Muhammad H. Habib
   4) Mr. Imran Ali Habib
   5) Mr. Giri Venkatesh

2. Board Human Resources & Remuneration Committee
   1) Syeda Tatheer Zehra Hamdani, Chairperson
   2) Mr. Mohamedali R. Habib
   3) Mr. Riyaz T Chinoy
   4) Mr. Shinji Yanagi
   5) Mr. Ali Asghar Jamali

3. Board Ethics Committee
    1) Mr. Riyaz T. Chinoy, Chairman
    2) Syeda Tatheer Zehra Hamdani
    3) Mr. Ali Asghar Jamali

Salient Features of Remuneration Policy for Non-Executive Directors

The Board acknowledges the valuable contributions being made by the Non-Executive Directors (including Independent Directors) and currently a meeting fee is being offered for attendance and participation at each Board meeting or its Committee, while this does not reflect compensation of their contributions and just represents a token of appreciation. The Non-Executive Directors may waive their rights to receive such remuneration for attending and participating in the above meetings.

Remuneration of Executive Directors

The remuneration of the CEO and Executive Directors of the Company for the year ended June 30, 2026, is given in note 38 to the financial statements.

Gender Pay Gap Statement

The Mean gender pay gap and Median gender pay gap for the year ended June 30, 2026 is 0.9% (June 2025; 3.4%) and 10.6% (June 2025; 9.1%), respectively.

Investor Engagement & Corporate Briefing Sessions

IMC is committed to maintaining transparent and meaningful engagement with its shareholders, investors and financial analysts. The Company regularly communicates through Corporate Briefing Sessions (CBS), quarterly financial reports, investor presentations and other disclosures to keep stakeholders informed of its financial and operational performance.

The Corporate Briefing Sessions provide an opportunity for management to discuss developments in Pakistan's automotive industry, market trends, customer demand, regulatory changes, product portfolio, business performance and future outlook. These sessions also enable shareholders and analysts to interact directly with the management and share valuable feedback, strengthening the Company's relationship with the investment community. During FY2025-26, the Company successfully conducted three Corporate Briefing Sessions (CBS), reaffirming its commitment to transparency, effective stakeholder engagement, long-term value creation.

Financial Statements

International Financial Reporting Standards (IFRS), as applicable in Pakistan and provisions of and directives issued under the Companies Act, 2017 have been followed in the preparation of the financial statements, where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The auditors of the Company, M/s. A.F. Ferguson & Co., Chartered Accountants, audited the Financial Statements of the Company and have issued an unqualified report to the members.

Related Party Transactions

All transactions with related parties have been executed at arm's length and are in the normal course of business, which have been disclosed in the financial statements under relevant notes.

Material Changes & Commitments

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of the report, other than disclosed in the Financial Statements, or in this report.

Appointment of Auditors

The existing auditors, M/s A.F. Ferguson & Co., Chartered Accountants retire and being eligible, offer themselves for re-appointment. The Directors endorse the recommendation of the Audit Committee for re-appointment of M/s A.F Ferguson & Co., as the auditors for the year ending June 30, 2027.

Pattern of Shareholding

The Pattern of Shareholding of the Company as at June 30, 2026, is given on pages 338 to 339.

Trading of Shares of the Company

During the year ended June 30, 2026, the Directors, the Executives, their spouses and minor children have not carried out any trading of shares of the Company, other than that disclosed in the Pattern of Shareholding.

Key Operating and Financial Data

The Key Operating and Financial Data is provided on pages 340 to 341 of the Annual Report.

Statement of Compliance with COCG

The Company has fully complied with requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019. Statement to this effect is annexed with this Report on page 280 and 281.

Chairman's Review

The Directors of the Company endorse the contents of the Chairman's Review, dealing with the overall performance of the Company and future outlook and the contents of the Chairman's Review and report on the performance and effectiveness of the Board.

Acknowledgement

We are grateful to our customers for their continued patronage of our products and wish to acknowledge the efforts of the entire IMC team, including our staff, vendors, dealers and all business partners for their untiring efforts in these challenging times and look to their continued support.

We bow to the Almighty and pray for His blessings and guidance.

Karachi.

August 29, 2026



Ali Asghar Jamali
Chief Executive



Shinji Yanagi
Vice Chairman

SUSTAINABILITY RELATED FINANCIAL *Disclosures*

Message from the Chairman, Board Audit & Risk Committee

Dear Shareholders,

I am pleased to present IMC's Sustainability-related Financial Disclosures for the year ended June 30, 2026, prepared in accordance with IFRS S1, General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2, Climate-related Disclosures, as adopted in Pakistan by the Securities and Exchange Commission of Pakistan (SECP). The adoption of these Standards marks an important step in strengthening the transparency and decision-usefulness of IMC's sustainability and climate-related reporting and further integrating these considerations into the Company's governance and business decision-making.

As Chairman of the Board Audit & Risk Committee (BARC) and an Independent Director, I regard effective oversight of sustainability and climate-related matters as integral to IMC's long-term resilience and value creation. The Board has entrusted BARC with oversight of sustainability and climate-related risks and opportunities, targets and action plans, including their integration within the Company's governance and risk management frameworks. During the year, BARC reviewed management's assessment of these matters, the Company's responses and mitigation measures and progress against approved objectives and targets.

IMC's sustainability strategy is aligned with Toyota Motor Corporation's Global Environmental Challenge 2050 and is translated into actionable priorities through the Board-approved 8th Environmental Action Plan (EAP) FY2030–31. BARC reviewed and recommended the EAP to the Board, including its sustainability objectives, targets and associated risks and opportunities. Progress against these commitments is subject to regular oversight.

Sustainability and climate-related considerations are integrated into established business processes, including strategy, enterprise risk management, corporate planning, budgeting, investment decisions and performance monitoring. At management level, the CEO-chaired SHE Steering Committee provides oversight of implementation and progress against the EAP.

Accountability is further reinforced through executive performance management. The Board Human Resources and Remuneration Committee (BHRRC) reviews sustainability performance as part of executive remuneration, with relevant sustainability and climate-related KPIs incorporated into executive performance assessments and remuneration arrangements.

In overseeing these disclosures, BARC has considered the information against the materiality framework approved by the Board and the requirements of IFRS S1 and IFRS S2. As this is IMC's first reporting period under these Standards, the assessment of the financial effects of certain sustainability and climate-related risks and opportunities remains at an early stage. While the Company has identified the principal channels through which these matters may affect its financial position, performance and cash flows, certain effects cannot yet be quantified with sufficient reliability. Where appropriate, qualitative disclosures have therefore been provided, supported by management judgment and available data.

The assessment also considers relevant upstream and downstream value-chain activities. While quantitative emissions information is available for relevant suppliers, logistics partners and dealers, the data required to quantify certain value-chain risks, opportunities and their financial effects remain subject to further development. IMC did not undertake climate-related scenario analysis during FY2025–26; accordingly, its assessment of climate resilience was based on management judgment and information available at the reporting date. The Company will continue to strengthen its data, systems and methodologies, including developing a proportionate scenario-analysis approach.

Looking ahead, BARC will continue to oversee IMC's sustainability and climate-related risks and opportunities, targets and achievements and recommend appropriate actions to the Board as the Company responds to evolving environmental expectations and the transition towards lower-emission mobility.

I acknowledge the commitment of management and our teams in advancing IMC's sustainability agenda and establishing a strong foundation for transparent, credible and decision-useful reporting.

Asif Qadir
Chairman Board Audit & Risk Committee

1. General Disclosures

1.1 Reporting Entity, Basis of Preparation & Statement of Compliance

Indus Motor Company Limited ("IMC" or "the Company") has prepared these sustainability-related financial disclosures for the financial year ended June 30, 2026 in accordance with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, as adopted in Pakistan by the Securities and Exchange Commission of Pakistan ("SECP").

The SECP, through its Order dated December 31, 2024, adopted IFRS S1 and IFRS S2 for phased application by companies meeting the prescribed applicability criteria. IMC is subject to the mandatory application of the Standards for its annual reporting period commencing July 01, 2025. Accordingly, the financial year from July 01, 2025 to June 30, 2026 represents IMC's first annual reporting period in which the Company applies the IFRS Sustainability Disclosure Standards (SDS) on a mandatory basis. These disclosures form part of IMC's general purpose financial report and have been prepared for the same reporting entity and reporting period as the related annual financial statements.

1.2 First-Year Transition Reliefs

FY2025-26 is IMC's first annual reporting period of applying IFRS S1 and IFRS S2. The Company has applied the following transition reliefs available for the first annual reporting period:

Transition Relief	Application by IMC for FY2025-26
Comparative information (IFRS S1 para E-3 & IFRS S2 para C-3)	Comparative information is not presented in line with relief applicable for first reporting year. However, the Company has voluntary disclosed comparative data for select metrics and targets including GHG emissions and energy.
Scope 3 GHG emissions (IFRS S2 para C-4b) and the SECP's adoption order dated December 31, 2024	Scope 3 greenhouse gas emissions are not disclosed. The Company is monitoring the suppliers, logistics partners and dealership network GHG emissions along with green-energy conversions, continuing to develop data collection and measurement processes across its upstream and downstream value chain to support future Scope 3 assessment and reporting in next year.

1.3 Sustainability-Related Reporting Boundary

The reporting entity for these sustainability-related financial disclosures is the same as that for IMC's related general purpose financial statements. However, assessment of sustainability-related risks and opportunities is not restricted to activities occurring within IMC's legal or financial reporting boundary. IMC considers sustainability-related risks and opportunities arising throughout its value chain where those risks and opportunities could reasonably be expected to affect the Company's prospects.

Accordingly, IMC's climate-related assessment considers:

Value-Chain Area	Principal Activities Considered
Upstream	Imported CKD kits and components; raw material from Toyota and locally manufactured components; energy and utilities; logistics and transportation; suppliers and service providers.
Own operations	Press shop, Welding shop, Paint shop, Vehicle assembly, utilities, maintenance, testing, quality assurance, warehousing, offices and other activities under IMC's operational responsibility.
Downstream	Distribution of vehicles to independently owned dealerships; dealer-related activities where relevant to IMC's climate strategy; customer demand and product-use trends; vehicle technology transition and end-user preferences.

1.4 Greenhouse Gas Emissions Boundary

For greenhouse gas emissions reporting, IMC applies the equity share approach under the GHG Protocol to determine its organizational boundary. Under this approach, IMC accounts for emissions from operations according to its economic interest in those operations. Within the defined organizational boundary, the GHG emissions are then classified as Scope 1, Scope 2 and, where applicable, Scope 3 in accordance with the GHG Protocol Standard 2004. IMC has disclosed Scope 1 and Scope 2 emissions while applying the transition relief that permits Scope 3 emissions disclosure to be deferred.

1.5 Time Horizons

For the purposes of identifying, assessing and disclosing climate-related risks and opportunities, IMC uses the following time horizons:

Time Horizon	Period	Relationship to IMC's Business
Short term	**1–5 years**	Annual and near-term operating plans, procurement, budgeting, near-term regulatory changes, energy-management initiatives and immediate operating exposures.
Medium term	**More than 5 years up to 10 years**	Vehicle/platform cycles, technology transition, localization, re-tooling and capital investment decisions, changing market preferences and development of lower-emission vehicle technologies.
Long term	**Beyond 10 years**	Longer-term automotive decarbonization, substantial technology transition, structural changes in demand and pathways towards carbon neutrality.

1.6 Reporting Period

These sustainability-related financial disclosures cover the 12-month period from July 01, 2025 to June 30, 2026 and are prepared for the same annual reporting period as IMC's related general purpose financial statements. Forward-looking information, including anticipated financial effects, strategic responses, climate-related targets and assessments of future risks and opportunities, reflects information reasonably available to management at the reporting date and is subject to the assumptions, judgments and uncertainties described in the disclosures.

1.7 Presentation Currency & Units of Measurement

Financial information included in these sustainability-related financial disclosures is presented in Pakistani Rupees ("Rs."), consistent with IMC's general purpose financial statements, unless otherwise stated. Non-financial climate metrics are presented using measurement units appropriate to the relevant metric.

1.8 Connected Information

IMC has sought to present sustainability-related information in a manner that enables users to understand connections between:

- individual sustainability-related risks and opportunities;
- governance, strategy, risk management, metrics and targets;
- sustainability-related risks and IMC's strategic responses;
- sustainability-related targets and the metrics used to monitor progress;
- sustainability-related responses and their financial effects; and
- these sustainability-related financial disclosures and information contained in IMC's general purpose financial statements (where applicable).

The anticipated financial effects are intended to provide information about how identified sustainability & climate-related risks and opportunities could affect IMC's financial position, financial performance and cash flows over the relevant time horizons. Such forward-looking information does not itself represent a forecast included in the financial statements. IMC is continuing to strengthen the processes through which Sustainability-related operational and investment information is linked with financial planning, budgeting and financial reporting. The current and anticipated financial effects are presented in the Strategy (section 3).

1.9 Sources of Guidance Used in Preparing the Disclosures

In identifying sustainability-related risks and opportunities and determining material information for disclosures of and metrics, IMC has applied IFRS S1 and IFRS S2 standards. IMC has also considered Sustainability Accounting Standards Board (SASB) for Automobiles and the IFRS S2 Industry-based Guidance relevant to the automotive industry when identifying industry-specific disclosure topics and metrics. The use of industry-based guidance is intended to complement the cross-industry requirements of IFRS S2 and assist IMC in identifying climate-related information that may be particularly relevant to entities operating in the automobile manufacturing industry.

1.10 Materiality

IMC applies the materiality requirements of IFRS S1 and IFRS S2 in determining information to include in these sustainability disclosures. Information is considered material if omitting, misstating or obscuring that information could reasonably be expected to influence decisions that primary users of general purpose financial reports make on the basis of those reports. The assessment therefore focuses on information about sustainability-related risks and opportunities that could reasonably be expected to affect IMC's prospects including its cash flows, access to finance or cost of capital over the short, medium or long term. Materiality is assessed in the context of IMC's own circumstances and does not depend solely on whether an individual sustainability -related matter can presently be quantified in monetary terms.

In assessing materiality, IMC considers, among other factors the nature and potential magnitude of the climate-related effect, likelihood of occurrence, timing and duration of the effect, potential effects on revenue, operating costs, capital expenditure, assets, supply availability, production, product demand and financing, potential consequences for IMC's strategy and business model, whether effects could accumulate or interact with other sustainability -related matters and whether the information could reasonably influence decisions of investors, lenders and other creditors. For sustainability-related financial disclosures, the Board of Directors have approved same materiality as applicable to the general purpose financial statements.

IMC's risk-management framework already identifies strategic, regulatory, financial, operational, reputational and sustainability risks and provides for management review of risks together with corporate and departmental objectives, strategies, targets and performance. Sustainability -related risks and opportunities are assessed using this existing risk-management architecture supplemented by sustainability and climate-specific analysis. The detailed process used to identify, assess, prioritize and monitor climate-related risks and opportunities is described in the Risk Management (section 4).

1.11 Measurement Uncertainty

Some climate-related metrics and financial effects cannot be measured with precision and therefore involve varying degrees of estimation and measurement uncertainty. For GHG emissions, the measurement uncertainty can arise from the use of activity data, conversion factors, emissions factors and assumptions concerning fuel characteristics. The methodology and significant assumptions applied to IMC's Scope 1 and Scope 2 emissions are described in the Metrics section (Section 5). For anticipated financial effects, uncertainty may arise because climate-related outcomes depend on future variables that cannot be predicted with certainty. IMC uses reasonable and supportable information available at the reporting date and provides qualitative explanations where quantitative estimates cannot be reliably developed or separately identified.

1.12 Estimates & Assumptions

Where direct measurement is unavailable, IMC uses estimates and assumptions that are reasonable in the circumstances and supported by information available to the Company at the reporting date. Estimation techniques may be applied, for example, in calculating greenhouse gas emissions, assessing emissions reductions attributable to energy-efficiency initiatives, assessing expected future climate exposure and estimating anticipated financial implications. Where estimates are material to understanding a disclosed metric or financial effect, the relevant measurement approach and significant assumptions are described alongside that disclosure.

1.13 Use of Judgments

Preparation of sustainability-related financial disclosures requires management to exercise judgment, particularly where sustainability & climate-related effects are forward-looking, where information is derived from multiple operational sources, or where no single quantitative threshold determines whether information is material. Significant areas in which judgment has been applied include:

Area of Judgment	Nature of Judgment
Identification of climate-related risks and opportunities	Determining which physical and transition risks and sustainability & climate-related opportunities could reasonably be expected to affect IMC's prospects.
Materiality	Assessing which information about identified sustainability & climate-related risks and opportunities is material to users of IMC's general purpose financial reports.
Time horizons	Determining time periods that appropriately reflect IMC's operating, strategic, product-development and capital-allocation cycles.
Value-chain assessment	Determining the extent to which upstream and downstream sustainability & climate-related developments could affect IMC's prospects.
Financial effects	Determining whether current and anticipated effects can be separately identified and quantified and, where quantitative information is unavailable, determining the appropriate qualitative information to provide.
Climate resilience	Selecting appropriate assumptions and information for assessing the resilience of IMC's strategy and business model to sustainability & climate-related change.
GHG measurement	Application of boundaries, activity data, emission factors, assumptions and estimation techniques.
Industry-based metrics	Determining which automobile industry-based metrics are applicable and material to IMC.
Climate targets	Determining whether environmental objectives originating from Toyota global or regional programs constitute targets established by, or applicable to, IMC for purposes of IFRS S2 disclosure.

1.14 Comparative Information

IMC has applied the transition relief from providing comparative sustainability & climate-related financial information. However, where prior-period operational information such as historical GHG emissions or a baseline is available, it is presented voluntarily to explain performance against a sustainability or climate target. That historical information does not constitute comparative information presented pursuant to IFRS S1. It is provided because it is useful for understanding the relevant target or trend.

1.15 Current & Forward-Looking Information

These disclosures include both information about circumstances existing during FY2025-26 and forward-looking information about climate-related risks, opportunities, strategies, targets and anticipated financial effects. Forward-looking information reflects management's assessment based on reasonable and supportable information available as at the reporting date. Actual future outcomes may differ because sustainability & climate-related developments are subject to uncertainty, including changes in legislation, technology, customer preferences, market conditions, physical climate patterns and other factors outside IMC's control.

1.16 Changes in Estimates, Prior-Period Errors & Restatements

As FY2025-26 is IMC's first mandatory annual reporting period under IFRS S1 and IFRS S2 and comparative sustainability-related financial information is not required, there are no prior-period amounts requiring restatement.

1.17 Events After the Reporting Period

There are no events, transactions or developments after close of the year till authorization of the disclosures which required adjustment or disclosure.

1.18 Key Limitations

IMC's assessment of the financial effects of identified sustainability & climate-related risks and opportunities remains at an early stage. For FY2025–26, the Company has identified the principal channels through which these matters may affect its financial position, financial performance and cash flows. However, in certain areas, the effects cannot yet be separately identified or quantified with sufficient reliability. Accordingly, where reliable quantitative information is not currently available or would not provide decision-useful information, IMC has provided qualitative disclosures on the expected nature and direction of such effects. The Company will continue to enhance its data, systems and assessment methodologies in future reporting periods.

IMC's assessment considers relevant upstream and downstream value-chain activities, including suppliers, logistics partners and dealerships, with monitoring of associated GHG emissions and progress in green-energy conversion. Quantitative information for certain value-chain matters remains subject to limitations in data availability, consistency and quality. Accordingly, certain value-chain-related risks, opportunities and potential financial effects are assessed using available data, qualitative information, management judgment and reasonable estimates. IMC will progressively enhance its value-chain data collection, measurement and assessment processes as data availability, methodologies and reporting capabilities mature.

IMC did not undertake climate-related scenario analysis during FY2025-26. Accordingly, the climate resilience assessment is based on management judgment and information available at the reporting date. IMC intends to develop a proportionate scenario-analysis approach as its climate-related data, methodologies and analytical capabilities mature.

1.19 Authorization

These sustainability-related financial disclosures were approved by the Board of Directors on August 29, 2026, in the manner prescribed for approval of financial statements under section 232 of the Companies Act, 2017, in accordance with the SECP Order on adoption of Sustainability Disclosure Standards.

2.Governance

2.1 Sustainability & Climate-Related Governance

The Board of Directors (the "Board") is the highest governing body of Indus Motor Company Limited ("IMC") and retains ultimate responsibility for oversight of the Company's strategy, risk management and system of internal control. The Board exercises its oversight responsibilities directly and through its established committees, including the Board Audit and Risk Committee (BARC) and the Board Human Resources and Remuneration Committee (BHRRC). The Board reviews the Company's overall performance, providing a mechanism through which material sustainability & climate-related matters are considered alongside IMC's strategic, operational and financial priorities.

Board Audit & Risk Committee (BARC)

The Board has delegated specific oversight responsibilities for sustainability & climate-related matters to BARC, including monitoring and recommending sustainability targets and overseeing sustainability & climate-related risks and opportunities in the context of the requirements of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

During the year, the Chief Executive Officer ("CEO") presented to BARC IMC's 8th Environmental Action Plan ("EAP") FY2030–31, a five-year action plan setting out the Company's sustainability strategy, objectives and targets, together with key sustainability & climate-related risks and opportunities. The EAP is aligned with Toyota Motor Corporation's Global Environmental Challenge 2050, including its long-term ambition towards net-zero environmental impact. BARC reviewed and recommended the five-year sustainability targets to the Board for approval. It was also determined that actual performance against those targets would be monitored annually.

The CEO also briefed BARC on the requirements and implications of IFRS S1 and IFRS S2 for IMC, including the respective roles and responsibilities of the Board, BARC and management and the governance processes supporting sustainability & climate-related financial disclosures. BARC also considered management's approach to the identification and assessment of sustainability & climate-related risks and opportunities, including the application of the Company's established risk management and materiality assessment processes.

The responsibilities of BARC in relation to sustainability & climate-related matters are formally set out in the BARC's terms of reference.

Board Human Resources & Remuneration Committee

The Board Human Resources and Remuneration Committee considers sustainability performance as part of its oversight of executive remuneration. The Committee reviews the linkage between relevant sustainability performance indicators and executive remuneration to support accountability for the achievement of the Company's sustainability objectives and targets.

Management Oversight – SHE Steering Committee

At management level, sustainability and climate-related matters are overseen through the SHE Steering Committee, chaired by the CEO. The Committee meets monthly to review progress against the EAP, monitor the implementation of sustainability and environmental initiatives and consider emerging sustainability & climate-related risks and opportunities. The Committee provides a structured mechanism for management to monitor performance against approved objectives and targets and escalate material matters through the established governance framework.

Sustainability & climate-related matters are therefore considered at multiple levels of IMC's governance structure and at defined frequencies. During the year, sustainability-related matters were presented to BARC on two occasions, while the SHE Steering Committee reviewed progress against the EAP on a monthly basis. This governance framework supports clear accountability, appropriate escalation and effective oversight of sustainability & climate-related matters across the organization.

2.2 Skills & Competencies for Climate-Related Oversight

The Board and its committees collectively possess relevant skills and competencies arising from their leadership and professional experience, as reflected in the directors' profiles presented in the Annual Report. These competencies include knowledge of IMC's business and the automotive industry, strategy, finance, risk management and internal controls, together with experience relevant to the oversight of environmental and other sustainability & climate-related matters. To support their responsibilities for sustainability-related financial reporting, these existing competencies are supplemented by sustainability & climate-specific knowledge.

During the year, BARC members received a briefing on the applicability and implications of IFRS S1 and IFRS S2 for IMC. In addition, one BARC member, Mr. Riyaz Chinoy - independent director, has completed ESG and IFRS S1 & S2-related training through the Pakistan Institute of Corporate Governance. IMC therefore draws on the existing collective competencies of the Board and its committees while continuing to consider enhanced sustainability & climate-related capabilities for effective oversight.

2.3 Sustainability & Climate-Related Risks & Opportunities Integration

The Board and the BARC consider climate-related matters through IMC's existing processes for strategy, corporate planning, enterprise risk management, budgeting, performance monitoring and investment approval. This provides a mechanism for sustainability & climate-related risks and opportunities to be considered as part of the Company's broader business decision-making rather than through a separate sustainability decision process.

IMC's Governance of Risk & Internal Control Policy requires management to review risks together with corporate and departmental objectives, strategies, targets and performance. The ACT#1 Management Committee performs this review monthly. Sustainability risks are included within the Company's formal risk-management framework. The processes through which sustainability and climate-related risks and opportunities are identified, assessed, prioritized and managed are integrated with ERM (explained in section 4).

The annual corporate budget and business plans are submitted by management to the Board for approval, while investment projects and capital expenditures are subject to formal review and approval in accordance with IMC's delegated approval authorities. Investment proposals are reviewed by the Investment Committee before recommendation for the Board approval where the applicable approval threshold requires the Board consideration. These arrangements provide the governance channels through which material sustainability & climate-related implications associated with manufacturing technology, energy efficiency, renewable energy, product transition and operational resilience are considered when relevant to a proposed decision.

2.4 Consideration of Trade-offs

In overseeing strategy and major decisions, climate-related considerations may need to be balanced against other strategic, commercial, operational and financial considerations. Key decisions may involve timing and scale of investment in lower-carbon production and vehicle technologies, relative cost and benefit of renewable-energy and efficiency investments, localization and supplier considerations, technology availability, customer affordability and demand and the relationship between near-term operating priorities and longer-term decarbonization objectives. IMC considers such factors through its existing planning, risk assessment, capital allocation and investment-approval processes. Where a material sustainability matter forms part of a major proposal, the relevant financial, strategic and operational implications can therefore be considered together as part of the decision-making process.

2.5 Remuneration Linkage with Sustainability Performance

Sustainability-related performance is incorporated into the scorecards of relevant executives through defined key performance indicators (KPIs). The Environmental Action Plan (EAP), which includes climate-related and other environmental objectives, carries a 10% weighting within the overall KPI framework. Achievement against all KPIs is aggregated into an overall performance rating, which translate to the applicable performance rating and remuneration outcome. Accordingly, while climate-related and other environmental performance is considered in executive performance assessment through the EAP, the portion of actual remuneration attributable specifically to climate-related performance is not separately identifiable, as remuneration is determined based on the overall performance rating rather than individual KPI-level outcomes.

2.6 Management's Role

Management is responsible for implementing the processes, actions and controls through which sustainability & climate-related risks and opportunities are identified, managed and monitored and for providing relevant information to the BARC and the Board. The CEO has primary executive-level responsibility within the Company's management structure. The monthly SHE Steering Committee process provides management with a more frequent mechanism for considering operational sustainability & climate-related matters. Matters requiring higher-level attention can be escalated through management to BARC and ultimately to the Board, as appropriate.

2.7 Internal Controls

IMC uses its existing internal control and risk-management architecture to support oversight of sustainability & climate-related risks and opportunities, with relevant controls embedded within established processes including corporate planning and budgeting, performance monitoring, capital expenditure, risk management, operations and data reporting.

Department heads and relevant functions are responsible for maintaining appropriate controls and underlying sustainability- and climate-related information, monitoring material risks and opportunities and escalating significant matters through established management channels. Sustainability & climate-related information is generated within the functions responsible for the underlying activities and consolidated through the sustainability reporting process, with inputs from functions including SHE, Finance, Manufacturing Operations and Engineering, Procurement and Supply Chain and Strategy and Planning subject to management review.

These arrangements operate within IMC's broader internal control and risk-management framework, under which the BARC oversees the effectiveness of internal controls and risk-management arrangements and receives relevant reporting from management, Internal Audit and external auditors, while Internal Audit, under a BARC-approved audit plan, assesses compliance with established policies, procedures and standards.

3. Strategy

3.1 Overview of IMC's Sustainability Strategy

IMC's environmental strategy is aligned with Toyota's global environmental direction, which provides the long-term framework for environmental action across Toyota and its affiliates. At its foundation, the Toyota Environmental Challenge 2050 establishes six long-term challenges;

- New Vehicle Zero CO_2 Emissions,
- Life Cycle Zero CO_2 Emissions,
- Plant Zero CO_2 Emissions,
- Minimizing and Optimizing Water Usage,
- Establishing a Recycling-based Society and Systems,
- Establishing a Future Society in Harmony with Nature.

These ambitions are translated into time-bound priorities through Toyota's Environmental Action Plans (EAPs). The five-year 8th Toyota Environmental Action Plan for FY2030-31 provides the direction and framework for Toyota's global operations and affiliates, with priorities adapted to regional and business-specific circumstances.

For IMC, these priorities are translated into environmental objectives and initiatives relevant to its manufacturing operations, value chain and local context. They are incorporated into the Company's Corporate Hoshin and cascaded into functional and departmental Hoshin plans, translating strategic priorities into defined objectives, KPIs, targets and improvement activities.

At the operational level, these priorities are implemented through initiatives covering renewable energy, energy efficiency, carbon reduction, waste and resource management, water conservation, electrification and other environmental improvements.

Progress, risks, opportunities and performance against targets are monitored through established management processes. Relevant information is consolidated and reviewed by management and the SHE Steering Committee, chaired by the Chief Executive Officer. Material sustainability & climate-related matters are escalated, where appropriate, through the BARC to the Board of Directors.

This creates a clear flow of strategic direction and performance information, from Toyota's global environmental strategy to IMC's strategic planning and operational execution and upward through management and Board oversight, enabling IMC to translate global commitments into locally relevant actions while maintaining accountability and supporting continuous improvement.

3.2 Sustainability & Climate-Related Risks, Opportunities & Financial Effects

IMC has identified the following sustainability & climate-related risks and opportunities and assessed their potential current and anticipated financial effects over the short, medium and long term. In accordance with the principles of IFRS S1 and IFRS S2, IMC considers the effects of these sustainability & climate-related risks and opportunities on its financial position, financial performance and cash flows, including the financial implications of related mitigation, adaptation and operational-improvement initiatives.

IMC has presented quantitative information on financial effects where amounts are separately identifiable and can be associated with the relevant sustainability & climate-related risks and opportunities without arbitrary allocation. For FY2025-26, IMC identified approximately Rs. 196.38 million of expenditure relating to environmental and operational-improvement projects. These projects principally covered energy efficiency, emissions reduction, workplace-environment improvements, energy generation and waste management. Key initiatives included maintenance of three MWM gas engines, replacement of HVAC ducts with variable-frequency-drive systems, low-roof CO_2 reduction measures, humidity and air-management systems, a three-wheel electric vehicle and waste-sealer collection.

Where current or anticipated financial effects over the short, medium and long term could not be quantified reliably, IMC has assessed those effects qualitatively by reference to the relevant financial channels, expected direction of effect and anticipated timing. This assessment considers, where relevant, the potential implications of sustainability & climate-related risks and opportunities for revenues, operating costs, capital expenditure, asset values, financing requirements, cash flows and other elements of financial performance and financial position.

IMC continues to strengthen its data, methodologies, assumptions and internal processes to improve the identification, measurement and quantification of financial effects associated with sustainability & climate-related risks and opportunities. In addition to the quantified financial effects described above, IMC's qualitative assessment of the current and anticipated financial effects associated with the identified sustainability & climate-related risks and opportunities is presented in the following table:

3.2.1 Transition to Lower-Emission Mobility & Changing Policy, Technology & Customer Demand

Category	Time Horizon	Value Chain Concentration
Climate Related Transition Risk	**Short to Long Term**	**Products & Value Chain**
Risk description	The Pakistan automotive industry is transitioning toward lower-emission mobility as vehicle-related regulation, technology and customer preferences continue to evolve. For IMC, these factors are closely connected because changes in automotive policy can influence the relative attractiveness of different vehicle technologies, while developments in hybrid, plug-in hybrids, electric and other lower-emission platforms, customer affordability, fuel economics and supporting infrastructure can influence market demand. The principal risk is that the pace or direction of this transition may differ from the timing at which IMC can adapt its product portfolio, manufacturing capability and supporting value chain.	
Effects on business model and value chain	The transition to lower-emission mobility may affect IMC's product mix, localization strategy, manufacturing processes and supplier and dealership capabilities, potentially requiring additional investment in new technologies, tooling, skills and after-sales infrastructure. The scale and timing of these changes will depend on regulatory requirements, availability of suitable Toyota platforms, customer affordability and demand, infrastructure development and local supply-chain readiness. From a shareholder perspective, these changes could influence IMC's capital requirements, operating costs, asset utilization, margins, cash flows and returns on invested capital.	
IMC Strategy	IMC manages this transition by monitoring regulatory, technology and market developments and incorporating these considerations into product planning, localization, manufacturing, supplier development and capital allocation decisions, in alignment with Toyota Motor Corporation's multi-pathway technology strategy. The localization and production of the Corolla Cross Hybrid Electric Vehicle (HEV) strengthen IMC's readiness for evolving customer demand while providing an opportunity to capture early market share, leverage available fiscal incentives and build long-term brand equity. From a shareholder perspective, this approach aims to balance transition-related investment with growth opportunities, while protecting competitiveness, profitability and long-term value creation.	
Current effects (FY2025-26)	Associated financial effects of transition risk are being assessed as IMC continues to invest in product planning, localization and adaptation to evolving vehicle technologies, supporting readiness for transition-related developments.	
Anticipated effects over short, medium and long term	**Short term:** Require incremental investment, while supporting market responsiveness and protecting near-term competitiveness and profitability. **Medium term:** Require investment in product localization, tooling and supplier/dealer, with potential opportunities for market-share growth, revenue expansion and improved returns. **Long term:** The evolving mobility landscape may influence IMC's product portfolio, revenues, margins and capital allocation, presenting opportunities to support sustainable growth and long-term shareholder value.	

3.2.2 Extreme Heat & Changing Operating Conditions

Category	Time Horizon	Value Chain Concentration
Climate-Related Physical Risk	**Medium to Long Term**	**Plant Operations & Workforce**
Risk description	IMC's principal manufacturing operations are located at Port Qasim, Karachi, where periods of elevated temperature and extreme heat may affect working conditions and the operating environment. The risk may arise in the short term through episodic heat events and could become more relevant over the medium and long term if higher temperatures become more frequent or persistent.	
Effects on business model and value chain	Rising temperatures may increase IMC's operating and maintenance costs through higher cooling and energy requirements, while potentially affecting equipment performance, production efficiency and operational continuity. From a shareholder perspective, prolonged or more frequent heat events could place pressure on operating margins, cash flows and asset productivity and may require additional investment in resilience measures to protect production capacity and long-term business value.	
IMC Strategy	IMC manages heat-related exposure through its health and safety, engineering, facility-management and operational controls, including High Volume Low Speed ventilation and measures to improve humidity and air circulation. During FY2025–26, investments in humidification and air-changing systems supported workplace and process conditions while potentially improving energy efficiency. From a shareholder perspective, these measures strengthen operational resilience, help mitigate heat-related disruption and cost pressures and protect production efficiency, asset productivity and long-term business value.	
Current effects (FY2025-26)	Financial effects related to climate-induced heat exposure are currently embedded within existing expenditure on ventilation, workplace-environment management and related operational controls.	
Anticipated effects over short, medium and long term	**Short term:** Modest increase in operating costs for cooling and workplace management, supporting production continuity. **Medium term:** Targeted resilience, energy and maintenance investments may increase costs while supporting asset productivity and cash flows. **Long term:** Further adaptation may be required, with potential impacts on operating costs, asset efficiency and shareholder value.	

3.2.3 Acute Weather & Supply-Chain Disruption

Category	Time Horizon	Value Chain Concentration
Climate-Related Physical Risk	**Short to Long Term**	**Value Chain, Logistics & Plant Operations**
Risk description	IMC depends on domestic and international suppliers, ports, transport infrastructure and logistics networks for the timely availability of components and other production inputs. Heavy rainfall, flooding, severe storms or similar acute weather events affecting supplier locations, ports or transport routes could cause temporary delays in the movement or availability of these inputs. The exposure may arise in the short term through individual events and could become more relevant over longer horizons if the frequency or severity of such events changes.	
Effects on business model and value chain	Disruptions to suppliers, ports or transport routes could increase inventory and logistics costs, affect production planning and delay vehicle deliveries. From a shareholder perspective, prolonged or repeated disruptions could reduce production volumes and revenue, place pressure on margins and working capital and affect cash flows and customer relationships, with the potential to impact overall business performance and long-term value.	
IMC Strategy	IMC manages supply-chain and logistics risks through procurement, inventory and business-continuity processes, including monitoring critical dependencies and maintaining appropriate safety stocks for selected components. From a shareholder perspective, these measures enhance supply continuity, reduce the potential for production interruptions and revenue loss and support more stable margins and cash flows. Management also reviews sourcing and logistics arrangements, where required, to strengthen resilience and protect long-term business value.	
Current effects (FY2025-26)	Financial effects are embedded within existing procurement and logistics expenditure, with inventory and safety-stock measures supporting supply resilience and business continuity.	
Anticipated effects over short, medium and long term	**Short term:** Temporary inventory and logistics costs may increase, with limited potential impact on cashflows and sales. **Medium term:** Supply-chain resilience investments may require working capital while supporting continuity and earnings stability. **Long term:** Sustained resilience investment may influence costs, margins and cash flows, supporting long-term shareholder value.	

3.2.4 Energy & Production Efficiency

Category	Time Horizon	Value Chain Concentration
Climate-Related Opportunity	**Short Term**	**Plant Operations Efficiency & Cost Reduction**
Opportunity description	Improving energy and production efficiency provides IMC with an opportunity to reduce energy consumption and associated GHG emissions while supporting more efficient manufacturing operations. The opportunity arises through optimization of equipment, utilities and production processes and through investment in technologies that reduce avoidable energy use.	
Effects on business model and value chain and strategy	From a shareholder perspective, initiatives such as energy-efficient HVAC systems, process optimization and improved generation efficiency can support margin improvement, cash-flow generation and more efficient use of capital, while strengthening IMC's operational resilience and progress toward its emissions-reduction objectives. These benefits can contribute to sustainable profitability and long-term shareholder value.	
Current effects (FY2025-26)	IMC invested in energy and production-efficiency initiatives, including HVAC and air-management improvements, supporting energy and emissions reductions while enhancing cost efficiency and long-term shareholder value.	
Anticipated effects over short, medium and long term	**Short term:** Upfront investment may increase costs, with potential energy savings. **Medium term:** Recurring energy savings can support margins and cash flows. **Long term:** Sustained efficiency gains can enhance returns and long-term shareholder value.	

3.2.5 Renewable & Lower-Carbon Energy

Category	Time Horizon	Value Chain Concentration
Climate-Related Opportunity	**Short to Long Term**	**Plant Operations Efficiency & Cost Reduction**
Opportunity description	Increasing the use of renewable and lower-carbon energy provides IMC with an opportunity to reduce Scope 2 emissions, diversify its operational energy mix and reduce reliance on purchased electricity. The opportunity may also support greater stability in energy costs over time as renewable-energy capacity is expanded.	
Effects on business model and value chain and strategy	Increasing renewable-energy use provides IMC with an opportunity to reduce purchased electricity, Scope 2 emissions and long-term energy costs. IMC's approximately 6.7 MW onsite solar capacity, supported by ISO 14001, ISO 50001 and Green Office Certification, reflects its ongoing commitment to environmental management, energy efficiency and resource conservation. Further investment in solar, battery storage and potentially wind can strengthen energy resilience, reduce operating-cost exposure and support long-term shareholder value.	
Current effects (FY2025-26)	IMC's 6.7 MW onsite solar facility generated 23,077 GJ in FY2025–26, reducing reliance on purchased energy and supporting operating cost efficiency and long-term shareholder value.	
Anticipated effects over short, medium and long term	**Short term:** Renewable-energy investment may increase capital expenditure while reducing electricity costs and carbon footprint, supporting shareholder returns over time. **Medium term:** Further investment can strengthen energy resilience and cost predictability, supporting stable shareholder value. **Long term:** Lower energy costs and improved asset returns can strengthen cash flows and long-term shareholder value.	

3.2.6 Lower-Emission Vehicle Technologies

Category	Time Horizon	Value Chain Concentration
Climate-Related Opportunity	**Short to Long Term**	**Products, Plant Operations, Value Chain & Market Share**
Opportunity description	The transition toward lower-emission mobility creates an opportunity for IMC to expand its participation in hybrid and, over time, other lower-emission vehicle technologies. Access to Toyota's vehicle-technology platforms and product roadmap provides IMC with a basis to respond progressively to changing regulatory requirements and customer preferences in Pakistan.	
Effects on business model and value chain and strategy	The transition toward lower-emission mobility provides IMC with an opportunity to expand its product portfolio through hybrid and, over time, other lower-emission vehicle technologies, supported by Toyota's technology platforms and product roadmap. The localization and production of the Toyota Corolla Cross HEV strengthen IMC's manufacturing, supplier and after-sales capabilities and provides a platform for future product expansion. From a shareholder perspective, successful adoption of these technologies can support revenue growth, market-share gains, improved competitiveness and stronger long-term brand value, while creating opportunities for sustainable profitability and shareholder returns.	
Current effects (FY2025-26)	IMC continued production and sale of the locally manufactured Corolla Cross HEV, supporting revenues, margins and long-term shareholder value through the transition to lower-emission mobility.	
Anticipated effects over short, medium and long term	**Short term:** Investments in new technology may increase costs while strengthening market positioning and future revenues. **Medium term:** Product and localization investments can support market share, revenue growth and returns. **Long term:** A broader lower-emission portfolio can support sustainable profitability and long-term shareholder value.	

3.2.7 Low-Carbon Downstream & Value-Chain Operations

Category	Time Horizon	Value Chain Concentration
Climate-Related Opportunity	**Short to Medium Term**	**Suppliers, Logistics & Dealership Network**
Opportunity description	IMC has an opportunity to extend carbon-reduction efforts beyond its own manufacturing operations to downstream logistics and its dealership network. Lower-emission transport arrangements and increased use of renewable energy across dealerships can reduce emissions associated with vehicle distribution and downstream operations while supporting broader value-chain decarbonization.	
Effects on business model and value chain and strategy	Extending carbon-reduction initiatives across IMC's logistics, dealership and supplier networks provides an opportunity to improve value-chain efficiency, reduce emissions and strengthen business resilience. From a shareholder perspective, these initiatives can reduce operating-cost exposure, strengthen sustainability credentials and stakeholder confidence and support long-term competitiveness and value creation.	
Current effects (FY2025-26)	IMC's lower-carbon initiatives cover carriers, suppliers and dealerships, with 85% of the dealer network and over 13% of suppliers already green. IMC has achieved a 34% reduction in transportation-carrier emissions from the FY2019–20 baseline, supporting efficiency, resilience and long-term shareholder value.	
Anticipated effects over short, medium and long term	**Short term:** Decarbonization initiatives may require modest value chain expenditure while improving efficiency and reducing energy costs. **Medium term:** Wider adoption can enhance value-chain efficiency and competitiveness. **Long term:** Greater resilience and brand value can support sustainable returns and long-term shareholder value.	

3.2.8 Product Safety, Vehicle Defects & Recalls

Category	Time Horizon	Value Chain Concentration
Sustainability-Related Risk	**Short to Long Term**	**Products, Customers, Dealers, Plant Operations & Suppliers**
Risk description	To provide safer and cleaner vehicles to consumers, the UN 1958 Agreement contains approximately 170 regulations relating to safety, functionality and the environment. Pakistan has opted for 62 regulations (17 UNRs in AIDEP 2021-26 and 45 additional UNRs as per EDB notification in September 2025). Compliance with these UN regulations is critical for vehicles production and sales in the country. Product safety is an important sustainability-related risk for IMC because vehicle or component quality issues may require investigation, corrective action, warranty response or product recall. Such matters may arise from manufacturing processes, supplied components or issues identified after vehicles enter the market and may result in additional costs, regulatory implications and effects on customer confidence.	
Effects on business model and value chain	Non-compliances of UN regulations relating to safety, functionality and the environment will lead to import restrictions on CKD material and cancellation of manufacturing license for non-compliant models. Product safety issues can affect IMC's manufacturing operations, suppliers, dealerships and customers, potentially resulting in additional inspection, repair, replacement, warranty and recall costs. From a shareholder perspective, significant or recurring quality issues could increase operating costs, reduce margins and cash flows, disrupt production and adversely affect customer confidence and brand reputation. Effective management of product safety is therefore important to protect IMC's financial performance, market position and long-term shareholder value.	
IMC Strategy	IMC manages compliance with UN regulations relating to safety, functionality and the environment in close coordination with Toyota Motor Corporation (TMC) Japan. Changes in relevant vehicle specification is being done in compliance with UN regulations by the Chief Engineers in TMC Japan and same is being adopted by IMC in local CKD models as compliance to the UN regulations on safety, functionality and the environment as per the policy requirement. IMC manages product-safety risk through Toyota quality standards and established controls across manufacturing, suppliers, testing, inspection and after-sales activities, supported by Supplier Quality Assurance, Toyota Production System practices and Poka-Yoke error-prevention measures. These processes enable early identification and timely corrective action on potential quality issues, including recalls where required. From a shareholder perspective, strong quality management helps minimize warranty and recall costs, protect production continuity and brand reputation, maintain customer confidence and safeguard IMC's profitability, market position and long-term shareholder value.	
Current effects (FY2025-26)	Per policy, IMC is compliant on the respective 62 UN regulations relating to safety, functionality and the environment of passenger and light commercial vehicles. No vehicle recalls occurred in FY2025–26, limiting recall-related financial and reputational exposure and supporting customer confidence and shareholder value. The reported safety complaints were duly investigated and concluded on external impacts beyond IMC product functionality failure.	
Anticipated effects over short, medium and long term	**Short term:** Quality and corrective-action costs may affect margins and cash flows with enhanced brand reputation. **Medium term:** Continuous quality investments can reduce defect-related costs and recall exposure. **Long term:** Strong safety performance protects reputation, profitability and long-term shareholder value.	

3.2.9 Materials Efficiency, Waste & Circularity

Category	Time Horizon	Value Chain Concentration
Sustainability-Related Risk	**Short to Long Term**	**Plant Operations, Suppliers & Dealers**
Risk description	IMC's manufacturing activities use significant quantities of materials and generate manufacturing waste. Inefficient material use or insufficient recovery and recycling may increase input and waste-management costs and reduce resource efficiency. The matter remains relevant over the short, medium and long term because material consumption and waste generation are recurring features of vehicle manufacturing.	
Effects on business model and value chain	Inefficient material utilization and inadequate waste recovery could increase production, waste-management and disposal costs, while reducing resource efficiency across IMC's operations. From a shareholder perspective, improved material utilization, segregation, recycling and recovery can reduce input and operating costs, improve production efficiency and margins and support more efficient use of capital. Effective resource management can therefore strengthen cash-flow generation, operational performance and long-term shareholder value.	
IMC Strategy	IMC applies Toyota Production System and Kaizen practices to improve material efficiency, reduce waste and enhance resource recovery, supported by waste segregation, recycling and its Zero Waste to Landfill objective under EAP 2030-31. The Asia Pacific ECO (APECO) Dealer Program, implemented across approximately 97% of the dealership network, further extends these practices across the value chain. From a shareholder perspective, these initiatives can reduce material and waste-management costs, improve operational efficiency and resource productivity and strengthen margins and cash-flow generation while supporting long-term value creation.	
Current effects (FY2025-26)	IMC's waste management, segregation and recycling initiatives support resource efficiency and potential cost savings, contributing to operational efficiency and long-term shareholder value.	
Anticipated effects over short, medium and long term	**Short term:** Improved waste controls can support operational efficiency and cost optimization. **Medium term:** Recycling and material efficiency can generate savings and strengthen margins and cash flows. **Long term:** Greater resource efficiency can enhance returns and long-term shareholder value.	

3.2.10 End-of-Life Vehicle / HEV Battery Recovery & Recycling

Category	Time Horizon	Value Chain Concentration
Sustainability-Related Risk	**Short to Long Term**	**Plant Operations, Dealers & Customers**
Risk description	As IMC expands its hybrid vehicle portfolio, including the locally produced Corolla Cross HEV, the responsible management of end-of-life batteries and related vehicle components becomes increasingly relevant. Inadequate collection, handling, storage or disposal arrangements could create environmental, compliance and reputational risks, while effective recovery and recycling can support resource efficiency and circularity. The risk is expected to become more relevant as the number of hybrid vehicles in IMC's portfolio and the associated end-of-life battery volumes increase.	
Effects on business model and value chain	The growing presence of hybrid vehicles, including the Corolla Cross HEV, may require IMC and its dealership network to develop appropriate collection, storage, transportation and recycling arrangements for end-of-life batteries. From a shareholder perspective, this could increase operating and compliance costs as volumes grow, while effective recovery and recycling systems may improve resource efficiency, reduce long-term disposal costs and support IMC's sustainability credentials, customer confidence and long-term value creation.	
IMC Strategy	IMC manages end-of-life battery risk through established collection, handling and disposal procedures aligned with Toyota Motor Corporation and Toyota Asia requirements, supported by a segregated battery-handling warehouse and dedicated storage facilities across its dealer network. From a shareholder perspective, these measures strengthen regulatory and environmental compliance, reduce potential operational and reputational exposure and establish the infrastructure required to manage increasing hybrid-vehicle volumes. Continued alignment with evolving regulations and Toyota practices can support cost-effective battery recovery, protect customer confidence and preserve long-term business value.	
Current effects (FY2025-26)	Existing HEV battery collection and handling arrangements support resource efficiency and cost management, with potential benefits to margins, cash flows and long-term shareholder value.	
Anticipated effects over short, medium and long term	**Short term:** Battery management supports compliance while controlling environmental and reputational exposure. **Medium term:** Efficient handling can manage costs and protect margins and cash flows as HEV volumes grow. **Long term:** Battery recovery and recycling can improve resource value, reduce costs and support long-term shareholder returns.	

3.2.11 Labor Relations & Work Stoppages

Category	Time Horizon	Value Chain Concentration
Sustainability-Related Risk	**Short to Long Term**	**Plant Operations & Workforce**
Risk description	IMC's manufacturing activities depend on continuity of its workforce and stable labor relations. Disputes relating to employment conditions, workplace matters or employee relations could, if not resolved effectively, result in work stoppages, lower productivity or additional operating costs. The risk can arise in the short term through individual labor matters and remains relevant over the medium and long term because workforce stability is important to sustained manufacturing operations.	
Effects on business model and value chain	Disruption to workforce continuity or employee relations could affect production schedules, productivity and operating costs, potentially resulting in lost production and revenue. From a shareholder perspective, prolonged labor disruptions could place pressure on margins and cash flows, while stable employee relations support operational continuity, workforce retention and productivity.	
IMC Strategy	IMC manages labor-relations risk through employee engagement, open dialogue, grievance mechanisms, fair employment practices and compliance with applicable labor laws. From a shareholder perspective, these measures help identify and resolve workforce concerns early, reducing the risk of work stoppages, productivity losses and unplanned operating costs. Maintaining constructive employee relations supports workforce retention, production continuity and stable operating performance, thereby protecting profitability, cash flows and long-term shareholder value. No work stoppages occurred during FY2025–26, supporting continued production stability and business performance.	
Current effects (FY2025-26)	No production loss attributable to a reported work stoppage has been identified during the year.	
Anticipated effects over short, medium and long term	**Short term:** Workforce engagement supports production continuity and operational efficiency. **Medium term:** Stable labor relations protect productivity, margins and cash flows. **Long term:** Strong workforce relations support consistent production and long-term shareholder value.	

3.2.12 Occupational Health & Safety

Category	Time Horizon	Value Chain Concentration
Sustainability-Related Risk	**Short to Long Term**	**Plant Operations & Workforce**
Risk description	The manufacturing activities involving machinery, production processes and workplace conditions require effective safety controls. Health and safety incidents or non-compliance may result in operational, legal, employee and reputational effects. The risk is relevant in the short term through day-to-day operations and remains relevant over the medium and long term as manufacturing activities, technologies and workforce requirements evolve.	
Effects on business model and value chain	Occupational health and safety incidents could result in medical, compliance and corrective-action costs, while potentially affecting workforce availability and production continuity. From a shareholder perspective, significant incidents could increase operating costs, reduce productivity and cash flows and expose IMC to legal and reputational risks. Effective safety management therefore supports operational resilience, workforce productivity and the protection of long-term shareholder value.	
IMC Strategy	IMC manages occupational health and safety through established SHE governance, workplace risk assessments, employee training, operational controls and emergency preparedness, supported by its ISO 45001-certified management system and zero-fatality objective. From a shareholder perspective, these measures help prevent serious incidents, minimisz potential medical, legal and operational costs and reduce the risk of production disruption. Maintaining a strong safety culture supports workforce productivity, operational resilience and long-term business value.	
Current effects (FY2025-26)	IMC's ongoing investment in occupational health and safety, training and workplace controls supports operational continuity, productivity and risk management, with potential benefits to cost efficiency and long-term shareholder value.	
Anticipated effects over short, medium and long term	**Short term:** Safety investments will further support productivity and reduce incident-related financial exposure. **Medium term:** Continuous preventive measures investment can reduce medical, legal and disruption costs while supporting margins and cash flows. **Long term:** Investment in effective safety management protects operational capacity, profitability and long-term shareholder value.	

3.2.13 Workforce Skills & Training for Changing Vehicle Technologies

Category	Time Horizon	Value Chain Concentration
Sustainability-Related Risk	**Short to Long Term**	**Workforce, Plant Operations & Value Chain**
Risk description	Changes in vehicle technologies, manufacturing processes and digital systems require corresponding development of workforce skills. For IMC, the increasing use of hybrid and other advanced vehicle technologies may create capability gaps if technical and functional skills do not evolve at a similar pace. The matter is relevant in the short term through ongoing training requirements and remains relevant over the medium and long term as vehicle technologies and manufacturing processes continue to develop.	
Effects on business model and value chain	Skills gaps arising from evolving vehicle technologies and manufacturing processes could increase recruitment and training costs and affect the efficiency of technology adoption and operations. From a shareholder perspective, insufficient workforce capabilities could delay product and process improvements, reduce productivity and place pressure on margins and returns. Conversely, developing the required technical and after-sales capabilities can enhance productivity, support successful adoption of new technologies and strengthen IMC's competitiveness and long-term value creation.	
IMC Strategy	IMC develops workforce capabilities through structured training, Toyota learning systems and targeted technical and functional upskilling, including ICT, GST and sustainability-related programs. From a shareholder perspective, continued investment in workforce capability helps reduce skills gaps, improve productivity and support the effective adoption of new technology vehicles. Building specialized skills internally can also reduce reliance on external recruitment, improve operational efficiency and strengthen IMC's competitiveness, profitability and long-term value creation.	
Current effects (FY2025-26)	IMC's ongoing workforce training supports capability, productivity and operational efficiency, with potential benefits to financial performance and long-term shareholder value.	
Anticipated effects over short, medium and long term	**Short term:** Continued training and technical capability development will require ongoing expenditure, with the benefit of supporting workforce productivity and effective technology adoption. **Medium term:** Increasing specialized training and potential recruitment may raise operating costs, but developing skills internally can reduce external hiring costs and improve operational efficiency. **Long term:** Sustained reskilling investment may increase recurring workforce costs, while enabling IMC to retain critical capabilities, reduce technology-transition risks and protect productivity, profitability and long-term shareholder value.	

IMC assessed the effects of sustainability- and climate-related risks and opportunities on the carrying amounts, useful lives and expected use of its assets. No material effect was identified during FY2025-26 and no existing asset is currently expected to be subject to material impairment, premature retirement, asset stranding or a significant reduction in useful life. Over the medium and long term, changes in technology, regulation, market demand and physical climate conditions may influence future asset use and investment decisions, but no material adjustment to existing asset carrying amounts is presently expected.

3.3 Resilience & Climate Transitioning

IMC has qualitatively assessed the resilience of its strategy and business model to the sustainability- and climate-related risks and opportunities identified in this report. The assessment considers existing governance, risk management, operational and strategic capabilities and the flexibility to respond over the short, medium and long term.

Climate resilience considers both transition and physical risks. Transition resilience is supported by access to Toyota's technology and environmental direction, product planning and localization capabilities, Corolla Cross HEV manufacturing experience and ongoing energy-efficiency and renewable-energy initiatives. Toyota's Environmental Challenge 2050 and Environmental Action Plans provide longer-term direction on lower-emission mobility and environmental performance. Physical resilience is supported by facility controls, procurement and logistics arrangements, inventory management and business-continuity measures.

These capabilities provide a reasonable basis for responding to identified risks and opportunities, while recognizing that future responses may evolve with changes in technology, regulation, markets and physical climate conditions.

IMC did not undertake climate-related scenario analysis during FY2025–26. Accordingly, the assessment is based on management judgment and information available at the reporting date. IMC intends to develop a proportionate scenario-analysis approach as its data, methodologies and analytical capabilities mature.

4. Risk Management

4.1 Risk Management Framework:

IMC manages climate-related risks and opportunities through its existing risk-management framework, supplemented by climate-specific assessment undertaken for sustainability reporting. The Company's formal risk-management framework already covers strategic, regulatory, financial, operational, reputational and sustainability risks, which are reviewed by management together with departmental objectives, targets and performance. Appropriate responses and countermeasures are developed through the established management process.

4.2 Identification, Inputs & Assessment:

For the current year, the climate assessment considered risks and opportunities across IMC's own operations and relevant upstream and downstream value-chain activities over the Company's defined short, medium and long-term horizons. Inputs included existing ERM information, operational knowledge from relevant functions including SHE, procurement and engineering, automotive technology and customer-demand developments, TMC-related environmental and technology direction and relevant domestic and international regulatory and climate developments.

4.3 Prioritization & Materiality:

Climate-related risks were qualitatively assessed using management judgment, considering the nature of the potential effect, its likelihood and potential magnitude over the relevant time horizon. IMC applies the same overall materiality and prioritization approach used within its existing ERM framework rather than applying a separate threshold solely to climate-related risks. The current ERM process considers impact, likelihood, vulnerability and materiality in prioritizing risks.

4.4 Climate-Related Opportunities:

Climate-related opportunities are identified through related strategic and operational processes, including developments in vehicle technology and customer demand, TMC's technology and environmental direction, energy and production efficiency and lower-carbon energy opportunities. Where an identified opportunity requires investment, it is considered through IMC's established planning and capital-approval processes.

4.5 Use of Scenario Analysis:

IMC did not use climate-related scenario analysis in identifying or assessing climate-related risks and opportunities during FY2025-26. The current assessment is therefore qualitative and based on management judgment and information available to the Company.

4.6 Changes, Monitoring & Integration:

Compared with IMC's earlier risk-assessment approach, the FY2025-26 climate process has been broadened to consider defined short, medium and long-term horizons and relevant value-chain exposures in addition to risks arising within the Company's own operations. The underlying ERM framework itself has not been replaced. Identified climate-related matters are monitored through the functions responsible for the underlying activities and through existing management processes. The SHE Steering Committee meets monthly to consider key risks, controls and business matters, while departmental objectives and performance are also monitored through established reporting arrangements.

Climate-related risks and opportunities are therefore being progressively integrated into IMC's overall risk-management process rather than managed through a separate risk framework.

5. Metrics and Targets

5.1 Cross Industry Climate-Related Metrics

IMC uses climate-related metrics to monitor its operational emissions, energy use, progress of emission-reduction initiatives and performance against climate-related objectives. The metrics reported below include the cross-industry metrics required by IFRS S2 where information is presently measurable, together with entity-specific operational metrics relevant to IMC's identified climate-related risks, opportunities and strategic responses.

5.1.1 Greenhouse Gas Emissions (GHG Emissions)

Description	FY2025-26 (tCO_2)	FY2024-25 (tCO_2)
Scope 1 - gross direct GHG emissions	11,506	10,096
Scope 2 - gross location-based GHG emissions	3,829	1,984
Total Scope 1 and Scope 2 emissions	**15,335**	**12,080**
Scope 1 and Scope 2 emissions intensity- per vehicle produced	0.34	0.36

Emissions Measurement Approach, Methodology, Assumptions & Sources

a) There are no biogenic emissions during the year.

b) Emissions are not subject to any regulatory limit or policy.

c) Scope 1 represents direct emissions arising from sources within IMC's GHG organizational boundary, while Scope 2 represents indirect emissions associated with purchased electricity and is reported on a location-based basis.

d) The Scope 1 and Scope 2 figures are reported as gross emissions. No offsets or carbon credits were used.

e) Scope 3 emissions are not reported in accordance with the first-year relief applied.

f) The emissions intensity metric represents combined Scope 1 and Scope 2 emissions relative to vehicles produced during the year. IMC uses this metric alongside absolute emissions because production volumes can influence total manufacturing emissions and the intensity measure.

g) IMC applies the GHG Protocol Corporate Standard in determining and reporting its greenhouse gas emissions. As described in the Basis of Preparation, IMC applies the equity share approach in establishing its organizational boundary.

h) The measurement of Scope 1 and Scope 2 emissions is based on activity data relating principally to fuel and energy consumption and applicable emission factors and conversion methodologies. IMC has used the guidance provided by Toyota Daihatsu Engineering and Manufacturing (TDEM) and applicable environmental guidance in determining energy and emissions information.

5.1.2 Energy Metrics

Energy consumption and the progressive transition towards lower-carbon energy are important indicators for IMC because energy use is directly related to its operational emissions, manufacturing efficiency and the renewable-energy opportunity. These metrics support management's monitoring of the resource-efficiency and lower-carbon-energy opportunities. Solar generation provides an indicator of IMC's ongoing diversification of its operational energy mix, while energy-consumption and energy-intensity measures assist in evaluating production efficiency.

Energy metrics	FY2025-26 GJ	FY2024-25 GJ
Natural gas & diesel used for electricity generation	146,551	157,506
Purchased electricity and other reported energy	127,971	85,619
Solar/renewable energy generation	23,077	16,601
Total energy consumption	**297,599**	**259,726**
Energy intensity- per vehicle produced	6.53	7.81
Reduction in energy consumption from conservation and efficiency initiatives	6,945	18,471

5.1.3 Exposure to Transition Risks:

IMC's climate-related transitional exposure is relevant due to vehicle technology, product mix, manufacturing and localization capability and related supplier and dealer relationships. These exposures are expected to be more relevant over the medium and long term as lower-emission vehicle technologies, regulatory requirements and customer preferences evolve. IMC has not yet quantified the amount and percentage of assets or business activities vulnerable to transition risks; accordingly, exposure is currently assessed qualitatively.

5.1.4 Exposure to Physical Risks:

Physical climate exposure is associated with heat conditions affecting manufacturing operations and acute-weather events affecting supply and logistics dependencies. Based on management's current assessment, physical exposure is considered lower than transition exposure, particularly over the short to medium term. IMC has not yet quantified the amount and percentage of assets or business activities vulnerable to physical risks and therefore presently reports this exposure qualitatively.

5.1.5 Assets or Business Activities Aligned with Climate-Related Opportunities:

IMC has identified business activities aligned with climate-related opportunities principally through energy and production efficiency, renewable-energy deployment, lower-emission vehicle technologies and lower-carbon downstream activities. Relevant examples include onsite solar generation, energy-efficiency initiatives and the localization and production of the Corolla Cross HEV. IMC has not yet quantified the amount and percentage of assets or business activities aligned with these opportunities.

5.1.6 Capital Deployment Toward Climate-Related Risks & Opportunities:

During FY2025-26, IMC identified approximately Rs. 196.38 million of expenditure relating to environmental and operational-improvement projects, including energy-efficiency, emissions-reduction, workplace-environment, energy-generation and waste-management initiatives. In addition, IMC's broader capital allocation includes investments and resource deployment associated with renewable-energy capacity, production-efficiency measures and lower-emission vehicle technologies. IMC is further developing expenditure classification and tagging processes to improve the granularity of climate-related capital-deployment reporting.

5.1.7 Internal Carbon Price & Remuneration

IMC does not currently use an internal carbon price and therefore does not report a carbon price per tonne of GHG emissions. IMC is designing the mechanism to calculate internal carbon price and same shall be reported accordingly.

5.2 Industry-Based Metrics

In applying IFRS S2, IMC referred to and considered the applicability of the SASB Automobiles Standard (TR-AU, Version 2023-12) and IFRS S2 Industry-based Guidance, Volume 63. Relevant industry-based metrics are disclosed for the identified sustainability-related risks and opportunities, supplemented by IMC's internal monitoring metrics where no applicable SASB metric is specified.

Sustainability related risk/ opportunity	Metric	Unit of Measure	FY2025-26
Emission based vehicle sale	**Number of vehicles sold:**		
	Hybrid vehicles	Number	2,434
	ICE vehicles	Number	42,601
	Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	(discussions in section 3.2.1)	
Activity metric	No. of vehicles manufactured	Number	45,597
	No. of vehicles sold	Number	45,035
Product safety, vehicle defects and recalls	No. of safety-related defect complaints	Number	13
	Percentage investigated	Percentage (%)	100%
	No. of vehicles recalled	Number	Nil
	UNR compliance on Safety, Functionality & Environment		
	Passenger cars	Percentage (%)	100%
	SUVs + Commercial Vehicle	Percentage (%)	100%
	HEVs	Percentage (%)	100%
Labor practices	Percentage of active workforce employed under collective agreements	Percentage (%)	48%
	No. of work stoppages	Number	Nil
	Total days idle (NPDs)	Days idle	2 days
Materials efficiency & recycling	Total amount of waste from manufacturing	Metric tonnes	3,380
	Percentage recycled	Percentage (%)	74%
	Water Efficiency		
	Total water withdrawal	Million Liters	232
	Water consumption	Million Liters	208
	Wastewater discharge	Million Liters	24
Occupational health & safety	**Fatalities; recordable work-related injuries;**		
	No. of recordable injuries	Number	Zero
	Injury frequency / rate & occupational illnesses	Percentage (%)	Zero
	No. of high consequence injuries	Number	Zero
	Workforce covered by OHS system	Percentage (%)	100%
	No. of hours of relevant safety training etc	Hours	8,846
Workforce skills & training (reskilling for changing vehicle technologies)	Average training hours per employee	No. of Hours	33.9
	Competency/certification completion rate	Ratio	85%

5.3 IMC Environmental Performance

IMC's sustainability-related environmental targets are informed by TMC's environmental direction and periodic Environmental Action Plans (EAP). During FY2025-26, management presented IMC's five-year sustainability targets, developed in accordance with TMC guidelines and 8th EAP, to the BARC for review and to the Board for the approval, together with planned actions and progress against relevant targets. IMC's broader five-year sustainability Program includes environmental, social and operational objectives; the progress presented below is limited to those relevant to the sustainability & climate-related risks.

Target	FY2019-20 Baseline	FY2024-25 Performance	FY2025-26 Performance	Related SRRO
Actual production volumes	28,519 vehicles	33,251 vehicles	45,597 vehicles	—
Scope 1 & 2 emissions reduction	19,068 tCO_2 0.67 tCO_2 per vehicle	12,080 tCO_2 0.36 tCO_2 per vehicle	15,335 tCO_2 0.34 tCO_2 per vehicle	Transition risk; energy efficiency; renewable energy
Renewable energy	—	6.6 MW 16,601 GJ generated	6.7 MW 23,077 GJ generated	Renewable & lower-carbon energy
Hybrid vehicle penetration	—	11.4% in IMC sales	5.4% in IMC sales	Lower-emission vehicle technologies – HEV/EV
Tier-1 supplier emissions*	22,561 tCO_2 0.79 tCO_2 per vehicle	22,253 tCO_2 0.67 tCO_2 per vehicle	22,158 tCO_2 0.49 tCO_2 per vehicle	Transition/value-chain risk
Carrier fleet emissions	4,883 tCO_2 0.17 tCO_2 per vehicle	3,392 tCO_2 0.10 tCO_2 per vehicle	5,871 tCO_2 0.13 tCO_2 per vehicle	Low-carbon downstream operations
Dealership solarization	21 dealers	46 dealers	49 dealers (85% Green Dealer Network)	Low-carbon downstream operations
Hazardous waste to landfill	12.14 kg per vehicle	5.02 kg per vehicle	5.53 kg per vehicle	Materials efficiency and circularity
Water consumption	6.34m3 per vehicle	4.93m3 per vehicle	4.56m3 per vehicle	Materials efficiency and circularity
HEV battery recovery	N/A	SOPs implemented for battery disposal process in compliance with TMC/Asia requirements	SOPs implemented for battery disposal process in compliance with TMC/Asia requirements	Battery recovery and recycling
Fatalities	Zero	Zero	Zero	Occupational health and safety
Training	20 hours per employee	29.03 hours per employee	33.9 hours per employee	Workforce skills and training
Tree plantation cumulative	300,000 saplings	920,000 saplings	1 million	—
Mangroves plantation	—	10,000 saplings	16,000 saplings	—

*base year is FY2023-24

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Shinji Yanagi
Vice Chairman & Director

Celebrating 35 YEARS

Event Highlights

















OPERATING Highlights

Operating Highlights

VEHICLE PRODUCTION

FY2025-26	FY2024-25
45,597	33,251
Units	Units

VEHICLE SALES

FY2025-26	FY2024-25
45,035	33,757
Units	Units

NET REVENUE

FY2025-26	FY2024-25
Rs. 258.8	Rs. 215.1
Billion	Billion

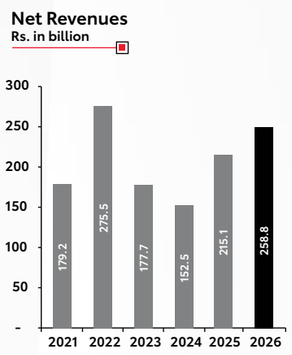
EARNINGS PER SHARE

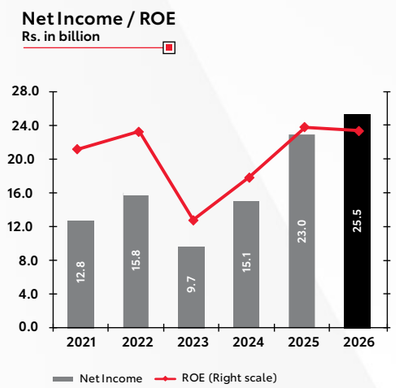
FY2025-26	FY2024-25
Rs. 324.5	Rs. 292.7

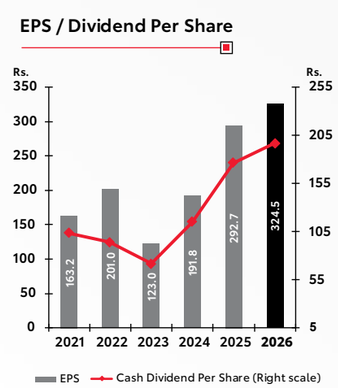
		Year ended June 30	
		2026	2025
• Profit after Tax	Rs. in billion	25.5	23.0
• Vehicle Sales	Units	45,035	33,757
• Vehicle Production	Units	45,597	33,251
• Net Revenues	Rs. in billion	258.8	215.1
• Earnings Per Share	Rs.	324.5	292.7
• Annual Cash Dividend Per Share	Rs.	195.0	176.0
• Shareholders' Equity	Rs. in billion	86.9	77.0
• Contribution to National Exchequer	Rs. in billion	140.1	111.0
• Manpower	No. of employees	2,241	2,089

Financial Summary

		% Change	Year ended June 30					
		2026 vs 2025	**2026**	2025	2024	2023	2022	2021
For the Years								
* Units Sold		54%	45,035	33,757	21,063	31,602	75,611	57,731
* Net Revenues	Rs. in billion	29%	258.8	215.1	152.5	177.7	275.5	179.2
* Profit Before Tax	Rs. in billion	22%	42.8	37.7	23.3	16.8	25.5	18.2
* Profit After Tax	Rs. in billion	17%	25.5	23.0	15.1	9.7	15.8	12.8
* Return on Equity	Percentage	-2%	29.4	29.9	22.4	16.1	29.3	26.6
Per Share Data								
* Earnings Per Share	Rs.	17%	324.5	292.7	191.8	123.0	201.0	163.2
* Cash Dividends	Rs.	17%	195.0	176.0	114.7	71.8	93.8	103.5
* Shareholders' Equity	Rs.	15%	1,106.0	979.0	855.3	764.2	687.2	613.3
At Year-End								
* Total Assets	Rs. in billion	-4%	178.9	184.8	145.8	122.8	213.9	133.9
* Shareholders' Equity	Rs. in billion	15%	87.0	77.0	67.2	60.1	54.0	48.2
Share Performance June 30								
* Price Per Share	Rs.	20%	2,058.43	1,735.6	1,580.0	943.2	1,144.4	1,254.1
* Market Capitalization	Rs. in billion	20%	161.8	136.4	124.2	74.1	90.0	98.6



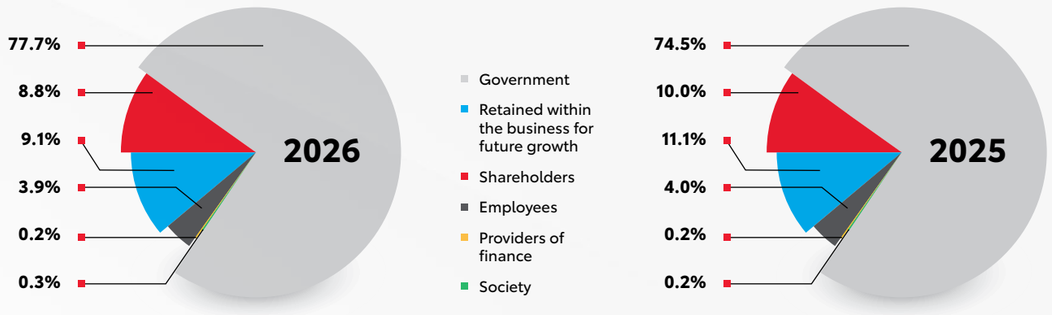




Statement of Value Addition

	2026		2025	
	Rupees in '000	%	Rupees in '000	%
WEALTH GENERATED				
• Gross revenue	348,795,038	95.6%	289,266,212	95.1%
• Other income	15,872,712	4.4%	14,949,419	4.9%
	364,667,750	100.0%	304,215,631	100.0%
• Bought in material and services and other expenses	190,139,488	52.1%	165,460,715	54.4%
	174,528,262	47.9%	138,754,916	45.6%
WEALTH DISTRIBUTED				
Employees				
• Salaries, wages and other benefits	6,825,412	3.9%	5,597,241	4.0%
Society				
• Donations towards education, health and environment	376,705	0.2%	231,426	0.2%
Providers of finance				
• Finance cost	489,648	0.3%	341,857	0.2%
Government				
• Income tax, sales tax, excise duty, customs duty, SIDC, WWF and WPPF	135,572,135	77.7%	103,356,516	74.5%
Shareholders				
• Dividend	15,327,000	8.8%	13,833,600	10.0%
Retained within the business for future growth				
• Retained earnings, depreciation and amortization	15,937,362	9.1%	15,394,276	11.1%
	174,528,262	100.0%	138,754,916	100.0%

Distribution of wealth



Vertical Analysis

	2026	2025	2024	2023	2022	2021	2026	2025	2024	2023	2022	2021
	Rs. in million						Percentage					
STATEMENT OF FINANCIAL POSITION												
Property, plant and equipment	18,123	20,423	23,481	24,375	15,040	15,770	10.13	11.05	16.10	19.86	7.03	11.78
Intangibles	76	77	67	122	145	40	0.04	0.04	0.05	0.10	0.07	0.03
Long-term loans and advances	196	72	85	77	16	17	0.11	0.04	0.06	0.06	0.01	0.01
Long-term investments	-	-	-	-	7,794	3,127	-	-	-	-	3.64	2.34
Long-term deposits	12	12	10	10	10	10	0.01	0.01	0.01	0.01	0.00	0.01
Deferred taxation	2,053	2,952	2,757	-	828	231	1.15	1.60	1.89	-	0.39	0.17
Stores and spares	563	588	756	643	513	420	0.31	0.32	0.52	0.52	0.24	0.31
Stock-in-trade	36,794	21,767	22,826	28,733	26,454	22,289	20.57	11.78	15.65	23.41	12.36	16.65
Trade debts	2,804	9,913	5,993	886	3,091	517	1.57	5.37	4.11	0.72	1.44	0.39
Loans and advances	2,028	2,625	2,977	14,968	9,219	6,263	1.13	1.42	2.04	12.19	4.31	4.68
Short-term prepayments	117	78	91	65	50	37	0.07	0.04	0.06	0.05	0.02	0.03
Accrued return	300	35	-	285	341	110	0.17	0.02	-	0.23	0.16	0.08
Other receivables	4,077	3,971	2,997	2,189	2,738	983	2.28	2.15	2.06	1.78	1.28	0.73
Short-term Investments	103,014	116,863	76,541	44,148	140,932	82,052	57.58	63.25	52.49	35.96	65.87	61.28
Taxation - payment less provision	-	-	-	-	-	-	-	-	-	-	-	-
Cash and bank balances	8,737	5,398	7,240	6,263	6,794	2,040	4.88	2.92	4.96	5.10	3.18	1.52
Total Assets	178,894	184,774	145,820	122,764	213,965	133,906	100.00	100.00	100.00	100.00	100.00	100.00
Issued, subscribed and paid up capital	786	786	786	786	786	786	0.44	0.43	0.54	0.64	0.37	0.59
Reserves	86,110	76,167	66,440	59,284	53,225	47,415	48.13	41.22	45.56	48.29	24.88	35.41
Shareholders' Equity	86,896	76,953	67,226	60,070	54,011	48,201	48.57	41.65	46.10	48.93	25.24	36.00
Long Term Liability	120	160	200	240	280	745	0.07	0.09	0.14	0.20	0.13	0.56
Deferred taxation	-	-	-	311	-	-	-	-	-	0.25	-	-
Deferred Revenue	21	21	13	3	1	4	0.01	0.01	0.01	0.00	0.00	0.00
Trade, dividend and other payables	55,703	64,130	48,116	46,929	42,260	31,069	31.14	34.71	33.00	38.23	19.75	23.20
Advances from customers and dealers	31,044	34,108	22,041	9,736	111,990	51,267	17.35	18.46	15.12	7.93	52.34	38.29
Taxation - provision less payment	5,110	9,403	8,224	5,475	5,423	2,620	2.86	5.09	5.64	4.46	2.53	1.96
Total Equity and Liabilities	178,894	184,774	145,820	122,764	213,965	133,906	100.00	100.00	100.00	100.00	100.00	100.00
PROFIT OR LOSS ACCOUNT												
Revenue from contracts with customers	258,755	215,137	152,481	177,711	275,506	179,162	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	222,459	183,941	133,099	169,779	257,101	162,508	85.97	85.50	87.29	95.54	93.32	90.70
Gross profit	36,296	31,195	19,382	7,931	18,404	16,654	14.03	14.50	12.71	4.46	6.68	9.30
Distribution expenses	1,054	2,264	5,542	1,691	2,124	1,619	0.41	1.05	3.63	0.95	0.77	0.90
Administrative expenses	4,303	3,601	2,643	2,281	2,219	1,465	1.66	1.67	1.73	1.28	0.81	0.82
Other operating expenses	484	244	178	520	186	76	0.19	0.11	0.12	0.29	0.07	0.04
WPPF and WWF	3,132	2,102	1,178	680	1,244	740	1.21	0.98	0.77	0.38	0.45	0.41
Other income	15,873	14,949	13,656	14,179	12,936	5,579	6.13	6.95	8.96	7.98	4.70	3.11
Profit before finance costs	43,195	37,934	23,497	16,938	25,567	18,333	16.69	17.63	15.41	9.53	9.28	10.23
Finance costs	370	264	170	141	114	134	0.14	0.12	0.11	0.08	0.04	0.07
Profit before taxation and levy	42,825	37,670	23,327	16,797	25,453	18,199	16.55	17.51	15.30	9.45	9.24	10.16
Taxation and levy	17,319	14,661	8,255	7,133	9,651	5,371	6.69	6.81	5.41	4.01	3.50	3.00
Profit after taxation	25,506	23,010	15,072	9,664	15,802	12,828	9.86	10.70	9.88	5.44	5.74	7.16

Horizontal Analysis

	2026	2025	2024	2023	2022	2021	2026 vs 2025	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021
	Rs. in million						Percentage				
STATEMENT OF FINANCIAL POSITION											
Property, plant and equipment	18,123	20,423	23,481	24,375	15,040	15,770	(11.26)	(13.02)	(3.67)	62.07	(4.63)
Intangibles	76	77	67	122	145	40	(1.56)	15.23	(45.08)	(15.86)	262.50
Long-term loans and advances	196	72	85	77	16	17	171.26	(14.99)	11.11	378.13	(5.88)
Long-term investments	-	-	-	-	7,794	3,127	-	-	-	(100.00)	149.25
Long-term deposits	12	12	10	10	10	10	(2.22)	22.73	-	-	-
Deferred taxation	2,053	2,952	2,757	-	828	231	(30.44)	7.06	-	(100.00)	260.94
Stores and spares	563	588	756	643	513	420	(4.21)	(22.25)	17.57	25.34	22.14
Stock-in-trade	36,794	21,767	22,826	28,733	26,454	22,289	69.04	(4.64)	(20.56)	8.61	18.69
Trade debts	2,804	9,913	5,993	886	3,091	517	(71.72)	65.42	576.41	(71.34)	497.87
Loans and advances	2,028	2,625	2,977	14,968	9,219	6,263	(22.75)	(11.81)	(80.11)	62.36	47.20
Short-term prepayments	117	78	91	65	50	37	50.29	(14.45)	40.00	30.00	35.14
Accrued return	300	35	-	285	341	110	764.85	-	(100.00)	(16.42)	210.00
Other receivables	4,077	3,971	2,997	2,189	2,738	983	2.66	32.51	36.91	(20.05)	178.54
Short-term Investments	103,014	116,863	76,541	44,148	140,932	82,052	(11.85)	52.68	73.37	(68.67)	71.76
Taxation - payment less provision	-	-	-	-	-	-	-	-	-	-	(2,100.00)
Cash and bank balances	8,737	5,398	7,240	6,263	6,794	2,040	61.86	(25.44)	15.59	(7.82)	233.04
Total Assets	178,894	184,774	145,820	122,764	213,965	133,906	(3.18)	26.71	18.78	(42.62)	59.79
Issued, subscribed and paid up capital	786	786	786	786	786	786	-	-	-	-	-
Reserves	86,110	76,167	66,440	59,284	53,225	47,415	13.05	14.64	12.07	11.38	12.25
Shareholders' Equity	86,896	76,953	67,226	60,070	54,011	48,201	12.92	14.47	11.91	11.22	12.05
Long Term Liability	120	160	200	240	280	745	(24.97)	(20.04)	(16.63)	(14.29)	(62.45)
Deferred taxation	-	-	-	311	-	-	-	-	-	-	-
Deferred Revenue	21	21	13	3	1	4	1.03	59.88	307.40	200.47	(72.05)
Trade, dividend and other payables	55,703	64,130	48,116	46,929	42,260	31,069	(13.14)	33.28	2.53	11.05	36.02
Advances from customers and dealers	31,044	34,108	22,041	9,736	111,990	51,267	(8.98)	54.75	126.39	(91.31)	118.44
Taxation - provision less payment	5,110	9,403	8,224	5,475	5,423	2,620	(45.66)	14.34	50.21	0.96	2,100.00
Total Equity and Liabilities	178,894	184,774	145,820	122,764	213,965	133,906	(3.18)	26.71	18.78	(42.62)	59.79
PROFIT OR LOSS ACCOUNT											
Revenue from contracts with customers	258,755	215,137	152,481	177,711	275,506	179,162	20.27	41.09	(14.20)	(35.50)	53.77
Cost of sales	222,459	183,941	133,099	169,779	257,101	162,508	20.94	38.20	(21.60)	(33.96)	58.21
Gross profit	36,296	31,195	19,382	7,931	18,404	16,654	16.35	60.95	144.38	(56.91)	10.51
Distribution expenses	1,054	2,264	5,542	1,691	2,124	1,619	(53.45)	(59.15)	227.78	(20.40)	31.20
Administrative expenses	4,303	3,601	2,643	2,281	2,219	1,465	19.50	36.25	15.86	2.82	51.44
Other operating expenses	484	244	178	520	186	76	98.43	37.08	(65.80)	179.28	145.22
WPPF and WWF	3,132	2,102	1,178	680	1,244	740	49.02	78.42	73.20	(45.33)	68.12
Other income	15,873	14,949	13,656	14,179	12,936	5,579	6.18	9.47	(3.69)	9.61	131.86
Profit before finance costs	43,195	37,934	23,497	16,938	25,567	18,333	13.87	61.44	38.72	(33.75)	39.46
Finance costs	370	264	170	141	114	134	40.40	55.14	20.80	23.12	(14.70)
Profit before taxation and levy	42,825	37,670	23,327	16,797	25,453	18,199	13.68	61.49	38.87	(34.01)	39.86
Taxation and levy	17,319	14,661	8,255	7,133	9,651	5,371	18.13	77.60	15.73	(26.09)	79.68
Profit after taxation	25,506	23,010	15,072	9,664	15,802	12,828	10.85	52.66	55.95	(38.84)	23.18

Ratios

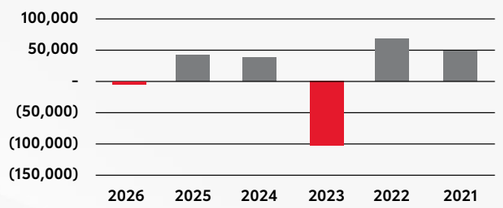
Profitability Ratios		2026	2025	2024	2023	2022	2021
Gross Profit ratio	% age	14.0%	14.5%	12.7%	10.9%	6.7%	9.3%
Net Profit to Sales	% age	9.9%	10.7%	9.9%	8.5%	5.7%	7.2%
EBITDA Margin to Sales	% age	18.9%	20.5%	19.2%	11.6%	10.5%	12.0%
Return on Capital Employed	% age	28.2%	29.8%	22.3%	15.9%	29.1%	26.2%
Shareholders' Funds	Rs. in million	86,896	76,953	67,226	60,070	54,011	48,201
Return on Shareholders' Funds	% age	29.4%	29.9%	22.4%	16.1%	29.3%	26.6%
Liquidity Ratios							
Current ratio	Times	1.8	1.5	1.5	1.6	1.2	1.4
Quick / Acid Test ratio	Times	1.4	1.3	1.2	1.1	1.0	1.1
Cash to Current Liabilities	Times	0.10	0.05	0.09	0.10	0.04	0.02
Cash Flow from Operations to Sales	Times	-0.01	0.2	0.2	-0.6	0.2	0.3
Cashflow to CAPEX	Times	-0.7	12.6	7.4	-7.9	24.1	19.5
Activity/Turnover Ratios							
Inventory turnover ratio	Times	7.6	8.2	5.2	6.2	10.5	8.5
No. of Days in Inventory	Days	48.0	44.2	70.7	59.3	34.6	42.9
Debtor turnover ratio	Times	40.7	27.0	44.3	89.4	152.7	216.0
No. of Days in Receivables	Days	9.0	13.5	8.2	4.1	2.4	1.7
Total Assets turnover ratio	Times	1.4	1.2	1.0	1.4	1.3	1.3
Fixed Assets turnover ratio	Times	14.2	10.5	6.5	7.3	18.1	11.3
Investment/Market Ratios							
Earning per Share - Basic	Rs.	324.5	292.7	191.8	123.0	201.0	163.2
Earning per Share - Diluted	Rs.	324.5	292.7	191.8	123.0	201.0	163.2
Price Earnings ratio	Times	6.3	5.9	8.2	7.7	5.7	7.7
Price to Book ratio	Times	1.9	1.8	1.8	1.2	1.7	2.0
Dividend Yield ratio	% age	9.5	10.1	7.3	7.6	8.2	8.3
Dividend Payout ratio	% age	60.1	60.1	59.8	58.4	63.4	63.4
Dividend Cover ratio	Times	1.7	1.7	1.7	1.7	2.1	1.6
Market Value per Share							
- year end	Rs.	2,058.4	1,735.6	1,580.0	943.2	1,144.4	1,254.1
- high during the year	Rs.	2,372.4	2,245.4	1,680.0	1,155.6	1,473.9	1,430.0
- low during the year	Rs.	1,713.1	1,716.0	858.3	802.5	1,095.0	967.3
Break-up Value per Share	Rs.	1,105.5	979.0	855.3	764.2	687.2	613.3
Market capitalization	Rs. in '000	161,792,598	136,414,230	124,188,000	74,138,664	89,950,626	98,575,404

Cash Flow Summary Extract

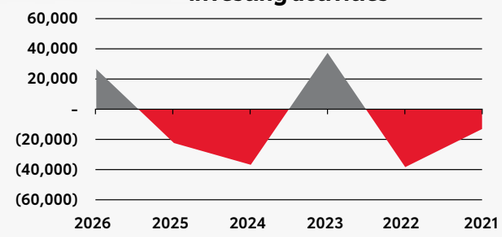
SIX YEAR SUMMARY OF CASH FLOWS

	2026	2025	2024	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before taxation	42,812	37,489	22,713	16,461	25,453	18,199
Adjustment for non-cash and other items	(6,116)	(5,874)	(3,565)	(6,073)	(5,552)	147
Working capital changes	(13,507)	25,875	30,379	(104,620)	58,750	33,579
Changes in long term loan, advances compensation paid to customers on advances payment to WPPF & WWF, Income tax and others	(25,557)	(16,253)	(12,439)	(9,362)	(10,416)	(4,105)
Net cash (used in) / generated from operating activities	**(2,368)**	**41,237**	**37,089**	**(103,594)**	**68,234**	**47,821**
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase & Disposal of PPE	(3,385)	(2,941)	(4,855)	(13,045)	(2,639)	(2,329)
Interest received from investments	611	593	2,511	4,119	6,203	1,133
Increase/Decrease in investments	29,512	(20,735)	(38,286)	44,409	(42,305)	(12,122)
Dividend income from Listed Mutual Funds	32	723	4,052	2,227	710	540
Net cash generated from / (used in) investing activities	**26,770**	**(22,360)**	**(36,578)**	**37,710**	**(38,031)**	**(12,778)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Long-term loan repaid/received	(40)	(40)	(40)	(326)	(398)	411
Dividend paid	(15,620)	(13,109)	(11,170)	(1,381)	(8,886)	(5,843)
Net cash used in financing activities	**(15,660)**	**(13,149)**	**(11,210)**	**(1,707)**	**(9,284)**	**(5,432)**
Net increase / (decrease) in cash and cash equivalents during the year	**8,742**	**5,728**	**(10,699)**	**(67,591)**	**20,920**	**29,611**
Cash and cash equivalents at beginning of the year	19,835	14,107	24,806	92,397	71,477	41,866
Cash and cash equivalents at end of the year	**28,577**	**19,835**	**14,107**	**24,806**	**92,397**	**71,477**

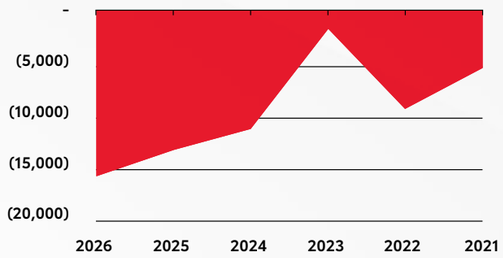
Net cash (used in) / generated from operating activities



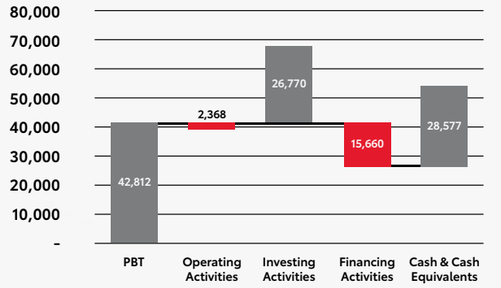
Net cash generated from / (used in) investing activities



Net cash used in financing activities



PBT to Cash & Cash Equivalent (2026)



Value Creation Business Model

Financial Capital

Shareholder equity and retained earnings Revenue from vehicle sales, parts and service operations Access to credit lines and banking facilities Rs. 178.89 billion total assets Rs. 92 billion liabilities	• 45,035 units sold • Rs. 258.75 billion revenue generated • Rs. 324.50 earnings per share • Rs. 140.14 billion contribution to national exchequer • Rs. 199 billion paid to supply chain partners	Sustained profitability and strong cash flows Increased market confidence and long-term value creation Improved manufacturing competitiveness through localization Strengthened supply chain ecosystem supporting national industrial development

Human Capital

Skilled and diverse workforce (2,241) across manufacturing, engineering, sales and corporate functions Comprehensive training and development programs, including Toyota Production System (TPS) Strong culture rooted in Toyota values, teamwork, safety and continuous improvement (Kaizen)	• 33.9 Training hours per employee • 7.8% Employee turnover rate • Rs. 6.83 billion paid as salaries and wages • Active employee involvement in Kaizen, 5S, QC circles and problem-solving initiatives • 3,564 hours of employee volunteerism	Resilient, motivated workforce Higher productivity, reduced downtime and improved product quality Strong employer brand leading to attracting and retaining talent Safer, healthier and more inclusive workplaces Enhanced innovation capacity

Social and Relationship capital

Strong relationships with customers, dealers, suppliers and vendors across the value chain Long-standing partnership with Toyota Motor Corporation, enabling technology transfer and global standards adoption Community relationships built through initiatives Ethical business practices building stakeholder confidence	• Enhanced customer satisfaction and loyalty • 58 Toyota-certified dealers • 53 Key suppliers • 255,761 beneficiaries under CSR initiatives • Capacity building and localization opportunities for suppliers and vendors • Reliable and safe mobility solutions supported by strong after-sales service	Trusted brand with strong customer loyalty and market reputation Resilient supply chain ecosystem aligned with Toyota's global quality and safety standards Enhanced national industrial strength via localization and vendor development. Deeper community impact contributing to social well-being, youth empowerment and environmental stewardship

Natural capital

Raw materials and components used in vehicle manufacturing, including metals, plastics, batteries and chemicals. • 297,599 GJ total energy used • 23,077 GJ renewable energy used • 232 ML water withdrawal	• 15,335 MT emissions • 208 ML water consumption • 3,380 MT waste generated • 1,000,000 trees planted since 2018 • 16,000 mangroves planted since 2025	Reduced carbon footprint through decarbonization measures Improved resource efficiency Enhanced compliance with national environmental standards and global Toyota benchmarks Contribution to national climate goals through hybrid vehicles

Manufactured capital

State-of-the-art manufacturing facilities, assembly lines and machinery built on Toyota Production System principles Equipment, tooling and robotics supporting precision, quality and efficiency Warehousing, logistics infrastructure and dealer network facilities (58) Investments in hybrid vehicle production and localization	• 45,597 units produced • 2,434 hybrid units produced • Localized parts and components manufactured through a strengthened vendor ecosystem • Reliable service and after-sales support delivered through dealer and service centre infrastructure	Strong production capability ensuring consistent supply Improved cost competitiveness through efficient operations and higher localization Increased capacity to adopt new technologies and solutions Enhanced customer satisfaction driven by reliable products and strong service infrastructure Long-term operational resilience

Intellectual capital

Toyota Production System (TPS) methodologies Technical expertise related to product design, engineering and hybrid technologies from Toyota Digital systems	• Efficient production processes • Enhanced product reliability • Standardized operating procedures and quality management systems • Data-driven decision making	Strong competitive advantage Increased productivity and operational excellence Accelerated adoption of new technologies Enhanced customer trust

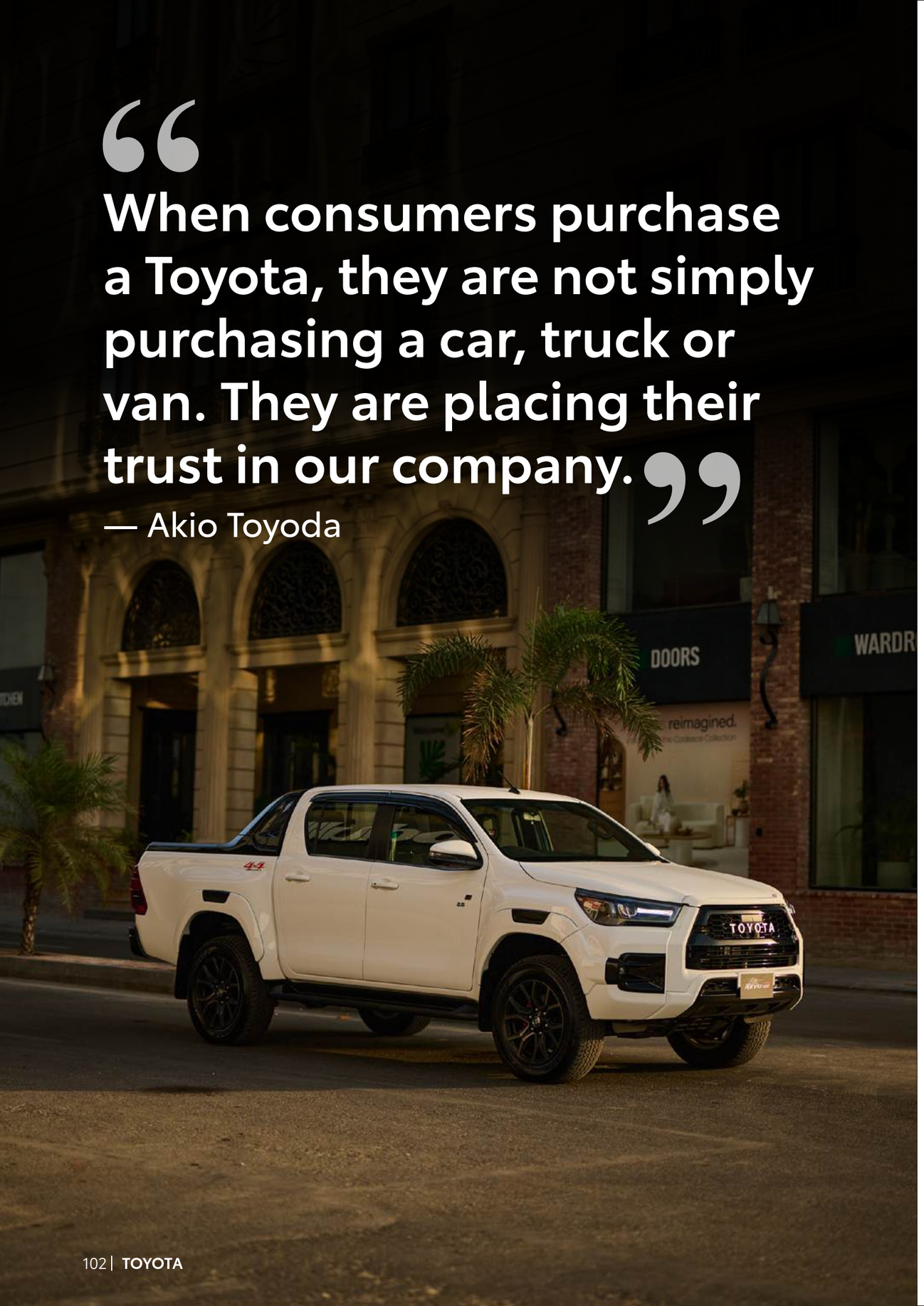
Commitments & External Initiatives

Demonstrating our ongoing commitment to responsible business practices, we actively endorse the international initiatives, charters and principles presented below:

- ISO 50001 (Energy Management System)
- ISO 14001 (Environmental Management System)
- ISO 45001 (Occupational Health & Safety Management Systems)
- ISO 9001 (Quality Management System)
- Global Environmental Management System (G-EMS), designed by Toyota for environmental protection and a sustainable future, aligned with global targets set by SBTi.
- United Nations Global Compact (UNGC) "Ten Principles"
- Sustainable Development Goals (SDGs)
- IFRS S1 & S2 Reporting Standards
- WWF Green Office Program

IMC continues to foster collaboration within the industry by maintaining membership in key associations and supporting their initiatives through sponsorships and active participation.

- Karachi Chamber of Commerce and Industry
- Federation of Pakistan Chambers of Commerce and Industry
- Overseas Investment Chamber of Commerce and Industry
- Pakistan Automotive Manufacturers Association
- Pakistan Business Council
- Bin Qasim Association of Trade and Industry
- Landhi Association of Trade and Industry



Stakeholders' Engagement

Stakeholder engagement is integral to IMC's approach to responsible business conduct and sustainable value creation. Regular dialogue enables the Company to understand evolving expectations, identify material issues and support informed decision-making. IMC maintains ongoing engagement with employees, customers, dealers, suppliers, shareholders, regulators, local communities and other business partners through channels suited to each stakeholder group.

Insights gained through these engagements support business planning, operational improvements, sustainability initiatives and the periodic review of material sustainability topics, while helping identify emerging risks and opportunities.

A summary of IMC's key stakeholder groups, engagement mechanisms and priority topics is presented in the Stakeholder Engagement Matrix.

Stakeholder Group	Engagement Method	Stakeholders Expectations	IMC Actions
Shareholders & Capital Providers	AGMs, investor briefings, corporate disclosures	Financial performance, growth, governance and sustainability	Drive long-term value through business growth, innovation and transparent reporting.
Customers	Surveys, customer service channels and feedback platforms	Product quality, safety, availability, pricing and after-sales service	Deliver safe, reliable and high-quality products supported by continuous improvement.
Toyota Motor Corporation	Review meetings, management engagement and global forums	Compliance with Toyota standards, quality, safety and environmental performance	Align operations with Toyota's global standards and best practices.
Dealers	Meetings, surveys, training and dealer conferences	Product availability, technical support and capability development	Strengthen dealer capability through training, technical support and collaboration.
Suppliers	Meetings, workshops, surveys and supplier conference	Quality, technical support, product safety and supplier development	Enhance supplier capability through technical support, quality assurance and continuous improvement.
Employees	Staff meetings, training, performance reviews and engagement surveys	Career development, wellbeing, fair employment and workplace safety	Invest in people, foster an inclusive workplace and maintain high safety standards.
Community	Community visits, consultations and surveys	Education, healthcare and skills development	Invest in programs that support community development and social wellbeing.
Government and industry groups	Regulatory meetings, consultations and industry forums	Regulatory compliance, industry development and environmental performance	Maintain compliance and collaborate on sustainable industry development.
Media	Press releases, interviews and media briefings	Timely and accurate corporate information	Communicate transparently on business developments and corporate performance.

Factors Affecting the External Environment

POLITICAL

Factors	Organizational Response
Political instability and turmoil negatively affect the organization by disrupting operations, creating uncertainty and obstructing growth and strategic planning.	IMC management actively monitors political developments and regulatory policies that could affect the Company's operations.
Sudden shifts in government macroeconomic policies also negatively impact the Company's business performance and sales projections.	The organization swiftly adapts its processes and policies to align with actual or expected changes in government regulations. Industry-related concerns are actively addressed through platforms like the Pakistan Business Council (PBC), OICCI and PAMA.

ECONOMIC

Factors	Organizational Response
Rising interest rates and high inflation levels have led to higher input costs and reduced profit margins.	The Company continually strives to improve efficiencies in its manufacturing processes and energy mix, mitigating the adverse effects of rising production costs. Regular cost reduction initiatives are implemented to control both production and non-production related fixed costs.

SOCIAL

Factors	Organizational Response
Focus on corporate social responsibility, donations, development of communities and scholarships.	IMC dedicates 1% of its profit before tax to CSR, focusing on key areas aligned with the UN SDGs. Through its "Education for All" initiative, IMC supports community schools nationwide. It also sponsors emerging athletes representing Pakistan on global platforms, including squash and mountaineering. In healthcare, IMC partners with leading hospitals to provide quality medical services. The Toyota Goth Education Program supports nearby villages with education, medical camps and sustenance. IMC remains committed to environmental protection, education, women empowerment and healthcare.

TECHNOLOGICAL

Factors	Organizational Response
Technological innovation.	IMC has a dedicated team of professionals which ensures that all its processes comply with the applicable regulatory requirements. The Company has taken various initiatives for digitalization and automation of its processes. This strategic approach not only underscores its commitment to staying at the forefront of technology but also positions it as a pioneer in harnessing technological advancements.

LEGAL

Factors	Organizational Response
Compliance with the applicable legal and regulatory requirements.	The Company has a dedicated team of professionals which ensures that all its processes comply with the applicable regulatory requirements. The Company benchmarks itself with the best in corporate Pakistan by participating in various award programs, for e.g. PSX Top 25 awards, MAP Corporate Excellence Awards, CFA Annual Excellence Awards and Best Corporate Report Awards.

ENVIRONMENTAL

Factors	Organizational Response
Environmental footprint, recycling, climatic conditions, global warming, natural disasters etc.	The Company takes various steps to protect the environment including compliance with applicable environment standards. We manage our environmental performance through efficient use of natural resources and identifying and implementing green alternatives. The Company has made significant investments in renewable energy projects and wastewater treatment. The Company has made significant strides in expanding its renewable energy portfolio. Furthering its sustainability efforts, IMC has installed Pakistan's largest rooftop solar panel system (6.7MW) and 85% of its dealership network now operates entirely on solar energy, helping to reduce reliance on fossil fuels and lower its environmental footprint. As part of its commitment to combating climate change and reducing carbon emissions, IMC has planted 1,000,000 trees nationwide under its Million Tree Plantation Drive—significantly contributing to carbon sequestration. To protect coastal ecosystems and strengthen natural climate defenses, 16,000 mangroves have been planted along Karachi's coastline. These initiatives showcase the Company's dedication to reducing its carbon footprint, embracing clean energy sources and contributing to a greener future. By investing in renewable energy infrastructure, the Company not only demonstrates environmental stewardship but also paves the way for a more sustainable and resilient energy portfolio. Water conservation remains at the core of our operational practices. The Company has installed bag filters and monitors dust, particulate matter and other emissions to ensure that they remain below the respective limits specified in the National Environmental Quality Standards (NEQS).

Strengths, Weaknesses, Opportunities & Threats (SWOT) Analysis

STRENGTHS

S

- Established Global brand name
- Motivated and competent workforce
- Modern production facility
- Products with high level of localization content
- Sound financial condition
- Nation-wide dealership network

OPPORTUNITIES

O

- Transitioning to electric and hybrid vehicles
- Eco-friendly manufacturing practices

WEAKNESSES

W

- Dependence on global supply chain
- Strongly influenced by global economic factors

THREATS

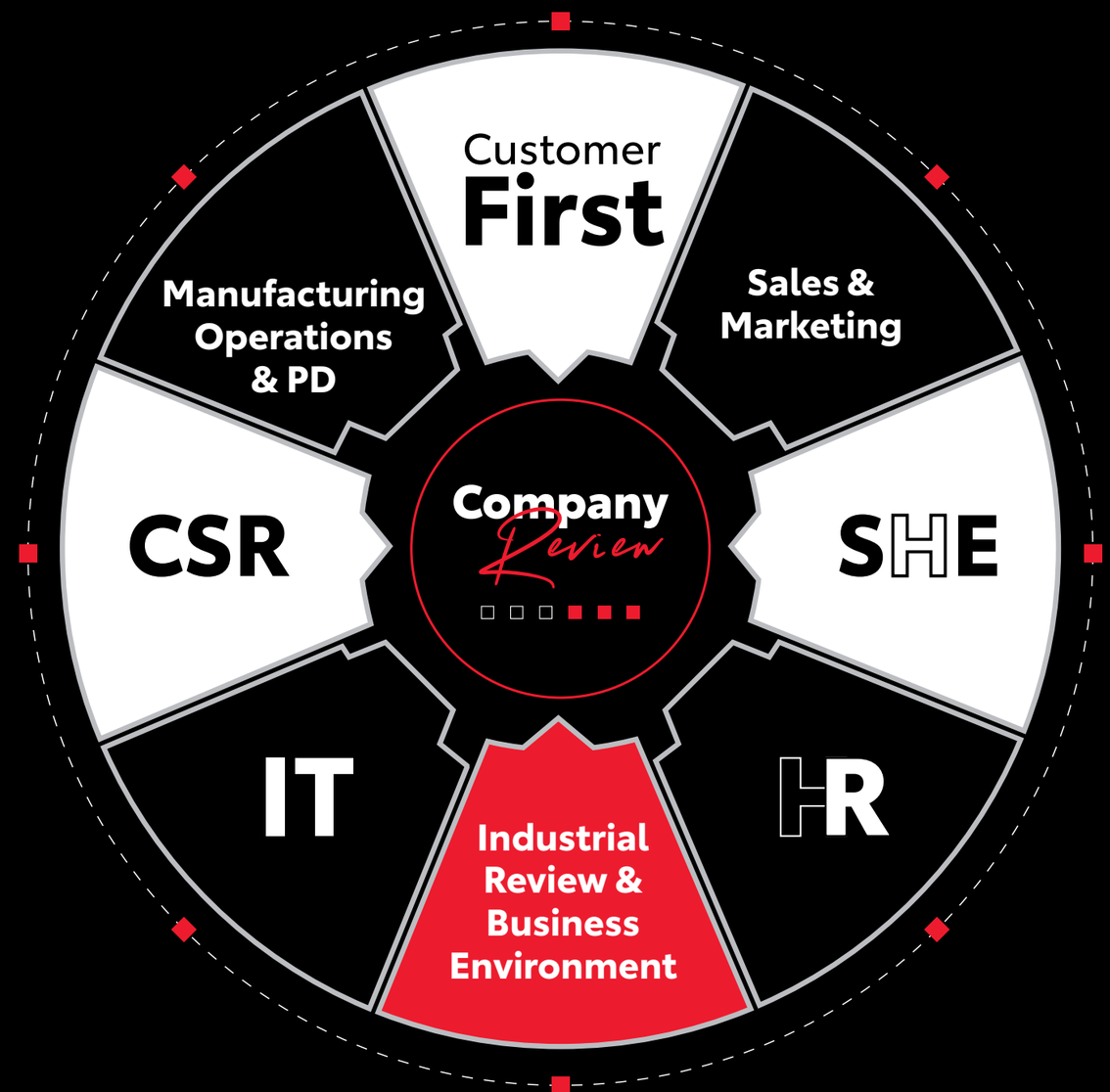
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- New entrants in the market
- Inconsistent Government policies with regards to auto manufacturers
- Economic downturns in the country
- Inconsistent used car policy

Chief Executive's Report



ALI ASGHAR JAMALI
Chief Executive



INDUSTRIAL Review & BUSINESS ENVIRONMENT

Industrial Overview

Pakistan Economic Environment

Pakistan's economy demonstrated resilience and gradual recovery during FY2025-26, supported by improved macroeconomic management, policy reforms and strengthening investor confidence. Real GDP growth is projected to accelerate at 3.70% in FY2025-26 compared with 3.18% in FY2024-25, reflecting a broad-based improvement across agriculture, industry and services. The economic environment benefited from greater exchange rate stability, easing inflationary pressures, improved fiscal discipline and continued progress under the IMF-supported reform program.

The industrial sector emerged as an important contributor to the recovery, with Large-Scale Manufacturing (LSM) growing by 5% in FY2025-26 compared with a contraction of 0.8% in FY2024-25, supported by improved business sentiment, stable currency conditions, easing inflationary pressures and a more supportive monetary environment. The agriculture sector demonstrated resilience despite the impact of the 2025 floods, recording growth of 2.89% compared with 1.53% in FY2024-25, while the services sector expanded by 4.09%, supported by strong performance in information and communication services.

Significant progress was made in fiscal consolidation, with the fiscal deficit narrowing to 0.7% of GDP during July–March FY2025-26 compared with 2.6% during the same period last year. The country recorded a primary surplus of Rs. 4.1 trillion, equivalent to 3.2% of GDP, compared with 3.0% of GDP in the corresponding period last year, representing one of the strongest fiscal performances in recent years. This improvement was supported by enhanced revenue mobilization, expenditure discipline, lower mark-up payments and prudent debt management. These developments strengthened fiscal fundamentals and contributed to improved economic confidence.

The external sector demonstrated resilience despite a challenging global environment marked by geopolitical tensions, energy price volatility and trade disruptions. Pakistan maintained external stability, supported by strong workers' remittance inflows of US$41.6 billion, representing growth of 8.6% over the previous year, improved foreign exchange reserves of US$23.2 billion and a stable exchange rate environment. The current account remained broadly balanced, recording a deficit of US$304 million during FY2025-26, compared with a surplus of US$1.8 billion in FY2024-25, reflecting continued external sector stability amid higher import demand from economic recovery.

Inflation remained significantly moderate compared with crisis-period levels, with average CPI inflation recorded at 7.1% during FY2025-26 compared with 4.5% in FY2024-25. While external developments, particularly fluctuations in global energy prices and geopolitical uncertainties, created renewed price pressures, prudent fiscal and monetary measures helped maintain overall economic stability.

Investment and financial market indicators reflected improving confidence in the economy. Private investment increased by 12.8%, supported by greater macroeconomic stability and improved business sentiment. Capital markets also strengthened, with the KSE-100 Index increasing by 44% during FY2025-26, supported by improved corporate performance, declining inflation and progress under the IMF Program. Continued expansion of digital infrastructure, IT exports and technology-led services further highlighted opportunities for productivity enhancement and private-sector-led growth.

Despite these positive developments, Pakistan continues to face structural challenges, including the need to further enhance export competitiveness, improve energy sector efficiency, accelerate productivity gains, create employment opportunities for a growing workforce and strengthen resilience against climate-related risks. Sustained reform momentum, investment in human capital and a more competitive business environment will remain critical to achieving durable and inclusive economic growth. Additionally, the year was marked by heightened geopolitical tensions, which contributed to increased global economic uncertainty and posed potential implications for economic activity and financial markets.

Overall, FY2025-26 represented an important transition from stabilization toward recovery, with stronger macroeconomic fundamentals providing a more stable foundation for businesses to invest, innovate and contribute to economic development. Continued reforms, productivity improvements and private-sector participation will be essential to translating this progress into sustainable long-term growth.

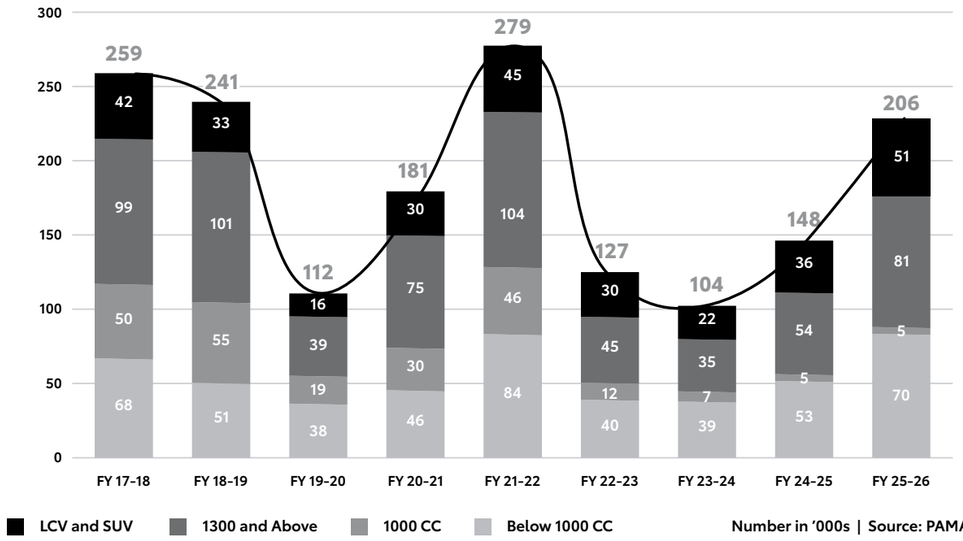
(Sources: *Pakistan Economic Survey 2025–26 by Ministry of Finance, Government of Pakistan.; Pakistan Bureau of Statistics and State Bank of Pakistan*)

Automobile Industry

FY2025–26 was another year of strong growth for Pakistan's automotive industry, with sustained demand driving a significant improvement in sales volumes and reinforcing the sector's recovery despite ongoing structural challenges.

- **Market Performance** PAMA-reported Passenger Car (PC) and Light Commercial Vehicle (LCV) sales increased by 39% year-on-year to 206,445 units, compared to 148,023 units in FY2024–25. Passenger car sales reached 155,631 units, reflecting broad-based market expansion supported by improving consumer sentiment and resilient demand.

Sales of Locally Produced Passenger Cars and LCV



Number in '000s | Source: PAMA

Growth was evident across most vehicle segments. Truck and bus sales rose by 61% to 8,424 units, underpinned by higher economic activity, expanding logistics demand and fleet renewal. Tractor sales remained largely stable at 29,192 units, declining marginally by 1% year-on-year, as subdued farm economics offset seasonal demand towards the close of the fiscal year.

- **Key Growth Drivers** The industry's performance was supported by an improving macroeconomic environment. A reduction in the State Bank of Pakistan's policy rate from 11.0% to 10.5%, coupled with easing inflation and relative exchange rate stability, enhanced affordability and strengthened consumer confidence. Auto financing penetration also improved, increasing from 21% in FY2024–25 to 26% in FY2025–26, further supporting market demand. Continued product innovation, particularly in hybrid mobility and refreshed model offerings, also contributed to the sector's growth. Ahead of the FY2026–27 budget, the market experienced a temporary increase in demand as customers advanced purchase decisions in anticipation of higher taxation. The increase in GST on Hybrid Electric Vehicles (HEVs) and Plug-in Hybrid Electric Vehicles (PHEVs) from 8.5% to 25% resulted in vehicle price adjustments from July 2026, while tax rates on Internal Combustion Engine (ICE) vehicles and Battery Electric Vehicles (BEVs) remained unchanged.

- **Used-Vehicle Imports** The Government's decision in January 2026 to abolish the Baggage Scheme for used-vehicle imports and introduction of mandatory pre-shipment inspection requirements for vehicles imported under the Gift and Transfer of Residence schemes represents a positive step towards strengthening Pakistan's automotive manufacturing sector. We appreciate these policy measures, which have contributed to a reduction in used-vehicle imports to approximately 38,000 units in FY2025–26, compared with approximately 42,000 units in FY2024–25. These policy measures are expected to further reduce the inflow of used-vehicle imports in the coming years, leading to improved utilization of the domestic automotive industry's installed production capacity.

Despite this progress, imported used vehicles continue to account for 19% of total sales reported by Pakistan Automotive Manufacturers Association (PAMA), representing a significant share of the domestic market. This is notwithstanding the fact that Pakistani consumers today have access to 31 brands and more than 100 locally assembled models, offering a wide range of choices across all major vehicle segments.

The domestic automotive industry is currently operating at less than 50% of its installed production capacity, leaving substantial manufacturing capability underutilized. Improved capacity utilization would enhance value addition, create employment, accelerate localization, strengthen the vendor base and increase the sector's contribution to Pakistan's GDP.

Indus Motor Company Ltd. Performance

FY2025–26 marked a strong growth for IMC, with sales increasing by 33% to 45,035 units from 33,757 units in the previous year, reflecting improved market demand and the resilience of our business.

Growth was led by a 56% increase in Passenger Car sales, supported by successful promotional initiatives celebrating 35 years of Toyota in Pakistan, while Commercial Vehicle volumes remained stable despite a challenging operating environment.

This performance underscores the strength of our brand, the trust of our customers and the commitment of our people and dealers' network. Looking ahead, we remain focused on strengthening our market position through operational excellence, product innovation and customer-centric strategies. With disciplined execution and a long-term perspective, we are well positioned to capitalize on emerging opportunities and deliver sustainable value for all our stakeholders.

Pakistan Automotive Industry Outlook FY2026-27

The Automotive Industrial Development Policy (AIDP) 2021–26 expired on June 30, 2026, while the successor policy, expected to take effect from 1 July 2026, is yet to be announced. The absence of a clear policy framework has created uncertainty across the automotive value chain, affecting business planning, production scheduling and investment decisions. During July 2026, several OEMs temporarily deferred vehicle invoicing due to absence of clarity on the applicable policy and tariff regime.

The delay in the announcement of the new policy is expected to "Moderate" the growth momentum of Pakistan's automotive sector during FY2026-27. Although industry fundamentals continue to improve, domestic production remains below 50% of installed capacity, highlighting the importance of a stable and predictable policy environment that supports long-term investment, capacity utilization and sustainable industrial growth.

The National Tariff Policy (2025–30) seeks to rationalize tariffs and further trade liberalization. Tariff reductions will narrow the price differential between Completely Knocked Down (CKD) kits and Completely Built-Up (CBU) vehicles and could reduce the competitiveness of local manufacturing, discourage future investment and limit the pace of localization. Therefore, maintaining an appropriate tariff structure will remain essential to supporting domestic value addition, technology transfer, employment generation and sustainable industrial growth.

Consumer financing remains a key enabler of automotive demand and has historically played an important role in supporting industry volumes. However, Pakistan's existing auto financing limits and repayment tenures remain relatively conservative compared with regional markets, constraining vehicle affordability for a large segment of prospective buyers. A review of the current financing framework, including enhancement of the maximum financing limit from Rs. 3 million to Rs. 10 million and extension of the maximum financing tenure from three years to six years, could improve consumer affordability, broaden access to vehicle financing and support sustainable growth in domestic demand.

Looking ahead, the timely announcement of the new automotive policy will be important in providing a stable, transparent and predictable framework that supports localization, technological advancement, industrial competitiveness and long-term investment. At the same time, addressing structural challenges, including underutilized manufacturing capacity, supply chain constraints, a high cost of doing business and limited consumer financing, will be essential to strengthening the sector's resilience and global competitiveness.

Despite the prevailing policy uncertainty, Pakistan's automotive industry has continued to demonstrate resilience and with constructive collaboration between policymakers and industry stakeholders, it remains well positioned to contribute to industrial development, employment generation and sustainable economic growth over the long term.

35 YEARS

Of Unstoppable Momentum





















SALES & Marketing

Sales Performance

IMC experienced a robust recovery in FY2025-26, marked by a remarkable 33% surge in sales. The Company sold an impressive 45,035 units, a significant increase from 33,757 units sold in the previous year.

The growth was especially notable in the Passenger Car segment, which saw a 56% rise, driven by the successful marketing campaigns along with price promotions linked to IMC's 35th anniversary in Pakistan. Meanwhile, the Commercial Vehicle segment maintained its volume.

Despite the considerable challenges faced during FY2025–26, IMC demonstrated resilience and turned adversity into an opportunity to excel. The Company remained steadfast in its commitment to adapting to evolving market conditions while keeping customer satisfaction at the forefront.

Looking ahead, IMC is focused on reclaiming its position as a leading force in Pakistan's automotive industry. With a strong emphasis on innovation, quality and customer-centric strategies, the Company is well-positioned to navigate future challenges and emerge even stronger.

Total Vehicle Sales

FY2025-26	FY2024-25
45,035 Units	33,757 Units

CKD Passenger Car	CBU-Sales	CKD Commercial Vehicles
FY2025-26 32,855 Units	FY2025-26 389 Units	FY2025-26 11,791 Units
FY2024-25 21,110 Units	FY2024-25 364 Units	FY2024-25 12,283 Units

Product Lineup



Guided by Toyota's Global Vision to enrich lives through responsible mobility, we are dedicated to providing safe, reliable and environmentally friendly products that support the move toward a low-carbon economy.

IMC continues to harness advanced technology to drive efficiency and innovation across its operations. Significant investments have enabled us to surpass customer expectations and diversify our portfolio of reliable vehicles. The Toyota Corolla remains the benchmark in the C-segment sedan category. At the same time, the Yaris has risen as the second leading model in the B-segment sedan category, affirming IMC's strong market position.

Recognizing the importance of eco-friendly mobility, IMC introduced the locally assembled Corolla Cross in 2024, marking Toyota's debut in Pakistan's hybrid electric vehicle segment. Developed with the highest level of localization, backed by a $100 million investment, this crossover SUV blends Toyota's renowned reliability with cutting-edge hybrid technology to deliver enhanced fuel efficiency and reduced emissions. This initiative reflects our commitment to meeting customer expectations while contributing to a low-carbon future.

Beyond catering to domestic vehicle requirements, IMC offers a range of imported models, complemented by warranties and extensive after-sales support delivered through its wide-reaching dealer network.

CKD Range

- Yaris
- Corolla
- Cross HEV
- Revo
- Fortuner

CBU Range

- Hiace Commuter
- Hiace Deluxe
- Land Cruiser 300
- Land Cruiser Prado
- Coaster
- Camry

TOYOTA Dealerships

- Dealerships 58

STANDING ITS GROUND: COROLLA CROSS continues to lead

Since its launch in December 2023 as Pakistan's first locally manufactured HEV, the Toyota Corolla Cross has remained a benchmark in the country's CSUV segment, consistently appealing to discerning professionals and families seeking a sophisticated blend of comfort, efficiency and dependability. Building on this legacy, the past year presented a new set of challenges and opportunities as the competitive landscape shifted significantly.

The entry of new Chinese and Korean players into Pakistan's CSUV segment introduced fresh competition, with these entrants offering state-of-the-art features and aggressive specifications aimed at capturing market share. Despite this intensifying competition, the Corolla Cross held firm, retaining its position of strength in the segment. This resilience stands as a clear testament to the Pakistani public's enduring trust in the Toyota brand and its confidence in the reliability and reach of Toyota's after-sales services, a trust built over decades and reaffirmed through every ownership experience.

Marking a significant milestone, IMC celebrated 35 years of Toyota in Pakistan with the launch of the 35th Anniversary Campaign for the Corolla Cross, offering customers discounts of up to Rs. 600,000. This landmark campaign brought gasoline variants to a starting price of Rs. 7,235,000 and HEV variants to Rs. 8,535,000, making the Corolla Cross ownership experience more accessible than ever while celebrating IMC's enduring legacy in the country.

Recognizing that perception is shaped not through a single message but through repeated, structured exposure, IMC also introduced the Frequency Builders campaign, a first-of-its-kind approach that moved away from a single, all-encompassing communication in favor of a five-part content series, focused on multiple propositions: hybrid efficiency, long-distance comfort and family practicality, allowing for cumulative perception correction and a deeper, more lasting connection with customers.

To further strengthen brand experience at the grassroots level, IMC launched the Corolla Cross Townstorming initiative in partnership with Toyota Sure, the Company's certified used-car buying and selling arm, bringing the test drive experience directly to Pakistan's tier 2 cities through the T-Sure Gala x Corolla Cross Experience. Held bi-monthly, these on-ground activations were designed to re-engage individuals and families who may never have experienced the Corolla Cross firsthand, or who required a refresher on its driving dynamics and comfort, while also addressing misconceptions that had begun to surface in these markets. This dual-pronged approach allowed attendees to explore and trade in used vehicles while experiencing the Corolla Cross firsthand, giving each event the combined weight of two distinct activations delivered as one. This optimal use of resources reinforced the strength of collaborative planning across departments, extending the reach and impact of both initiatives.

As Pakistan's CSUV segment grows increasingly competitive, the Corolla Cross continues to demonstrate that trust, reliability and after-sales excellence remain decisive factors for Pakistani consumers. At IMC, we remain committed to building on this momentum, deepening our engagement with customers across the country and reinforcing the Corolla Cross's position as a symbol of Toyota's enduring promise to Pakistan.

ELEVATING THE YARiS EXPERIENCE *WITH*

Limited offer Campaign

Launched in 2020, the Toyota Yaris quickly carved out a strong position in Pakistan's competitive B-segment sedan market. With a design tailored for young professionals, small families and first-time car buyers, Yaris has proven itself as a smart and dependable choice, blending style, fuel efficiency, comfort and Toyota's legendary reliability.

Building on this success, 2024 marked another important chapter with the introduction of the refreshed Toyota Yaris facelift under the campaign tagline "Make Way for the All-New Toyota Yaris." The evolution of Yaris introduced a more modern, premium and stylish exterior, redefining its identity and strengthening its appeal in a highly competitive market.

To further enhance customer value and accessibility, IMC introduced 'Yaris 1.3 Limited and Special Edition' campaign which offered upgraded audio and alloy wheels. Additionally, a price promotion on the 1.5 ATIV variant further strengthened the Yaris value proposition, reinforcing IMC's commitment to delivering greater choice and enhanced ownership experience.

As Pakistan's automotive landscape continues to evolve, Toyota Yaris remains well-positioned to maintain its competitive edge by offering the ideal balance of practicality and innovation. At IMC, we remain committed to building on Yaris' momentum, creating accessible mobility solutions and contributing to the continued growth of Pakistan's automotive market.



The Legacy of Trust *Continues*

TOYOTA COROLLA

First launched in 1966, the Toyota Corolla has grown to become a global automotive icon, celebrated for its unmatched legacy of reliability, safety and value. With six decades of proven excellence, the Corolla continues to inspire trust across generations.

In Pakistan, the Corolla Altis X stands as the nation's most cherished vehicle, synonymous with quality, durability and peace of mind. Locally manufactured by IMC for over 35 years, the Corolla reflects IMC's commitment to delivering mobility solutions that meet the evolving needs of Pakistani customers.

Corolla Altis X continues to embody a legacy built on quality, reliability and long-lasting customer confidence. For generations, it has been the sedan of choice for Pakistanis seeking a vehicle that delivers peace of mind, backed by dependable performance, effortless maintenance and a nationwide after-sales network. Renowned for its outstanding resale value, Corolla remains a smart investment that retains its worth long after purchase, reinforcing the confidence of owners at every stage of their journey.

More than just a car, Corolla Altis X has become a trusted companion to millions of Pakistanis, creating lasting relationships through unwavering reliability and ownership satisfaction. As customer expectations continue to evolve, Corolla remains committed to delivering the quality, durability and value that have made it a benchmark in Pakistan's automotive landscape.

The current Corolla Altis X blends sophistication and practicality with a dynamic design and refined interior that offers ample space and comfort for up to five passengers. Advanced features such as electric power steering and cruise control ensure a smooth and confident driving experience whether for city commutes or family journeys. With a rich black leather interior that perfectly complements the stylish and bold exterior, the Corolla Altis X stands as the pinnacle of automotive excellence.

This year, IMC deepened Corolla's emotional connection with customers through purpose-driven brand campaigns. Our family-themed storytelling campaign highlighted Corolla's role in everyday family milestones, while our corporate-themed campaign resonated with professionals seeking a car that reflects success, reliability and performance. Additionally, product features like Nukta further backed Corolla Altis X. Together, these campaigns reinforced Corolla as the sedan that truly moves Pakistan forward from boardrooms to family vacations.

The Corolla remains the top-selling C-Sedan in the country. A symbol of pride and trust for Pakistanis who seek uncompromising quality, performance and a car that feels like home.

Auto Finance

Strategic Banking Partnerships





During the year, Toyota strengthened its collaboration with leading financial institutions to support the growth of auto financing in Pakistan. Exclusive financing campaigns were launched in partnership with major banks, offering competitive financing packages and customer-centric solutions to enhance accessibility and improve the vehicle ownership experience. Key banking partners included HBL, Meezan Bank, Bank Alfalah, MCB Bank, Bank Al Habib, UBL, Faysal Bank, Soneri Bank, Habib Metropolitan Bank and Orix Leasing.

To further strengthen these partnerships, Toyota conducted a series of engagement initiatives, including strategic sessions with Bank Alfalah to explore financing opportunities, enhance customer experience and drive joint business growth. Dealer and bank training sessions on Toyota Smart Finance were also organized to strengthen product knowledge, streamline financing processes and improve customer service, supporting higher financing conversions. In addition, Toyota collaborated with its banking partners on joint roadshows, town-storming activities and market activation campaigns to expand customer outreach, increase brand visibility and promote vehicle financing across key markets.

Exclusive Lowest Markup Rate with HBL

To enhance customer accessibility and promote vehicle financing, Toyota collaborated with HBL during FY2025–26 to launch exclusive financing campaigns featuring market-leading markup rates of 9.99% and 12.5%. The 9.99% campaign was offered from September to October 2025, followed by the 12.5% campaign during March and April 2026, providing customers with highly competitive financing solutions during key demand periods.



In addition to attractive financing rates, customers benefited from reduced processing fees, priority vehicle delivery and other value-added offers. These initiatives made Toyota vehicles more affordable, strengthened the Company's partnership with HBL, enhanced customer engagement and supported greater vehicle financing penetration.

Toyota Smart Finance



Toyota Smart Finance (TSF) is a digital financing platform designed to simplify and enhance the vehicle financing journey for Toyota customers. The platform offers a seamless, one-stop solution that enables customers to compare financing options from multiple partner banks, select their preferred Toyota model, variant, color and dealership, and submit financing applications online without the need to visit multiple banks or dealerships. With real-time application tracking and official Toyota support, TSF delivers a faster, more convenient and transparent financing experience.

For banking partners, TSF provides access to qualified customer leads, greater visibility through Toyota's official digital platform and the flexibility to manage financing offers efficiently. By streamlining the financing process through a digital channel, the platform strengthens collaboration with partner banks and supports the growth of vehicle financing across Toyota's banking network.

Auto Finance Market

During FY2025–26, the auto-finance market continued its growth trajectory, supported by improving economic conditions and a relatively stable policy rate environment, with interest rates ranging between 11.0% and 11.5% during the year and standing at 11.5% at year-end. The favorable financing landscape, coupled with enhanced consumer confidence, contributed to increased demand for vehicle financing across the industry. Toyota further strengthened its presence in the auto finance segment through strategic partnerships with its valuable partner banks and targeted financing campaigns.

LAND CRUISER PRADO

IMC proudly launched the all-new Toyota Land Cruiser Prado 2024 in Pakistan, reaffirming its commitment to performance, safety and iconic off-road capability.

The latest generation seamlessly bridges the vehicle's legendary off-road heritage with modern innovation and prestige, blending rugged capability with sophisticated design and cutting-edge technology.

Underlining IMC's focus on digital transformation, IMC launched the automotive industry's first-ever AI-generated DVC, setting a new benchmark for brand engagement.



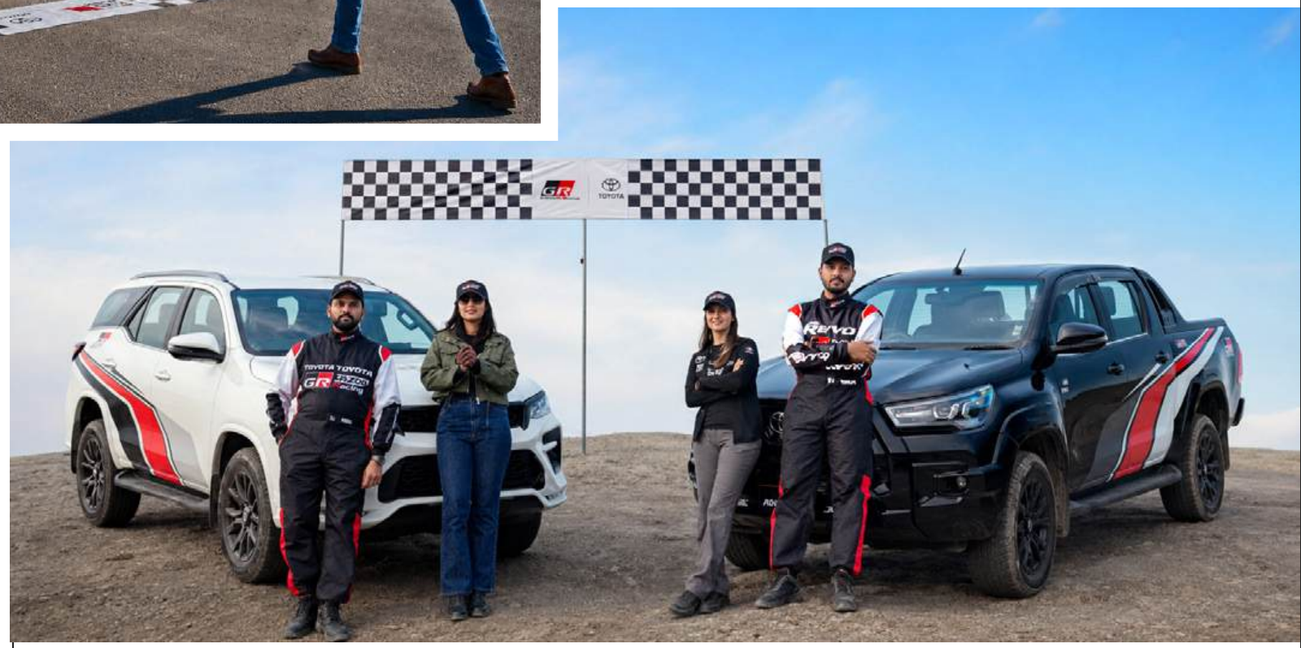
GR TOYOTA GAZOO Racing FLAG RUSH











IMC launched the GR Flag Rush series, Pakistan's first-ever episodic off-road competition, designed to establish the Toyota IMV lineup as the leader in the off-road category. Rooted in the message, "Made in Pakistan, for Pakistan," the series celebrated Toyota's commitment to local manufacturing by demonstrating how the Revo GR-S and Fortuner GR-S are engineered to conquer Pakistan's diverse and demanding terrains. Through an engaging storytelling format, the series transformed vehicle capability into compelling adventures, bringing Toyota's engineering excellence, quality and reliability to life for audiences across the country.

The five-episode digital series brought the Toyota Revo GR-S and Fortuner GR-S head-to-head across some of Pakistan's most challenging terrains, including rugged Panjpeer rocks, dense forests, vast Sarfaranga deserts and the extreme landscapes of Shigar Valley, all in pursuit of the coveted red flag.

Hosted by renowned actor Ali Safina, the series featured popular influencers including Abdullah Marwat, Fatima Nasir, Minahil and Usama Siddiqui, creating an engaging blend of adventure, competition and storytelling. Each episode showcased the exceptional capability and performance of Toyota's flagship off-road vehicles under real-world conditions. Published on YouTube, the campaign generated more than 50+ million impressions, reinforcing Toyota's leadership in Pakistan's adventure and off-road segment through immersive, experience-driven content.

Built to be UNBEATABLE *Campaign*



IMC launched a digital campaign for the Toyota Revo GR-S and Fortuner GR-S, combining striking visuals with premium creative execution to showcase the vehicles' key features and capabilities. The campaign highlighted signature GR-S specifications, including power, torque, off-road capability and distinctive design elements, through a stylized and contemporary approach. By bringing the vehicles' bold styling, commanding presence and performance credentials to the forefront, the campaign forged an emotional connection with consumers, inspiring audiences to aspire, to own and experience the GR-S lineup.

The campaign achieved exceptional reach, generating over 90 million impressions across digital platforms. Strategic content placements across leading publications, including Business Recorder, Profit and Tribune, further amplified visibility among business and automotive audiences. Through its integrated approach, the campaign successfully strengthened Toyota's position as the benchmark for capability and off-road excellence in Pakistan.

35 Year Celebration

To commemorate 35 years of Toyota in Pakistan, IMC launched a special promotional campaign for the Fortuner G and Fortuner V variants. The initiative offered Toyota's flagship SUV to its customers at an attractive limited-time pricing opportunity.

The campaign received an overwhelming market response, with bookings reaching full capacity within weeks. Driven by exceptional customer demand, Fortuner sales increased by an impressive 980%, making it one of the most successful sales campaigns in the model's history. The initiative reaffirmed Toyota's enduring customer trust and strong market appeal in the premium SUV segment.



True SUV *Campaign*

IMC executed a targeted influencer campaign to raise awareness about the unique advantages of the Toyota Fortuner, positioning it as the only locally manufactured true SUV, featuring body-on-frame construction. The campaign highlighted key differentiators including superior off-road capability, robust 4x4 performance, greater towing capacity and ease of repair compared to crossover vehicles built on monocoque or unibody platforms.

Through an influencer-led campaign, we educated audiences on the engineering strengths that have made the Fortuner a preferred choice among adventure enthusiasts and utility-focused customers.



Effies PK Fortuner Display

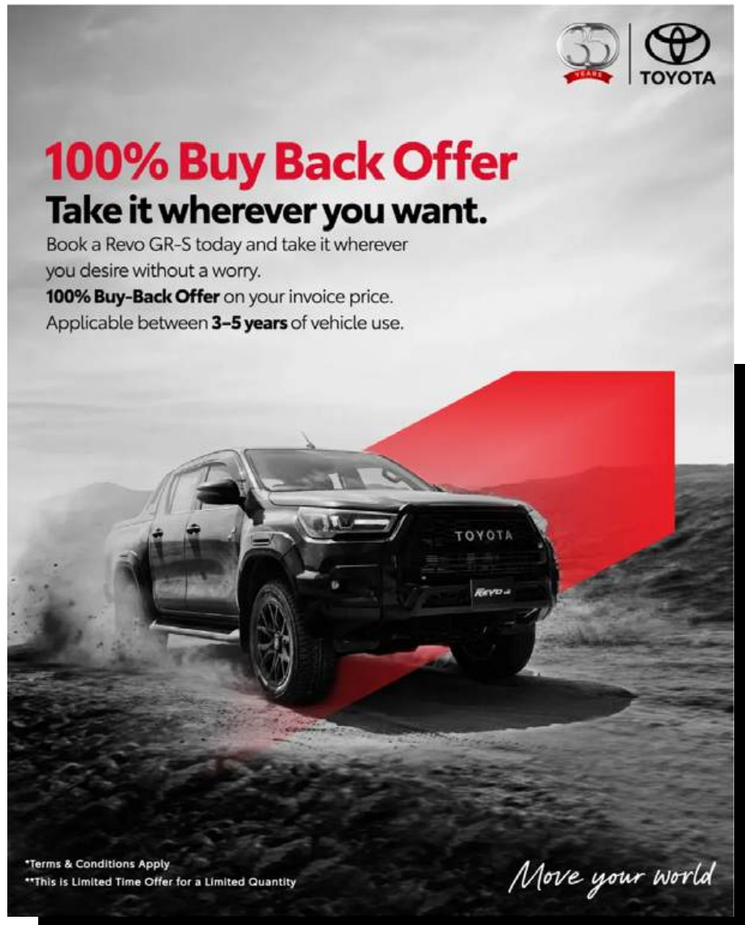


The Toyota Fortuner GR-S took center stage at Effie Pakistan, making a powerful statement about what a True SUV represents in the country's automotive landscape. Before a gathering of the nation's most influential marketers and brand leaders, the display reaffirmed the Fortuner's reputation as a vehicle built for prestige and luxury.

Renowned for its commanding presence, premium appeal and strong value proposition, the Fortuner continues to be the preferred choice of business leaders and professionals who seek a vehicle that reflects their lifestyle. The Fortuner GR-S drew significant attention throughout the event, with its bold styling, refined design and luxury.

The response was remarkable. With a footfall exceeding over 800 business leaders, the Fortuner became one of the most visited activations at the event, reinforcing its position as one of Pakistan's most aspirational SUV. The showcase further strengthened the association of the Fortuner brand with prestige, trust and a status symbol.

THE 100% Revo Buyback Campaign



QUALITY
RELIABILITY
DURABILITY
RESALE

IMC launched an industry-leading buyback campaign for the Toyota Revo GR-S, offering customers 100% buyback of the original invoice price after three to five years of ownership. The initiative reinforced Toyota's unmatched resale value and demonstrated the Company's confidence in the vehicle's long-term quality, durability and reliability.

Supported by leading automotive influencers, including Azlan Shah, Osamah Nasir and Suneel Munj, the campaign strengthened Toyota's value proposition and showcased a market-leading commitment unmatched in Pakistan's automotive industry.



EXPLORE WITH YASIR HUSSAIN



IMC partnered with acclaimed actor and entertainer Yasir Hussain for a three-part digital series showcasing the Toyota Revo GR-S across the diverse landscapes of Sindh. As an existing Revo GR-S owner who relies on the vehicle as his preferred choice of mobility, Yasir was a natural fit for the collaboration, bringing authenticity and relatability to the campaign. Through three engaging episodes, the series explored the region's rich culture, food, heritage and remote communities while demonstrating the Revo's versatility and dependability in rural Sindh.

Published on YouTube, the series highlighted how the Revo GR-S bridges the gap between urban centers and hard-to-reach destinations, enabling meaningful journeys across challenging terrains. By combining storytelling, exploration and vehicle capability, the campaign successfully connected audiences with both the product and the communities it serves.





OFF-ROAD *Legend*

Toyota at Pakistan's Premier Off-Road Rallies

Motorsport and off-road rallies have long been an integral part of Toyota's legacy in Pakistan. Continuing this tradition, IMC actively participated in the Hub Rally and Cholistan Rally, using these prestigious platforms to showcase the capability and endurance of the Toyota Revo and Fortuner.

The events provided an ideal environment to demonstrate the vehicles' performance under extreme conditions, further strengthening Toyota's association with off-road motorsports. A strategic collaboration with PakWheels during the Cholistan Rally amplified digital reach and highlighted the supremacy of the Revo GR-S in one of Pakistan's most demanding rally environments. Through these initiatives, Toyota continued to inspire adventure while reinforcing its leadership in the off-road segment.

58 Dealerships

Toyota Abbott Motors
Toyota Airport Motors
Toyota Azad Motors
Toyota Bahawalpur Motors
Toyota Canal Motors
Toyota Cantt Motors
Toyota Capital Motors
Toyota Central Motors
Toyota Chakwal Motors
Toyota Chenab Motors
Toyota Chiltan Motors
Toyota City Motors
Toyota Clifton Motors
Toyota Creek Motors
Toyota D.G. Khan Motors
Toyota D.I. Khan Motors
Toyota Defence Motors
Toyota Eastern Motors
Toyota Faisalabad Motors
Toyota Fort Motors
Toyota Frontier Motors
Toyota G.T. Motors
Toyota Garden Motors
Toyota Gateway Motors
Toyota Gujrat Motors
Toyota Highway Motors
Toyota HN Motors
Toyota Hub Motors
Toyota Hyderabad Motors
Toyota Islamabad Motors
Toyota Jhelum Motors
Toyota Jinnah Motors
Toyota Khyber Motors
Toyota Lyallpur Motors
Toyota Mandi Bahauddin Motors
Toyota Mardan Motors
Toyota Multan Motors
Toyota Point Motors
Toyota Port Qasim Motors
Toyota Quetta Motors
Toyota Rahwali Cantt Motors
Toyota Ravi Motors
Toyota Rawal Motors
Toyota Royal Motors
Toyota Sahara Motors
Toyota Sahiwal Motors
Toyota Sargodha Motors
Toyota Shaheen Motors
Toyota Shahrah-e-Faisal Motors
Toyota Sialkot City Motors
Toyota Society Motors
Toyota Southern Motors
Toyota Sukkur Motors
Toyota Township Motors
Toyota University Motors
Toyota Walton Motors
Toyota Western Motors
Toyota Zarghoon Motors



Our Dealers

Relevant SDGs

IMC's authorized dealership network is the primary interface between the Company and its customers, delivering Toyota's products and services while strengthening customer confidence and supporting long-term business growth. The network contributes to product quality, customer satisfaction, after-sales excellence and responsible business practices, while generating economic value through employment, local procurement, taxation and compliance with applicable regulatory requirements.

With 58 authorized dealerships across 26 cities, IMC provides nationwide access to new vehicles, Toyota Genuine Parts, after-sales services and technical support. Through the Toyota Sure (T-Sure) program, customers can also purchase certified pre-owned vehicles and access trade-in services supported by Toyota's quality standards.

To maintain consistent service standards across the network, IMC works closely with its dealerships through structured performance management, operational support and continuous capability development. Dealership performance is regularly evaluated against operational, technical and customer service criteria, while exceptional performance is recognized annually at the Company's Dealer Conference, reinforcing a culture of operational excellence and continuous improvement.

TEAM-GP

Technical Capability Development

As vehicle technologies continue to evolve, IMC develops dealership capability through the Toyota Education and Management System - Global Program (TEAM-GP), which combines digital learning, classroom training and practical competency assessments to strengthen technical knowledge and service excellence.

During FY2025-26, IMC delivered 23,576 training hours to dealership personnel (FY2024-25: 18,196 hours), supporting certified Diagnostic Master Technicians across the dealership network. The program enhances technical capability, diagnostic accuracy and service quality while reinforcing Toyota's global principle of "Fix it Right the First Time."

Additional technical program are delivered for fleet customers and corporate service teams, extending technical capability across the wider automotive ecosystem and supporting consistent, high-quality customer service.

Promoting Sustainability Across the Dealer Network

IMC promotes responsible environmental, health and safety, labor and ethical business practices across its authorized dealership network through operational requirements, technical guidance and periodic performance reviews. These measures support regulatory compliance, responsible resource management and continual improvement while strengthening a resilient and responsible dealer network. Dealership performance evaluations also consider compliance with relevant environmental, health and safety and operational requirements, supporting responsible business practices across the network.

Building a Greener Dealership Network

IMC continues to strengthen the environmental performance of its authorized dealership network by implementing Toyota's Asia Pacific Ecology (APECO) Standards and expanding the adoption of renewable energy across dealerships. The APECO program establishes consistent environmental management practices that help protect natural resources, prevent pollution and promote continual environmental improvement throughout the dealer network.

Under the program, dealership workshops are required to install and maintain Oil-Water Separator (OWS) systems that treat workshop wastewater by removing oil, sludge and suspended particles before discharge, helping protect water resources and comply with applicable environmental requirements. Dealerships are also required to store used oil, oil filters and other regulated waste in designated containers for collection and disposal through authorized waste management contractors, while routine inspection and maintenance of wastewater treatment systems further support responsible waste management and pollution prevention.

So far, 56 of IMC's 58 dealerships (approx. 97%) have been certified under the APECO program, with compliance verified through periodic assessments and annual audits to support continual improvement in environmental performance.

APECO Certified Dealers	FY2025-26	FY2024-25
Dealers Certified on APECO	56	55
Dealers Not Certified on APECO	2	3
Total	**58**	**58**

Complementing these environmental management practices, IMC continued to advance its Green Dealership initiative by promoting the adoption of renewable energy across the dealer network. By the end of FY2025-26, a total of 49 (FY2024-25: 46) dealerships were fully powered by renewable energy, while two additional dealerships were partially powered by solar energy.

Green Energy Network Journey	FY2025-26	FY2024-25
Green Energy Dealers	49	46
Partially Green Energy Dealers	2	3
Non-Green Dealers	7	9
Total	**58**	**58**



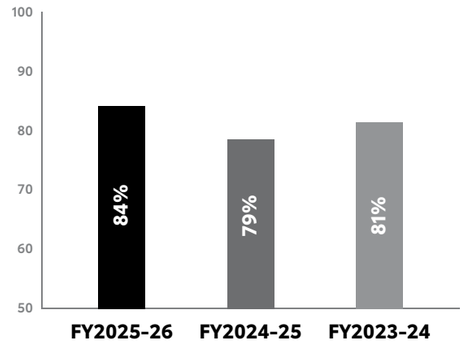
Creating a positive ownership experience throughout the vehicle lifecycle is central to IMC's approach to customer value. Guided by The Toyota Way in Sales and Marketing (TWSM), Toyota Service Marketing (TSM) and Toyota's Global Customer Relations Standards, the Company integrates customer expectations across product quality, sales, after-sales services and continuous improvement.

Through its nationwide dealership network, IMC provides safe, reliable and high-quality mobility solutions supported by professional sales advice, genuine Toyota parts, approved lubricants and maintenance services. Customer awareness programs on preventive maintenance, road safety and responsible vehicle ownership further support reliability and safe driving.

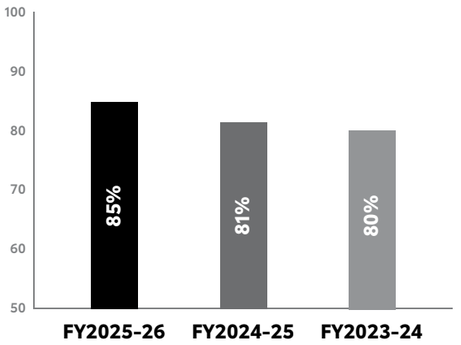
Customer feedback from dealerships, surveys and other channels is systematically analyzed to identify improvements in products, services and processes. Regular Customer Satisfaction Index (CSI) and Sales Satisfaction Index (SSI) assessments, conducted through independent third-party surveys, provide objective insights into customer perceptions and dealership performance, supporting targeted improvements across sales and after-sales operations.

During FY2025-26, customer satisfaction improved across both areas, with CSI increasing from 79% to 84% and SSI from 81% to 85%. The improvement reflects continued efforts to strengthen cross-functional coordination, delivery planning and the overall customer experience.

Customer Satisfaction Index



Sales Satisfaction Index



Customer Satisfaction survey highlights the following Key Attributes:

CSI main attributes

- Service Initiation
- Service Advisor
- Service Facility
- Service Quality
- Loyalty Towards Service
- Vehicle Delivery Experience

SSI main attributes

- Purchase Experience
- Dealer Facilities
- Delivery Experience
- Value Added Products
- Overall Satisfaction

IMC is committed to continuing to strengthen customer engagement by enhancing digital service capabilities, improving responsiveness across its dealership network and leveraging customer insights to support product quality, service excellence and long-term customer trust.

TOYOTA Sure

Inspection App Launch



As part of Toyota Sure's commitment to transparency and customer confidence, the Toyota Sure Digital Inspection Service was launched in November 2025 to standardize used vehicle inspections across Pakistan.

Since its launch, the service has completed 10,000+ inspections nationwide through the Toyota Sure Inspection App, which conducts a comprehensive 203+ point inspection covering the vehicle's exterior, interior, engine, safety systems and overall condition.

The inspection service is available at Toyota Sure dealerships as well as at the customer's preferred location, with no additional charges for on-site inspections.

The Toyota Sure Digital Inspection Service reflects our commitment to delivering a transparent, standardized and convenient vehicle evaluation experience for customers across Pakistan.

TOYOTA SURE

Toyota's commitment to delivering value beyond vehicle ownership is strongly reflected in the success of the Cities Gala initiative, which has rapidly emerged as a powerful customer engagement and business generation platform across the network. In just eight months, 15 City Galas have been successfully conducted across 7 cities, creating impactful opportunities to connect with customers while actively driving after-sales growth through T-Sure, trade-ins and Value-Edit Services.

The initiative has contributed to a notable increase in vehicle inspections and strengthened awareness around Toyota Trust-certified processes, reinforcing customer confidence in both new and pre-owned offerings. By seamlessly integrating inspection services, trade-in facilitation and value enhancement solutions within a single experience, the galas have effectively boosted lead generation, conversions and overall customer retention. This momentum highlights Toyota's strategic focus on transparency, reliability and lifecycle value, further solidifying its position as a trusted mobility partner committed to long-term customer satisfaction and sustainable business growth.

15 *galas*

Footfall: **12K+**

Inquiries: **10K+**

Conversions: **1K+**



Karachi **Sukkur** **Rahim Yar Khan** **Multan** **Faisalabad**

Lahore **Abbottabad** **Jhelum** **Islamabad**

Dealer HOD Conference

After seven years, Toyota's Dealer HOD Conference at Nathiagali reunited the leaders, visionaries and changemakers who form one of the strongest sales forces in Pakistan's automotive industry. Bringing together the driving force behind Toyota's nationwide dealer network, the event was a celebration of shared success, collaboration and the relentless pursuit of excellence.

The event was held in the presence of Mr. Ali Asghar Jamali, CEO of IMC and Senior Executive Coordinators, Sales & Marketing at IMC, Mr. Victor Cheyi Lin and Mr. Shintaro Tanaka, adding further significance to this important gathering.

The conference served as a platform to reflect on achievements, discuss future opportunities and strengthen the bonds that have enabled Toyota to maintain its position as one of the country's most trusted automotive brands. It was inspiring to witness so many dedicated professionals, each playing a vital role in delivering exceptional customer experiences and driving sustainable growth by gathering under one roof.



Toyota Way For The Next Generation

To strengthen leadership for the future, Toyota organized a Toyota Way Training and overview session for the next generation of CEOs and directors across its dealer network.

The session introduced participants to Toyota's core values, leadership principles and management philosophy, with a focus on continuous improvement, customer-first thinking and long-term sustainability. It provided future leaders with valuable insights into the culture and mindset that have driven Toyota's success globally.

By investing in the development of emerging leaders, Toyota continues to build a strong foundation for the future, ensuring that the next generation is well equipped to uphold the Company's values and lead with excellence.



Pakistan Auto Show

PAPS

Pakistan Auto Show (PAPS) 2025 provided a platform for IMC to showcase the progress of local automotive manufacturing and the capabilities developed through sustained investment in localization. Participating as Diamond Sponsor at the event, held at Expo Center Karachi from November 14 to 16, IMC brought its "Make in Pakistan" philosophy to life through exploded displays of the Toyota Yaris and Corolla Cross, offering visitors a closer look at the locally manufactured components within both models.

The showcase reflected a journey built over 35 years of investment in local manufacturing, supplier development and technical capability. Through its growing vendor network and continued technology collaborations, IMC has worked to deepen localization while supporting employment, industrial development and greater value creation within Pakistan.

Through its presence at PAPS 2025, IMC demonstrated both the progress localization has made possible and the industrial potential that remains to be realized as Pakistan builds a stronger automotive manufacturing ecosystem.

Celebrating 35 YEARS

IMC Port Qasim Plant Visit

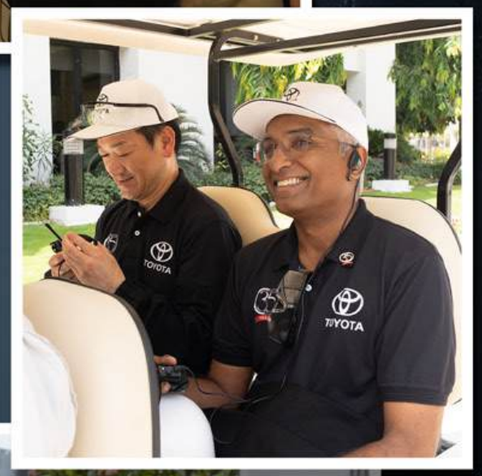










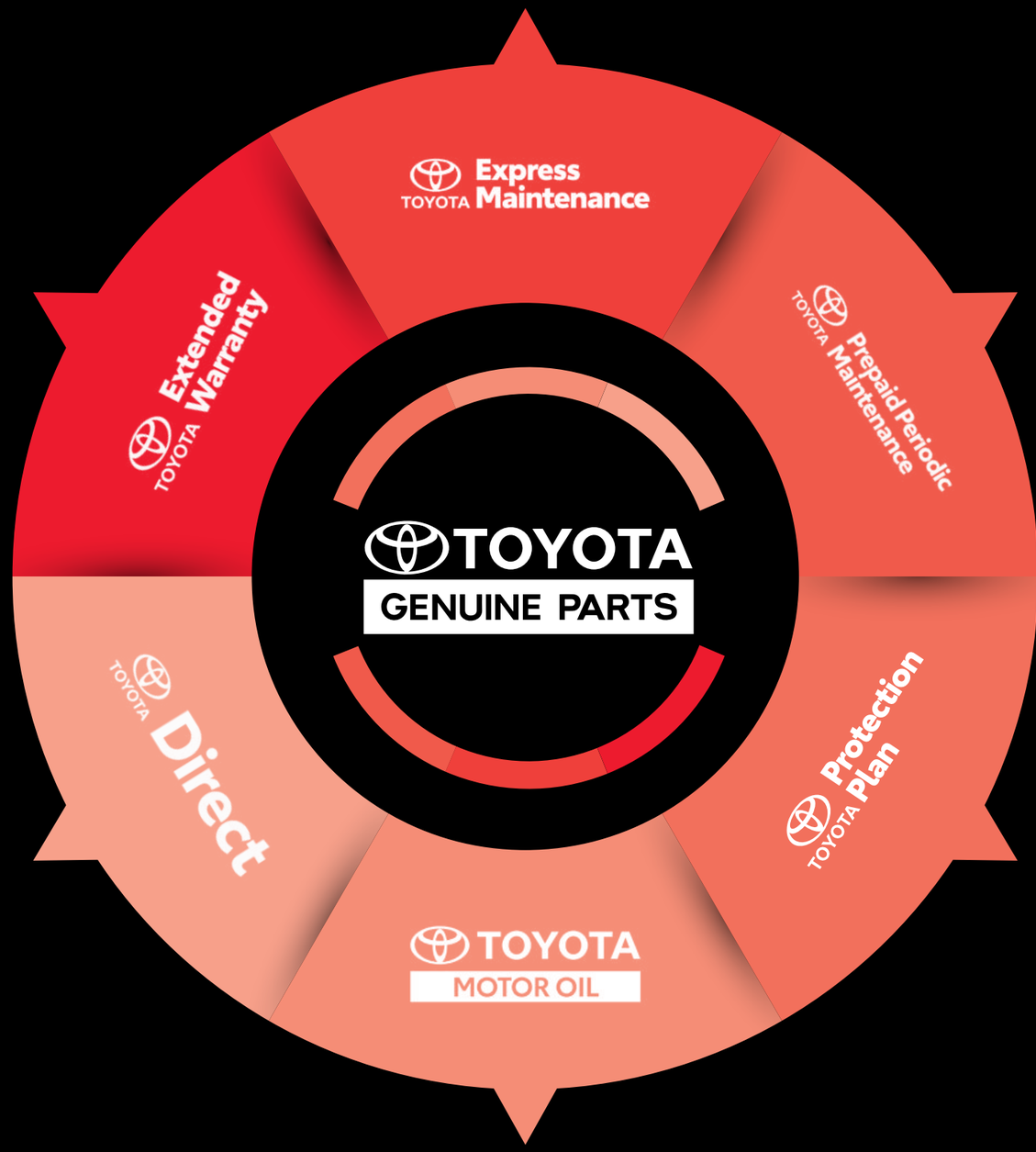






CUSTOMER FIRST

CUSTOMER First



Toyota Protection *Plan*

The Toyota Protection Plan (TPP) continues to strengthen Toyota's commitment to delivering a convenient, reliable and value-added ownership experience. TPP provides customers with access to highly competitive insurance packages, including reduced depreciation rates, genuine Toyota body parts replacement and other exclusive benefits, offering greater choice, confidence and peace of mind throughout their ownership journey.

During the year, IMC further strengthened the TPP ecosystem by onboarding Adamjee Insurance Company Limited and Jubilee General Insurance, expanding its network to six trusted insurance partners. These include Habib Insurance Company Limited, Adamjee Insurance Company Limited, Jubilee General Insurance, TPL Insurance Limited, United Insurance Company Takaful and Salam Takaful Limited Insurance. Through these partnerships and Toyota's Authorized Dealership network, TPP enables customers across Pakistan to access reliable insurance coverage and a hassle-free claims experience tailored to their individual needs.

Reflecting growing customer awareness of vehicle protection benefits and the dealer network's continued focus on value-added ownership solutions, TPP recorded an 11.8% year-on-year growth during the year. In line with Toyota's commitment to Kaizen, TPP continues to evolve its services and holds strong potential for further expansion, ensuring customers can enjoy greater convenience, quality service and the peace of mind they rightly deserve.





Prepaid Periodic *Maintenance* (PPM)

At IMC, customer convenience and long-term vehicle care remains a key priority. The Prepaid Periodic Maintenance (PPM) program offers customers a smart, cost-effective and hassle-free solution for maintaining their Toyota vehicles, while helping reduce the cost of routine maintenance over time.

The program provides scheduled maintenance performed by Toyota-Certified Technicians using Toyota Genuine Parts, ensuring optimal vehicle performance, safety and reliability while helping preserve the vehicle's resale value. PPM is available for all locally manufactured Toyota models, including Yaris, Corolla, Corolla Cross, Hilux Revo and Fortuner, as well as imported models such as Land Cruiser and Prado.

PPM continued its upward trajectory, achieving a 32.7% year-on-year growth. The increase reflects stronger customer retention, enhanced dealer engagement and the growing preference for genuine Toyota maintenance solutions.



Extended *Warranty*

Building on IMC's long-standing reputation for durable and reliable vehicles, the Company offers a two-year extended warranty in addition to the standard three-year manufacturer's warranty, providing customers with up to five years of warranty coverage. The Extended Warranty is available in two packages, tailored to meet the customers' mileage needs and ensuring maximum warranty coverage for their peace of mind.

However, for Corolla Cross customers the Extended Warranty is being offered upto 6th year. Toyota is the first OEM in Pakistan to launch extended warranty of a hybrid battery for its Corolla Cross model. Customers have option to buy an extended warranty of battery upto 10 years.

IMC has always remained committed to consistently improve its products and services to create maximum customer satisfaction. The extension in the warranty period offers our customers peace of mind for additional miles, enhanced vehicle performance and increased resale value.

EW achieved 30.3% year-on-year growth, highlighting customers' growing confidence in Toyota's aftersales offerings and reinforcing IMC's commitment to providing long-term peace of mind through extended warranty coverage.



PPM & EW Awareness *Campaign*

At IMC, enhancing customer awareness of Toyota's aftersales offerings remains a key priority. To encourage customers to make informed ownership decisions, IMC launched the Prepaid Periodic Maintenance & Extended Warranty Awareness Campaign, highlighting the long-term value of periodic maintenance and extended vehicle protection.



As part of the campaign, a series of DVCs were developed to educate customers on the benefits of enrolling in Toyota's PPM and EW programs. Through engaging and relatable storytelling, the campaign demonstrated how these products provide greater convenience, cost savings, peace of mind and protection against unexpected repair expenses.

Through this initiative, IMC continues to strengthen customer confidence in Toyota's aftersales services while reinforcing its commitment to delivering a reliable, worry-free ownership experience.

Bank *Alliances*

To ensure Toyota customers always receive the best value, IMC has partnered with Habib Bank Limited to offer exclusive discounts of up to 25% on eligible HBL debit and credit cards, applicable to periodic maintenance and general repair services at Toyota Authorized Dealerships.

IMC's commitment to continuous improvement (Kaizen) aligns with the never-ending benefits that come with Toyota ownership. Toyota customers can avail this card discount at any of our 58 dealership locations across Pakistan, reinforcing IMC's promise of accessible, hassle-free service no matter where our customers are.



Toyota Direct *E-Commerce*

As part of Toyota's philosophy of customer delight, Toyota Direct was introduced as Pakistan's first OEM-backed e-Commerce platform for Toyota Genuine Parts, Toyota Motor Oil and Accessories delivered directly to customers' doorsteps.

Available at https://direct.toyota-indus.com, the platform features a comprehensive range of Toyota Genuine Parts, Toyota Motor Oil and high-quality accessories. With a focus on hassle free customer experience, ensuring convenience, authenticity and peace of mind for customers across Pakistan.

Keeping the tradition of always delivering the best customer experience, IMC continuously strives to find innovative ways to ensure customer satisfaction. These campaigns are tailored to the unique needs of our customers, reinforcing IMC's commitment to their comfort, safety and peace of mind.



Wafi Energy & IMC Enter Strategic Lubricant Partnership

IMC proudly joins hands with Wafi Energy through a strategic MOU for the blending of selected grades of Toyota Motor Oil (TMO).

Focused on delivering enhanced performance, reliability and innovation, this collaboration reflects our shared commitment to quality and customer confidence.



Technical Skill *Enhancement*

General Service National Skill Contest

Every year, IMC organizes the National Skill Contest for General Service and Body & Paint technicians to assess safety, standard operating procedures and workmanship. In 2026, 511 technicians from 35 dealerships participated in the General Service category. Following regional assessments, 153 technicians were shortlisted and 20 finalists competed at the National Skill Contest held at the IMC Training Center.



Inauguration of New T-TEP TOYOTA Technical Education Program Institute

Toyota Technical Education Program (T-TEP) is Toyota's global vocational training initiative that develops skilled automotive professionals while strengthening local technical education.



In December 2025, IMC inaugurated a new T-TEP institute at the Government College of Technology, Peshawar, expanding the network to five institutes across Pakistan. The program familiarizes students with the latest automotive technologies, supports dealer recruitment and enhances the technical capabilities of Toyota's after-sales service network.

With the addition of the Peshawar institute, IMC now supports five T-TEP institutes located in Lahore, Islamabad, Peshawar and Karachi. Since the program's inception, IMC has provided Rs. 138.6 million in support through training equipment, SSTs, technical literature and operating expenses.

T-TEP Career Day 2026

IMC organized T-TEP Career Day across all T-TEP institutes to connect graduates with opportunities across the Toyota Authorized Dealer network. A total of 390 students participated in the recruitment drive, 140 were shortlisted for interviews and 76 graduates (54%) were hired by Toyota dealerships.





Celebrating 35 YEARS

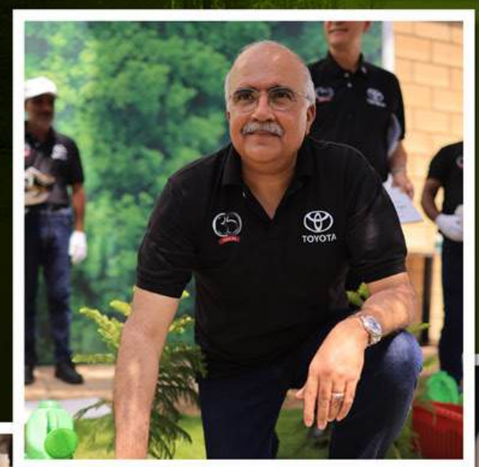
Million[th] Tree Plantation Drive

















MANUFACTURING *Operations*



Pakistan X Malaysia Director Synergy Committee

Strengthening Manufacturing Competitiveness Through Continuous Reform

Since launching its Manufacturing Reform initiative in 2020, IMC has achieved significant improvements in key operational KPIs.

However, as performance gains have begun to stabilize, the Company is focusing on the next phase of transformation to strengthen export readiness and enhance competitiveness against emerging global manufacturers.

The IMC × ASSB Director Synergy Committee meeting in January 2026 reviewed achievements, ongoing initiatives and future plans.

- Opportunity for AP MFG. ➔ Learn & Connect via mutual Thinking Way
- Strategy Action ➔ Prepare for Future Challenge.

KPIs serve as diagnostic tools to drive continuous improvement, elevate operational benchmarks and empower talent development.

The forum also enabled open knowledge sharing on topics such as takt time optimization, maintenance, capability development and future manufacturing roadmaps, reinforcing IMC's commitment to continuous learning and operational excellence.



Remarkable Success at Asia Pacific Skill Contest

IMC proudly achieved its highest number of medals at the Asia Pacific Skill Contest 2025, securing an impressive four silver medals and bronze medal.

This remarkable accomplishment reflects the exceptional technical expertise, dedication and competitive spirit of IMC's workforce.

Competing against top talent from across the Asia Pacific region, our champions demonstrated world-class skills, precision and commitment to excellence.

Beyond the medals, this achievement underscores IMC's strong culture of continuous learning, capability development and manufacturing excellence. It stands as a testament to the hard work of our participants, mentors and training teams who consistently strive to raise performance standards.

As we celebrate this historic milestone, we take pride in the skill, passion and determination that continue to drive IMC's success and strengthen our position within the global Toyota family.

5 Medals, One Historic Milestone





Driving Excellence Through *Continuous Improvement*

32nd QCC Convention 2025

From Continuous Improvement to Global Recognition

The 32nd Quality Control Circle (QCC) Convention at IMC began with an impressive 507 registered themes, setting the stage for one of the most competitive conventions to date. Through a rigorous evaluation process, 257 themes advanced to the Pre-Elimination Round, followed by 133 in the Secretariat Round, 110 in the 1st Round, 43 in the Battle Round and 21 in the Semi-Finals. After an intense competition, only 11 outstanding teams earned a place in the QCC Mega Event, reflecting the challenging journey and the exceptional problem-solving and analytical capabilities of IMC employees.



A key highlight of this year's convention was the introduction of the Battle Round, designed to strengthen Root Cause Analysis (RCA) and emphasize the quality of problem-solving rather than the quantity of themes. This initiative significantly enhanced the analytical depth of participating teams.





The success of Assembly CV extended beyond IMC, as the team represented the Company at the 35th Global QCC Convention (GQCC) in Japan, where its project received recognition for Best Analysis—a proud achievement that reflects IMC's commitment to world-class quality and continuous improvement.

The Manufacturing Champion, Assembly CV "The Master Mind", earned top honors with its Quality Improvement Kaizen, while Commercial's "Mediators" emerged as the Non-Manufacturing Champion.

From 507 Ideas to *Global Recognition*

One Circle. One Idea.
One Improvement at a Time.

From Learning to Leadership: Building TPS Capability Across *Manufacturing*

Over time, IMC has consistently strengthened Toyota Production System (TPS) practices through daily discipline, trainings and process enhancements. In FY2025-26, we focused on further refining these practices across the plant with targeted, high-impact initiatives. This demonstrates our commitment to operational excellence, waste reduction and employee-driven innovation.



Key Focus Areas in FY2025-26

- Full-scale deployment of Material and Information Flow Charts (MIFC) across major departments
- Enhanced implementation of Standardized Work and Visual Management
- Strategic rollout of Kaizen events and employee driven improvement initiatives
- Expand TPS knowledge to Manufacturing managers.

Manager TPS Development Program: Learning, Applying, Improving

To strengthen TPS understanding and leadership capability, TPS Basic Training was conducted for 35 manufacturing managers and engineers in collaboration with TMA OMDD. The initiative aimed to expand TPS knowledge across 100% of manufacturing managers.



Phase I: JIDOKA Training

The first phase covered JIDOKA principles, problem-solving techniques and quality built into the process. Through classroom learning and practical exercises, participants strengthened their ability to identify abnormalities and implement effective countermeasures.



Phase II: Standardized Work Training

The second phase focused on standardized work, emphasizing safe, quality-assured and efficient work methods. Managers enhanced their understanding of work sequence, takt time and waste elimination through Genba-based learning and practical application.

The development program will continue with Just-In-Time (JIT) training in the coming months, further strengthening TPS implementation and operational excellence across manufacturing operations.

Driving Innovation Through Manufacturing DX & AI

A New Era of Innovation

Building on last year's digital transformation (DX), IMC continued advancing smart manufacturing through AI and digital solutions. These initiatives have enhanced productivity, quality and operational efficiency while laying the foundation for a more connected and future-ready manufacturing environment.

Digitalization

To build on-ground capability, targeted training sessions were conducted to become innovation leaders

in their respective areas

1. IBOARD: IBOARD enables leaders to monitor KPIs digitally, improving decision-making, reducing paperwork and strengthening Kaizen activities across manufacturing.

2. Power BI Dashboards: Interactive dashboards provide real-time production insights in the weld, paint, assembly and quality areas, enabling faster issue identification, quicker corrective actions and improved process stability. Engineers are trained in Power BI, equipping them to design dynamic dashboards that enhance data visualization and bring greater clarity to performance tracking. Trained members can now effectively transfer these skills and develop members within teams to create Innovativion Leaders.

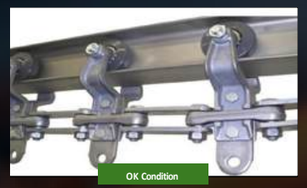
AI Champs Development

To build AI capability across the organization, IMC launched the AI Champions initiative, creating a network of trained employees driving AI adoption.

An AI-based vision system that:

- Monitors rollers movement
- Detects defects automatically
- Sends instant alerts to minimize downtime

In continuation of these efforts, shop-wise training programs were conducted to develop additional PICs alongside the AI Champs, enabling wider participation in AI initiatives across manufacturing processes.





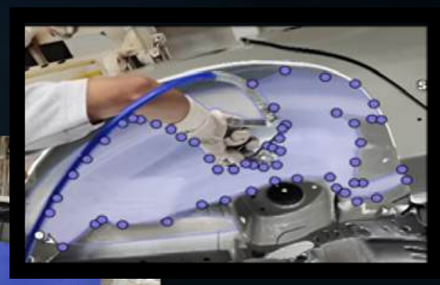
AI Based Visual Inspection Systems

Building on the successful integration of AI into manufacturing, IMC continues to expand the deployment of intelligent inspection systems that enhance quality, safety and productivity. With AI becoming an integral part of manufacturing operations, the following ongoing projects will further accelerate IMC's digital transformation and strengthen its journey toward smarter manufacturing

Sealer Detection System

To enhance inspection accuracy and quality assurance, the Innovation Engineering Group, in collaboration with FAST University, initiated the development of an AI-based Sealer Detection System. AI vision verifies sealant application in real time, improving inspection accuracy and reducing quality defects.









Fire & Smoke Detection System

With safety as a top priority, the Innovation Engineering Group initiated the implementation of an AI-based Fire & Smoke Detection System to strengthen workplace safety and risk management. AI-powered monitoring enables early fire and smoke detection, improving workplace safety and response time.

Safety Non-Compliance Detection System

To strengthen compliance with IMC's safety standards, the Innovation Engineering Group introduced an AI-based Safety Non-Compliance Detection System. Computer vision identifies unsafe behaviors in real time, enabling immediate corrective action and strengthening workplace safety.





Lights & Emblems AI Detection System

To benchmark IMC's practices against leading Toyota affiliates, the Innovation Engineering Group initiated the development of the AI-based Lights and Emblems Detection System to automate the inspection of lamps and emblems during the Vehicle Performance Inspection (VPI) process. AI automates vehicle inspection by verifying lamps and emblems, improving inspection consistency while reducing rework.

Monozukuri Through Member *Well-Being*

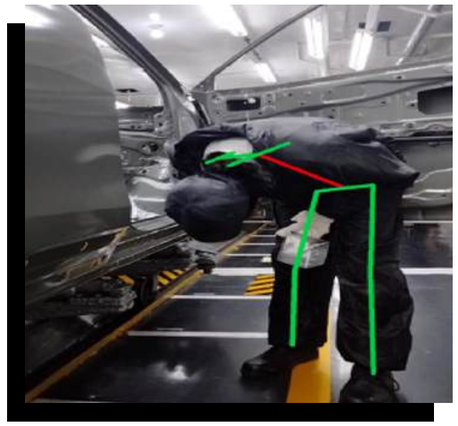
A New Era of Innovation

At IMC, continuous improvement and innovation drive the evolution of our manufacturing capabilities and people. The Monozukuri Innovation Center — Monozukuri, a Japanese term meaning "the art and spirit of making things," embodying craftsmanship, continuous improvement and pride in production serves as a hub for advancing digitalization, artificial intelligence, Karakuri and automation, bringing together creativity and practical industrial solutions.

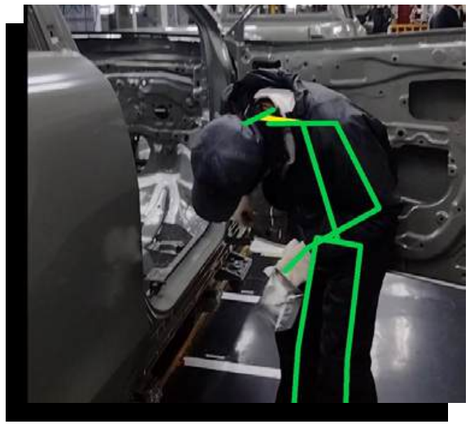
By investing in employee skills and implementing smart, sustainable innovations, IMC is fostering a culture of excellence that enhances operational efficiency and supports the development of a smarter, more resilient manufacturing industry in Pakistan.

Karakuri: Simple Ideas, Powerful Impact

Following discomfort surveys, TEBA assessments and AI-driven ergonomic analysis, IMC identified back strain as a key improvement area. The Innovation Engineering Group developed a Zero-Touch Supply Mechanism for battery and air cleaner transfer, automating parts movement from Logistics to Assembly through simple dolly alignment. The solution eliminates manual handling, improves ergonomics and workplace safety, enhances operational efficiency and reduces non-value-added activities.



Before Karakuri



After Karakuri

Bridging Industry and Academia to Empower Youth

Under the Make in Pakistan initiative, IMC, in collaboration with National University of Sciences & Technology, is developing Pakistan's first locally engineered Automated Guided Vehicle (AGV) to automate internal logistics and material movement.

The project combines industry expertise with academic innovation, reducing reliance on manual towing while showcasing local engineering talent and advancing autonomous manufacturing.





Building Automation Capabilities

IMC continues to strengthen employee capabilities through specialized Karakuri and automation training. Certified team members are implementing energy-efficient Kaizens that improve ergonomics, reduce manual effort and enhance operational efficiency.

The program builds practical expertise in low-cost automation while fostering a culture of continuous improvement and sustainable manufacturing.

POWERING SUSTAINABLE *Manufacturing*

Battery Energy Storage System (BESS)

IMC is deploying Battery Energy Storage System reinforcing its leadership in sustainable manufacturing and complementing its expanding solar footprint. The project strengthens grid resilience, supports Toyota's global sustainability goals and lowers energy costs while securing uninterrupted, reliable production.

- **Eradicate Grid Power instability**
- **Eliminate Solar Energy wastage**
- **Improve efficiency of self generation**

7.5MW / 15MWh Grid-Forming Architecture

A 0.5C solution designed for continuous voltage and frequency regulation via dynamic active/reactive power injection.

IMPACT AT A GLANCE

3 MW+
Additional solar capacity now supportable

26%+
Wasted solar energy captured & reused

90%
Stable genset load — running at peak efficiency

1,844t
CO_2 emissions cut, every year

Seamless Grid Shifting

The Sungrow GFM BESS architecture sustains loads uninterrupted during grid blackouts without waveform disturbances.

Optimized Sizing Logic

Utilizes a 1.28x Round Trip Efficiency (RTE) safety factor, combining 5MW for grid support and 2.5MW for generator efficiency.

Zero SQA for Second Consecutive Time

Zero Defect in TMA SQA Audit (2025)

In a significant achievement for Pakistan's automotive and manufacturing sector, IMC has once again been awarded "Zero Defect" status by Toyota Motor Corporation (TMC), placing Pakistan among Toyota's top-performing production facilities globally. The recognition follows Toyota's stringent Shipping Quality Audit (SQA), a global benchmark assessing adherence to the company's exacting quality standards across all affiliates.

Aligned with Toyota's focus on people development, IMC continues to invest in advanced capability-building initiatives, including the Inter Company Transfer (ICT) Program and Toyota's Global Skill Training (GST) initiative in Japan.









Excellence Quality Award – Third Consecutive Year (2025)

In 2025, IMC received the Excellence Quality Award for the third consecutive year from TMA CSQD in recognition of its outstanding performance against Customer Quality KPIs. The award reflects sustained achievements in warranty reduction, zero field actions and recalls and continued excellence in shipping quality.

These recognitions underscore the dedication and teamwork of IMC employees in driving continuous improvement across the organization. Alongside the Excellence Quality Award, the Company also received the Warranty Reduction Award and the Zero Field Action Award, reaffirming its commitment to delivering exceptional quality and customer satisfaction.



PRODUCT Development

53 Suppliers

Agriauto Industries Ltd.
Agriauto Stamping Company (Pvt) Ltd.
Ahmad Glass Industries (Pvt) Ltd.
Alba Engineering Company
Al-Badar Engineering Company
Al-Fattah Aluminium Industries (Pvt) Ltd.
Allco Transfer Printers (Pvt) Ltd.
Alsons Auto Parts (Pvt) Ltd.
A-One Techniques (Pvt) Ltd.
Atlas Battery Limited.
Auvitronics Limited.
Automate Industries (Pvt) Ltd.
Baluchistan Wheels Ltd.
Dawood Engineering (Pvt.) Ltd.
Exide Pakistan Ltd.
Faraz Industries (Pvt) Ltd.
Feroz Industries
G.I. Enterprises (Pvt) Ltd.
Ghandhara Tyre & Rubber Company Ltd.
Hawks Engineering Services (Pvt) Ltd.
Hinopak Motors Ltd.
Ravi Forgings (Pvt) Ltd.
Jodhala Complex (Pvt) Ltd.
Landhi Engineering Works (Pvt) Ltd.
Loads Ltd.
Mecas Engineering (Pvt) Ltd.
Mehran Commercial Enterprises
Metaline Industries (Pvt) Ltd.
National Automotive Components (Pvt)
Omar Jibran Eng. Industries Ltd
Pacific International (Pvt) Ltd.
Panther Sports & Rubber Industries (Pvt) Ltd.
PCI Automotive (Pvt) Ltd.
Pearl Packages (Pvt) Ltd.
Plastech Autosafe (Pvt) Ltd.
Precision Mates
Procon Engineering (Pvt) Ltd.
Ravi Autos Sundar (Pvt) Ltd.
Razi Sons (Pvt) Ltd.
Rubatech Manufacturing Co.Pvt Ltd.
Sapphire Finishing Mills Ltd.
S.T. Engineering Services (Pvt) Ltd.
Shaheen Automotive (Pvt) Ltd.
Stanley Industries
Synthetic Products Enterprises
Tecno Auto Glass Ltd.
Tecno Pack Telecom (Pvt) Ltd.
Thal Boshoku Pakistan (Pvt) Ltd.
Thal Limited
Thermosole Industries (Pvt) Ltd.
United Mechanical Industries (Pvt) Ltd.
Yaqeen Art Press (Pvt) Ltd.
MGA Industries (Pvt) Ltd.

*On the basis of supplier registration with IMC

Our Suppliers

Material Topic:
Procurement practices,
Supply chain impacts

Relevant SDGs

A reliable and responsive supply chain is fundamental to IMC's ability to maintain production continuity, meet customer expectations and support long-term business growth. During FY2025-26, global supply chains continued to face challenges arising from geopolitical developments, logistics disruptions, domestic import controls and foreign exchange constraints. Through proactive planning, continuous monitoring and close collaboration with suppliers and logistics partners, IMC maintained the continuity of its manufacturing operations throughout the reporting period.

IMC's procurement activities encompass imported CKD and CBU units, overseas components, locally manufactured production parts, genuine service parts, accessories and the goods and services required to support manufacturing and corporate operations. This balanced sourcing approach provides operational flexibility while supporting the continued development of Pakistan's automotive manufacturing ecosystem.

The Company's local supplier base comprises 53 Tier-I manufacturers across Sindh, Punjab and Balochistan, producing a diverse range of automotive components including sheet metal parts, electrical assemblies, rubber products and resin-based components. These suppliers play an important role in advancing localization, strengthening domestic manufacturing capability and generating employment across Pakistan's automotive sector.

During FY2025-26, payments to supply chain partners amounted to Rs.199 billion, representing a 17.8% increase over the previous year, reflecting higher production volumes. Local procurement accounted for 40.7% of total procurement, while imported sourcing represented 59.3%, consistent with the Company's production requirements and sourcing strategy.

IMC promotes environmentally responsible manufacturing through its Environmental Policy, supplier engagement programs and Toyota's Supplier Sustainability Guidelines, encouraging resource efficiency, pollution prevention, legal compliance and continual improvement across the supply chain.

Powering Localization

Localization remains a strategic priority for IMC, strengthening Pakistan's automotive industry while supporting national industrial development. Through close collaboration with suppliers, the Company promotes technology transfer, capability development and investment in modern manufacturing processes to meet Toyota's global quality and safety standards.

Embedding Sustainability Across Supplier Operations

IMC works closely with suppliers to strengthen responsible business practices, operational excellence and continuous improvement throughout the supply chain. Suppliers are encouraged to adopt Toyota Production System principles, including Toyota Quality Standards, Kaizen and Just-in-Time practices, supporting improvements in quality, productivity and resource efficiency through structured engagement, capability development and periodic performance reviews.

Supplier performance is evaluated through structured onboarding, periodic assessments and ongoing operational engagement. In addition to quality, cost and delivery performance, suppliers are encouraged to strengthen environmental management, occupational health and safety, labor practices and ethical business conduct to support alignment with IMC's responsible sourcing expectations.

Respect for human rights is embedded within IMC's supplier management approach. Supplier requirements prohibit child labor, forced labor and all forms of involuntary employment in accordance with applicable labor legislation and internationally recognized principles. Compliance is supported through supplier assessments, periodic reviews and ongoing engagement.

During FY2025-26, no reported cases of child labor, forced labor, or infringements of freedom of association and collective bargaining were identified within IMC's supplier network.

Supplier Carbon Reduction & Green Energy

Under the 8th Environmental Action Plan (EAP), IMC monitors CO_2 emissions associated with its supplier network to advance carbon reduction and renewable energy adoption. In FY2025-26, suppliers achieved 22,158 (tCO_2). The supplier green-energy network also expanded, with 7 suppliers converted to green energy, compared with 3 in FY2024-25.

Supplier Environmental Performance	FY2025-26	FY2024-25
Target carbon reduction (tCO_2)	21,613	22,301
Actual carbon reduction (tCO_2)	22,158	22,253
Suppliers converted to green energy	7	3
Non-green energy suppliers	46	50

Toyota Green Purchasing Guidelines

Environmental considerations are integrated into procurement decisions through Toyota's Green Purchasing Guidelines (GPG), which encourage suppliers to strengthen environmental management systems, improve resource efficiency and reduce the environmental impacts of their operations. As of FY2025-26, 41 suppliers were certified to ISO 14001:2015, demonstrating continued progress in environmental management across the supplier network.

IMC also promotes the use of returnable trolleys and reusable packaging systems to reduce packaging waste and improve resource efficiency. In accordance with Toyota Technical Standard TSZ0001G, suppliers are required to ensure that packaging materials are free from specified hazardous substances, including lead, cadmium, mercury, hexavalent chromium, brominated flame retardants, PFOS, HBCD, asbestos and dimethyl fumarate (DMF).

Together, these measures enhance environmental compliance, strengthen sustainable procurement practices and contribute to a lower-impact and more resilient supply chain.

Driving Progress Through *Localization Excellence*

This year IMC celebrated 35 years of Toyota's presence in Pakistan, celebrating a legacy of manufacturing excellence, localization and sustained contribution to Pakistan's socio-economic environment. Product Development department right at the center plays a pivotal role to IMC's vision and achievements during this period. Over the last year our key focus has been towards strategic localization to increase cost competitiveness, building supplier competency, initiatives for inclusion of Artificial Intelligence and strengthening environmental protection for climate mitigation.

In FY2025–26, we continued efforts and achievements of expanding localization content, to maximize vehicle savings, enhancing supplier capability and overall business growth. These efforts have collectively advanced our company's position as a forward-looking, globally compliant and locally rooted automotive leader.

Over the past year, Product Development department continued its efforts towards supplier development, by strengthening supplier quality standards through Kaizen and Yokoten activities to increase operational efficiency across supplier base. By strong coordination with our partners to build capability, address root causes and institutionalize best practices, we strive to enhance process stability, achieve consistently low PPM levels and derive sustainable defect reduction at source. This proactive, development-oriented approach has not only elevated overall supplier performance but also made a significant contribution to the company's achievement of SQIA Zero Defect recognition across the Asia region, a milestone accomplished consecutively in the last two years. These outcomes reflect our strong commitment to developing competitive, high-quality suppliers aligned with Toyota Production System principles

This year also saw the dedicated efforts towards projects in recognizing the necessity and inclusion of artificial intelligence. With ideas utilizing AI chatbots for SOPs and performing daily tasks to increase efficiency and streamline visualization of project KPIs via dashboards, we aim to enhance our overall capability.

Over the year, significant efforts were made to continuous environmental sustainability at supplier premises. These initiatives included advancements of green and renewable energy, conducting awareness sessions on water conservation and organizing joint plantation drives.

SUPPLIER CONFERENCE *Malaysia*

IMC's Supplier conference is an annual event that brings together our valued suppliers and our external partners Toyota Motor Asia (TMA) and Toyota Tsusho Corporation (TTC) to celebrate achievements, recognize excellence and strengthen partnership.

This year, IMC hosted its annual Supplier Conference in Kuala Lumpur, Malaysia, under the theme "Strengthening roots - Expanding horizons". The theme reflected our commitment to building upon the strong foundations of trust, collaboration and operational excellence that have defined our journey, while expanding into new areas of innovation, sustainability and global competitiveness. As the industry continues to evolve, the conference emphasized the importance of staying grounded in our core values while embracing future opportunities for growth and transformation.

As we look ahead, the Supplier Conference remains a vital forum for collaboration, knowledge sharing and mutual growth. By strengthening our roots and expanding our horizons, IMC and its supplier partners remain committed to building a more resilient, innovative and sustainable future together.





Overall Performance Award
Hamza Sadiq
Plastech Autosafe (Pvt.) Ltd.



Delivery Award
Syed Akkas Ul Husaini
Thal Limited



Delivery Award
Syed Akkas Ul Husaini
Thal Boshoku Pakistan (Pvt.) Ltd. (TBPK)



Delivery Award
Muhammad Amer Nadeem
Automate Industries (Pvt.) Ltd.



Environment Award
Mian Shehryar Ahmed
Panther Sports & Rubber
Industries (Pvt.) Ltd.



Quality Award
Ghulam Murtaza
Ravi Forging (Pvt.) Ltd.



Timely Development Award
Almas Hyder
Synthetic Products Enterprise Ltd. (SPEL)



Timely Development Award
Syed Mehdi Ali Rizvi
PCI Automotive Ltd.



Quality Award
Ryota Hatakeyama
Hino Pak Motor Company (Pvt.) Ltd.



Quality Award
Anas Khan
Mecas Engineering (Pvt.) Ltd.



Timely Development Award
Fahim Kapadia
Agriauto Stamping Company Ltd. (ASC)

Celebrating 35 YEARS

Souvenir Exchange

















SAFETY, HEALTH & *Environment*



SAFETY MONTH 2026

Safety Month was celebrated at IMC in January 2026, spearheading a series of impactful activities, promotions, training sessions, appreciation events and workshops. The initiative aimed to further strengthen our safety culture and nurture a safe-work mindset across the organization.

The month kicked off with strong leadership commitment and communication, underscoring the importance of safety in every aspect of life for the IMC family.

We achieved 100% engagement from members and senior leadership in all activities, which included the Toyota Safety League a very appreciated event for member motivation and improvement of our safety culture, alongside Clean-Up Drives in both office and plant areas and various safety promotion campaigns and training sessions.

These collective efforts reaffirm IMC's dedication to keeping safety at the heart of our operations.



TOYOTA SAFETY LEAGUE FEB 2026

Toyota Safety League 2026 commenced in February, bringing together nearly 220 members from all shops. The initiative recognized and encouraged employees for implementing safety Kaizens aimed at preventing fire incidents, cut injuries and ergonomic high-burden risks. Through active participation and continuous improvement, members contributed significantly to enhancing workplace safety. To acknowledge these efforts and boost morale, senior leadership awarded prizes to the winner and runner-up teams, reinforcing IMC's commitment to fostering a strong safety culture.





Walking Safety *Rules*

Compliance Awareness





At IMC, five walking KPIs are recognized as the most critical safety indicators within our operations. To ensure awareness and compliance, the Safety Team conducts mandatory sessions for all visitors, new joiners and interns before they enter the plant premises. Additionally, periodic refresher sessions are organized with senior leadership to help all employees reinforce the importance of these KPIs and maintain the highest standards of safety across the organization.



Suppliers Fire Management *Session*

As part of our commitment to fostering a strong safety culture, IMC conducted a detailed knowledge-sharing session with our suppliers focusing on Fire Management Systems and emergency preparedness. The session provided a platform to discuss best practices implemented at IMC, promoting awareness, compliance and collaboration towards enhancing fire safety standards across our supply chain.



Audiometry & Spirometry *Sessions*

To safeguard the occupational health of our workforce, periodic audiometry and spirometry assessments were conducted for employees exposed to noise and respiratory hazards. These medical surveillance activities help in the early detection of hearing and lung function abnormalities, ensuring timely preventive measures and reinforcing IMC's commitment to employee well-being and a healthy workplace.





ROAD SAFETY Awareness *Session*





IMC conducted Driver Assessor Training to enhance safe driving practices and ensure high standards of road safety. The program equipped participants with skills to assess driving behaviors, identify risks and coach drivers on safe techniques. This initiative reflects IMC's commitment to protecting our people and promoting a strong safety culture both inside and outside the workplace.

Commitment towards a Tobacco-Free *Workplace*

IMC NO SMOKING DAY

As part of its commitment to promoting employee well-being and a healthier workplace, IMC observes No Smoking Day twice every month. On these days, designated smoking areas are temporarily barricaded and notifications are shared with all employees to ensure awareness and compliance. The initiative is aimed at encouraging members to gain better control over smoking habits and adopt healthier lifestyles. Through continuous awareness and support, IMC strives to foster a culture of wellness and preventive health among its workforce.

Anti Chewable Tobacco Campaign

As part of its ongoing commitment to employee health and well-being, IMC conducted an Anti-Chewable Tobacco Campaign accompanied by awareness sessions across the plant. The initiative aimed to educate members about the harmful effects of smokeless tobacco consumption and encourage healthier lifestyle choices. Through awareness, engagement and continuous communication, IMC seeks to support employees in overcoming unhealthy habits and fostering a culture of wellness and preventive health.



CLEAN-UP *Drive*





To reinforce the culture of ownership and workplace discipline, IMC conducted a plant-wide Cleanup Drive with the active participation of senior leadership and members from all shops. The initiative emphasized the importance of 5S principles and encouraged employees to take pride in maintaining a clean, organized and safe work environment.

Through this activity, a strong message of ownership and continuous improvement was conveyed, further strengthening IMC's commitment to operational excellence and workplace safety.

ERGONOMICS *Activity*

Elimination of ergonomic high Burden remains one of IMC's key initiatives for achieving fundamental safety. During the year, a 100% AI-based ergonomic assessment was conducted using HumanTech ErgoVision software to identify high-burden activities across the plant. Based on the assessment findings, 85% of the identified high-burden areas were mitigated through engineering and administrative countermeasures.

Senior leadership remained actively involved throughout the process, recognizing and encouraging members for their contributions. The initiative was also highly appreciated by TMA during the recent onsite audit, reflecting IMC's commitment to creating a safer and more ergonomic workplace.

Training by TMA



AI Assessment of 100% Processes



Stretching Exercise



Inhouse Training For Shops



Top Management Genba



Member Happiness



ご用聞き Goyokiki

IMC, in collaboration with TMA, conducted the Goyokiki Activity to engage with our logistic partners and better understand the challenges they face in their daily work. Through direct interviews and open conversations, team members listened to the concerns of those working on the ground and took prompt action to address and resolve the issues identified. This initiative reflects IMC's commitment to fostering strong partnerships and ensuring smooth, efficient operations for all stakeholders.



2X OSHMS PROCESS LEVEL-5 *Leader*

IMC has successfully achieved Highest Level ever in Occupational Safety & Health Management System in Process KPI during the annual audit FY2025-26 conducted by TMA, in January 2026.

This milestone of LEVEL-5 has been attained through gradual improvements over the years and consistent collaborative efforts across the team towards the effective implementation and sustainability of the system.







OSHMS Training By TMA

IMC, in collaboration with TMA, conducted the Goyokiki Activity to engage with our logistic partners and better understand the challenges they face in their daily work.

Through direct interviews and open conversations, team members listened to the concerns of those working on the ground and took prompt action to address and resolve the issues identified. This initiative reflects IMC's commitment to fostering strong partnerships and ensuring smooth, efficient operations for all stakeholders.



Disaster Risk Assessment Audit

TMA conducted its annual audit of IMC to evaluate disaster risk management practices. IMC was commended for its thorough risk assessment processes and effective mitigation plans, reflecting the Company's strong commitment to safety and preparedness. These annual audits ensure continuous improvement and resilience in our operations.





Hiyari Hatto Award

The Hiyari Hatto Activity encouraged proactive hazard identification and safety Kaizens to eliminate risks before incidents occur. Members shared near-miss observations and implemented preventive improvements, reinforcing a strong safety culture.

Management recognized participants from all shops with rewards to encourage continued engagement in workplace safety.



ISO 45001 External Audit

Demonstrating its commitment to occupational health and safety excellence, IMC successfully achieved ISO 45001 certification during the year. The certification audit was conducted by SGS Pakistan, validating the effectiveness of IMC's Occupational Health and Safety Management System. This milestone reflects the organization's continuous efforts to provide a safe and healthy workplace while ensuring compliance with international best practices and standards.



External Training

In preparation for the ISO 45001 certification audit, IMC conducted comprehensive in-house training sessions for team members to enhance their understanding of the requirements and compliance obligations of the Occupational Health and Safety Management System. The training aimed to build awareness of applicable standards, strengthen internal compliance and ensure effective implementation of ISO 45001 requirements across all functions. This proactive approach played a key role in successfully achieving certification and fostering a culture of continual improvement.



Energy and Environmental Compliance Audits

Periodic audits and inspections were carried out to monitor compliance with energy and environmental requirements. These assessments helped verify adherence to regulatory obligations, identify improvement opportunities and support the effective implementation of sustainability initiatives across the organization.





Chemical & Waste Management Training

Chemical management audits were conducted to ensure proper chemical storage, handling, ordering and waste management practices in line with compliance requirements. In addition, internal and external training sessions were organized to enhance employee awareness and competency on environmental, chemical and waste management responsibilities, including compliance with relevant operational procedures and regulations.



Global Environmental Management System Audit

IMC conducted the Global Environmental Management System (GEMS) audit in two key sections: the Environmental Management System (ENMS) audit and the Wastewater Treatment Plant (WWTP) audit. This comprehensive evaluation was carried out by the affiliate team and covered all operational areas of IMC, including production shops, support functions and facility-wide environmental aspects.



The audit served as a structured mechanism to assess environmental performance, ensuring alignment with global environmental standards and identifying opportunities for continuous improvement in environmental management practices. Both components of the audit focused on regulatory compliance, operational effectiveness and environmental risk control.



Building a Better *Tomorrow*

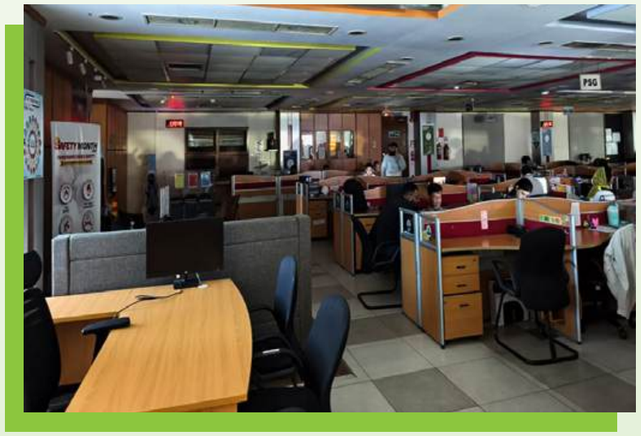
8th Environmental Action Plan

IMC developed its Environmental Action Plan through close collaboration with TMA, internal teams and key stakeholders. Several planning and consultation meetings were conducted to align environmental priorities and sustainability objectives. The Company also participated in the 15th Regional Environmental Meeting (REM), where affiliates exchanged best practices and shared their environmental initiatives. These engagements contributed to the development of the action plan.

The plan demonstrates IMC's environmental commitment and provides a structured roadmap to achieve its sustainability targets and objectives over the next five years.

Earth Hour Celebration

In support of Earth Hour, IMC participated in a symbolic energy conservation activity by switching off lights and non-essential electrical equipment for 15 minutes. This initiative was conducted to raise awareness about climate change, promote responsible energy consumption and demonstrate the organization's commitment to environmental sustainability and collective climate action.



EAP Session with Suppliers

As part of our commitment to environmental sustainability across the supply chain, IMC conducted its first detailed knowledge-sharing session with suppliers on Environmental Targets and 8th Environmental Action Plan (EAP) commitments. The session shared IMC's key initiatives and best practices, promoting awareness, collaboration and alignment with our environmental objectives.



Winner Announced from TMA for Social Media & Idea Contest Competition

Social Media



Idea Contest



As part of Environment Month 2025, employees were encouraged to participate in Idea and Social Media competitions focused on sustainability themes such as upcycling, sustainable fashion and nature positivity. The initiative provided a platform for employees to share innovative environmental ideas and promote sustainability awareness through social media. Outstanding contributions were recognized by TMA, with winners receiving awards for their creativity, engagement and commitment to environmental stewardship.

World Environment Day 2026

IMC celebrated World Environment Day on June 9, 2026, with a focus on climate action and sustainable development. The event included an awareness session followed by a 5S activity concept and a vertical gardening demonstration to encourage greener workplace practices.





ENVIRONMENT Month 2026

Towards ZERO CARBON



Tree Plantation Activity

A tree plantation activity was conducted throughout the month of June with active participation from employees, resulting in the plantation of 1,000 trees. The initiative aimed to promote environmental sustainability, enhance green cover and encourage employees' engagement in climate-positive actions.







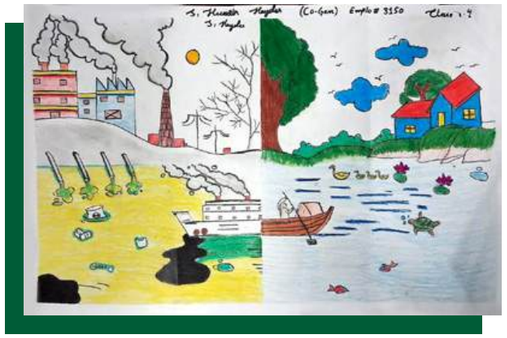






ECO Drawing Competition

To promote environmental awareness, a parent-child engagement drawing competition was conducted to encourage the expression of sustainability practices through creative artwork. A selection of entries is featured alongside.



Quiz Activity

An Office and Shop Quiz activity was conducted to enhance environmental awareness among employees. The activity encouraged participation through active engagement to promote learning and awareness about sustainability practices. Reward distribution was also carried out to recognize and motivate participants for their enthusiasm and correct answers.



Food Waste Reduction

IMC strengthened its commitment to reducing food waste through awareness, employee engagement and knowledge sharing. The Company participated in an online food waste conference to exchange best practices with affiliate stakeholders while conducting awareness sessions across classrooms, dining areas and food waste disposal stations to promote responsible food consumption and proper waste segregation. Employees demonstrating "clean plate" practices were recognized to encourage positive behavior.



These collective efforts earned global recognition for IMC, with the CEO receiving acknowledgment for the Company's commitment to sustainable food waste management and environmental stewardship.



Celebrating 35 YEARS

Ceremonial Ajrak Distribution

















INFORMATION Technology

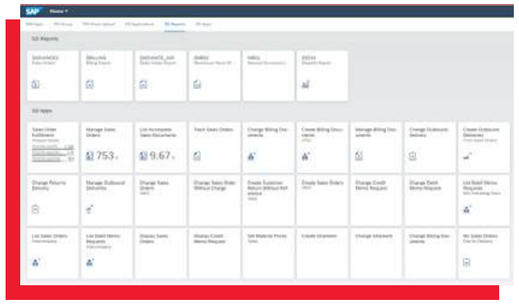


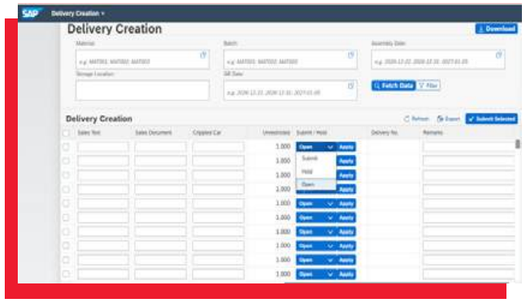
Digital Transformation

SAP Fiori Deployment

As part of our ongoing commitment to operational excellence, the organization successfully deployed the SAP Fiori Sales & Distribution (SD) Application across the Sales & Planning Division. This strategic milestone replaces legacy SAP GUI transactions with intuitive, role-based interfaces, empowering our workforce with faster order processing, real-time analytics and secure mobile access.

- **3** Phases Completed
- **10+** Fiori Apps Deployed
- **100%** Mobile Enabled
- **6** Key Business Benefits





Implementation Roadmap

Transactional Apps

Sales Order Management, Delivery Processing, Billing & Invoicing, Customer Master Data

Analytical Apps

Sales KPI Dashboards, Performance Analytics, Revenue Tracking, Pipeline Monitoring

Mobile & Extensions

Mobile Enablement, Custom Extensions, Customized Reports, Field Sales Access

Key Benefits for Business

Faster Order Entry

Streamlined Fiori apps reduce order creation time and minimize data entry errors.

Real-Time Sales Tracking

Live dashboards provide instant visibility into order status, deliveries and revenue.

Better Customer Service

Quick access to customer history and account data enables faster query resolution.

Mobile Access for Field Sales

Field sales teams process orders and manage accounts directly from mobile devices.

Reduced Training Time

Intuitive role-based UI shortens onboarding — new users productive within days.

Better Analytics & Reports

Embedded analytics and customized reports support data-driven decision-making.

Open Port Integration with SAP

Real-Time Logistics Visibility Across the Outbound Fleet

During the year, IMC strengthened its logistics-digitalization agenda by integrating the Open Port (Open Shipper) transportation platform with SAP. The integration extends the Company's core SAP processes into its outbound transportation network, giving the logistics function a single, real-time view of finished-vehicle movements from the plant to the point of delivery.

The platform is now live across the outbound fleet. It combines GPS-based live tracking of dispatches, centralized order management for the transporter network and an integrated Power BI analytics layer. Together these capabilities replace fragmented, manual status updates with continuous, system-based visibility, enabling shipments, transporters and delivery performance to be monitored from a single dashboard.



Figure 1 — Live shipment tracking:
End-to-end visibility of a dispatch from the plant to the delivery point, with the vehicle's real-time position plotted along the route.



Figure 2 — Shipment status analytics:
A consolidated view of orders and transporter activity across the network, drawn directly from integrated operational data.

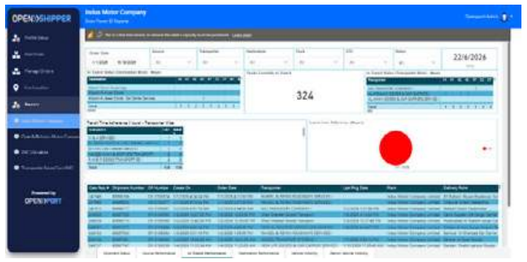


Figure 3 — In-Transit Performance:
Live monitoring of the in-transit fleet, with transit times tracked across destinations and transporters.

By embedding real-time visibility into the transportation process, the integration strengthens control over outbound logistics and establishes a common data foundation for measuring and improving delivery performance. It enables the Company to manage its transporter network on the basis of timely, objective information and provides the analytics platform on which further supply-chain improvements will be built in the year ahead.

Sales & Planning Division — Dealer Stock Portal

Business Process Automation Initiative

As part of its ongoing commitment to operational excellence and digital transformation, the Sales & Planning Division has initiated the development of nine (9) strategic Business Application Programming Interfaces (BAPIs) within the Dealer Stock Portal. These encompass: Customer-Wise Detail Management, Batch-Wise Detail Management, Vehicle Physical Swapping, Color Change Processing, Delivery Month Swap, Sales Return Processing, Variant Change Management, Dealer Stock Invoicing and Deduction Settlement Amount Processing. Collectively, these integrations are designed to eliminate manual processes, strengthen data accuracy, accelerate transaction cycles and enhance financial transparency across the entire dealer network — marking a significant step forward in the division's automation roadmap.

09	100%	FY2025–26
BAPIs Developed	Process Automation Coverage	Implementation Period

Power BI Digital Transformation

Revolutionizing Data Intelligence Across IMC

15+	350+	100%	100%
Power BI Dashboards Deployed	Employees Trained on Power BI	Real-Time Data Accuracy	Manual Fetching Eliminated
2 Min	**2–5 Min**	**3 Tiers**	**1 DWH**
Auto Dashboard Refresh Cycle	IT Support Response Time	Desktop · Cloud · Mobile Access	Centralized Data Warehouse Built

Fully Migrated from Qlik Sense » Microsoft Power BI • SSIS Packages & Enterprise Data Warehouse Deployed

Covering: Plant Production • Sales & Planning • HR • Quality • CFD • Customer Service • Finance & More

Power BI — Dashboard *Showcase*

PLANT / ASSEMBLY



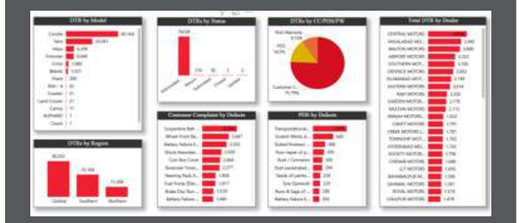
Trim Line Sequence

HUMAN RESOURCES



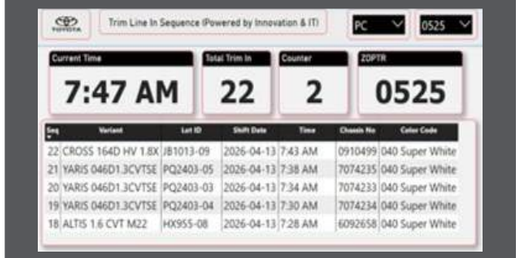
HR Talent Analytics

QUALITY CONTROL



Quality / DTR Dashboard

PLANT / ASSEMBLY



Trim Line Detail View

Trim Line / Assembly Plant: Digitizes trim-line part sequencing to ensure the right parts reach the right vehicle at the right time, improving assembly accuracy and operational efficiency.

HR Analytics: Delivers real-time HR insights to support informed workforce planning and decision-making.

Exit Interview: Transforms exit interview data into meaningful insights to strengthen employee engagement and organizational effectiveness.

Production Dashboard: Delivers operational insights across production lines, helping teams track performance and drive continuous improvement.

Quality/DTR Dashboard: Monitors quality metrics and defect reports to help teams maintain high product quality standards.

Trimline Detail View: Provides sequenced part information for each vehicle, ensuring smooth and error-free assembly on the Trim Line.

✔ Qlik ➜ Power BI Migration
✔ Zero Manual Work
✔ 2–5 Min Support SLA
✔ SSIS + Data Warehouse
✔ 2-Min Auto Refresh
✔ 350+ Staff Trained

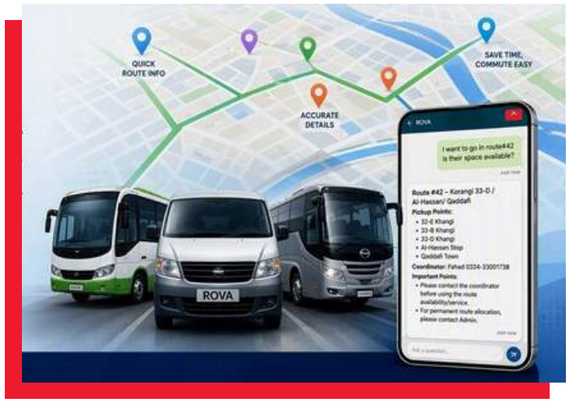
Advancing Through Artificial *Intelligence*

ROVA – Smarter Employee Commute

ROVA
(Route Oriented Vehicle Agent)

To simplify employee transportation, IMC introduced Route-Oriented Vehicle Agent (ROVA), an AI-powered route assistance chatbot developed in collaboration with the IT team. Integrated into the TKS Portal, ROVA enables employees to quickly access transport route information, pick-up points, shift schedules and coordinator contact details.

By providing instant, accurate information, the platform enhances convenience, improves accessibility and supports a more efficient daily commuting experience.



AI Strategy

Our Artificial Intelligence journey continues to gain momentum as we build an AI-ready organization that empowers people, enhances processes and accelerates innovation. Through structured enablement programs, AI literacy workshops, AI Champs initiatives and citizen development, we are fostering a culture where technology and business work hand in hand.

Our AI Blueprint focuses on three key dimensions: People, Process and Culture, ensuring that AI adoption remains responsible, scalable and aligned with business objectives. Alongside internal AI solutions such as KAI & ROVA and workflow automation initiatives, Microsoft Copilot adoption (~3,000 assisted hours) has demonstrated significant impact by helping employees save time, improve productivity and focus on higher-value activities.

Together, we are creating a future where AI is not just a tool, but a catalyst for smarter decisions, continuous improvement and sustainable business growth across IMC.

Powered by People. Enabled by AI. Driven by Purpose. Together, we will continue to Innovate. Automate. Elevate.





Cybersecurity, Resilience & Digital *Trust*

FY2025-26 was marked by continued investment in secure access, proactive threat monitoring and cybersecurity awareness initiatives designed to strengthen resilience across IMC and the wider Toyota ecosystem.

Stronger Security with Zero Trust

During FY2025-26, IMC strengthened the security of its remote workforce by replacing its traditional VPN-based remote access solution with a Zero Trust Network Access (ZTNA) platform. The new approach validates user identity using MFA and device posture before granting remote connectivity to approved corporate applications, helping reduce the risk of unauthorized access while improving the user experience for employees working outside the corporate network.



The initiative supports IMC's cybersecurity modernization journey by enhancing the security of remote access channels while maintaining business continuity and workforce mobility. As digital ways of working continue to evolve, this investment provides a stronger foundation for secure and reliable remote connectivity.

Integrated Threat Detection & Response



Building upon cybersecurity capabilities established in previous years, IMC focused on enhancing the effectiveness of its Extended Detection and Response (XDR) platform by integrating Endpoint Detection and Response (EDR) capabilities into its centralized security operations framework. This strengthened visibility across endpoints, network activity and cloud-connected environments, enabling more effective correlation of security events and faster identification of potential threats.

Supported by AI-driven threat detection, centralized monitoring, threat hunting and executive cybersecurity dashboards, the enhanced platform improves IMC's ability to detect, investigate and respond to cyber incidents in a timely manner. These enhancements have further strengthened operational resilience and reinforced the Company's commitment to protecting critical business systems and information assets against an increasingly sophisticated threat landscape.

Cybersecurity Beyond IMC

Recognizing that cybersecurity extends beyond organizational boundaries, IMC continued to promote cybersecurity awareness and foundational security practices across dealerships and business partners. Through a structured Dealer Cybersecurity Program covering 57 Toyota dealerships and 20 critical suppliers nationwide, the Company conducted cybersecurity assessments, shared security guidelines and promoted awareness initiatives aimed at improving cyber resilience throughout the broader Toyota network.

The program encouraged the adoption of key cybersecurity controls, secure technology practices and stronger governance measures to help protect customer information, business operations and digital assets. By fostering a culture of cybersecurity awareness beyond IMC's own organization, the Company reinforced digital trust and contributed to the long-term resilience of the wider Toyota ecosystem.

WHERE WE WERE

Identify – Assessment

- Data Collection across 58 dealerships across Pakistan.
- Share Guidelines & reference technology stack.
- Assess As-Is vs Benchmark model dealership IT.

WHERE WE ARE

Roadmap & Execution – STEP 1

- Develop Roadmap.
- Management approval for Cost allocation
- Prioritize Cybersecurity controls execution
- Rollout IT Fundamentals & Cybersecurity controls:
  - Standard Email solution
  - Licenses PC OS & s/w
  - Firewall & Antivirus
  - Software upgrades
  - IT policies
  - DR Solutions

WHERE WE ARE GOING

On-going Execution – STEP 2 & 3

- Continued Awareness
- Continued security rollout of remaining controls
  - Continuous Control Implementation
  - Cyber Team formation
  - Web & Email Gateway
  - SOC Services
  - Continuous Audits
- Benchmark with Global team for ASMC concern/challenge

2024 — 2025 — **2026+**

Celebrating 35 YEARS

Event Highlights

















HUMAN *Resources*



Leadership Development, Employee Engagement & *Learning*

REVUP 3.0 Sports Fiesta

REVUP 3.0 brought together the vibrant energy, passion and competitive spirit of IMC employees in an exciting in-house sports fiesta centered around the inspiring theme of #StayAhead. The event served as a dynamic platform for employees to demonstrate teamwork, resilience and camaraderie through healthy competition and active engagement across the organization.

Featuring a wide range of sporting activities including FIFA, Table Tennis, Paddle Tennis, Pool, Throwball, Foosball and Badminton, REVUP 3.0 celebrated the diverse talents and enthusiasm of our workforce while strengthening connections beyond the workplace. The tournament was successfully conducted utilizing the in-house state-of-the-art recreational facilities.

This year's tournament witnessed impressive participation and greater gender diversity, reflecting IMC's growing culture of sports, employee engagement, inclusivity and equal opportunity across the organization.

More than just a sports tournament, REVUP 3.0 embodied the Toyota spirit of collaboration, continuous improvement and excellence. The event not only recognized the achievements of our champions but also celebrated the determination, unity and passion demonstrated by every participant. Together, the IMC family continues to stay ahead — fostering a culture where teamwork, well-being and excellence drive us forward.









INDUS PREMIER LEAGUE 2026

Bringing together 52 teams and 676 employees, the Indus Premier League 2026 (IPL) fostered teamwork, sportsmanship and cross-functional collaboration through healthy competition. Guided by the theme "One River, One Passion, One League," the tournament strengthened employee engagement, encouraged meaningful connections beyond the workplace and reinforced a more connected and inclusive workplace culture.

Global Skill Training (GST)

Global Skill Training (GST) is Toyota Motor Corporation's international talent development program, providing IMC employees with hands-on training at Toyota production facilities overseas.

Since its launch, 334 trainees have been dispatched through eight batches. 316 have completed their assignments and repatriated, while 18 trainees continue their training in Japan. Batch 7 is currently being dispatched, Batch 8 is in preparation and around 100 additional trainees are expected to be deployed during the next fiscal year.

To better prepare employees for international assignments, IMC introduced in-house English language classes beginning with Batch 5 to strengthen communication skills and confidence in multicultural workplaces. The Company also launched the GST Readiness Fitness Program (WRAP) with Batch 7 to improve physical fitness, stamina and adaptability for overseas assignments.

In 2025, the program expanded to Thailand, where the first batch of 10 trainees successfully completed training at the STM Plant, further strengthening IMC's commitment to developing globally competitive talent.





Digital Capability Building: Beyond Now – AI Transformation Journey

In line with the evolving business environment, a series of Artificial Intelligence (AI) workshops were conducted for Senior Management, Managers, Deputy Managers and AI Champs to build awareness of emerging technologies and their workplace applications. The sessions focused on enhancing digital capabilities, encouraging innovation and enabling employees to leverage AI-driven tools for improved productivity, decision-making and business efficiency.

Additionally, functional workshops were conducted for Copilot license holders across IMC, focusing on practical use cases to enhance adoption and usability. AI Champs also participated in advanced Copilot Studio workshops to strengthen their AI capabilities. These initiatives aimed to foster a future-ready mindset and support the organization's digital transformation journey.



Competency Compass

The Leadership Competency Framework of IMC was reinforced through refresher sessions for Assistant Managers & Trainees to strengthen understanding of key leadership competencies and align employee development with organizational expectations, while supporting leadership pipeline development across the organization.



KAI – AI-Powered HR Chatbot

As part of IMC's ongoing digital transformation journey, the Company launched KAI, an AI-powered HR chatbot designed to enhance employee experience and improve access to HR services.

KAI provides employees with instant access to HR policies, procedures and frequently requested information, enabling faster decision-making and reducing response turnaround times. Available 24/7, the platform delivers consistent, reliable and user-friendly support, empowering employees to access information anytime and from anywhere.

The innovation of KAI reflects IMC's commitment to leveraging artificial intelligence and digital technologies to create a more agile, efficient and employee-centric workplace.







Sales Acceleration Program

To support business growth and commercial excellence, a Sales Acceleration Program was conducted for the Sales team to enhance sales capabilities, customer engagement and overall performance effectiveness.



Next Gen: People Management Program

A dedicated program was introduced for first-time people managers, designed around three key pillars: Human-Centric Leadership, Performance & Accountability and Wellbeing & Inclusion. The program aimed to equip emerging leaders with essential people management capabilities and strengthen leadership effectiveness.





Leadership *Retreats*







Two Leadership Retreats were conducted for Senior Management and for Managers & Deputy Managers, focusing on Teinei and the Toyota Way to strengthen leadership alignment, collaboration and cultural integration across management levels.



Hajj Scheme

IMC launched the Hajj Scheme in 2007, through which 86 members have performed Hajj to date. In addition, the Umrah Scheme was introduced in 2020, enabling 10 members individually and 5 members along with their spouses to perform Umrah under the scheme.



Long Service Award

IMC proudly recognized employees who achieved significant service milestones during the Long Service Award Ceremony. The event celebrated the dedication, loyalty and valuable contributions of employees who have played an important role in the Company's continued growth and success. Senior management appreciated the commitment of award recipients and reaffirmed the Company's culture of recognition, respect and employee engagement.





Diversity, Equity & Inclusion (DEI)

Inclusive Workplace: Understanding Intellectual Disabilities

To promote diversity, equity and inclusion, awareness sessions on intellectual disabilities and inclusive workplaces were conducted following the hiring of differently-abled individuals.



Gender Sensitization

Gender Sensitization sessions were arranged for plant employees to foster an inclusive and respectful workplace environment following the onboarding of female team members in plant operations.



Together We Move

The year 2025–2026 represented a significant milestone in IMC's Diversity, Equity & Inclusion (DEI) journey under the Together We Move umbrella. During this period, we reinforced our commitment to building an inclusive workplace by formalizing our DEI Policy, launching a DEI Committee to monitor the DEI targets across the organization and implementing a structured framework anchored on five core pillars: Respect for Everyone, Psychological Safety, Inclusion, Empowerment & Growth and Equity for All.

We continued to make meaningful progress in enhancing gender diversity, with a notable increase in the hiring of female talent across both Technical and Corporate functions, strengthening our vision of a more balanced and inclusive workforce.



Empowering Women to Drive Industrial Excellence

As part of its commitment to diversity, inclusion and sustainable talent development, IMC launched the Female Apprenticeship Program to create meaningful opportunities for young women to build careers in automotive manufacturing. Combining classroom instruction with practical, on-the-job training, the program equips participants with technical expertise and professional skills in a world-class manufacturing environment. By investing in emerging female talent, IMC is strengthening its workforce while helping build a more diverse and resilient automotive industry.

Women's Day

On International Women's Day, we further strengthened our collaboration with female entrepreneurs and vendors affected by the Gul Plaza fire incident by providing 40 businesses with a platform at IMC to showcase and sell their products. The initiative fostered meaningful employee engagement with the local business community and generated sales exceeding Rs. 1.5 million within a few hours, reflecting strong support for economic empowerment.



Inclusion of Persons with Disabilities (PWDs)

In collaboration with Karachi Vocational and Training Center, we engaged neurodivergent individuals in various roles on a short-term basis. This initiative aimed to provide corporate exposure to individuals with different abilities while also sensitizing employees to the value of inclusion and diverse perspectives in the workplace.



Advancing Gender Inclusion in Operations

As part of our ongoing efforts to increase female representation in the workforce, we successfully onboarded female team members on the line side of our Engine Shop for the first time. This initiative is designed to integrate women into operational roles, enabling hands-on learning and fostering diverse perspectives within manufacturing processes.



BREAST CANCER *Awareness*

In partnership with HOH, we conducted an awareness session for female employees focusing on preventive health practices and the importance of regular medical screening. Additionally, a pebble painting activity was organized in solidarity with breast cancer survivors, where employees creatively expressed messages of hope, resilience and strength.



IMC
Representation at Asia Women Conference

IMC also represented Pakistan at the regional level by participating in the Asia Women Conference held in Thailand in November 2025. The forum provided valuable exposure to regional DEI benchmarks and best practices, further strengthening our commitment to continuous improvement in our inclusion journey.



SOCIAL Performance

People are the foundation of IMC's long-term success and competitiveness. Our employment practices, labor relations and health and safety systems are designed to build a capable, motivated and resilient workforce while fostering a safe, inclusive and respectful workplace. Guided by The Toyota Way and the principles of Kaizen, we promote continuous learning, innovation and operational excellence by attracting and retaining talent, strengthening employee engagement and developing the technical, professional and leadership capabilities needed to meet the evolving demands of the automotive industry.

Human capital management is supported by a comprehensive policy framework that promotes ethical conduct, equal opportunity, employee well-being and merit-based career development. The Head of Human Resources oversees talent management, performance and rewards, employee engagement and compliance with applicable labor laws and internal policies. Performance is monitored through defined KPIs, employee feedback, learning assessments and regular management reviews, with strategic oversight provided by the Board Human Resources and Remuneration Committee. A structured succession planning framework further strengthens organizational resilience by identifying critical talent and preparing future leaders through targeted capability-building programs and cross-functional assignments.

Constructive labor relations are maintained through open dialogue, fair treatment and adherence to national labor laws and international conventions. Regular reviews of labor and human rights practices, supported by employee engagement mechanisms, promote timely issue resolution, strengthen collaboration between employees and management and drive continuous improvement across the organization.

Through integrated human capital practices, IMC equips and motivates its people to support the Company's long-term objectives. Workforce development, equal opportunity, fair labor standards and employee well-being collectively strengthen organizational capability and advance IMC's vision of sustainable mobility in Pakistan.



Talent Management

Relevant SDGs

Material Topic:
Employment & Labor relations, Training & education

IMC is committed to building a capable, diverse and motivated workforce equipped with the technical, managerial and professional expertise required to thrive in a rapidly evolving automotive industry. Our people are the foundation of the Company's operational strength and long-term success. Employment practices emphasize merit-based recruitment, transparent performance evaluations, continuous capability development and a supportive workplace where employees can grow, contribute meaningfully and realize their full potential.

Through its Apprentice Training Program, IMC develops young talent by providing practical technical training that prepares participants for careers in the automotive industry while strengthening the Company's future talent pipeline. Alongside its permanent workforce, IMC engages contract and outsourced personnel in essential operational functions, supporting business continuity and creating local employment opportunities. During FY2025-26, 129 external workers supported the Company's operations in roles such as janitorial work and other operational support services.

Workforce Profile

Our workforce figures are for the year ended June 30, 2026.



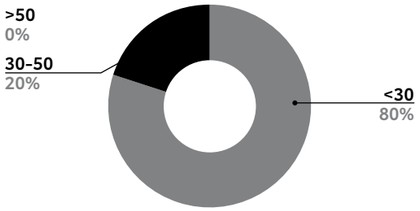
Workforce by employment contract, by region			
	Permanent	**Temporary**	**Total**
Karachi	2,065	146	2,211
Islamabad	15	-	15
Lahore	13	-	13
Multan	2	-	2
Total	**2,095**	**146**	**2,241**

Workforce by employment contract, by gender			
	Male	**Female**	**Total**
Permanent	1,982	113	2,095
Temporary	136	10	146
Total	**2,118**	**123**	**2,241**

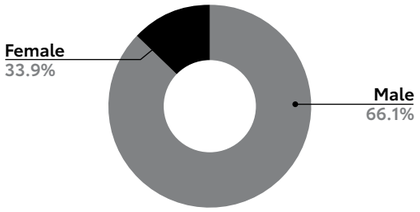
Workforce by employment type, by gender			
	Male	**Female**	**Total**
Full-time	2,118	123	2,241
Part-time	-	-	-
Total	**2,118**	**123**	**2,241**

Hiring and Attrition

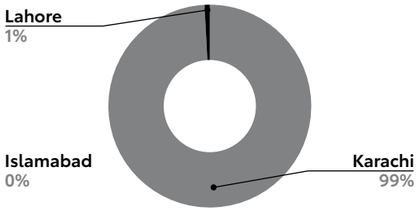
Hiring by age group			
Age	**Management**	**Staff**	**Total**
<30	105	237	342
30-50	18	67	85
>50	2	0	2
Total	**125**	**304**	**429**

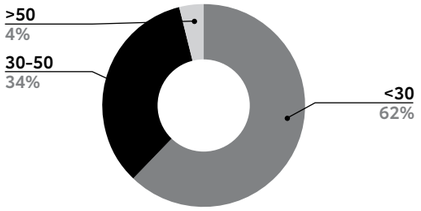


Hiring by category			
Gender	**Management**	**Staff**	**Total**
Male	80	294	374
Female	45	10	55
Total	**125**	**304**	**429**

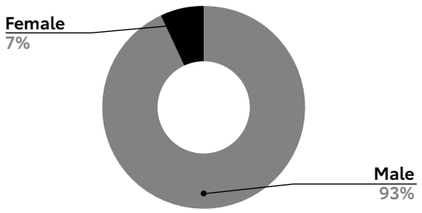


Hiring by location			
Location	**Management**	**Staff**	**Total**
Karachi	122	304	426
Lahore	2	-	2
Islamabad	1	-	1
Total	**125**	**304**	**429**

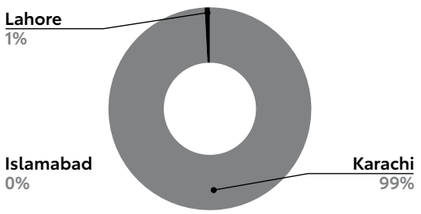




Attrition by age group			
Age	**Management**	**Staff**	**Total**
<30	39	133	172
30-50	59	36	95
>50	9	2	11
Total	**107**	**171**	**278**



Attrition by category			
Gender	**Management**	**Staff**	**Total**
Male	87	171	258
Female	20	-	20
Total	**107**	**171**	**278**



Attrition by location			
Location	**Management**	**Staff**	**Total**
Karachi	104	171	275
Lahore	2	-	2
Islamabad	1	-	1
Total	**107**	**171**	**278**

For the financial year 2025-26, the hiring rate rose to 12.5%, while attrition stood at 7.8%, up from 5.1% and 6.8% in the previous year.

Employee Satisfaction

Employee feedback plays an important role in strengthening workplace culture and supporting continuous improvement across IMC. The Company regularly engages employees through satisfaction surveys and other feedback mechanisms to better understand their experiences, identify areas for improvement and guide initiatives that enhance employee well-being, engagement and organizational effectiveness.

Survey findings are systematically reviewed by management and translated into targeted actions that address employee needs and improve the overall workplace experience. During FY2025-26, IMC implemented several initiatives in response to employee feedback, including installing spot cooling systems in selected operational areas to improve workplace comfort and support employee well-being. IMC remains committed to fostering an open and responsive workplace where employee feedback contributes to continuous improvement, stronger engagement and a positive working environment.

Employee Benefits

IMC supports employee well-being through competitive, market-aligned compensation and a comprehensive benefits program designed to promote financial security, health and work-life balance. The Company maintains equal pay practices, ensuring gender parity across base salaries and total remuneration while providing employees with access to healthcare, retirement benefits, professional development opportunities and quality-of-life allowances. In addition to core benefits, IMC fosters an inclusive and supportive workplace through its Employee Care Program, which recognizes birthdays and other significant occasions, strengthening employee engagement.

Benefits	Management	Staff
Life Insurance	Yes	Yes
Health Care	100%	100%
Maternal Leave	Yes	Yes
Disability/invalidity Coverage	Yes	Yes
Retirement Provision	Yes	Yes
Nutrient Dense Meal	Yes	Yes
Air-conditioned Pick & Drop	Yes	Yes

Supporting employees and their families remains an important priority. Eligible female employees are provided with maternity leave in accordance with applicable regulations. During FY2025-26, the program achieved a 100% return-to-work rate, with all returning employees remaining with the Company for more than 12 months, demonstrating IMC's commitment to employee well-being, workforce retention and regulatory compliance.

Employee Financial Assistance

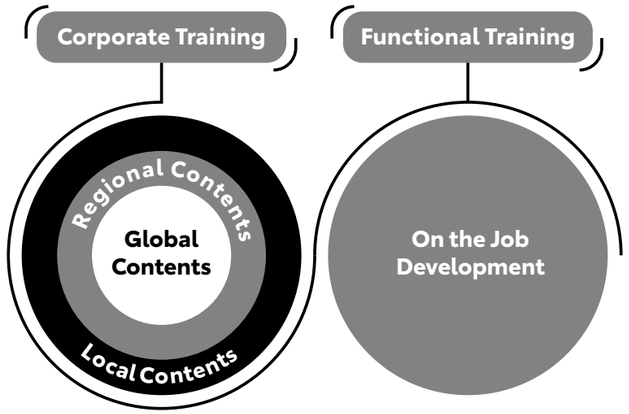
In collaboration with the Mohamedali Habib Welfare Trust, IMC administers a Financial Assistance Program to support employees and apprentices facing unexpected financial hardship. Overseen by a joint Financial Assistance Committee, the program provides non-reimbursable financial assistance, primarily for medical expenses not covered by insurance. This initiative complements the Company's employee benefits framework and reinforces IMC's commitment to employee well-being and a supportive workplace.

Apprenticeship Program

IMC's Apprenticeship Program supports workforce development through structured classroom instruction and practical training aligned with industry standards. The program develops skilled automotive technicians while promoting confidence, career readiness and long-term employability. By strengthening the future talent pipeline and creating sustainable livelihood opportunities, the program reinforces IMC's commitment to workforce development and industry advancement.

Training & Education

IMC promotes a culture of continuous learning to equip employees with the skills required to meet evolving business needs. Training programs, aligned with Toyota's global standards and best practices, enhance employees' technical expertise, professional capabilities and behavioral competencies while supporting career development and long-term employability. Learning initiatives are tailored to specific roles and responsibilities, ensuring employees are well prepared for future opportunities. All employees received performance and career reviews during the year.



Focused on learning and development to:

- Communicate Toyota programs
- Company policies and practices including code of conduct
- Customer First approach in every interaction

Workers are regularly rotated to different jobs to develop cross-functional skills.

All the workers are provided with role-based and skill-based training at the time of rotation or promotion.

Employee development extends beyond technical training to include leadership, communication and problem-solving skills that strengthen individual performance and decision-making. Through Toyota Global Learning, employees participate in the Inter Company Transfer (ICT) Program, undertaking assignments with Toyota affiliates in Japan, Thailand, Singapore and other countries. These international assignments broaden technical expertise, strengthen cross-cultural understanding and facilitate the transfer of global best practices across IMC's operations.

Training and development are integrated into IMC's succession planning framework through regular performance evaluations, career development discussions and flexible e-learning programs, enabling employees to continuously enhance their capabilities and remain aligned with evolving industry requirements. During FY2025-26, IMC delivered 75,861 training hours, compared with 60,642 hours in FY2024-25, reflecting the Company's continued investment in workforce development.

	FY2025-26	FY2024-25
Training hours	75,861	60,642
Average training hours per employee	33.9	29.03

IMC also participates in Toyota Motor Corporation's Global Skill Up Training (GST) Program, under which selected employees spend up to one year working at Toyota manufacturing facilities in Japan. Following a competitive selection process and preparatory training in Toyota's work culture and the Japanese language, participants gain advanced knowledge of production and hands-on experience with the Toyota Production System. Upon returning, they apply this expertise across IMC's operations, supporting operational excellence, knowledge transfer and continuous improvement. During the year, 200 trainees were deployed to Toyota plants in Japan under the program.

Apprenticeship Program

IMC integrates innovation and continuous improvement into its operational framework through the Monozukuri Innovation Center. The Centre advances manufacturing excellence by strengthening capabilities in Karakuri, automation, digitalization and artificial intelligence, while serving as a collaborative hub for process re-engineering and operational efficiency. The Centre reinforces IMC's commitment to workforce development, industrial progress and organizational agility.

Respecting Human Rights

Relevant SDGs

Material Topic:
Human rights



Respect for human and labor rights is fundamental to IMC's corporate values and responsible business practices. The Company is committed to maintaining a workplace where employees are treated with dignity, fairness and respect and where employment practices align with internationally recognized human rights and labor standards. This commitment is embedded in IMC's Code of Conduct, Diversity, Equity and Inclusion (DEI) Framework and Human Resources policies.

IMC maintains zero tolerance for child labor, forced labor, discrimination, harassment and all forms of unfair employment practices. The Human Resources Department oversees implementation of these commitments through established HR processes, regular compliance reviews and applicable legal requirements, including the Industrial Relations Act, 2012, promoting fair and transparent employment practices.

The Company respects employees' rights to freedom of association and collective bargaining in accordance with applicable legislation and internationally recognized labor standards. During FY2025-26, approximately 48% of eligible employees were covered by a Collective Bargaining Agreement. Although the agreement does not prescribe a formal notice period for significant workplace changes, IMC maintains open dialogue with employees and their representatives to ensure timely communication of material matters.

Beyond its own operations, IMC encourages suppliers, contractors and other business partners to uphold ethical labor practices in line with the Company's Supplier Sustainability Guidelines. During FY2025-26, no incidents of discrimination were reported. IMC's efforts to promote safe, inclusive and productive workplaces have also been recognized by the Pakistan Business Council under Sustainable Development Goal 8 (Decent Work and Economic Growth), reinforcing its commitment to responsible employment practices and sustainable economic development.

Diversity, Equity & Inclusion

IMC promotes equal employment opportunities and an inclusive workplace where recruitment, development and career advancement are based on merit. Through its DEI Framework, supporting policies and employee awareness initiatives, the Company fosters diversity of gender, experience, skills and perspectives while promoting inclusion, mutual respect and equal opportunity across the organization. A diverse workforce, including at the Board and management levels, strengthens innovation, collaboration and long-term business performance.

IMC is committed to maintaining a workplace free from harassment, discrimination and intimidation. Policies and procedures are supported by confidential reporting channels, including the Whistleblowing Mechanism and defined investigation procedures. All reported concerns are handled promptly, fairly and confidentially, with appropriate corrective actions taken where necessary, reinforcing a culture of dignity, respect and accountability.

Employees by gender, age and minority group

	Minority group		Age group			Disability	
	Muslim	Non-Muslim	<30	30-50	>50	Pw/oD	PwD
Male	2,090	28	455	1,495	168	2,099	19
Female	120	3	90	31	2	122	1
Total	**2,210**	**31**	**545**	**1,526**	**170**	**2,221**	**20**

Employees by employment category, gender, age and minority group

	Gender		Minority group		Age group		
	Male	Female	Muslim	Non-Muslim	<30	30-50	>50
Management	900	113	992	21	225	652	136
Staff	1,218	10	1,218	10	320	874	34
Total	**2,118**	**123**	**2,210**	**31**	**545**	**1,526**	**170**

Individuals in governance bodies by gender, age and minority group

	Gender		Minority group		Age group		
	Male	Female	Muslim	Non-Muslim	<30	30-50	>50
Board of Directors	9	1	7	3	-	2	8



Protecting the health, safety and wellbeing of employees, contractors and visitors is fundamental to IMC's commitment to responsible manufacturing. The Company maintains an integrated Occupational Safety and Health Management System (OSHMS) based on the Toyota Daihatsu Engineering and Manufacturing (TDEM) framework, incorporating the principles of ISO 45001, Toyota's global safety standards and industry best practices. The system provides a structured approach to identifying hazards, managing risks, preventing occupational injuries and illnesses and fostering continual improvement across all operations.

Safety is embedded throughout IMC's operations through leadership, employee participation and shared accountability. Guided by the principle that safety takes precedence over production, sales and profits, the Company believes workplace injuries and occupational illnesses are preventable through proactive risk management, worker consultation and continuous improvement. The OSHMS applies to employees and contractors working under IMC's operational control, ensuring consistent implementation of safety requirements across manufacturing, administrative and support functions. The Safety, Health and Environment (SHE) Department enforces compliance with safety standards, maintains safe working conditions and coordinates internal assessments and external audits. Safety performance is monitored through safety indicators, including hazard observations, near-miss reporting, inspections, audits, training completion and incident investigations, with results reviewed regularly by management to drive continual improvement. Management reviews the findings and performance trends to strengthen risk controls and determine corrective or preventive action. Lessons from inspections, audits and investigations are incorporated into risk assessments, operational procedures and employee training to support continual improvement.

IMC's Occupational Health and Safety Policy reflects the Company's commitment to providing a safe and healthy working environment for employees, contractors, visitors and all other persons present at its facilities. The policy establishes measurable OHS objectives and targets, promotes legal compliance, regular safety training, worker consultation and participation and empowers employees to stop unsafe work where necessary. Performance against these commitments is reviewed regularly to strengthen the safety management system's effectiveness and reinforce a shared responsibility for maintaining a safe and healthy workplace.

Risk Management & Worker Participation

IMC adopts a proactive approach to risk management by systematically identifying, assessing and controlling workplace hazards before incidents occur. Hazard Identification and Risk Assessment (HIRA), Job Hazard Analysis (JHA) and safe work procedures form the foundation of the Company's risk management process, particularly for high-risk activities such as electrical work, confined space entry, lifting operations and maintenance. Risk controls are implemented in accordance with the hierarchy of controls, prioritizing hazard elimination and engineering controls wherever practicable.

Employee participation is integral to IMC's safety culture. Regular safety circles, shop-floor discussions and cross-functional focus groups encourage employees to identify hazards, recommend improvements and actively participate in risk reduction initiatives. Ongoing training in Kiken Yochi (KY) hazard prediction techniques strengthens employees' ability to recognize potential risks before work begins, while safety competitions and recognition programs reinforce positive safety behaviors.

The Company also promotes proactive reporting through its Hiyari Hatto near-miss reporting system, enabling employees to report unsafe conditions and acts without fear of reprisal. Employees are empowered to stop unsafe work whenever necessary, ensuring immediate corrective action to prevent potential incidents. Where incidents occur, investigations apply Toyota's Genba principle to identify root causes, implement corrective and preventive actions and share lessons learned across IMC and Toyota affiliates to strengthen organizational learning and continually improve safety performance.

Health & Safety Committees

Health and safety management is supported through structured committees comprising management and worker representatives. These forums promote consultation, review workplace risks, monitor safety performance and oversee the implementation of corrective actions.

The structure includes:

- Daily Asakai (Morning) Meetings to review safety concerns, operational activities and continuous improvement initiatives.
- Bi-monthly Shop Safety Committee Meetings involving shop-floor safety representatives to discuss operational risks and corrective measures.
- Monthly Steering Committee Meetings chaired by senior management to review health and safety performance, monitor key performance indicators and provide strategic direction.

To reinforce safety awareness, regular safety bulletins are issued, safety information is displayed throughout the facility and organization-wide awareness campaigns are conducted to strengthen safety culture and encourage continuous vigilance.

Training & Occupational Health

Developing employee competence is fundamental to maintaining a safe workplace. IMC delivers comprehensive occupational health and safety training covering general safety awareness, Safety DOJO simulations, Kiken Yochi (KY) hazard prediction, working at heights, lockout-tagout (LOTO), low-voltage electrical safety, defensive driving, chemical handling, spill response, ergonomics and emergency preparedness. Environmental awareness programs, including ISO 14001 and ISO 50001 awareness sessions, complement the Company's integrated Safety, Health and Environment (SHE) management approach.

The Company also provides comprehensive occupational health services to safeguard the wellbeing of its entire workforce, including employees and non-employee workers and to prevent work-related illness. These include annual medical examinations for employees in high-risk roles, pulmonary function and audiometric testing, mandatory hepatitis vaccinations for food handlers, a 24-hour on-site first-aid facility, medical insurance for employees and their families, ergonomic assessments and recreational facilities that promote healthier lifestyles.

Health & Safety Committees

IMC continued to demonstrate strong health and safety performance during FY2025-26, recording zero Lost Workday (LWD) injuries, zero non-lost Workday (NLWD) injuries, zero work-related fatalities and no reported occupational illnesses. These results reflect the effectiveness of the Company's proactive risk management approach and continuous safety improvement initiatives. During the reporting year, employees and contractors collectively completed 6,424,831 working hours, compared with 5,796,209 hours in FY2024-25.

Potential high-consequence risks, including fire, machinery-related hazards and cutting injuries, are continuously assessed through fire and machine risk assessments, process safety audits, routine inspections and KY activities. Appropriate personal protective equipment (PPE), engineering controls and administrative measures are implemented to minimize these risks. Employees working in higher-risk environments also undergo regular medical surveillance, including pulmonary function and audiometric assessments, to monitor occupational health and ensure continued fitness for work.

Injury Rate	FY2025-26	FY2024-25	FY2023-24
LWD	0	0	0
NLWD	0	1	2

Workplace Excellence

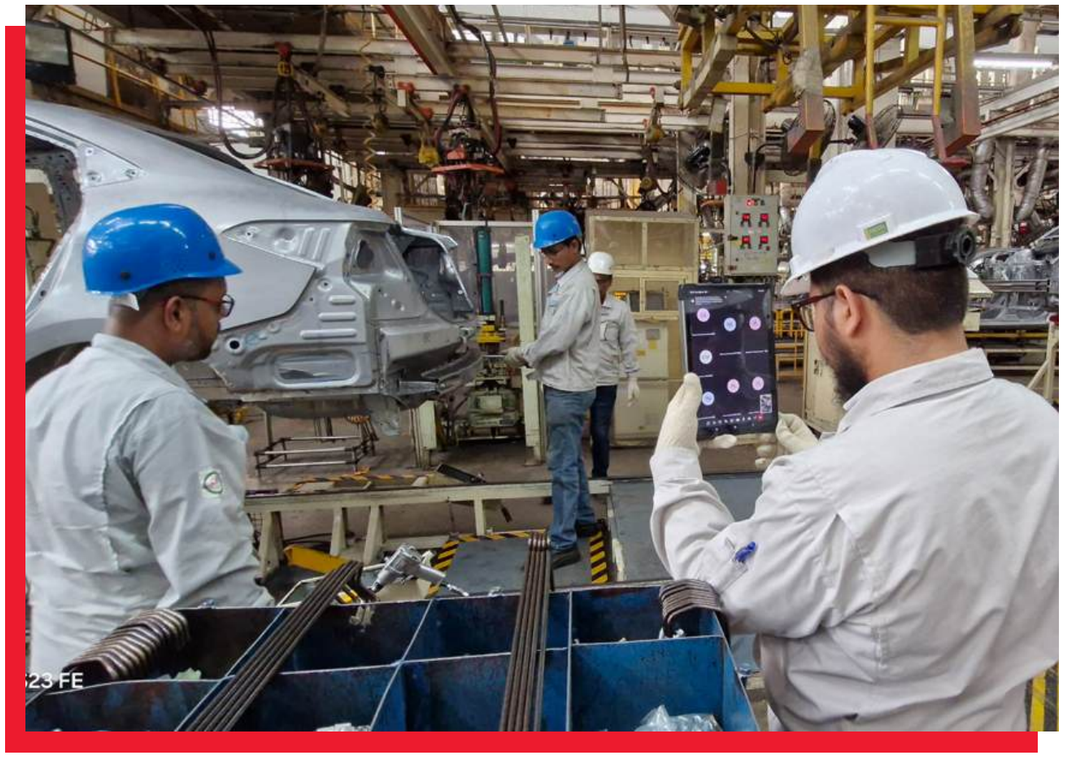
IMC promotes workplace safety and operational efficiency through the systematic application of Toyota production practices, including 5S, 5S+ Fixed and 4S+ Discipline. These methodologies establish organized, standardized and visually managed work environments that minimize hazards, improve housekeeping and support safe, efficient operations.

5S & 5 Fixed Activities

The 5S methodology (Sort, Set in Order, Shine, Standardize and Sustain) provides the foundation for workplace organization. By maintaining clean, orderly and standardized work areas, IMC improves operational efficiency, reduces safety risks and fosters a culture of discipline and continuous improvement.

The 5 Fixed methodology standardizes workplace management by defining fixed quantity, fixed location, fixed container, fixed route and fixed color. This visual management approach reduces unnecessary movement, improves material handling and enables employees to identify abnormalities quickly, contributing to safer and more efficient operations.





4S + Discipline Management

IMC reinforces workplace standards through 4S + Discipline, focusing on Sort, Set in Order, Shine and Standardize, supported by disciplined adherence to established procedures. Regular audits and employee engagement help sustain these practices, strengthen safety awareness and embed continuous improvement throughout the organization.

Celebrating 35 YEARS

Cultural Performance

















CORPORATE SOCIAL Responsibility



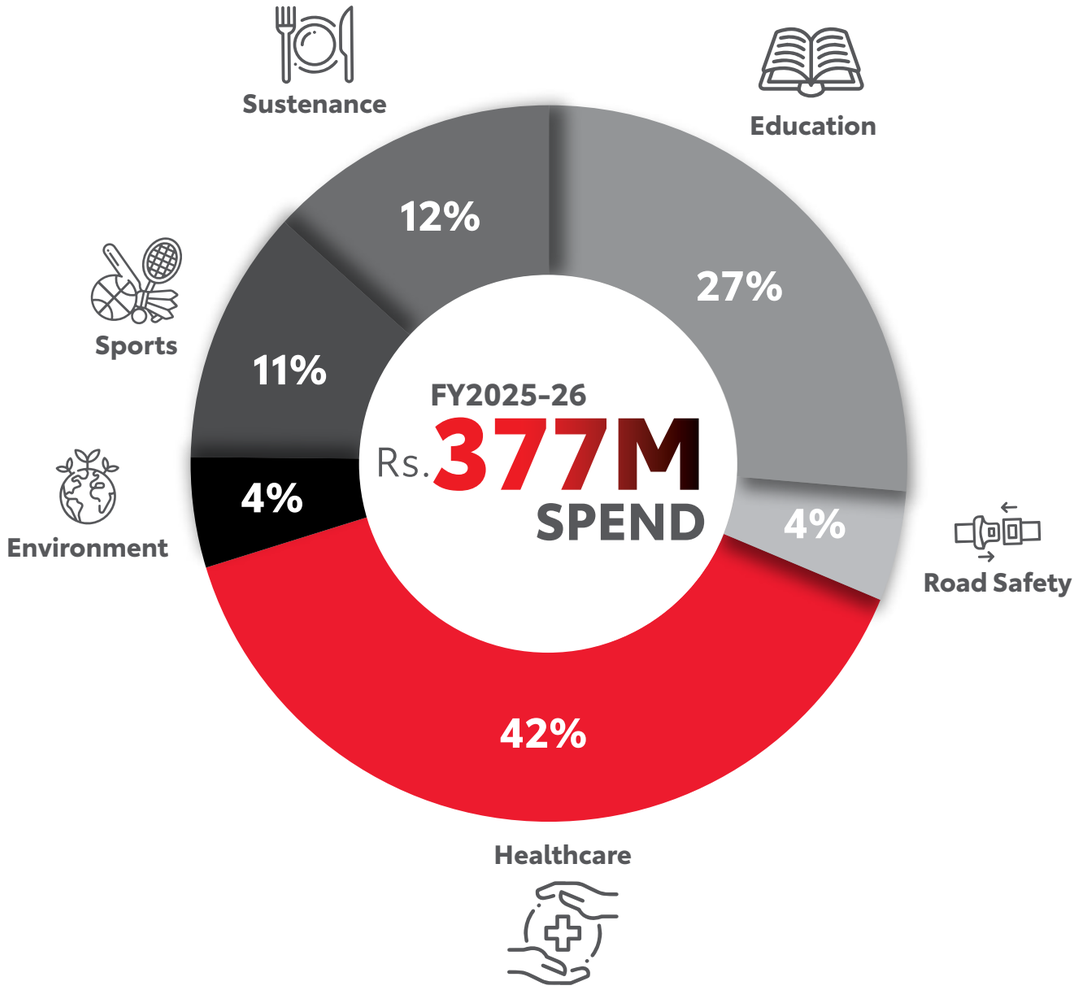


Rs. 1.5 Billion+

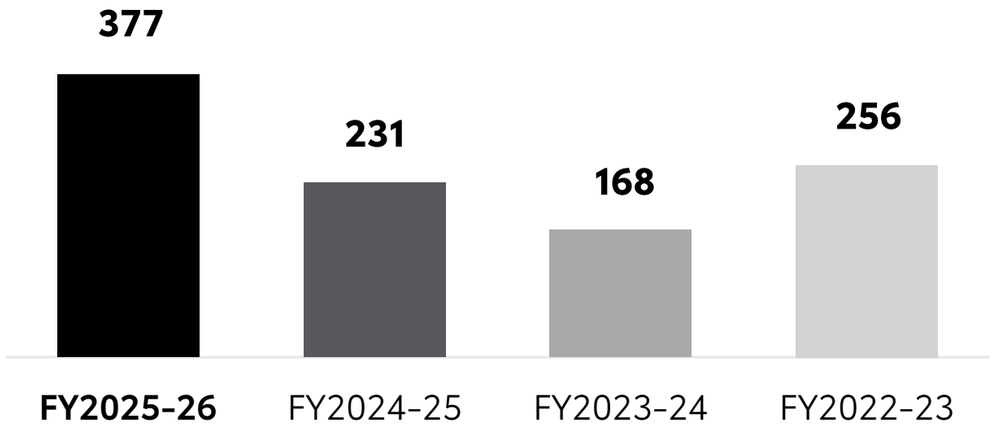
Our *Approach*

255,761
Beneficiaries Reached

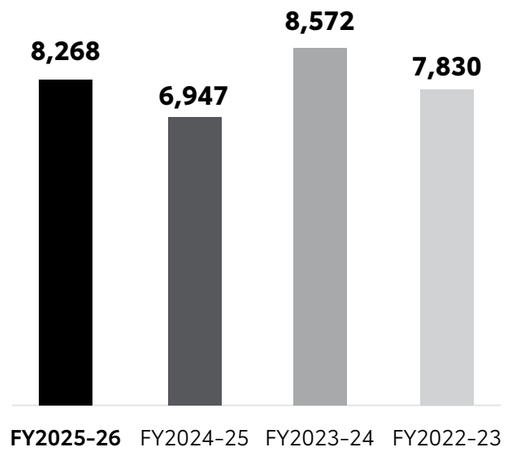
For more than three decades, IMC has viewed sustainable growth as a long-term responsibility that extends beyond business performance. The Company's approach reflects the belief that lasting success is closely linked to the well-being of the communities it serves. During FY2025-26, IMC invested Rs. 377 million across healthcare, education, sustenance, sports and road safety, supporting initiatives that strengthen communities and improve quality of life. Guided by Toyota's global sustainability vision, the Company continues to embed environmental and social responsibility into its decision-making, contributing to inclusive and sustainable development across Pakistan.



CSR Spend



CSR Spending per unit produced



CSR Spending per unit sold

At IMC, sustainability is not a side initiative — it is central to our purpose and progress. For 35 years, we have combined innovation with responsibility, ensuring that our growth delivers shared value for society.

NEIGHBORING COMMUNITIES UPLIFTING *Program*

Through its Neighboring Communities Uplifting Program, IMC invests in initiatives that strengthen the well-being and long-term resilience of communities surrounding its operations. Delivered through its flagship CSR platform, Concern Beyond Cars addresses immediate needs while supporting long-term development through initiatives focused on food security, healthcare and education.

IMC currently supports six surrounding goths with initiatives that aim to improve quality of life, expand opportunities and enable communities to build greater self-reliance over time.

Free Healthcare to Neighboring Communities

53,917
Lives Turned into Miracles from Medicines

Limited access to quality healthcare remains a persistent challenge across Pakistan, with underserved communities continuing to face significant barriers to timely treatment and essential medical services. Recognizing this need, IMC invests in initiatives that strengthen healthcare delivery, improve access to medical care and support preventive health and wellness within the communities it serves.

Free Weekly Medical & Annual Eye Camps



To improve access to primary healthcare in underserved communities, IMC conducted free medical camps three times a week in partnership with Saylani Welfare Trust. The camps offered basic health assessments, including blood pressure and blood glucose screenings, consultations and prescribed medicines at no cost. Patients requiring specialized treatment were referred to partner hospitals.



During the year, 156 medical camps provided healthcare services to 28,800 patients, addressing common conditions such as respiratory infections and gastroenteritis. A dedicated annual eye camp also benefited 2,500 individuals through vision screenings, consultations and referrals for specialized ophthalmic care where required.

Free Psychiatric Health Camps



Recognizing the need for accessible mental healthcare, IMC conducted weekly psychiatric camps for neighboring communities in partnership with Karwan-e-Hayat. The camps provided psychiatric consultations, assessments and referrals for specialized care, with prescribed medicines provided free of charge.

During the year, 53 free psychiatric camps served 4,340 patients diagnosed with conditions including depression, bipolar disorder and schizophrenia.

Transforming Child Healthcare in Underserved Communities

Child mortality remains a major public health challenge in Pakistan. According to UNICEF, more than 1,000 children under the age of five die every day, with approximately 80 percent of these deaths linked to preventable causes. Expanding access to timely, high-quality pediatric care is therefore critical. Through its partnership with ChildLife Foundation, IMC supports free healthcare services for children across emergency care, primary healthcare and preventive health programs.



In 2022, ChildLife expanded the Emergency Room at PIMS Hospital in Islamabad from 12 to 30 beds, significantly increasing its capacity to treat pediatric emergencies. Since then, the facility has provided timely medical care to more than 250,000 children from Islamabad, Rawalpindi and surrounding areas. IMC's support for the hospital's advanced Resuscitation Room, including lifesaving equipment and essential medicines, has contributed to the treatment of more than 17,960 critically ill children, among them approximately 3,000 newborns.

Constructing Health, Creating Hope

IMC continues to invest in initiatives that strengthen Pakistan's healthcare infrastructure and expand access to quality medical services across the country. Through its longstanding partnership with Indus Hospital, Karachi, the Company has contributed to the continued growth of a healthcare institution that delivers free medical treatment to hundreds of thousands of patients every year.

IMC also partners with the Patient Aid Foundation to support the Surgical Complex at Jinnah Postgraduate Medical Centre, helping expand access to specialized surgical care in Karachi.

In Karachi, the Company is contributing to the development of Shaukat Khanum Cancer Hospital, a comprehensive cancer treatment and research facility that will enhance access to advanced oncology services for patients across the region.

IMC is also supporting the expansion of the Sindh Institute of Urology and Transplantation (SIUT) through its newly constructed facility, increasing the institute's capacity to provide specialized urology and transplant care to thousands of patients.

Beyond healthcare delivery, the Company has extended its community investments to elder care through the construction of Safaid Posh Ghar, a purpose-built residential facility that houses 60 residents and provides them with a safe and supportive environment.

Collectively, these initiatives reflect IMC's long-term commitment to strengthening Pakistan's healthcare ecosystem by supporting institutions that deliver essential medical services and improve access to care for communities nationwide.



Mobility for All

110
Lives Walking Toward Hope and Independence

Through its Mobility for All initiative, IMC supports programs that improve mobility for people facing physical and social barriers to independent movement. The initiative reflects the Company's commitment to making transportation more accessible while advancing inclusion and improving quality of life for underserved communities.

From Limitations to New Beginnings

Millions of people in Pakistan live with physical disabilities and many continue to face limited access to rehabilitation services and assistive devices. For children and adults alike, the absence of prosthetic care can restrict mobility, educational participation, employment opportunities and day-to-day independence.

To help address this need, IMC partnered with the Healthcare and Social Welfare Association (HASWA) to provide prosthetic limbs to individuals from Gilgit-Baltistan, Khyber Pakhtunkhwa, Punjab and Sindh. During the year, 100 beneficiaries received prosthetic limbs through the program, enabling greater mobility and supporting increased participation in education, employment and community life.



Driving Inclusion, Empowering Lives

Through its Mobility for All initiative under Concern Beyond Cars, IMC continues to champion the inclusion and empowerment of People with Disabilities (PWDs). During the year, IMC partnered with the Disabled Welfare Association (DWA), a government-recognized organization dedicated to supporting PWDs through advocacy, sporting activities and community engagement initiatives.

As part of this collaboration, IMC donated 10 wheelchairs to DWA, further reinforcing its commitment to inclusive mobility and social empowerment. The initiative reflects IMC's belief that mobility is a fundamental enabler of independence and that every individual deserves the opportunity to move forward without barriers.



Free Food Distribution

150,668
Lives Provided with Sustenance

Food insecurity remains a pressing social challenge in Pakistan, with millions of people facing difficulty in securing adequate nutrition. Rising living costs, persistent poverty and economic uncertainty have placed increasing pressure on household incomes, leaving many families unable to consistently meet their basic food requirements. These conditions highlight the continued need for initiatives that improve access to nutritious food and provide sustained support to vulnerable communities.

Weekly Food Distribution

IMC conducts weekly cooked meal distributions to assist underserved families in neighboring communities experiencing food insecurity. Implemented in partnership with Saylani Welfare Trust, the initiative provides freshly prepared meals to individuals and households with limited access to regular, nutritious food.

Throughout the year, weekly distribution drives reached 26,698 beneficiaries, helping ease immediate food needs while supporting the health and well-being of vulnerable communities.





Daily Food Distribution

Alongside its weekly meal program, IMC supports daily food distribution in partnership with Saylani Welfare Trust and Safaid Posh Dastarkhwan. The initiative provides freshly prepared meals to individuals and families experiencing food insecurity, helping ensure reliable access to nutritious food throughout the year.

Over the course of the year, 79,750 people benefited from the program. By providing meals on a consistent basis, the initiative helps meet immediate nutritional needs.

Food Distribution During Muharram

During Muharram, IMC partners with Safaid Posh Dastarkhwan to organize daily meal distributions for individuals and families in need. The initiative provides freshly prepared meals throughout the month, helping improve access to nutritious food while supporting communities during a period of religious significance. During the year, 26,000 meals were distributed through the program.





Ration Distribution During Ramadan

During Ramadan, IMC collaborates with Saylani Welfare Trust, Edhi Foundation and Shades Trust to distribute ration packs to vulnerable households in neighboring communities. The initiative helps families meet their essential food requirements during the holy month, easing the financial burden on those facing economic hardship. During Ramadan, ration packs were distributed to 3,794 families empowering 17,220 individuals.

Driving Social Impact Through Education

3,208
Futures Brightened Through Free Education

Education has the power to transform lives, expand opportunities and strengthen communities. Yet for many children in Pakistan, access to quality education remains limited by economic and social barriers. Improving educational outcomes therefore requires sustained investment in learning environments that are accessible, inclusive and equipped to support every child's development.

IMC invests in initiatives that broaden access to education for underserved communities. The Company's efforts include support for schools, scholarships and inclusive learning programs designed to help children build the knowledge, skills and confidence needed to reach their full potential. By investing in education, IMC contributes to stronger communities and the development of future generations.

Toyota Goth Education Program (T-GEP)

The Toyota Goth Education Program (T-GEP), IMC's flagship education initiative, marked its eighth year of operation during FY2025-26. Implemented in partnership with The Citizens Foundation (TCF) under the Neighboring Communities Uplifting Program, T-GEP provides children from villages surrounding the Company's plant with access to formal education from elementary through secondary school, with IMC fully funding their educational journey.



The program continued to expand its reach during the year, with 450 new students admitted during FY2025-26, bringing total enrolment to 791 students across 15 TCF campuses. T-GEP continues to improve access to education for children who might otherwise remain outside the formal school system.



Nurturing Minds for Generations with The Citizens Foundation (TCF)

Beyond T-GEP, IMC provides long-term support to three TCF schools in Karachi, Hyderabad and Muzaffargarh, collectively serving 1,353 students. The schools are sustained through a Rs. 92 million endowment fund, alongside annual financial support.

IMC also financed the construction of the Hyderabad and Muzaffargarh campuses, contributing to the expansion of educational infrastructure in communities where access to quality schooling remains limited.

Advancing Literacy, Shaping Tomorrow with Development in Literacy (DIL)

During the year, IMC expanded its education portfolio through a partnership with Development in Literacy (DIL), adopting the DIL Malir Campus in Karachi. The initiative directly benefits more than 630 students. Support focuses on strengthening the learning environment through infrastructure improvements, upgraded classrooms, expanded digital learning resources and the development of an alumni network that will continue to engage and support students beyond graduation.



Inclusive Education for Every Child with Deaf Reach

Access to education remains limited for many children with hearing impairments in Pakistan. According to Deaf Reach, the country is home to an estimated 1.25 million deaf children, yet fewer than five percent receive formal education. To help improve educational access, IMC partners with Deaf Reach to provide scholarships for children from economically disadvantaged families. During the year, the number of fully funded students increased from 12 to 30, covering education from elementary through higher secondary levels. In addition to classroom learning, students receive access to educational resources and mentoring that support their academic and personal development.





Digital Skills for Youth

Through partnerships with Saylani Welfare International Trust and AlKhidmat Foundation Karachi, IMC supported youth with access to in-demand digital skills, including Artificial Intelligence (AI), UI/UX design, and graphic design. Under Saylani's IT Training Program, 15 students were supported, while the Bano Qabil initiative trained 200 students annually through four three-month cycles, preparing them for employment and freelancing opportunities.

Skills for Sustainable Livelihoods

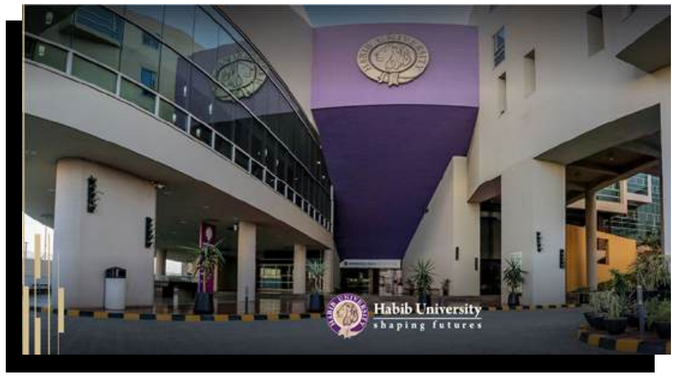
Building on T-GEP's commitment to education and employability, IMC supported 5 female T-GEP graduates in pursuing a two-year professional Midwifery Course conducted by HANDS Pakistan.

The initiative equipped beneficiaries with healthcare skills to pursue dignified employment and contribute to their communities.



Nurturing Talent, Shaping Tomorrow with Habib University

IMC also contributes to higher education through its partnership with Habib University, Pakistan's first community-owned liberal arts and sciences university. The institution offers multidisciplinary academic programs that prepare students for careers across science, engineering, the humanities and the social sciences.



During FY2025-26, IMC contributed Rs. 20 million toward the University's operational sustainability and academic development. The funding supports learning resources, research activities and student programs, helping create an environment that enables students to pursue academic excellence and develop the skills required for future leadership.

Leadership

The future belongs to those who believe in the beauty of their dreams.

– Eleanor Roosevelt

Participants engaged in activities that fostered collaboration, problem-solving and built connections with peers from diverse backgrounds. As part of IMC's community development initiatives, 25 young women from neighboring goth communities in Karachi attended the camp on full sponsorship, while the remaining 62 participants were selected from across Pakistan through Youth Impact's assessment process. The program provided participants with opportunities to develop leadership capabilities, expand their networks and gain experiences that support their future academic and professional growth.





MARKHOR

Youth Leadership Conference

10 Candidates

IMC also continued its longstanding partnership with Markhor's Youth Impact's flagship five-month leadership fellowship, established by Abdul Samad Khan. It combines an online learning phase featuring distinguished speakers with a five-day wilderness-based conference held annually in locations that highlight Pakistan's natural landscapes and cultural heritage. The 2025 edition, held in Manoor Valley, Kaghan, was themed گردار.

IMC has supported the Markhor program since 2014 and, for the eleventh consecutive year, sponsored students through the Toyota Goth Education Program (T-GEP), implemented in partnership with The Citizens Foundation under the Neighboring Communities Uplifting Program. This year, 10 T-GEP students, including nine girls, participated in the conference, gaining opportunities to strengthen leadership skills, collaborate with peers from across Pakistan and develop greater confidence through experiential learning.

Concern for *Climate*

IMC has achieved a landmark environmental milestone by becoming the first automotive company in Pakistan to plant one million trees, reinforcing its leadership in corporate sustainability and its commitment to building a greener and more resilient Pakistan.

The milestone marks the successful completion of IMC's Million Tree Plantation Project, launched as part of the company's long-term commitment to environmental stewardship. Over the years, the initiative has evolved into a nationwide effort, extending beyond Toyota's operations to schools, universities, hospitals, parks, urban forests, industrial areas and community spaces.



1,000,000 *Trees*

Countless Benefits

With Pakistan facing increasing environmental pressures from rising temperatures, extreme weather events, rapid urbanization and ecosystem degradation, IMC has focused on translating its sustainability commitment into tangible action. The Million Tree Plantation Project reflects this approach by creating green spaces while supporting biodiversity and strengthening local environmental resilience.

Implemented in collaboration with the United Nations Association of Pakistan (UNAP) and World Wide Fund for Nature (WWF), alongside institutional and community partners, the project has established a significant footprint across Pakistan.

Plantation activities have covered Sindh, Punjab and Islamabad, with extensive work across Karachi's urban, industrial and coastal areas, including Port Qasim, Bin Qasim, Gadap, Malir, Korangi, Clifton, SITE, Hawksbay, Shahrah-e-Faisal and University Road. The initiative has also extended to Nooriabad, Thatta, Shaheed Benazirabad District, Kashmore, Lahore and Islamabad.

The project's impact goes beyond the number of trees planted. IMC has incorporated a diverse range of fruit-bearing, shade-giving, flowering and environmentally beneficial species, including mango, jamun, guava, pomegranate, mulberry, neem, peepal, arjun, moringa, gulmohar and kachnar. The selection has been guided by the environmental and community needs of different locations.

The achievement was recently acknowledged during IMC's 35th anniversary celebrations, in the presence of distinguished representatives from the Embassy of Japan in Pakistan, Toyota Motor Corporation, Toyota Motor Asia and Toyota Tsusho Corporation.

The completion of the Million Tree Plantation Project marks another milestone in IMC's sustainability journey. Looking ahead, the Company remains committed to advancing environmental conservation, ecological restoration and sustainable practices that create lasting value for communities and Pakistan's environment.

Natural *Calamities*

Supporting Communities in Times of Crisis

IMC, as part of its unwavering commitment to community welfare and sustainable development, has launched extensive flood relief operations in Swat and Buner—two of the most severely affected districts in Khyber Pakhtunkhwa (KPK)—in response to the devastating monsoon floods that have claimed over 500 lives and displaced more than half a million people across the province.

In collaboration with local authorities and humanitarian partners, IMC's relief teams swiftly mobilized to deliver critical aid to affected families. The Company's flood relief package included tents, tarpaulins, blankets, ration hampers, drinking water, cooked food, mosquito nets and free medical camps providing essential medicines and health support. Through these efforts, IMC's relief operations have successfully reached over 40,000 beneficiaries, addressing urgent needs for shelter, food, clean water and healthcare.

40,000 *Lives* Supported



Flag Picking Drive

IMC encourages employees to play an active role in the communities they serve by creating opportunities to volunteer their time and skills throughout the year. Through a structured volunteering program, employees participate in initiatives that address environmental conservation, community welfare and social development while strengthening a culture of shared responsibility across the organization.

Employees from both management and non-management teams took part in a variety of volunteer activities during the year. Working alongside nonprofit organizations, they contributed to initiatives including beach cleanups, mangrove plantation drives and community campaigns, collectively dedicating 3,564 volunteer hours in support of local communities.



16,000 Mangroves One Greener Coast

> Life's most persistent and urgent question is, **What are you doing for others?**
>
> **Martin Luther King Jr.**

3,564
Volunteering Hours

In partnership with WWF-Pakistan, IMC organized a mangrove plantation drive at the WWF Wetlands Centre along Karachi's coastal belt. The initiative brought employees together to help restore one of the region's most important coastal ecosystems.

Mangrove forests play a vital role in protecting coastlines from erosion, supporting marine biodiversity and capturing atmospheric carbon. As part of the initiative, IMC added 16,000 mangrove saplings (in 2 years), contributing to the long-term restoration of Pakistan's coastal environment.

Powering Young Female *Squash Champions*

34
Medals Won Through Pure Grit

IMC is supporting three promising young squash players - Mahnoor Ali (14 years), Sehrish Ali (16 years) and Mehwish Ali (18 years) - following their impressive performances at the Australian Junior Open. Competing under the Toyota Pakistan banner, the athletes are representing Pakistan on the international stage while contributing to the country's renewed presence in a sport that has long been part of its sporting heritage.

Collectively, the three players have earned 15 gold, 13 silver and 6 bronze medals across national and international competitions, reflecting their consistent performance and competitive excellence. Alongside supporting their sporting careers, IMC has sponsored one year of their education, enabling the athletes to continue pursuing academic and athletic goals simultaneously.



Championing Para Taekwondo Talent Beyond *Borders*

IMC also supported para-taekwondo athletes Sualeh Baloch and Tajammul Hussain as they represented Pakistan at the Pahang Open International Taekwondo Championship 2026 in Malaysia. The tournament brought together more than 1,000 athletes from 26 countries, providing an important platform for international competition.

Both athletes secured silver medals, delivering outstanding performances against a highly competitive international field. Through its support under Concern Beyond Cars, IMC enabled their participation in the championship, helping create opportunities for para-athletes to compete internationally while encouraging greater inclusion in competitive sport.





REVERSE CAREER EXPO

In partnership with the National Aerospace Science and Technology Park (NASTP) and Ashrei Tech, IMC sponsored Pakistan's second Reverse Career Expo in Karachi, an initiative designed to expand employment opportunities for persons with disabilities.

Unlike conventional career fairs, the Reverse Career Expo placed candidates at the center of the recruitment process by providing personalized booths where they could present their skills, experience and aspirations directly to prospective employers. More than 300 organizations participated, making the event one of Pakistan's largest initiatives focused on inclusive employment.

The expo also welcomed 50 candidates from partner organizations, including Deaf Reach School, KVTC, NOWPDP, KDSP, Binae, Disability Welfare Association and PILC. Their participation highlighted the importance of creating opportunities for young people with diverse abilities while encouraging greater awareness of inclusive education and employment pathways. This event reflected IMC's continued focus on diversity, equity and inclusion while supporting initiatives that help build a more accessible and inclusive workforce.

JOURNALISTS 8TH SUMMIT

14TH–16TH APRIL, 2026 - NATHIA GALI

In April 2026, IMC hosted its 8th Journalists Summit in Nathia Gali, bringing together journalists from leading print and digital media outlets for an informed discussion on Pakistan's automotive sector. The summit provided a platform to share industry insights, address prevailing perceptions and present a fact-based perspective on the sector's contribution, challenges and future potential, helping shape a more informed public narrative around local manufacturing and the automotive industry's role in Pakistan's economy.

Delegation *Visits*

Government Officials



EDB CEO Visit: Mr. Hammad Ali Mansoor, CEO Engineering Development Board (EDB), visited IMC Port Qasim to receive comprehensive briefing on IMC operations.



Competition Commission Visit:
The Competition Commission of Pakistan visited IMC to conduct a study of Pakistan's automotive industry.



Senate Standing Committee on Industries and Production Visit: Senator Aon Abbas Chairman of the Senate Committee along with Committee members visited IMC. He was briefed by CEO Ali Asghar Jamali about the Pakistan auto industry and the impacts of long term government policy.



FBR Visit: The FBR team visited IMC to understand the effects of Government policy on the auto sector.



Frontier Corp Visit: Brigadier Salman Rashid Hussain visited IMC for a sales and corporate presentation.

Institutions and Japanese Visits



Ministry of Commerce Visit: A delegation from the Ministry of Commerce visited IMC to understand Pakistan's Automotive Sector landscape, IMC's 35 years long legacy and contributions to the economy of Pakistan.



Japanese Visit: Representatives from Toyota Boshoku (TB), Toyota Boshoku Asia (TBAS) and Thal Boshoku Pakistan (TBPK) visited IMC at Port Qasim for a corporate briefing and plant tour.



NIPA Inland Visit: Members of the NIPA Inland Section visited IMC to observe IMC operations.



WAPDA Visit: The 152nd batch of WAPDA Staff College visited IMC to observe Pakistan Auto Industry and IMC plant operations.



FBR Newly Recruited Staff Visit: A delegation of newly recruited FBR staff visited IMC to observe IMC operations and Pakistan Auto Industry challenges.



FPCCI Visit: A delegation from FPCCI visited IMC to understand IMC's carbon reduction initiatives.



19TH TOYOTA DREAM CAR MEGA EVENT

Every year, the Toyota Dream Car Art Contest invites children aged 15 and below to imagine the future of mobility through art. Since its launch in 2004, the contest has grown into a global platform that encourages young minds to express their ideas through creativity and imagination. In its 19th edition, the contest received an encouraging response from across Pakistan, with 29,535 entries from 1,408 schools nationwide, reflecting its growing reach among young artists.

The nine winning entries were celebrated at the Toyota Dream Car Art Contest Mega Event held in Lahore, where awards and medals were presented to the young artists. The event was attended by Ali Asghar Jamali and Shinji Yanagi, CEO and Vice Chairman of IMC, respectively, along with CEOs of Toyota dealerships from across Pakistan and the families of the winning children.

The winning artworks will represent Pakistan at the global Toyota Dream Car Art Contest in Japan, where they will compete alongside entries from participating countries around the world. The selection process was supported by jury members from the Indus Valley School of Art and Architecture and the National College of Arts, whose expertise contributed to the evaluation of the entries.

Through the Toyota Dream Car Art Contest, Toyota continues to give young artists across Pakistan a platform to explore their creativity, express their ideas and share their vision for the future of mobility.

1,408
Schools

29,535
Entries

9
Young Artists

TOYOTA DREAM CAR ART CONTEST

19TH TOYOTA DREAM CAR MEGA EVENT

TOYOTA DREAM CAR ART CONTEST

National Winners



Rahima Awais
Parent Love Car
Category: Under 8 Years



Hania
Flying Car
Category: Under 8 Years



Anabiya Farhad
The Stilleto Racer
Category: Under 8 Years



Anaiza Wazir
Project Plants for Concern Treatment Car
Category: 8 to 11 Years



Seerat Fatima
Art Knowledge Provider Car
Category: 8 to 11 Years



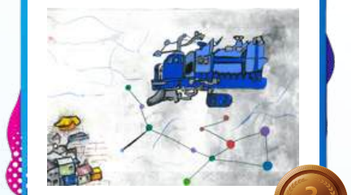
Husna Qaiser
Makeup Car
Category: 8 to 11 Years



Abeeha Fatima
Smog Controller Car
Category: 12 to 15 Years



Lubna
Toyota Violin Guitar Car
Category: 12 to 15 Years



Emaan Murtaza
Satelite Car
Category: 12 to 15 Years

Waku Dokie Winners



Abdul Rehman Khan
Dream Library Car
Category: Under 8 Years



Anabia Fatima
Happiness Rebuilding Car
Category: 8 to 11 Years



Tayyaba Zia
Emotion Sensing Car
Category: 12 to 15 Years

CEO Winners



Muhammad Taha
Lifer Saviour Car
Category: Under 8 Years



Fatima Gohar
Flooting Car
Category: 8 to 11 Years



Muneeba Zahid
The Population Fighter
Category: 12 to 15 Years

Vice Chairman Winners



Abdul Moiz
Fun Fueling Car
Category: Under 8 Years



Hasnain Asghar
6 Hands in One Car
Category: 8 to 11 Years



Wareesha Wasib
Diaster Relief Cars
Category: 12 to 15 Years

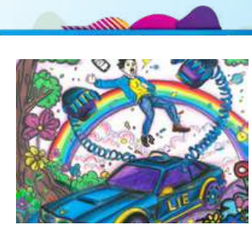
Special Jury Winners



Isra Syed
The Joy of The Ice Cream Car
Category: Under 8 Years



Tahira Batool
Father's Mobile Cather Car
Category: 8 to 11 Years



Aroosh Tahir Abbas
No Lie Drive
Category: 12 to 15 Years

Toyota Road Safety Awareness Program Driving Change, Saving *Lives*

Road safety extends beyond manufacturing vehicles. It requires safer infrastructure, responsible road behavior and greater public awareness. Through the Toyota Road Safety Awareness Program, IMC works across each of these areas by combining education, engineering, technology and community partnerships to help create a safer road environment for all.

Toyota Road Improvement Project (TRIP)

Building on the success of the Toyota Road Improvement Program (TRIP), IMC, NED University of Engineering and Technology (NEDUET) and Sindh Traffic Police have strengthened their partnership to promote road safety, efficient traffic management and sustainable urban mobility in Karachi. Under a newly signed agreement, IMC and NEDUET will establish the Urban Mobility Implementation Unit (UMIU) at NED University to transform research into practical, city-wide solutions, including high-risk accident location treatment, improved traffic flow, vulnerable road-user safety, stakeholder coordination and an AI-based Accident & Incident Management System (AIMS).

Through TRIP, Toyota has collaborated with academic, law enforcement and public-sector stakeholders for over a decade to advance evidence-based road safety through research, awareness, engineering improvements and capacity building. As part of the new agreement, IMC will provide Rs. 20.7 million over three years to support technical studies, implementation activities, stakeholder engagement and capacity-building programs aimed at creating safer and more sustainable mobility across Karachi.



AI-Based Digital Campaign on Road Safety Awareness is Recognized at Pakistan Digital Awards

As part of TRIP's public awareness efforts, IMC launched Aik Pal Ki Laparwahi, an AI-powered campaign highlighting how a single moment of carelessness can have lasting consequences. Through compelling storytelling, the campaign encouraged safer driving habits by promoting seatbelt use, discouraging distracted driving and reinforcing the importance of staying focused behind the wheel.



The campaign reached millions of people across digital platforms and earned IMC the Best Use of AI in Content Creation award at the Pakistan Digital Awards (PDA) 2026, making it the first automotive company in Pakistan to receive a Pakistan Digital Award for road safety content and the first to win the category with an AI-generated campaign.



Protecting Every Ride, Every Life

IMC also extended its road safety efforts to its own workforce through an employee-focused initiative developed in collaboration with the Sindh Traffic Police. The program combined practical safety measures with easier access to driver licensing, encouraging employees to adopt safer practices on the road.



As part of the initiative, IMC distributed 300 motorcycle helmets and facilitated an in-house learner's driving license program, through which 344 learner licenses were issued to employees. The event was attended by representatives from the National Highways & Motorway Police, Sindh Traffic Police, the Traffic Engineering Bureau, academia and IMC, highlighting the value of collaboration in advancing road safety.



Reaching Communities, Inspiring Safer Roads

Beyond its engineering initiatives and public campaigns, IMC continued to expand road safety awareness through partnerships and community engagement activities across Pakistan. During the year, more than 162,000 people participated in awareness initiatives designed for motorists, students, families, media professionals and the wider public.



Road safety messages were delivered through a diverse range of platforms, including the Pakistan Auto Parts Show, Global Road Safety Highway Activations, the Karachi Boat Club Regatta, IMC's 35th anniversary celebrations, educational institutions, sporting tournaments, media forums, national rally events and the T-SURE Gala through Toyota's dealership network.

By integrating road safety education into public events and community activities, IMC continues to encourage safer road behavior and broaden awareness of responsible mobility across Pakistan.

Awards & Accolades

CDEA (Gold) Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

Value Chain Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

Warranty Reduction Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

Excellence Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

Consumer Choice Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

Zero Field Action Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

Shipping Quality Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

Marketing Award 2025
Presented to IMC by
Toyota Motor Asia (TMA)

DIAMOND Award 2025
Presented to IMC by
Employers Federation of Pakistan

Automobile Assembler MAP 40th CEA Award 2025
Presented to IMC by
Management Association of Pakistan (MAP)

Best Use of AI in Content Creation Award 2025
Presented to IMC by
Pakistan Digital Awards

MERIT Certificate 2025
Presented to IMC by ICMA International
for its Sustainability Report

Tree Plantation Award 2025
Presented to IMC by National Forum
of Environment and Health (NFEH)

CSR Report, Research & Publication Award 2025
Presented to IMC by National Forum of
Environment and Health (NFEH)

Measurable Impact & Evaluation Award 2025
Presented to IMC by National Forum
of Environment and Health (NFEH)

Responsible Investment Award 2025
Presented to IMC by
The Professionals Network(TPN)

Reporting & Transparency Award 2025
Presented to IMC by
The Professionals Network(TPN)

Community Impact Award 2025
Presented to IMC by
The Professionals Network(TPN)

FINANCIAL Statements



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

For the year ended June 30, 2026

This statement is being presented to comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) for the purpose of establishing a framework of good governance.

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors is ten (10) as per the following:
   - **Male:** Nine (9) (including the CEO)
   - **Female:** One (1)
2. For the year ended June 30, 2026, the composition of the Board of Directors (the Board) is as follows:

Category	Names
Independent Directors*	
	Mr. Asif Qadir
	Mr. Riyaz T. Chinoy
	Syeda Tatheer Zehra Hamdani
Non-Executive Directors	
	Mr. Mohamedali R. Habib
	Mr. Imran Ali Habib
	Mr. Muhammad H. Habib
	Mr. Giri Venkatesh
Executive Directors	
	Mr. Shinji Yanagi
	Mr. Ali Asghar Jamali
	Mr. Shigeki Furuya

The Independent Directors meet the criteria of independence under the Companies Act, 2017.

*Note: In terms of regulation 6(1) of the Regulations, one-third of the Company's ten-member Board works out to 3.33. As a general principle, since the fraction is below 0.5 (half), the fraction contained in such one third is not rounded up as one. Furthermore, the composition of the Board is adequate, with a good mix of skilled, experienced and professional Independent and Non-Executive Directors, who have diligently looked after the interests of the Company and are capable of robustly protecting the interests of its minority shareholders;

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. 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;
5. 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 the significant policies along with their date of approval or updating is maintained by the Company;
6. 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 and the Regulations;
7. 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 the meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations;
9. All ten (10) members of the Board of Directors have duly obtained training under the Directors' Training Program or are exempted. During the year, the Company has also arranged a training program for Mr. Shiraz Sanawar, Head of Internal Audit, under the Directors' Training Program. The Company has arranged Directors' Training Program for all female executives up to Senior Manager and planned to arrange for other female executives over the next year.
10. 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;

11. The Chief Financial Officer and Chief Executive have duly endorsed the financial statements before approval of the Board;
12. The Board has formed Committees comprising the members given below:

Name of Committees	Names of members and Chairman	Designation
Board Audit & Risk Committee		
	Mr. Asif Qadir	Chairman
	Mr. Imran Ali Habib	Member
	Mr. Muhammad H. Habib	Member
	Mr. Giri Venkatesh	Member
	Mr. Riyaz T. Chinoy	Member
Board HR & Remuneration Committee		
	Syeda Tatheer Zehra Hamdani	Chairperson
	Mr. Mohamedali R. Habib	Member
	Mr. Shinji Yanagi	Member
	Mr. Ali Asghar Jamali	Member
	Mr. Riyaz T. Chinoy	Member
Board Ethics Committee		
	Mr. Riyaz T. Chinoy	Chairman
	Mr. Ali Asghar Jamali	Member
	Syeda Tatheer Zehra Hamdani	Member

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance. The Audit Committee is also responsible for overseeing sustainability-related risks and opportunities, including those related to Environmental, Social and Governance (ESG) factorsand ensuring that relevant strategies, priorities and measurable targets are established to support long-term value creation.
14. In accordance with the (Code of Corporate Governance) Regulations 29 and 30, the board may constitute a separate committee, designated as the Nomination and Risk Management Committee. The functions of the Nomination and Risk Management are being performed by the Board HR & Remuneration Committee and the Board Audit & Risk Committee respectively. Therefore, separate committees have not been formed.
15. The frequency of meetings of the committees during the year was as per the following:

• Board Audit & Risk Committee	Quarterly meetings
• Board HR & Remuneration Committee	Half-yearly meetings
• Board Ethics Committee	Annual meeting

16. The Board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company;
17. 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 (ICAP) and registered with the 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 ICAP 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;
18. 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 requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard; and
19. We confirm that all mandatory requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the regulations have been complied with.

Mohamedali R. Habib
Chairman
Indus Motor Company Limited

Karachi
August 29, 2026

Independent Auditor's Review Report

To the members of Indus Motor Company 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 Indus Motor Company Limited (the Company) for the year ended June 30, 2026 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 June 30, 2026.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 04, 2026
UDIN: CR202610611qCedGKWTQ

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Independent Auditor's Report

TO THE MEMBERS OF INDUS MOTOR COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Indus Motor Company Limited (the Company), which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the 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 statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the 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 June 30, 2026 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 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 Matters

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

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Following are the key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
(i)	**Revenue from contracts with customers** (Refer notes 2.17 and 26 to the annexed financial statements) The Company is engaged in the manufacturing and sale of motor vehicles and related spare parts. Revenue is recognized when performance obligation is satisfied by transferring control of a promised good to a customer. We considered revenue as a key audit matter, being one of Company's key performance indicators. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	Our audit procedures, amongst others, included the following: • Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition; • Understood and evaluated the accounting policy with respect to revenue recognition; • Performed testing of revenue transactions on a sample basis with underlying documentation including dispatch documents and sales invoices; • Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognized in the correct period; • Performed recalculation of discounts and commission as per the Company's policy on sample basis. • Performed audit procedures to analyze variation in the price and quantity sold during the year; and • Assessed the adequacy of disclosures made by the Company in accordance with the applicable financial reporting framework.

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S. No.	Key audit matters	How the matter was addressed in our audit
(ii)	**Estimates involved in the provision for warranty obligations** (Refer notes 2.14 and 22 to the annexed financial statements) The Company normally provides warranty on its locally manufactured vehicles to customers and maintains a provision in this respect. The management carries out a semi-annual exercise to assess the reasonableness of the provision for warranty obligations carried in the financial statements. Moreover, the Company also considers the impacts of any potential recalls arising from inspections carried out by the Company and Toyota Motor Corporation (TMC) as envisaged under the technical assistance agreement with TMC. The management and the Board of Directors of the Company consider warranty obligations as a significant estimate and the provisioning methodology is regularly reviewed by the Board Audit and Risk Committee. Management's estimates are based on historical claims experience, taking into account the nature, frequency, severity and average cost of claims for each vehicle line and model year. In ascertaining the adequacy of the provision, the Board takes into account the trend of regular warranty claims, the results of inspections and any previous incidents of recall. Due to the significance of the provision for warranty obligations and related significant estimation involved, we considered it as a key audit matter.	Our audit procedures, amongst others, included the following: • Obtained an understanding of the warranty process, evaluated the Company's accounting policy and assessed the design and operating effectiveness of relevant internal controls; • Evaluated the appropriateness of the Company's methodology for calculating the provision for warranty obligations as at June 30, 2026 and tested the basis for the assumptions developed and used in the determination of the same; • Assessed the reasonableness of the assumptions used in determination of the provision for warranty obligations as at June 30, 2026 and tested the validity of the data used in the calculations; and • Assessed the adequacy of disclosures made by the Company in accordance with the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

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Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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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 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:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

(b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the 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;

(c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

(d) 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 Junaid Mesia.



A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 04, 2026
UDIN: AR202610611RKvyfCuHc

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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Statement of Financial Position
AS AT JUNE 30, 2026

	Note	2026	2025
		---------(Rupees in '000)--------	
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	18,122,920	20,422,998
Intangible assets	4	76,452	77,203
Long-term loans and advances	5	195,567	72,255
Long-term deposits	6	12,273	12,273
Deferred taxation - net	7	2,052,923	2,951,523
		20,460,135	23,536,252
Current Assets			
Stores and spares	8	563,409	587,753
Stock-in-trade	9	36,793,565	21,766,847
Trade debts - unsecured	10	2,803,870	9,913,463
Loans and advances	11	2,027,992	2,625,337
Short-term prepayments	12	116,703	77,850
Accrued return	13	300,371	34,688
Other receivables	14	4,076,614	3,971,281
Short-term investments	15	103,013,902	116,863,133
Cash and bank balances	16	8,736,576	5,397,774
		158,433,002	161,238,126
TOTAL ASSETS		178,893,137	184,774,378
EQUITY			
Share Capital			
Authorized capital			
500,000,000 (2025: 500,000,000) ordinary shares of Rs. 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up capital	17	786,000	786,000
Reserves	18	86,109,555	76,166,638
		86,895,555	76,952,638
LIABILITIES			
Non-Current Liabilities			
Long-term loan	19	119,946	159,929
Deferred revenue		20,649	20,785
Payable for Sindh Infrastructure Development Cess (SIDC)	20	3,407,186	-
		3,547,781	180,714
Current Liabilities			
Current portion of long-term loan	19	39,983	39,983
Current portion of deferred revenue		46,682	15,897
Current portion of payable for SIDC	20	1,392,540	-
Unclaimed dividend		150,957	337,656
Unpaid dividend		376,428	246,910
Trade and other payables	21	47,206,742	58,738,325
Warranty obligations	22	3,082,416	4,750,931
Advances from customers and dealers	23	31,044,298	34,107,927
Taxation - net		5,109,755	9,403,397
		88,449,801	107,641,026
Total Liabilities		91,997,582	107,821,740
TOTAL EQUITY AND LIABILITIES		178,893,137	184,774,378
CONTINGENCIES AND COMMITMENTS	25		

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

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Shinji Yanagi
Vice Chairman & Director

Statement of Profit or Loss
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------(Rupees in '000)--------	
Revenue from contracts with customers	26	258,754,860	215,136,582
Cost of sales	27	(222,459,239)	(183,941,195)
Gross profit		36,295,621	31,195,387
Distribution expenses	28	(1,053,870)	(2,263,836)
Administrative expenses	29	(4,303,220)	(3,601,033)
Other operating expenses	30	(484,163)	(243,953)
		(5,841,253)	(6,108,822)
		30,454,368	25,086,565
Workers' Profit Participation Fund and Workers' Welfare Fund	31	(3,132,085)	(2,101,774)
Net profit from operations		27,322,283	22,984,791
Other income	32	15,872,712	14,949,419
		43,194,995	37,934,210
Finance costs	33	(370,280)	(263,733)
Profit before taxation and levy		42,824,715	37,670,477
Levy	34	(13,078)	(181,135)
Profit before taxation		42,811,637	37,489,342
Taxation	34	(17,305,805)	(14,479,683)
Profit after taxation		25,505,832	23,009,659
		----------(Rupees)----------	
Earnings per share - basic and diluted	35	324.50	292.74

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

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Shinji Yanagi
Vice Chairman & Director

Statement of Comprehensive Income
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------(Rupees in '000)--------	
Profit after taxation		25,505,832	23,009,659
Other comprehensive loss:			
Items that will not be reclassified to profit or loss			
Remeasurement loss on net defined benefit plan	24.4	(183)	(105)
Related deferred tax thereon		68	41
Total other comprehensive loss - net of tax		(115)	(64)
Total comprehensive income for the year		25,505,717	23,009,595

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

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Shinji Yanagi
Vice Chairman & Director

Statement of Cash Flows
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------(Rupees in '000)-------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	36	23,189,113	57,491,429
Net (increase) / decrease in long-term loans and advances		(123,312)	10,954
Compensation paid on advances received from customers		(65,906)	(70,822)
(Decrease) / increase in long-term portion of deferred revenue		(136)	7,883
Payment to Workers' Profit Participation Fund	14.4	(2,500,000)	(2,050,003)
Payment to Workers' Welfare Fund		(753,410)	(466,549)
Payment in respect of payable for SIDC	20.2	(1,392,540)	-
Interest paid on long-term loan		(7,878)	(9,467)
Income tax and levy paid during the year		(20,713,925)	(13,676,004)
Net cash (used in) / generated from operating activities		(2,367,994)	41,237,421
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets		(3,524,958)	(3,284,288)
Proceeds from disposal of property, plant and equipment		139,698	342,816
Interest received on bank deposits and Term Deposit Receipts		396,999	220,538
Proceeds from sale / maturity of Pakistan Investment Bonds - net		2,262,591	1,002,616
Proceeds from sale of listed mutual fund units - net		24,940,012	3,171,629
Dividend income received from listed mutual fund units		31,595	723,033
Interest received on Market Treasury Bills		214,036	372,018
Proceeds from sale of / (investment in) Market Treasury Bills - net		12,309,662	(24,908,750)
Investment in Term Deposits Receipts - net		(10,000,000)	-
Net cash generated from / (used in) investing activities		26,769,635	(22,360,388)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term loan repaid during the year		(39,983)	(39,983)
Dividend paid		(15,619,981)	(13,109,327)
Net cash used in financing activities		(15,659,964)	(13,149,310)
Net increase in cash and cash equivalents during the year		8,741,677	5,727,723
Cash and cash equivalents at beginning of the year		19,834,866	14,107,143
Cash and cash equivalents at end of the year	37	28,576,543	19,834,866

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

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Shinji Yanagi
Vice Chairman & Director

Statement of Changes in Equity
FOR THE YEAR ENDED JUNE 30, 2026

	Share Capital	Reserves				
		Capital	Revenue			Total
	Issued, subscribed and paid-up	Share premium	General reserve	Unappro-priated profit	Sub-Total	
	(Rupees in '000)					
Balance at July 1, 2024	786,000	196,500	55,951,050	10,292,893	66,440,443	67,226,443
Transfer to general reserve for the year ended June 30, 2024 appropriated subsequent to year end	-	-	6,500,000	(6,500,000)	-	-
Transactions with owners						
Final cash dividend @ 430% for the year ended June 30, 2024 (Rs. 43 per ordinary share)	-	-	-	(3,379,800)	(3,379,800)	(3,379,800)
1st Interim dividend @ 390% for the year ended June 30, 2025 (Rs. 39 per ordinary share)	-	-	-	(3,065,400)	(3,065,400)	(3,065,400)
2nd Interim dividend @ 370% for the year ended June 30, 2025 (Rs. 37 per ordinary share)	-	-	-	(2,908,200)	(2,908,200)	(2,908,200)
3rd Interim dividend @ 500% for the year ended June 30, 2025 (Rs. 50 per ordinary share)	-	-	-	(3,930,000)	(3,930,000)	(3,930,000)
Total transactions with owners	-	-	-	(13,283,400)	(13,283,400)	(13,283,400)
Profit after taxation for the year	-	-	-	23,009,659	23,009,659	23,009,659
Other comprehensive loss for the year	-	-	-	(64)	(64)	(64)
Total comprehensive income for the year ended June 30, 2025	-	-	-	23,009,595	23,009,595	23,009,595
Balance at June 30, 2025	786,000	196,500	62,451,050	13,519,088	76,166,638	76,952,638
Transfer to general reserve for the year ended June 30, 2025 appropriated subsequent to year end	-	-	9,000,000	(9,000,000)	-	-
Transactions with owners						
Final cash dividend @ 500% for the year ended June 30, 2025 (Rs. 50 per ordinary share)	-	-	-	(3,930,000)	(3,930,000)	(3,930,000)
1st Interim dividend @ 510% for the year ended June 30, 2026 (Rs. 51 per ordinary share)	-	-	-	(4,008,600)	(4,008,600)	(4,008,600)
2nd Interim dividend @ 460% for the year ended June 30, 2026 (Rs. 46 per ordinary share)	-	-	-	(3,615,600)	(3,615,600)	(3,615,600)
3rd Interim dividend @ 510% for the year ended June 30, 2026 (Rs. 51 per ordinary share)	-	-	-	(4,008,600)	(4,008,600)	(4,008,600)
Total transactions with owners	-	-	-	(15,562,800)	(15,562,800)	(15,562,800)
Profit after taxation for the year	-	-	-	25,505,832	25,505,832	25,505,832
Other comprehensive loss for the year	-	-	-	(115)	(115)	(115)
Total comprehensive income for the year ended June 30, 2026	-	-	-	25,505,717	25,505,717	25,505,717
Balance at June 30, 2026	786,000	196,500	71,451,050	14,462,005	86,109,555	86,895,555

Proposed final dividend and transfer between reserves made subsequent to the year ended June 30, 2026 are disclosed in note 46 to these financial statements.

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

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Shinji Yanagi
Vice Chairman & Director

Notes to and Forming Part of The Financial Statements
FOR THE YEAR ENDED JUNE 30, 2026

1. THE COMPANY AND ITS OPERATIONS

Indus Motor Company Limited (the Company) was incorporated in Pakistan as a public company limited by shares in December 1989 under the repealed Companies Ordinance, 1984 (now, the Companies Act, 2017) and started commercial production in May 1993. The shares of the Company are quoted on the Pakistan Stock Exchange.

The Company was formed in accordance with the terms of a Joint Venture agreement concluded amongst certain House of Habib companies, Toyota Motor Corporation and Toyota Tsusho Corporation for the purposes of assembling, progressive manufacturing and marketing of Toyota vehicles. The Company also acts as the sole distributor of Toyota and Daihatsu vehicles in Pakistan and has a license for assembling, progressive manufacturing and marketing of Toyota vehicles in Pakistan.

The registered office and factory of the Company is situated at Plot No. NWZ/1/P-1, Port Qasim Industrial Estate, Bin Qasim, Karachi.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

2.1 Basis of preparation

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in respective accounting policy notes.

2.2 Statement of compliance

These 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:

- 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.

2.2.1 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

2.2.2 Amendments to published accounting and reporting standards which became effective during the year:

There were certain amendments to applicable financial reporting framework which became effective for the Company during the current year. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

2.2.3 New standards and amendments to published accounting and reporting standards that are not yet effective and not early adopted by the Company

There are certain new standards and amendments that will be applicable to the Company for its annual periods beginning on or after July 1, 2026. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable for the Company's annual periods beginning on or after January 1, 2026. The Company's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

2.3 Property, plant and equipment

2.3.1 Property, plant and equipment - Owned

These are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any, except capital work-in-progress which is stated at cost less accumulated impairment losses, if any.

Assets having cost exceeding the minimum threshold as determined by the management are capitalized. All other costs are charged to the statement of profit or loss in the year in which such costs are incurred.

Subsequent costs are included in the asset's carrying amounts or recognized 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. The carrying amount of the replaced part is derecognized.

All repairs and maintenance are charged to the statement of profit or loss during the financial period in which such costs are incurred. Major renewals and improvements, if any, are capitalized in accordance with IAS 16 'Property, Plant and Equipment' and depreciated in a manner that best represents the consumption pattern.

Disposal of assets is recognized when significant risk and rewards incidental to ownership have been transferred to buyer. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of profit or loss.

Depreciation is charged to the statement of profit or loss applying the straight line method, whereby the depreciable amount of an asset is written off over its estimated useful life. The cost of leasehold land is depreciated equally over the lease period. Depreciation is charged on additions from the month the asset is available for use and on disposals up to the month preceding the month of disposal. The rates of depreciation are stated in note 4.2 to these financial statements.

2.3.1.1 Capital work-in-progress

All expenditures connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to relevant operating assets category as and when assets are available for use.

2.3.2 Intangible assets - Computer Software

Computer software licenses acquired by the Company are stated at cost less accumulated amortization. Software's costs are only capitalised when it is probable that future economic benefits attributable to the softwares will flow to the Company and the amortization is charged to the statement of profit or loss applying the straight line method at the rates stated in note 4.2 to these financial statements. None of the intangible assets of the Company are internally generated.

2.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that all non-financial assets may be impaired. If any such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts and the differences are recognized in the statement of profit or loss.

2.5 Stores and spares

Stores and spares, except in transit, are valued at lower of cost and net realizable value which are determined on a moving average basis. Ageing and value of items of stores and spares are reviewed at each reporting date to record provision for any slow moving, damaged and obsolete items. Provision made for any slow moving, damaged and obsolete items is charged to statement of profit or loss. Items in transit are valued at cost comprising invoice values plus other charges incurred thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to be incurred for its sale.

Notes to and Forming Part of
The Financial Statements
FOR THE YEAR ENDED JUNE 30, 2026

2.6 Stock-in-trade

Stock-in-trade, except in transit, are valued at the lower of cost and net realizable value. Stock in transit are valued at cost as accumulated upto the reporting date, comprising invoice values plus other charges incurred thereon.

Cost of raw materials, own manufactured vehicles and trading stock is determined on a moving average basis. Cost of work-in-process is valued at material cost.

Provision for obsolete and slow moving stock-in-trade is determined based on the management's assessment regarding their future usability.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to be incurred for its sale.

2.7 Financial Instruments

2.7.1 Financial assets

a) Amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met:

i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Fair value through profit or loss

A financial asset is measured at fair value through profit or loss if it is not measured at amortized cost or at fair value through other comprehensive income.

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets at amortized cost are initially recognized at fair value plus transaction costs and are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment losses are recognized in the statement of profit or loss. Financial assets carried at FVOCI are initially recognized at fair value plus transaction costs and are subsequently measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. Financial assets carried at FVPL are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVPL are included in the statement of profit or loss and in the period in which they arise.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the statement of profit or loss.

2.7.1.1 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies the simplified approach to recognize lifetime expected credit losses for trade debts while general 3-stage approach for long-term loans, deposits, other receivables, bank balances, etc. 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. The Company considers a financial asset in default when contractual payments are 55 days past due for parts sold and T-Sure services provided to dealers, 90 days past due for vehicles sold to dealers on installment basis and 145 to 190 days past due for parts and vehicles sold to government organizations and it is subsequently written off when there is no reasonable expectation of recovering the contractual cash flows. The definition is based on the Company's internal credit risk management policy.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before June 30, 2026 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 Company has identified the GDP, CPI and the unemployment rate of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

2.7.2 Financial liabilities

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

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

A financial liability is derecognized when the obligation under the liability is discharged, 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 and 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 statement of profit or loss.

2.7.3 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle either on a net basis, or realize the asset and settle the liability simultaneously.

2.8 Loans, advances and deposits

These are stated at cost less estimates made for any doubtful receivables based on a review of all outstanding amounts at the reporting date. Balances considered doubtful and irrecoverable are written off when identified. The assessment of impairment of these financial assets is described in note 2.7.1.1.

2.9 Trade debts and other receivables

Trade debts and other receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognized at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortized cost using the effective interest method. Impairment of trade debts and other receivables is described in note 2.7.1.1.

Notes to and Forming Part of
The Financial Statements
FOR THE YEAR ENDED JUNE 30, 2026

2.10 Taxation - levy and income tax

2.10.1 Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements. Any excess over the amount designated as levy is then recognized as current tax expense falling under the scope of IAS 12.

2.10.2 Income Tax

The tax expense for the year comprises of current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity. In which case, the tax is also recognized in OCI or directly in equity.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. 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**

  Provision for current taxation is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

  Current tax assets and tax liabilities are offset where the Company has the legally enforceable right to offset and intends either to settle on net basis or to realize the asset and settle the liability simultaneously.

- **Deferred**

  Deferred tax is recognized using the balance sheet liability method, providing for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

  A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

  Deferred tax assets and liabilities are offset when 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.

2.11 Cash and cash equivalents

Cash and cash equivalents are carried at cost. Cash and cash equivalents in the statement of cash flows include cash in hand and in transit, cheques in hand, balances with banks on current, deposit and savings accounts, other short-term highly liquid investments with original maturities of three months or less.

2.12 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

These 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). If not, they are presented as non-current liability.

Exchange gains and losses arising in respect of liabilities in foreign currencies are added to the carrying amount of the respective liabilities.

2.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.14 Warranty obligations

The Company recognizes the estimated liability, on an accrual basis, to repair or replace products at the reporting date, and recognizes the estimated product warranty costs in the statement of profit or loss when the sale is recognized. A best estimate is recognized based on the amount required to be paid / settled to cover the potential warranty claims on the basis of historical experience and ongoing assessment / evaluation of the performance of the Company's products.

The Company normally provides warranty on its locally manufactured vehicles to customers and maintains a provision in this respect. The management carries out a semi-annual exercise to assess the reasonableness of the provision for warranty obligations carried in the financial statements. Moreover, the Company also considers the impacts of any potential recalls arising from inspections carried out by the Company and Toyota Motor Corporation (TMC) as envisaged under the technical assistance agreement with TMC. The Company continuously carries out various assessments / stress testing of the performance of its products.

2.15 Staff retirement benefits

- **Short-term obligation**

  Liabilities for wages and salaries, including non-monetary benefits 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 recognized 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.

  The Company operates a recognized provident fund for its permanent employees. Equal monthly contributions are made to the Fund by the Company and the employees in accordance with the rules of the Fund. The Company has no further payment obligation once the contributions have been paid. The contributions made by the Company are recognized as an employee benefit expense when they are due.

- **Defined benefit / contribution plan - Pension Fund**

  The Company also operates an approved funded pension scheme for its permanent employees.

  The employee pension is governed by two sets of Rules, 'New Rules' - Defined contribution plan and 'Old Rules' - Defined benefit plan. The New Rules are applicable to all members of the Fund with effect from July 1, 2008. However, the Old Rules continue to apply to all persons whose employment with the Company ceased before July 1, 2008 and who are entitled to pension from the Fund. In addition, the Old Rules also apply to existing employees who have not opted to be governed by the New Rules.

  In accordance with the New Rules an actuarial balance was determined by the actuary as at June 30, 2008 in respect of all members of the Fund who were in the service of the Company as of that date and opted to be governed by the New Rules which was credited to the members' individual accounts. With effect from July 2008, the Company is required to make a fixed monthly contribution to the Fund based on the basic salary of the employees which is credited into the individual account of each member. The Company has no further payment obligation once these monthly contributions have been paid to the Fund. Profit earned on the investments maintained by the Fund is also allocated into the individual account of each member.

  The pension liability recognized in the statement of financial position in respect of members governed by the Old Rules is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets attributed to these members. Contributions are made to cover the pension obligations in respect of the members governed by the Old Rules on the basis of actuarial recommendations.

  The amount arising as a result of remeasurement is recognized in the statement of financial position immediately, with a charge or credit to other comprehensive income in the period in which they occur.

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The Projected Unit Credit Method is used for the valuation of pension liability in respect of members governed by the Old Rules as at June 30, 2026, using significant assumptions as stated in note 24.

2.16 Dividend distribution and transfer between reserves

Dividend declared and appropriations to reserves made subsequent to the reporting date are considered non-adjusting events and are recognized in the financial statements in the year in which they are approved.

2.17 Revenue from contracts with customers and other income

Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer, and control either transfers over time or at a point of time. An asset is transferred when (or as) the customer obtains control of that asset and thus has the ability to direct the use and obtain the benefits from the good or service.

In case of vehicles and spare parts, revenue is recognized when goods are dispatched and invoiced to the customers. Revenue is measured at the transaction price agreed under the contract, adjusted for variable consideration such as discount, if any. In most cases, the consideration is received before the goods are dispatched / invoiced. Deferred payment terms as disclosed in note 10.2 are also agreed in case of sales to certain categories of customers. Transaction price is adjusted for time value of money (where repayment terms exceed twelve months) in case of significant financing component. The Company applies practical expedient where deferred payments terms are within twelve months and does not adjust the transaction price.

Amount received on account of sale of extended warranty is recognized initially as deferred revenue and is credited to the statement of profit or loss in the relevant period covered by the warranty.

Return on bank deposits, term deposit receipts are accounted for on an accrual basis.

Agency commission is recognized when shipments are made by the principal.

Unrealized gains / losses arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the statement of profit or loss in the period in which these arise.

Income on Pakistan Investment Bonds and Market Treasury Bills is accrued using the effective interest rate method.

2.18 Foreign currency transactions and translation

Foreign currency transactions are recognized or accounted for in Pakistani Rupees using the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange prevailing at the statement of financial position's date. Exchange gain / loss on foreign currency translations are recognized in statement of profit or loss along with any related hedge effects.

2.19 Functional and presentation currency

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

2.20 Segment reporting

The Company uses 'management approach' for segment reporting, under which segment information is required to be presented on the same basis as that used for internal reporting purposes. Operating segments have been determined and presented in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM).

2.21 Deferred revenue

Amount received on account of sale of extended warranty services against vehicles is recognized initially as deferred revenue and credited to the statement of profit or loss in the relevant period covered by the warranty.

2.22 Contract asset and contract liability

A contract asset is recognized for the Company's right to consideration in exchange for goods or services that it has transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company presents the amount as a contract asset, excluding any amounts presented as a receivable.

A contract liability is recognized for the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Company 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).

2.23 Contingent liabilities

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.

The Company has not disclosed the financial impacts of the above case as based on the advice of the legal counsel, management believes that this is expected to prejudice seriously the position of the Company and submissions made by the Company in this matter which is being contested by almost the entire automobile sector.

3 SIGNIFICANT ACCOUNTING JUDGMENTS ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain significant accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognized in the period in which estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, the management has made the following estimates and judgments which are significant to these financial statements:

i) Useful lives and method of depreciation of property, plant and equipment and intangibles (notes 2.3.1, 2.3.2 and 4)

The Company reviews the useful lives and method of depreciation of fixed assets on a regular basis. Any change in estimates in future years might affect the carrying amounts of respective items of operating fixed assets with a corresponding effect on the depreciation charge and impairment.

ii) Provision for slow moving stores and spares (notes 2.5 and 8)

The Company exercises judgment and makes provision for slow moving stores and spares based on their future usability.

iii) Provision for slow moving stock-in-trade (notes 2.6 and 9)

The Company exercises judgment and makes provision for slow moving stock-in-trade based on their future usability and recoverable value.

iv) Allowance for expected credit loss (note 2.7.1.1)

The Company reviews the recoverability of its trade debts and other receivables to assess the amount required for allowance for expected credit loss.

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v) Investments at fair value through profit or loss / other comprehensive income (notes 2.7 and 15)

The Company determines fair value of certain investments by using quotations from active market and conditions and information about the financial instruments. These estimates are subjective in nature and involve some uncertainties and matters of judgment.

vi) Current and deferred income taxes (notes 2.10, 7 and 34)

In making the estimates for income taxes payable by the Company, management considers current income tax law and the decisions of appellate authorities on certain cases issued in the past. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such final outcome is determined. Deferred taxes are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

vii) Warranty obligations (notes 2.14 and 22)

The Company exercises professional judgment, based on the history of warranty claims entertained, number of cars eligible for warranty and its internal risk assessment while making assessment in respect of the warranty obligations.

viii) Staff retirement benefits (notes 2.15)

The present value of these obligations depends on a number of factors that are determined on actuarial basis using a number of assumptions. Changes in the assumptions will impact the carrying amount of these obligations. The present values of these obligations and the underlying assumptions are disclosed in note 24 to these financial statements.

ix) Contingencies and commitments (note 25)

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non occurrence of the uncertain future events.

		Note	2026	2025
			---------(Rupees in '000)--------	
4	**PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS**			
	Property, plant and equipment	4.1	18,122,920	20,422,998
	Intangible assets	4.2	76,452	77,203
			18,199,372	20,500,201
4.1	**Property, plant and equipment**			
	Tangible operating assets	4.2	17,320,566	18,054,530
	Capital work-in-progress	4.6	802,354	2,368,468
			18,122,920	20,422,998

4.2 The following is a statement of tangible operating assets and intangible assets:

	2026											
	Tangible assets											Intangible assets
	Leasehold land	Factory building on leasehold land	Other buildings on leasehold land	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipments	Computers and related accessories	Tools and equipments	Jigs, moulds and related machineries	Total tangible assets	Computer softwares
	(Rupees in '000)											
At July 1, 2025												
Cost	215,679	5,294,433	1,174,247	26,443,536	1,668,908	503,884	325,597	424,151	1,546,284	16,371,955	53,968,674	411,123
Accumulated depreciation / amortization	(79,767)	(2,993,568)	(604,314)	(18,168,316)	(760,725)	(337,835)	(257,603)	(323,054)	(1,058,775)	(11,330,187)	(35,914,144)	(333,920)
Net book value	135,912	2,300,865	569,933	8,275,220	908,183	166,049	67,994	101,097	487,509	5,041,768	18,054,530	77,203
Year ended June 30, 2026												
Opening net book value	135,912	2,300,865	569,933	8,275,220	908,183	166,049	67,994	101,097	487,509	5,041,768	18,054,530	77,203
Additions												
Direct	–	–	–	5,038	700,281	2,248	16,092	155,261	12,821	–	891,741	270
Transfers from CWIP (note - 4.7)	–	–	100,407	496,526	–	22,619	103,419	138,209	48,132	3,238,843	4,148,155	50,906
Disposals (note - 4.5)												
Cost	–	–	–	(54,864)	(267,884)	(18)	(3,815)	(35,871)	(9,048)	–	(371,500)	–
Accumulated depreciation	–	–	–	54,801	202,613	18	3,815	33,948	9,048	–	304,243	–
	–	–	–	(63)	(65,271)	–	–	(1,923)	–	–	(67,257)	–
Depreciation / amortization charge for the year (note - 4.4)	(9,190)	(346,165)	(88,998)	(2,279,944)	(365,252)	(64,039)	(28,769)	(102,954)	(121,259)	(2,300,033)	(5,706,603)	(51,927)
Closing net book value	126,722	1,954,700	581,342	6,496,777	1,177,941	126,877	158,736	289,690	427,203	5,980,578	17,320,566	76,452
At June 30, 2026												
Cost	215,679	5,294,433	1,274,654	26,890,236	2,101,305	528,733	441,293	681,750	1,598,189	19,610,798	58,637,070	462,299
Accumulated depreciation / amortization	(88,957)	(3,339,733)	(693,312)	(20,393,459)	(923,364)	(401,856)	(282,557)	(392,060)	(1,170,986)	(13,630,220)	(41,316,504)	(385,847)
Net book value	126,722	1,954,700	581,342	6,496,777	1,177,941	126,877	158,736	289,690	427,203	5,980,578	17,320,566	76,452
Depreciation / amortization rate (% per annum)	2.38%-9.23%	10%	5%	10%-20%	20%	20%	20%	33.33%	20%	20%-25%		33.33%

	2025											
	Tangible assets											Intangible assets
	Leasehold land	Factory building on leasehold land	Other buildings on leasehold land	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipments	Computers and related accessories	Tools and equipments	Jigs, moulds and related machineries	Total tangible assets	Computer softwares
	(Rupees in '000)											
At July 1, 2024												
Cost	215,679	5,488,798	963,065	27,606,502	1,453,649	535,938	318,226	388,997	1,457,973	16,519,791	54,948,618	355,944
Accumulated depreciation / amortization	(70,577)	(2,711,438)	(526,865)	(17,013,135)	(627,288)	(352,761)	(251,071)	(305,159)	(994,143)	(10,061,290)	(32,913,727)	(289,366)
Net book value	145,102	2,777,360	436,200	10,593,367	826,361	183,177	67,155	83,838	463,830	6,458,501	22,034,891	66,578
Year ended June 30, 2025												
Opening net book value	145,102	2,777,360	436,200	10,593,367	826,361	183,177	67,155	83,838	463,830	6,458,501	22,034,891	66,578
Additions												
Direct	–	–	–	9,539	501,661	39	12,079	52,709	8,521	–	584,548	–
Transfers from CWIP (note - 4.7)	–	121,845	254,263	758,307	–	48,298	17,182	6,697	144,462	368,960	1,720,014	57,161
Disposals / write offs (note - 4.5)												
Cost	–	(316,210)	(43,081)	(1,930,812)	(286,402)	(80,391)	(21,890)	(24,252)	(64,672)	(516,796)	(3,284,506)	(1,982)
Accumulated depreciation	–	316,210	43,081	1,930,705	173,910	80,391	21,889	23,811	64,672	516,595	3,171,264	1,982
	–	–	–	(107)	(112,492)	–	(1)	(441)	–	(201)	(113,242)	–
Depreciation / amortization charge for the year (note - 4.4)	(9,190)	(598,340)	(120,530)	(3,085,886)	(307,347)	(65,465)	(28,421)	(41,706)	(129,304)	(1,785,492)	(6,171,681)	(46,536)
Closing net book value	135,912	2,300,865	569,933	8,275,220	908,183	166,049	67,994	101,097	487,509	5,041,768	18,054,530	77,203
At June 30, 2025												
Cost	215,679	5,294,433	1,174,247	26,443,536	1,668,908	503,884	325,597	424,151	1,546,284	16,371,955	53,968,674	411,123
Accumulated depreciation / amortization	(79,767)	(2,993,568)	(604,314)	(18,168,316)	(760,725)	(337,835)	(257,603)	(323,054)	(1,058,775)	(11,330,187)	(35,914,144)	(333,920)
Net book value	135,912	2,300,865	569,933	8,275,220	908,183	166,049	67,994	101,097	487,509	5,041,768	18,054,530	77,203
Depreciation / amortization rate (% per annum)	2.38%-9.23%	10%	5%	10%-20%	20%	20%	20%	33.33%	20%	20%-25%		33.33%

4.3 Leasehold land, on which the factory building, plant and warehouse are situated, is spread across an area of 109.5 acres. It is located at Plot No. NWZ/1/P-1, W2/1/1-3 & W2/9, Port Qasim Industrial Estate, Bin Qasim, Karachi.

4.4 The depreciation charge for the year has been allocated as follows:

	Note	2026	2025
		---------(Rupees in '000)--------	
Cost of sales	27	5,273,053	5,843,437
Distribution expenses	28	155,161	146,292
Administrative expenses	29	278,389	181,952
		5,706,603	6,171,681

The amortization for the year has been charged to administrative expenses (note 29).

4.5 Particulars of tangible operating assets having aggregate net book value exceeding Rs. 5 million and individually a net book value of Rs. 0.5 million or more disposed off during the year are as follows:

Particulars	Cost	Accumulated depreciation	Net book value	Sale proceeds / receivable from sale of operating fixed assets	Gain	Mode of disposal	Particulars of buyer	Relationship
	----------(Rupees in '000)----------							
Motor vehicles								
	6,332	(1,583)	4,749	5,855	1,106	As per the Company's policy	Nofil Bin Khalid	Employee (Executive)
	4,760	(793)	3,967	4,522	555	----- do -----	Tariq Saleem Baig	----- do -----
	4,760	(1,507)	3,253	3,816	563	----- do -----	Shuja Uddin Ahmed	----- do -----
	5,721	(4,100)	1,621	4,103	2,482	----- do -----	Hutoxi K. Panthakey	----- do -----
	4,106	(3,216)	890	2,868	1,978	----- do -----	Shiraz Sanawar	----- do -----
	4,760	(1,031)	3,729	4,420	691	----- do -----	Hafiz Junaid	Employee
	4,760	(1,428)	3,332	4,412	1,080	----- do -----	Malick Asadullah	----- do -----
	4,760	(1,587)	3,173	4,522	1,349	----- do -----	Syed Areeb Ahmed	----- do -----
	5,782	(2,698)	3,084	4,886	1,802	----- do -----	Muhammad Shoaib	----- do -----
	5,012	(2,172)	2,840	4,131	1,291	----- do -----	Muhammad Ali Khan	----- do -----
	4,912	(2,210)	2,701	4,345	1,644	----- do -----	Nabiel Ahmed	----- do -----
	5,012	(2,506)	2,506	4,245	1,739	----- do -----	Owais Baddar	----- do -----
	5,012	(2,756)	2,255	3,841	1,586	----- do -----	Faizan Ahmed Mohiuddin	----- do -----
	5,012	(2,840)	2,172	3,801	1,630	----- do -----	Muhammad Uzair	----- do -----
	4,271	(2,705)	1,566	3,199	1,634	----- do -----	Shahzeb Iqbal Kazmi	----- do -----
	4,271	(2,705)	1,566	3,199	1,634	----- do -----	Tarab Wasi	----- do -----
	4,271	(2,776)	1,495	2,815	1,320	----- do -----	Waqar Azim Ansari	----- do -----
	4,271	(2,776)	1,495	3,168	1,673	----- do -----	Fabiha Jawwad Muqri	----- do -----
	4,271	(3,203)	1,068	2,646	1,579	----- do -----	Muhammad Azeem	----- do -----
	4,271	(3,203)	1,068	2,646	1,579	----- do -----	M. Mohsinul Haq	----- do -----
	4,206	(3,225)	981	2,967	1,985	----- do -----	Muhammad Kashif	----- do -----
	8,399	(7,419)	980	6,050	5,070	Insurance claim	Habib Insurance Company Limited - a related party	Third Party
	15,374	(4,868)	10,506	12,624	2,119	----- do -----	---------- do ----------	----- do -----
	5,279	(3,871)	1,408	5,670	4,262	----- do -----	---------- do ----------	----- do -----
Others								
Items having net book value of less than Rs. 500,000	241,921	(237,065)	4,856	67,853	62,997	Various	Various	Various
2026	371,500	(304,243)	67,257	172,604	105,347			
2025	111,255	(38,109)	73,146	287,262	214,116			

	Note	2026	2025
		---------(Rupees in '000)--------	
4.6 Capital work-in-progress			
Civil works		34,281	222,043
Plant, machinery, jigs, moulds and related machineries		727,161	2,047,587
Computer, related accessories and intangible assets		40,912	98,838
		802,354	2,368,468
4.7 Movement in capital work-in-progress			
Opening balance		2,368,468	1,445,903
Additions during the year		2,632,947	2,699,740
Transferred to tangible operating assets and intangible assets	4.2	(4,199,061)	(1,777,175)
Closing balance		802,354	2,368,468
5 LONG-TERM LOANS AND ADVANCES			
Loans to employees - secured			
- Executives	5.1	258,805	105,170
- Employees	5.1	64,051	46,461
		322,856	151,631
Less: Recoverable within one year; shown under current assets			
Loans due from - secured			
- Executives	11	99,486	55,731
- Employees	11	27,803	23,645
		127,289	79,376
		195,567	72,255

5.1 These represent house building and personal loans granted to executives and other employees of the Company. Personal loans are granted in accordance with the terms of their employment and are secured against their balances with the Provident Fund. The loans are repayable over a period of 12 to 60 months. No interest is charged on these house building loans to employees. Management and non-management employees are entitled to personal loans which carry no interest as per the approved loan policy.

	2026	2025
6 LONG-TERM DEPOSITS	---------(Rupees in '000)--------	
Deposits		
- Utilities	3,668	3,668
- Others	8,605	8,605
	12,273	12,273

		2026	2025
		---------(Rupees in '000)--------	
7	**DEFERRED TAXATION - net**		
	Deferred tax liability arising on taxable temporary differences:		
	- In respect of unrealized gain on Listed Mutual Fund Units and Market Treasury Bills	(949,929)	(1,108,256)
	Deferred tax asset arising on deductible temporary differences:		
	- In respect of provisions for slow moving stock-in-trade, stores and spares and warranty obligation	1,555,626	2,267,666
	- Due to accelerated tax depreciation	523,836	331,982
	- In respect of liabilities written back including SIDC payable	344,822	1,148,860
	- Others	578,568	311,271
	Deferred tax asset - net	2,052,923	2,951,523

7.1 The deferred tax amounts are available for deduction as and when they are realized, subject to having sufficient taxable profits. The Company has carried out an assessment of recoverability by estimating future taxable profits of the Company and the expected rate applicable to those profits and determined that the amounts are currently recoverable. However, the estimation of future taxable profits is sensitive to certain key assumptions such as sales volume, contribution margins, fixed overheads, inflation and exchange rates etc which have been considered in that determination.

7.2 Due to change in rate of super tax from 10% to 8% for tax year 2027 and onwards, the applicable rate for recognition of deferred tax has decreased from 39% to 37%.

		Note	2026	2025
			---------(Rupees in '000)--------	
8	**STORES AND SPARES**			
	Stores		493,433	538,593
	Spares		1,310,599	1,294,077
			1,804,032	1,832,670
	Less: Provision for slow moving stores and spares	8.1	1,240,623	1,244,917
			563,409	587,753
8.1	**Provision for slow moving stores and spares**			
	Opening balance		1,244,917	1,018,683
	(Reversal) / charge for the year	27	(4,294)	226,234
	Closing balance		1,240,623	1,244,917
9	**STOCK-IN-TRADE**			
	In hand			
	Manufacturing stock			
	Raw material and components		14,111,179	6,630,583
	Less: Provision for slow moving stock-in-trade	9.4	83,845	96,079
		9.1	14,027,334	6,534,504
	Work-in-process		2,669,522	1,799,557
	Finished goods (vehicles – own manufactured)	9.2	6,165,787	1,711,088
	Less: Provision for slow moving stock-in-trade	9.4	42,976	10,252
			6,122,811	1,700,836
	Trading stock			
	Vehicles		591,990	163,619
	Less: Provision for slow moving stock-in-trade	9.4	6,883	554
			585,107	163,065
	Service parts and motor oil	9.3	1,881,201	1,012,943
	Special service tools and publications		11,516	13,578
	Less: Provision for slow moving stock-in-trade	9.4	267,507	372,903
			1,625,210	653,618

		Note	2026	2025
			---------(Rupees in '000)--------	
	In transit			
	Raw material - manufacturing stock		10,856,574	10,449,120
	Trading stock		907,007	466,147
			11,763,581	10,915,267
			36,793,565	21,766,847

9.1 This represents the net amount of raw material and components after recording write offs amounting to Rs. 1.346 million (2025: Rs. 12.943 million).

9.2 These include vehicles amounting to Rs. 2,827.053 million (2025: Rs. 383.113 million) held with the Company's authorized dealers.

9.3 This includes an amount of Rs. 555.69 million (2025: Rs. 45.688 million) representing stock-in-trade of motor oil.

		Note	2026	2025
			---------(Rupees in '000)--------	
9.4	**Provision for slow moving stock-in-trade**			
	Opening balance		479,788	1,038,660
	Reversal for the year - net	27	(78,577)	(558,872)
	Closing balance		401,211	479,788
10	**TRADE DEBTS - Unsecured**			
	Considered good			
	- Government organizations		24,861	930,447
	- Dealers - Installment sales		2,286,785	8,218,073
	- Others		492,224	764,943
			2,803,870	9,913,463
	Considered doubtful		103,967	17,464
		10.1	2,907,837	9,930,927
	Less: Allowance for expected credit losses	10.3	103,967	17,464
			2,803,870	9,913,463

10.1 These balances relate to various customers, primarily authorized dealers of the Company and government organizations, for whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	2026	2025
	---------(Rupees in '000)--------	
Not yet due	2,829,950	9,533,754
Upto 1 month	26,643	289,514
1 to 6 months	9,385	84,757
More than 6 months	41,859	22,902
	2,907,837	9,930,927

10.2 This represents amount receivable form authorized dealers under installment credit sales of motor vehicles which are repayable over a period of 6 to 12 months with monthly equal deductions. No markup is charged on these installment sales.

		Note	2026	2025
			---------(Rupees in '000)--------	
10.3	**Movement of allowance for expected credit loss is as follows:**			
	Opening balance		17,464	23,288
	Charge / (reversal) for the year	30	88,063	(2,336)
	Less: Write-off during the year		1,560	3,488
	Closing balance		103,967	17,464

		Note	2026	2025
			---------(Rupees in '000)--------	
11	**LOANS AND ADVANCES**			
	Current portion of long-term loans and advances - considered good			
	Loans due from - secured			
	- Executives	5	99,486	55,731
	- Employees	5	27,803	23,645
			127,289	79,376
	Advances – considered good			
	- Suppliers and contractors - unsecured		1,763,419	639,654
	- Employees - unsecured		8,231	10,878
	- Collector of Customs - secured	11.1	79,909	70,012
	- Margins held with banks against imports - secured	11.2	49,144	1,825,417
			1,900,703	2,545,961
			2,027,992	2,625,337

11.1 This represents advances paid to the Collector of Customs in respect of the imports of stock-in-trade. All of the amount of Rs. 79.909 million (2025: Rs. 70.012 million) was subsequently adjusted in respect of imported goods received.

11.2 This represents cash held with various banks against shipment guarantees and letters of credit for import of items of stock-in-trade. An amount of Rs. 49.144 million (2025: Rs. 1,417.985 million) was subsequently settled on receipt of invoices and documents relating to the imported goods at the end of the year. This includes an amount of Rs. nil (2025: Rs. 426.792 million) held with Habib Metropolitan Bank Limited - a related party, at the end of the year.

		Note	2026	2025
			---------(Rupees in '000)--------	
12	**SHORT-TERM PREPAYMENTS**			
			5,446	6,228
	Rent	12.1	65,501	30,183
	Insurance		45,756	41,439
	Others		116,703	77,850

12.1 This includes an amount of Rs. 17.006 million (2025: Rs. 17.865 million) paid to Habib Insurance Company Limited - a related party.

		Note	2026	2025
			---------(Rupees in '000)--------	
13	**ACCRUED RETURN**			
		13.1	300,371	34,688
	Term Deposit Receipts and bank deposits			

13.1 This includes an amount of Rs. 290.164 million (2025: 31.674) receivable from Habib Metropolitan Bank Limited - a related party.

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		Note	2026	2025
			---------(Rupees in '000)--------	
14	**OTHER RECEIVABLES**			
	Considered good			
	Warranty claims and other receivables due from a related party - Toyota Motor Asia (Singapore) PTE. Limited	14.1	189,646	259,449
	Agency commission - receivable from a related party - Toyota Tsusho Asia Pacific PTE. Limited	14.2	43,451	19,852
	Earnest money		25,800	22,800
	Insurance claims receivable	14.3	13,683	110,935
	Workers' Profit Participation Fund	14.4	3,585,373	3,343,484
	Receivable against sale of operating fixed assets		35,501	2,595
	Dividend receivable from mutual funds		-	66,208
	Global Skill Training expense receivable due from a related party Toyota Motor Corporation		19,747	67,562
	Others		163,413	78,396
			4,076,614	3,971,281

14.1 The maximum aggregate amount due at the end of any month during the year was Rs. 336.304 million (2025: Rs. 401.047 million). These balances are neither past due nor impaired.

14.2 The maximum aggregate amount due at the end of any month during the year was Rs. 43.451 million (2025: Rs. 75.779 million). These balances are neither past due nor impaired.

14.3 This includes an amount of Rs. 13.082 million (2025: Rs. 110.595 million) receivable from Habib Insurance Company Limited - a related party. The maximum aggregate amount due at the end of any month during the year was Rs. 347.478 million (2025: Rs. 187.138 million).

		Note	2026	2025
			---------(Rupees in '000)--------	
14.4	**Workers' Profit Participation Fund**			
	Opening balance		3,343,484	2,626,470
	Allocation for the year	31	(1,772,551)	(1,332,989)
	Prior year charge		(485,560)	-
			1,085,373	1,293,481
	Amount paid during the year		2,500,000	2,050,003
	Closing balance		3,585,373	3,343,484

14.4.1 The amount paid to the Workers' Profit Participation Fund (WPPF) exceeds the allocation determined on the basis of eligible accounting profit for both the current and prior periods. This is based on a specific interpretation of the applicable law, as advised by the Company's legal counsel. Accordingly, the excess amount paid has been recognized as a receivable in the financial statements.

		Note	2026	2025
			---------(Rupees in '000)--------	
15	**SHORT-TERM INVESTMENTS**			
	At amortized cost			
	Term Deposit Receipts (TDRs)	15.1	24,000,000	12,000,000
	At fair value through profit or loss			
	Government securities			
	- Market Treasury Bills (T-Bills)	15.2	51,666,978	55,740,350
	Listed Mutual Fund Units	15.3	27,346,924	49,122,783
			79,013,902	104,863,133
			103,013,902	116,863,133

15.1 These securities have varying maturities ranging from July 6, 2026 to March 30, 2027. The yield on these TD Rs. ranges between 11.7% to 14.2% (2025: 9.5% to 11.0%) per annum. Additionally, it includes an amount of Rs. 10,000 million (2025: Rs. 9,500 million), held with Habib Metropolitan Bank Limited - a related party.

15.2 These securities have varying maturities ranging from July 9, 2026 to June 24, 2027. The yield on these securities ranges between 9.93% to 12.59% (2025: 10.88% to 18.05%) per annum.

15.3 Investment in Listed Mutual Fund Units - Fair value through profit or loss

Name of the Investee	Number of units as at June 30, 2026	Fair value as at June 30, 2026 (Rupees in '000)
ABL Cash Fund	198,581,414	2,037,842
Alfalah GHP Money Market Fund	31,266,946	3,107,716
MCB Investment Savings Plan	9,935,686	1,000,354
Alhamra Cash Management Optimizer	31,497,293	3,168,124
NBP Financial Sector Fund	260,363,905	2,790,554
Al Ameen Islamic Cash Plan	31,588,719	3,175,023
Meezan Cash Fund	19,378,042	1,000,000
NBP Mahana Amdani Fund	1,693,109	17,499
Lakson Money Market Fund	9,723,512	1,000,000
NIT Money Market Fund	102,448,520	1,000,635
Al Habib Money Market Fund	14,837,162	1,500,476
Atlas Islamic Money Market Fund	1,972,646	1,000,439
HBL Islamic Money Market Fund	29,630,759	3,021,727
Faysal Halal Amdani Fund	9,987,306	1,000,335
ABL Islamic Money Market Plan	252,068,014	2,526,200
2026	1,004,973,033	27,346,924
2025	1,559,052,441	49,122,783

	Note	2026	2025
16 CASH AND BANK BALANCES		---------(Rupees in '000)--------	
Cash in hand		17,211	14,373
Balances held with banks in local currency:			
- current accounts		561,609	732,074
- savings accounts	16.1	8,133,964	4,647,641
Balance held with a bank in foreign currency:			
- current accounts		23,792	3,686
	16.2	8,719,365	5,383,401
		8,736,576	5,397,774

16.1 These carry profit at rates ranging from 3.5% to 10% (2025: 5.87% to 9.5%) per annum.

16.2 This includes an amount of Rs. 2,879.440 million (2025: Rs. 986.564 million), held with Habib Metropolitan Bank Limited - a related party.

17 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2026 (Number of shares)	2025 (Number of shares)	Ordinary shares of Rs. 10 each fully paid in cash	2026 (Rupees in '000)	2025 (Rupees in '000)
78,600,000	78,600,000		786,000	786,000

17.1 Ordinary shares of the Company held by related parties as at the year end are as follows:

	Percentage of shareholding (%)	2026 (Number of shares)	2025 (Number of shares)
Toyota Motor Corporation	25.00	19,650,000	19,650,000
Toyota Tsusho Corporation	12.50	9,825,000	9,825,000
Overseas Pakistan Investors AG	34.84	27,382,730	27,382,730
Thal Limited	6.22	4,890,000	4,890,000
Habib Insurance Company Limited	0.03	24,015	24,015

17.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

	Note	2026	2025
18 RESERVES		---------(Rupees in '000)--------	
Capital reserve			
- Share premium	18.1	196,500	196,500
Revenue reserves			
General reserve			
- Balance brought forward		62,451,050	55,951,050
- Transferred from unappropriated profit		9,000,000	6,500,000
		71,451,050	62,451,050
Unappropriated profit		14,462,005	13,519,088
		86,109,555	76,166,638

18.1 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

	Note	2026	2025
19 LONG-TERM LOAN		---------(Rupees in '000)-------	
Loan under:			
- Refinance scheme for renewable energy	19.1 & 19.2	159,929	199,912
Less: Current Portion			
- Refinance scheme for renewable energy		(39,983)	(39,983)
		119,946	159,929

19.1 This represents loan obtained under the SBP financing scheme for investment in Plant and Machinery for renewable energy projects. During the year, the Company repaid an amount of Rs. 39.983 million. The financing already made carries mark-up at the rate of 3.25% - 4.25% per annum and is secured by way of hypothecation charge over plant and machinery (note 4) against which the facility is available. The loan is repayable on a quarterly basis in 40 equal installments and the first repayment was made on September 12, 2020.

	Note	2026	2025
		---------(Rupees in '000)--------	
19.2 Following is the movement in the outstanding long term financing:			
Opening balance		199,912	239,895
Repayments		(39,983)	(39,983)
Closing balance		159,929	199,912

		Note	2026	2025
			------(Rupees in '000)------	
20	**PAYABLE FOR SINDH INFRASTRUCTURE DEVELOPMENT CESS**			
	Payable for SIDC			
	- Long-term portion	20.1 & 20.2	3,407,186	-
	- Current portion	20.1 & 20.2	1,392,540	-

20.1 The Company is subject to Sindh Infrastructure Development Cess (SIDC) on imported goods. During the year, pursuant to the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, the Company entered into a Settlement Agreement with the Government of Sindh for settlement of its outstanding SIDC obligations on April 22, 2026.

Under the Settlement Agreement, the Company elected to settle the outstanding liability through installments in accordance with the agreed payment plan and issued post-dated cheques as required thereunder. Accordingly, the liability has been measured at the present value of future payments, discounted using an effective rate of 12.20% per annum.

		Note	2026	2025
			------(Rupees in '000)------	
20.2	**The movement of payable for SIDC is as follows:**			
	Opening balance		-	
	Payable as per the agreement		9,283,598	-
	Gain on discounting at initial recognition	32	(3,194,651)	-
	Finance cost	33	103,319	-
	Payment made during the year		(1,392,540)	-
	Closing balance		4,799,726	-
	Less: Current portion of payable for SIDC		(1,392,540)	-
	Non-current portion of payable for SIDC		3,407,186	-

21	**TRADE AND OTHER PAYABLES**			
	Trade creditors			
	- Associated undertakings / related parties		2,114,984	1,555,378
	- Others		10,369,725	11,392,243
	Bills payable to related parties	21.1	5,779,475	5,731,990
	Accrued liabilities	21.2 & 21.3	8,595,427	17,170,108
	Royalty payable to associated undertakings / related parties		1,223,857	794,266
	Deposits from dealers	21.4	347,550	336,050
	Deposits from vendors		36,411	37,911
	Custom duty payable		3,234,758	1,621,609
	Retention money		105,290	103,022
	Workers' Welfare Fund		1,138,950	1,018,386
	Payable to dealers		2,954,129	4,962,750
	Payable to customers		1,042,332	594,118
	Compensation on advances received from customers	21.5	128,964	75,502
	Payable to Pension Fund - Defined Benefit Scheme	24.2	9,405	8,346
	Interest payable on long-term loan		1,884	2,273
	Sales tax – net		2,142,332	6,134,774
	Withholding income tax payable		1,901,619	2,668,928
	Federal Excise Duty (FED) payable		1,853,118	1,749,040
	New Energy Vehicle (NEV) adoption levy		904,884	-
	Other government levies payable		3,321,648	2,781,631
			47,206,742	58,738,325

		Note	2026	2025
			---------(Rupees in '000)--------	
21.1	This represents amounts payable to the following related parties:			
	Toyota Tsusho Asia Pacific PTE. Limited		5,747,858	5,718,903
	Toyota Tsusho Corporation		11,039	1,327
	Toyotsu Machinery Corporation		6,143	6,035
	Toyota Tsusho (Thailand) Co. Limited		14,435	1,042
	Toyota Motor Asia (Singapore) PTE. Limited		-	130
	Toyotsu Chemiplas Corporation		-	4,553
			5,779,475	5,731,990

21.2 These include an amount of Rs. 33.226 million (2025: Rs. 293.094 million) payable to the related parties.

21.3 These include an amount of Rs. nil (2025: Rs. 7,799.468 million) in respect of payable for Sindh Infrastructure development CESS (SIDC).

21.4 These represent interest free deposits received from authorized dealers in accordance with the terms of the dealership agreements. These deposits have been utilized for the purpose of the Company's business, based on agreement with dealers.

21.5 This represents compensation payable to customers on advances received from them in respect of manufactured vehicles on delayed delivery over two months, subject to certain conditions.

		Note	2026	2025
			---------(Rupees in '000)--------	
22	**WARRANTY OBLIGATIONS**			
	Warranty obligations	22.1 & 22.2	3,082,416	4,750,931
22.1	**Movement of warranty obligations**			
	Opening balance		4,750,931	5,379,972
	Reversal for the year	28	(1,542,913)	(500,350)
			3,208,018	4,879,622
	Utilization during the year	22.3	(125,602)	(128,691)
	Closing balance		3,082,416	4,750,931

22.2 This represents the Company's best estimate of the amount required to be paid / settled to cover the potential warranty claims based on historical experience and impacts of potential recalls arising as a result of inspections carried out by the Company and Toyota Motor Corporation (TMC) as envisaged under the technical assistance agreement.

While determining the amount of provision, the Company also takes into account the situations where there is uncertainty about whether the present obligation exists or not however, taking into account all available evidence it is more likely than not that a present obligation exists at the reporting date.

The Company is committed to maintaining high standards of product quality and customer satisfaction and takes this into account while assessing potential warranty claims and impacts of any recalls. Moreover, as part of ongoing customer quality commitments and safety standards, the Company continuously carries out various assessments / durability testing of the performance of its products and recognizes provisions accordingly.

22.3 During the year, the Company has made reversal of provision on final evaluation results of inspections and tests carried out for certain parts or components, which was earlier made based on the management's assessment / best estimate that it was more likely than not that a present obligation existed. The amount of reversal amounting to Rs. 2,049.804 million has been netted off against the charge for warranty claim for the year.

23 ADVANCES FROM CUSTOMERS AND DEALERS - Unsecured

These represent advances received by the Company from customers and dealers in respect of sale of vehicles & parts recorded exclusive of sales tax, other duties and withholding tax. Out of the opening advances amounting to Rs. 34,108 million as at June 30, 2025, an amount of Rs. 34,019 million has been recognized as revenue during the current year on sale of vehicles / parts.

24 DEFINED BENEFIT PLAN - Approved Pension Fund

As mentioned in note 2.15, the Company operates an approved pension fund for its permanent employees who are governed under the Old Rules. The latest actuarial valuation of the Company's pension fund, based on Projected Unit Credit Method, was carried out as at June 30, 2026. The pension fund exposes the Company to the following risks:

Mortality risks

The risk that the actual mortality rates are different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Investment risks

The risk of the investments underperforming and not being sufficient to meet the liabilities.

Final salary risks

The risk that the final salaries at the time of cessation of service are greater than what was assumed. Since the benefit is calculated on the basis of final salary of an employee, the amount of the benefit increases with any increase in the final salary.

Withdrawal risks

The risk of higher or lower withdrawals than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefits payable.

24.1 Principal actuarial assumptions are as follows:

	2026	2025
	(% per annum)	
Discount factor used	11.75	11.75
Expected rate of salary increase	10.75	10.75
Expected rate of return on plan assets	11.75	11.75
Expected rate of increase in long-term pension	2.25	2.25

24.2 The amounts recognized in the statement of financial position has been determined as follows:

	Note	2026	2025
		(Rupees in '000)	
Present value of defined benefit obligation	24.4	14,831	13,282
Fair value of plan assets	24.3 & 24.4	(5,426)	(4,936)
	21	9,405	8,346

24.3 Plan assets consist of the following:

	2026	2025
	Non-Quoted	Non-Quoted
	(Rupees in '000)	
Balances with banks	182	510
Debt instruments - Government	4,215	3,166
Investment in mutual funds	989	1,227
Others	40	33
	5,426	4,936

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24.4 The movement in the net defined benefit obligation over the year is as follows:

	2026		
	Present value of defined benefit obligation	Fair value of plan assets	Total
	(Rupees in '000)		
Opening balance	13,282	(4,936)	8,346
Current service cost	305	-	305
Interest expense / (income)	1,546	(590)	956
	15,133	(5,526)	9,607
Remeasurements:			
- Gain on plan assets, excluding amounts included in interest expense	-	(67)	(67)
- Actuarial loss on the obligation	250	-	250
	250	(67)	183
	15,383	(5,593)	9,790
Net contribution	-	(385)	(385)
Benefits paid during the year	(552)	552	-
Closing balance	14,831	(5,426)	9,405

	2025		
	Present value of defined benefit obligation	Fair value of plan assets	Total
	(Rupees in '000)		
Opening balance	11,265	(2,705)	8,560
Current service cost	244	-	244
Interest expense / (income)	1,659	(427)	1,232
	13,168	(3,132)	10,036
Remeasurements:			
- Gain on plan assets, excluding amounts included in interest expense	-	(561)	(561)
- Actuarial loss on the obligation	666	-	666
	666	(561)	105
	13,834	(3,693)	10,141
Net contribution	-	(1,795)	(1,795)
Benefits paid during the year	(552)	552	-
Closing balance	13,282	(4,936)	8,346

24.5 Charge for defined benefit plan recognized in the statement of profit or loss

	Note	2026	2025
		(Rupees in '000)	
Current service cost		305	244
Net interest expense		956	1,232
		1,261	1,476

24.6 The sensitivities of the net defined benefit obligation to changes in the weighted principal assumptions are as under:

		Amount of net defined benefit obligation	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		----------(Rupees in '000)-------	
Discount rate	1%	13,617	16,233
Long-term salary increases	1%	14,979	14,687
Pension increase rate	1%	16,019	13,782

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the net defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the statement of financial position.

24.7 The weighted average duration of the net defined benefit obligation is 8.19 (2025: 8.60) years.

24.8 Expected maturity analysis of undiscounted net defined benefit obligation for the pension fund as at June 30, 2026 is as follows:

	Less than a year	**Between 1-2 years**	**Between 2-4 years**	**Over 4 years**	**Total**
	---------- Rupees '000 ----------				
June 30, 2026					
Pension	570	1,243	3,884	11,677	17,374
June 30, 2025					
Pension	570	581	3,138	10,994	15,283

24.9 The expected return on plan assets is determined by considering the expected long-term returns available on the assets underlying the current investment policy. Expected yield on fixed interest investments are based on gross redemption yield as at the statement of financial position date. Expected returns on equity are based on long-term real rates experienced in the market.

24.10 The expected charge for the defined benefit plan for the year ending June 30, 2027 is Rs. 1.426 million.

24.11 The investments out of the contributory pension funds have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

24.12 The above notes have been taken from the actuarial report as at June 30, 2026.

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25 CONTINGENCIES AND COMMITMENTS

Contingencies

25.1 The Company received a consolidated demand notice dated February 2, 2006 from the Collector of Customs (Appraisement), for recovery of Rs. 370.373 million in aggregate on account of customs duty amounting to Rs. 235.775 million and sales tax amounting to Rs. 134.598 million for non-inclusion of royalty payment to Toyota Motor Corporation on the import value of CKD kits imported from 1997 to 2005. The demand had been raised based on the view that royalty value should be included as part of imported CKD kits which is opposed to the view of the Company based on factual position that the royalty pertains to locally deleted parts. An Order was passed against the Company on September 2, 2006 against which appeal was preferred before the Customs, Excise and Sales Tax Appellate Tribunal (the Appellate Tribunal), bearing Customs Appeal No. K-512/06, which was decided, vide Order dated April 9, 2008 in the Company's favor and accordingly, the demand to the extent of Rs. 370.373 million was reversed. A Special Customs Reference Application No. 243 of 2008 was instituted by the Custom Authorities on July 7, 2008 before the High Court of Sindh against the decision of the Appellate Tribunal. The matter was decided in favor of the Company vide judgment dated 17 July 2023, against which the Department filed CPLA No. 1125 of 2023. During the year, the case was decided in favor of the Company by the Supreme Court of Pakistan.

During the year ended 2007, the Company received show cause notice dated January 10, 2007 by the Collector of Customs (Appraisement), on similar lines to the above notice, for the period from April 2005 to July 2006, and for short recovery of Rs. 54.348 million (Rs. 34.429 million as custom duty and Rs. 19.919 million as sales tax). An Order-in-Original dated May 2, 2007 was passed against the Company with the addition of penalty of Rs. 150,000. The Company preferred an appeal on July 7, 2007 before the Collector of Customs, Sales Tax and Federal Excise (Appeals-I) bearing Customs Appeal No. 535 of 2007, which was decided in favor of the Company.

A demand cum show cause notice dated February 17, 2007 was issued to the Company alleging that the Company owes custom duty and sales tax amounting to Rs. 55.598 million on imports of CKD kits as part of its automobile business. An Order-in-original dated May 30, 2007 was passed against the Company against which an appeal bearing Customs Appeal No. K-299/2007 dated June 29, 2007 was filed and decided in favor of the Company on March 16, 2023.

During the year ended 2018, the Company received two show cause notices dated February 9, 2018 from the Collector of Customs (Adjudication-I), for the period from July 2013 to June 2017, in respect of MCC PMBQ and MCC Appraisement (West), alleging short recovery of duties and taxes of Rs. 1,947.194 million and Rs. 2,232.149 million respectively. The Company challenged these show cause notices in the High Court of Sindh vide Const. Petitions No. 1372/2018 and 1410/2018 dated February 20, 2018. The Court was pleased to restrain the Customs department from passing any final order against the Company vide Orders dated February 20, 2018 and February 21, 2018 respectively. Later, the court on July 16, 2023, decided the case in the Company's favor. The department filed an appeal before the Supreme Court, and the same was also dismissed on August 21, 2024, giving finality to the High court decision.

During the year ended 2020, the Company received a show cause notice dated March 2, 2020 from the Collector of Customs (Adjudication - II) MCC Appraisement (East), in respect of the same aforementioned period claiming short recovery of Rs. 569.910 million (custom duty of Rs. 289.986 million, sales tax of Rs. 203.060 million and income tax of Rs. 76.864 million) on royalty payment to Toyota Motor Corporation. The Company challenged the show cause notice in the High Court of Sindh vide Const. Petition No. 1665/2020 and the Court was again pleased to restrain the Customs Department from passing any final order against the Company vide Order dated March 9, 2020. Later, the court on July 16, 2023, decided the case in the Company's favor. The department filed an appeal before the Supreme Court, and the same was also dismissed on August 21, 2024, giving finality to the High court decision.

During the year ended 2021, the Company received a show cause notice dated May 19, 2021, from the Collector of Customs East claiming short recovery of Rs. 1,313.696 million (custom duty of Rs. 456.307 million, additional custom duty Rs. 30.420 million, sales tax of Rs. 599.892 million and income tax of Rs. 227.077 million) on royalty payment to the Toyota Motor Corporation for the period from July 2017 to June 2020. The Company challenged the show cause notice before the High Court of Sindh vide Const. Petition No. D-3593/2021. The Court was pleased to restrain the Customs Department from passing any final order against the Company vide Order dated June 8, 2021. Later, the court on July 16, 2023, decided the case in the Company's favor. The department filed an appeal before the Supreme Court, and the same was also dismissed on August 21, 2024, giving finality to the High court decision.

During the year ended 2022, the Company received two show cause notices from Collector of Customs MCC Appraisement (West) and MCC PMBQ dated July 26, 2021 claiming short recovery of Rs. 374.986 million (customs duty of Rs. 126.630 million, additional custom duty of Rs. 16.884 million, sales tax of Rs. 167.912 million and income tax of Rs. 63.560 million) and Rs. 1,506.412 million (customs duty of Rs. 508.706 million, additional customs duty of Rs. 67.827 million, sales tax of Rs. 674.544 million and income tax of Rs. 255.335 million on royalty payment to Toyota Motor Corporation for the period from July 2017 to June 2020 and July 2017 to June 2021 respectively. The Company filed two Constitutional Petitions, bearing No. 4807/2021 and 4808/2021 respectively, wherein the High Court of Sindh, vide Interim Order dated August 9, 2021 was pleased to suspend the two show cause notices. Later, the court on July 16, 2023, decided the case in the Company's favor. The department filed an appeal before the Supreme Court, and the same was also dismissed on August 21, 2024, giving finality to the High court decision.

The aforementioned notices had been raised based on the view that royalty value should be included as part of imported CKD kits which is opposed to the view of the Company based on factual position that the royalty pertains to locally deleted parts. By the year ended June 30, 2026, the pending appeals before the Honorable Supreme Court and other forums have been decided in favor of the Company. Accordingly, no provision has been made by the Company in these financial statements against the above mentioned claims.

25.2 During the year ended 2017, the Company received an Assessment Order dated May 24, 2017 from the Punjab Revenue Authority (PRA), claiming that the Company was required to pay sales tax on franchise services provided in the province of Punjab for the period from April 2013 to December 2016, as per the Second Schedule of the Punjab Sales Tax on Services Act, 2012. During the year ended 2021, Commissioner Appeals, PRA set aside the said Assessment Order vide its Order dated November 9, 2020 as sufficient opportunity of hearing was not provided by the assessing officer. Further, the Company received show cause notice dated June 16, 2021 for the aforementioned period requiring to pay Punjab Sales Tax amounting to Rs. 387.689 million. During the year ended 2022, the Company obtained stay order from Lahore High Court against the aforementioned show cause notice and expects a favorable outcome. Hence, no provision has been made in these financial statements.

25.3 During the year ended 2020, the Company received show cause notice dated February 13, 2020 under section 122(5A) of the Income Tax Ordinance, 2001 from the Additional Commissioner Inland Revenue - Federal Board of Revenue (ACIR), challenging the admissibility of claim of deductible allowance on account of Workers Profit Participation Fund of Rs. 1,027.961 million and Workers Welfare Fund of Rs. 330.495 million for the tax year 2019. The tax credit on the said deductible allowances disallowed in the aforesaid show cause notice aggregates to Rs. 393.952 million. The Company has filed a petition against the same before the High Court of Sindh, which is pending for hearing. The management of the Company is confident that the matter will eventually be decided in favor of the Company. Hence, no provision has been made in these financial statements.

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During the year ended 2021, the Company received show cause notice dated February 19, 2021 under section 122(A) of the Income Tax Ordinance, 2001 from the ACIR, challenging the admissibility of claim of deductible allowance on account of Workers Welfare Fund of Rs. 109.992 million for the tax year 2020. The Company has filed a petition against the same before the High Court of Sindh, which is pending for hearing. The management of the Company is confident that the matter will eventually be decided in favor of the Company. Hence, no provision has been made in these financial statements.

During the year ended 2022, the Company received show cause notice dated May 21, 2022 under section 122(5A) of the Income Tax Ordinance, 2001 from the ACIR, challenging the admissibility of claim of deductible allowance on account of Workers Profit Participation Fund of Rs. 368.778 million and Workers Welfare Fund of Rs. 300.394 million for the tax year 2021. The Company filed a petition (3389/2022) against the same before the High Court of Sindh, which has been decided in favor of the Company. However, the department has challenged the order of High Court of Sindh in Supreme Court of Pakistan through CPLA No. 1605/2025. The same is still pending and the management of the Company is confident that the matter will eventually be decided in favor of the Company. Hence, no provision has been made in these financial statements.

25.4 The Federal Government of Pakistan, through SRO 2069(I)/2022 dated December 1, 2022, inserted mandatory year wise export targets for Original Equipment Manufacturers (OEMs) for availing the benefit of concessionary custom duty under SRO 656 dated June 22, 2006. Accordingly, an importer is required to export a certain percentage of its import quota under SRO 656 for availing the benefit of concessionary custom duty as per year wise target given in the SRO.

The Company has challenged the introduction of export conditions in the SRO 656 through a constitutional petition CP no D-238 of 2024 before the High Court of Sindh. On January 19, 2024, the High Court of Sindh granted interim relief to the Company directing the Engineering Development Board (EDB) to allow imports made by the Company at concessionary rates. The petition and the interim order granted therein remain in force as at June 30, 2026.

The Company has disputed the amendments made to SRO 656 for mandatory export targets based on the grounds that the purpose of the SRO 656 was to incentivize local vehicle assembling and products and not to impose any export restrictions. The Company has also submitted its compliance of export conditions with EDB which is yet to be acknowledged. Further, companies in the automobile sector are also in negotiations with the Government on this matter in order to ensure that this matter is resolved without disrupting the operations of the automobile companies. The Company has carried an assessment of the potential impact of the amount of additional custom duty that the Company might need to pay in case the case is decided against the Company which works out to Rs. 13.7 billion, Rs. 12 billion, Rs. 19.7 billion and Rs. 27.9 billion for the years ended June 30, 2023, 2024, 2025 and 2026 respectively. Based on the advice of the Company's legal counsel, the management believes that the Company has a good and reasonable case, and the matter will eventually be decided in favor of the Company. Accordingly, no provision has been recognized in respect of the above matter in these financial statements.

25.5 As at June 30, 2026, the claims not acknowledged as debts by the Company, other than those separately disclosed above, amounts to Rs. 3,169.831 million (2025: Rs. 3,717.498 million).

	Note	2026	2025
		---------(Rupees in '000)--------	
Cases filed by government authorities		899,422	899,422
Others		2,270,409	2,818,076
	25.5.1	3,169,831	3,717,498

25.5.1 The above cases represent legal proceedings initiated against the Company by various parties therefore pending adjudication in various courts and legal forums of Pakistan since many years. A few cases have been added and / or disposed of during the current year. The management of the Company is of the view that the Company has a strong position in these cases and these cases will be decided in favor of the Company. Hence, no provision has been recorded in respect of such cases in these financial statements.

	2026	2025
	---------(Rupees in '000)--------	
25.6 Outstanding bank guarantees	20,444,976	31,643,769

Outstanding bank guarantees include an amount of Rs. 5,272.142 million (2025: Rs. 14,326.659 million) in respect of bank guarantees from Habib Metropolitan Bank Limited - a related party.

25.7 Commitments

25.7.1 Commitments in respect of capital expenditure as at June 30, 2026 amounted to Rs. 4,263.925 million (2025: Rs. 1,085.842 million).

25.7.2 Commitments in respect of letters of credit, other than for capital expenditure, amounted to Rs. 70,351.711 million (2025: Rs. 32,592.894 million). The above letters of credit include an amount of Rs. 10,782.613 million (2025: Rs. 1,809.280 million) availed from Habib Metropolitan Bank Limited - a related party.

25.7.3 Commitments in respect of land rent and maintenance charges against leasehold land from Port Qasim Authority as at June 30, 2026 amounted to Rs. 160.237 million (2025: Rs. 169.603 million).

Year	2026	2025
	---------(Rupees in '000)--------	
2026-2027	-	9,366
2027-2028	9,835	9,835
2028-2029	10,326	10,326
2029-2030	10,842	10,842
2030 onwards	129,234	129,234
	160,237	169,603

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26 OPERATING RESULTS

	Note	Manufacturing		Trading		Total	
		2026	2025	2026	2025	2026	2025
		(Rupees in '000)					
Gross sales	26.4	330,474,784	272,619,747	18,320,254	16,646,465	348,795,038	289,266,212
Sales tax		(56,053,223)	(46,545,305)	(3,012,021)	(2,713,121)	(59,065,244)	(49,258,426)
NEV levy		(6,650,417)	-	-	-	(6,650,417)	-
Capital value tax		(3,180,709)	(2,683,147)	-	-	(3,180,709)	(2,683,147)
Federal excise duty		(15,181,588)	(13,387,935)	-	-	(15,181,588)	(13,387,935)
	26.5	249,408,847	210,003,360	15,308,233	13,933,344	264,717,080	223,936,704
Commission		(4,641,281)	(6,773,172)	(143,028)	(173,091)	(4,784,309)	(6,946,263)
Discounts		(35,901)	(883,433)	(1,022,642)	(892,302)	(1,058,543)	(1,775,735)
Compensation on advances from customers		(119,368)	(78,124)	-	-	(119,368)	(78,124)
Revenue from contracts with customers		244,612,297	202,268,631	14,142,563	12,867,951	258,754,860	215,136,582
Cost of sales	27	(213,825,585)	(175,492,289)	(8,633,654)	(8,448,906)	(222,459,239)	(183,941,195)
Gross profit		30,786,712	26,776,342	5,508,909	4,419,045	36,295,621	31,195,387
Distribution expenses	28	943,654	2,161,278	110,216	102,558	1,053,870	2,263,836
Administrative expenses	29	4,068,022	3,385,645	235,198	215,388	4,303,220	3,601,033
		(5,011,676)	(5,546,923)	(345,414)	(317,946)	(5,357,090)	(5,864,869)
		25,775,036	21,229,419	5,163,495	4,101,099	30,938,531	25,330,518
Other operating expenses	30	(457,700)	(229,361)	(26,463)	(14,592)	(484,163)	(243,953)
Workers' Profit Participation Fund and Workers' Welfare Fund	31	(3,132,085)	(2,101,774)	-	-	(3,132,085)	(2,101,774)
Net profit from operations		22,185,251	18,898,284	5,137,032	4,086,507	27,322,283	22,984,791
Other income	32					15,872,712	14,949,419
						43,194,995	37,934,210
Finance costs	33					(370,280)	(263,733)
Profit before taxation and levy						42,824,715	37,670,477
Levy	34					(13,078)	(181,135)
Profit before taxation						42,811,637	37,489,342
Taxation	34					(17,305,805)	(14,479,683)
Profit after taxation						25,505,832	23,009,659

26.1 Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with internal reporting provided to the CODM. Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

26.2 The management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic and business decisions.

Manufacturing

This segment relates to the sale of locally manufactured cars and parts.

Trading

This segment relates to the trading of Completely Built Unit (CBU), motor oil and parts.

26.3 Segment wise assets and liabilities are not being reviewed by the CODM.

26.4 This includes an amount of Rs. 633.954 million (2025: Rs. 685.745 million) in respect of export / zero rated sales of auto parts and locally manufactured vehicles.

26.5 The gross sales, net of sales tax and discount, for 'Trading' segment include an amount of Rs. 4,063.307 million (2025: Rs. 3,652.477 million) in respect of sales of motor oil.

26.6 Other operating expenses, administrative expenses and distribution expenses (excluding warranty claims, pre-delivery inspection and service charges, development expenditure, transportation and running royalty), are allocated between manufacturing and trading activities on the basis of net sales. Warranty claims, pre-delivery inspection and service charges, development expenditure, Workers' Profit Participation Fund and Workers' Welfare Fund are allocated to manufacturing activity. Under Distribution expenses, running royalty and transportation charges are allocated to trading activity.

27 COST OF SALES

	Note	2026	2025
		----------(Rupees in '000)----------	
Raw materials and vendor parts consumed			
Opening stock		17,079,703	17,506,426
Purchases		206,889,723	157,911,844
Closing stock	9	(24,967,753)	(17,079,703)
		199,001,673	158,338,567
Stores and spares consumed		3,057,384	2,164,151
Salaries, wages and other benefits	27.1 & 27.2	4,611,055	3,745,220
Rent, rates and taxes		9,449	5,520
Repairs and maintenance		859,657	526,188
Depreciation	4.4	5,273,053	5,843,437
Legal and professional		5,354	4,759
Travelling		90,036	110,704
Transportation		12,992	11,615
Insurance		134,411	136,174
Vehicle running		96,520	87,114
Communication		5,459	5,033
Printing, stationery and office supplies		3,982	5,671
Subscription		10,395	6,792
Fuel and power		1,056,898	858,470
Running royalty	27.3	3,358,870	2,453,625
Technical fee		40,172	29,006
Staff catering, transport and uniforms		1,322,225	837,388
Provision / (reversal) for slow moving stock-in-trade	9.4	20,490	(542,362)
(Reversal) / provision for slow moving stores and spares	8.1	(4,294)	226,234
Others		184,468	90,900
		20,148,576	16,605,639
		219,150,249	174,944,206
Add: Opening work-in-process		1,799,557	1,503,973
Less: Closing work-in-process	9	2,669,522	1,799,557
		218,280,284	174,648,622
Opening stock of finished goods - own manufactured		1,711,088	2,554,755
Closing stock of finished goods - own manufactured	9	(6,165,787)	(1,711,088)
Cost of sales - own manufactured		213,825,585	175,492,289
Opening stock of finished goods - trading		1,656,287	2,299,154
Finished goods purchased		10,468,148	7,822,549
Closing stock of finished goods - trading	9	(3,391,714)	(1,656,287)
Reversal of provision for slow moving stock-in-trade	9.4	(99,067)	(16,510)
Cost of sales - trading		8,633,654	8,448,906
		222,459,239	183,941,195

27.1 These include an amount of Rs. 76.132 million (2025: Rs. 66.090 million) in respect of charge against provident fund and Rs. 28.816 million (2025: Rs. 34.973 million) in respect of charge against pension fund.

27.2 The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the conditions specified in section 218 of the Companies Act, 2017 and rules specified thereunder.

27.3 During the year, the Company paid royalty to the following parties:

Company name	Address	Relationship with the Company	2026	2025
			---------(Rupees in '000)---------	
Toyota Motor Corporation	1 Toyota-Cho, Toyota City, Aichi Prefecture 471-8571, Japan	Associate	2,639,572	2,073,240
Toyota Motor Asia Thailand Co., Ltd.	99 Moo 5, T. Ban-Ragad, A. Bank-bo, Samutprakran, 105060, Kingdom of Thailand	Group Company of Associate	20,426	73,415

28 DISTRIBUTION EXPENSES

	Note	2026	2025
		---------(Rupees in '000)---------	
Salaries, wages and other benefits	28.1	742,354	631,141
Rent, rates and taxes		11,779	8,229
Repairs and maintenance		9,099	8,898
Depreciation	4.4	155,161	146,292
Advertising and sales promotion		832,559	705,655
Travelling		33,341	46,490
Vehicle running		80,291	62,041
Communication		2,328	2,703
Printing, stationery and office supplies		27,279	8,707
Staff training		46,214	21,175
Staff transport and canteen		68,838	63,143
Subscription		2,725	2,622
Reversal of provision for warranty obligations	22.1 & 22.2	(1,542,913)	(500,350)
Pre-delivery inspection and service charges		127,738	67,354
Development expenditure		452,515	983,695
Transportation		-	96
Others		4,562	5,945
		1,053,870	2,263,836

28.1 These include an amount of Rs. 16.717 million (2025: Rs. 14.199 million) in respect of charge against provident fund and Rs. 11.754 million (2025: Rs. 5.404 million) in respect of charge against pension fund.

29 ADMINISTRATIVE EXPENSES	Note	2026	2025
		---------(Rupees in '000)--------	
Salaries, wages and other benefits	29.1	1,472,003	1,220,880
Rent, rates and taxes		94,052	122,176
Insurance		148,554	111,154
Repairs and maintenance		195,473	297,164
Depreciation	4.4	278,389	181,952
Amortization	4.2	51,927	46,536
Travelling		156,489	135,570
Legal and professional		348,610	316,969
Directors' fee		3,875	4,000
Vehicle running		85,281	52,943
Communication		44,113	40,686
Printing, stationery and office supplies		6,877	7,150
Staff training		734,328	530,469
Staff transport and canteen		164,749	151,472
Security		85,065	96,560
Subscription		91,821	66,118
Utilities		1,500	1,255
Events and entertainment		226,708	145,829
Others		113,406	72,150
		4,303,220	3,601,033

29.1 These include an amount of Rs. 27.332 million (2025: Rs. 22.950 million) in respect of charge against provident fund and Rs. 23.715 million (2025: Rs. 15.446 million) in respect of charge against pension fund.

30 OTHER OPERATING EXPENSES	Note	2026	2025
		---------(Rupees in '000)--------	
Auditor's remuneration	30.1	19,395	14,863
Donations	30.2	376,705	231,426
Allowance / (reversal) for expected credit loss	10.3	88,063	(2,336)
		484,163	243,953

30.1 Auditor's remuneration

Statutory audit fee	5,500	4,350
Half yearly review, other certifications and services	12,241	9,903
Out-of-pocket expenses and Government levies	1,654	610
	19,395	14,863

30.2 Donations

30.2.1 Donations in which a Director or his spouse is interested are as follows:

Name of Director(s)	Interest in Donee	Name of Donee	2026	2025
			---------(Rupees in '000)----	
Mr Muhammad H. Habib	Trustee	Mohamed Ali Habib Welfare Trust	3,000	-
Mr Muhammad H. Habib	Trustee	Habib Education Trust	1,000	-
Mr Mohamedali R. Habib and Mr Muhammad H. Habib	Directors	Habib University Foundation	20,000	25,000
Mr Riyaz Ali Towfiq Chinoy	Trustee	The Duke of Edinburgh's Award	277	-
Mr Riyaz Ali Towfiq Chinoy	Trustee	Orange Tree Foundation	300	-
Mr Riyaz Ali Towfiq Chinoy	Director	The Citizens Foundation	27,243	22,531

30.2.2 There were no donations exceeding 10% of total donations made to any single donee during the year.

31 WORKERS' PROFIT PARTICIPATION FUND AND WORKERS'WELFARE FUND	Note	2026	2025
		---------(Rupees in '000)--------	
Workers' Welfare Fund		873,974	768,785
Workers' Profit Participation Fund	14.4	1,772,551	1,332,989
Workers' Profit Participation Fund - Prior year charge		485,560	-
		3,132,085	2,101,774

32 OTHER INCOME			
Income from financial assets			
- Return on bank deposits and TDRs		662,682	255,226
- Gain on sale of investments in Market Treasury Bills		2,302,453	3,779,943
- Unrealized gain on Market Treasury Bills		2,530,962	2,782,009
- Interest income on Market Treasury Bills		214,036	372,018
- Gain on sale of Pakistan Investment Bonds		2,262,591	1,002,616
- Dividend income from Listed Mutual Fund Units		31,595	723,033
- Gain on sale of Listed Mutual Fund Units		3,123,321	4,359,777
- Unrealized gain on Listed Mutual Fund Units		40,832	93,089
		11,168,472	13,367,711
Income from other than financial assets			
- Unrealized gain on discounting of payable for SIDC	20.2	3,194,651	-
- Agency commission, net of commission expense of Rs. 6.9 million (2025: Rs. 2.3 million)		83,387	230,492
- Exchange (loss) / gain on agency commission and exports		(935)	3,475
- Gain on disposal of operating fixed assets		105,347	214,116
- Freight and other charges income - net of expenses		429,459	431,628
- Certification income		70,273	56,790
- Unclaimed liabilities written back - net		786,116	544,363
- Realized exchange (loss) / gain - net		(1,755)	41,100
- Others		37,697	59,744
		4,704,240	1,581,708
		15,872,712	14,949,419

33 FINANCE COSTS	Note	2026	2025
		---------(Rupees in '000)--------	
Interest on long-term loan		7,489	9,108
Unwinding of payable for SIDC	20.2	103,319	-
Bank charges		259,472	254,625
		370,280	263,733

34 LEVY AND TAXATION			
Levy	34.1	13,078	181,135
Taxation	34.2	17,305,805	14,479,683
		17,318,883	14,660,818

34.1 This represents final taxes paid under section 150 and section 154A of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 / IAS 37.

		2026	2025
34.2	**Taxation**	**---------(Rupees in '000)--------**	
	Current - for the year	16,477,935	14,484,915
	- for prior years	(70,768)	189,291
		16,407,167	14,674,206
	Deferred tax expense / (income)	898,638	(194,523)
		17,305,805	14,479,683

34.3 Relationship between income tax expense and accounting profit

Profit before taxation	42,811,637	37,489,342
Tax at the applicable tax rate of 29% (2025: 29%)	12,415,375	10,871,909
Tax effect of super tax	4,270,510	3,631,216
Tax effect of permanent differences	935,348	1,701,867
Tax effect of FTR and others	(3,882)	(726,275)
Tax effect of income taxable at lower rates	(240,778)	(1,188,325)
Prior years' charge	(70,768)	189,291
	17,305,805	14,479,683

35 EARNINGS PER SHARE

35.1 Basic

Basic earnings per share has been computed by dividing the profit for the year after taxation by the weighted average number of shares outstanding during the year.

	2026	2025
	---------(Rupees in '000)--------	
Profit after taxation	25,505,832	23,009,659
	-------(Number of shares)-------	
Weighted average number of ordinary shares outstanding during the year	78,600,000	78,600,000
	----------(Rupees)----------	
Basic earnings per share	324.50	292.74

35.2 Diluted

There are no potential dilutive ordinary shares outstanding as at June 30, 2026 and 2025.

36 CASH GENERATED FROM OPERATIONS

	Note	2026	2025
		---------(Rupees in '000)--------	
Profit before taxation		42,811,637	37,489,342
Adjustment for non-cash and other items:			
Levy	34	13,078	181,135
Depreciation	4.2	5,706,603	6,171,681
Amortization	4.2	51,927	46,536
Provision / (reversal) of allowance for expected credit loss	10.3	88,063	(2,336)
(Reversal) / provision for slow moving stores and spares	8.1	(4,294)	226,234
Reversal of provision for slow moving stock-in-trade	9.4	(78,577)	(558,872)
Gain on disposal of operating fixed assets	32	(105,347)	(214,116)
Gain on sale of Pakistan Investment Bonds	32	(2,262,591)	(1,002,616)
Gain on sale of investments in Listed Mutual Fund Units	32	(3,123,321)	(4,359,777)
Unrealized gain on investment in Listed Mutual Fund Units	32	(40,832)	(93,089)
Dividend income from investment in Listed Mutual Fund Units	32	(31,595)	(723,033)
Unrealized gain on Market Treasury Bills	32	(2,530,962)	(2,782,009)
Gain on sale of investments in Market Treasury Bills	32	(2,302,453)	(3,779,943)
Gain on discounting of payable for SIDC net of related finance charge	32	(3,091,332)	-
Interest income on Market Treasury Bills	32	(214,036)	(372,018)
Return on bank deposits and TDRs	32	(662,682)	(255,226)
Unclaimed liabilities written back	32	(786,116)	(544,363)
Charge in respect of Workers' Profit Participation Fund	31	2,258,111	1,332,989
Charge in respect of Workers' Welfare Fund	31	873,974	768,785
Compensation on advances received from customers	26	119,368	78,124
Interest expense on long-term loan	33	7,489	9,108
Working capital changes	36.1	(13,506,999)	25,874,893
		23,189,113	57,491,429

36.1 Working capital changes

Decrease / (increase) in current assets		
Stores and spares	28,638	(58,378)
Stock-in-trade	(14,948,141)	1,617,673
Trade debts	7,021,530	(3,917,989)
Loans and advances	597,345	351,343
Short-term prepayments	(38,853)	13,114
Other receivables	169,462	(273,209)
	(7,170,019)	(2,267,446)
Increase / (decrease) in current liabilities		
Current portion of deferred revenue	30,785	4,619
Current portion of payable for SIDC	1,392,540	-
Trade and other payables	(3,028,161)	16,699,479
Warranty obligations	(1,668,515)	(629,041)
Advances from customers and dealers	(3,063,629)	12,067,282
	(6,336,980)	28,142,339
	(13,506,999)	25,874,893

37 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise of the following:

	Note	2026	2025
		---------(Rupees in '000)--------	
Cash and bank balances	16	8,736,576	5,397,774
Term Deposit Receipts	15	14,000,000	12,000,000
Government securities - Market Treasury Bills	15	5,839,967	2,437,092
		28,576,543	19,834,866

37.1 As at June 30, 2026, the Company has unutilized short-term running finance facilities under mark-up arrangements aggregating to Rs. 5,300 million (2025: Rs. 5,300 million) available from various commercial banks carrying mark-up rates based on KIBOR as benchmark rate plus 25 – 75 basis points (2025: KIBOR plus 25 - 75 basis points). The above facilities include an amount of Rs. 300 million (2025: Rs. 300 million) available from Habib Metropolitan Bank Limited - a related party.

The Company also has facilities for opening letters of credit and bank guarantees under mark-up arrangements as at June 30, 2026 amounting to Rs. 163,300 million (2025: Rs. 103,475 million) from various commercial banks, including Rs. 37,300 million (2025: Rs. 28,000 million) available from Habib Metropolitan Bank Limited - a related party. The unutilized balance as at June 30, 2026 is Rs. 72,503 million (2025: Rs. 38,208 million).

The above mentioned short-term running finance facilities and bank guarantees are secured by pari passu hypothecation charge on movable assets and receivables of the Company.

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2026			2025		
	Chief Executive	Executive Directors **	Executives	Chief Executive	Executive Directors **	Executives
	---------- Rupees '000 ----------					
Managerial remuneration *	205,646	33,552	1,532,282	157,940	30,612	1,203,569
Retirement benefits	11,270	-	90,726	9,137	-	73,208
	216,916	33,552	1,623,008	167,077	30,612	1,276,777
Number of persons	1	2	215	1	2	178

* This includes bonus, house rent, utilities and other allowances.
** The Board of Directors appointed Executive Directors, with effect from April 1, 2022.

38.1 The Chief Executive, directors and some executives have been provided free use of Company maintained cars, residential telephones and club facilities.

38.2 During the year, an amount of Rs. 3.875 million (2025: Rs. 4 million) has been paid to non-executive directors as fee for attending board and other meetings.

39 TRANSACTIONS AND BALANCES WITH ASSOCIATED UNDERTAKINGS / RELATED PARTIES

The associated undertakings / related parties comprise of associated companies, staff retirement funds and key management personnel. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary and directors as key management personnel. Transactions carried out with associated undertakings / related parties during the year, not disclosed elsewhere in the financial statements are as follows:

With associated undertakings / related parties:

	2026	2025
	---------(Rupees in '000)--------	
Sales	888,772	1,204,750
Purchases	122,719,218	99,908,715
Insurance premium	137,166	175,032
Agency commission	90,956	220,167
Running royalty	3,386,765	2,417,001
Return on bank deposits and Term Deposit Receipts	518,025	135,896
Proceeds from disposal of operating fixed assets / insurance claim	25,352	312
Supervisor fee	20,209	18,978
Bank charges	157,505	173,883
Annual subscription	4,290	2,500
LC charges	43,926	66,525
With key management personnel:		
Salaries and benefits	319,767	249,095
Post employment benefits	13,613	13,711

39.1 Contribution to and accruals in respect of staff retirement benefits are made in accordance with actuarial valuations / terms of contribution plan as disclosed in the respective notes to these financial statements.

39.2 The status of outstanding balances with associated undertakings / related parties as at June 30, 2026 are included in the respective notes to the financial statements.

39.3 The names of related parties (other than those that have been specifically disclosed elsewhere in these financial statements) with whom the Company has entered into transactions or had agreements / arrangements in place during the year are as follows:

Basis of relationship

Common directorship	Name	Percentage of shareholding (%)	Particulars of Common director(s)
	Shabbir Tiles & Ceramics Limited	Nil	Mr. Imran A. Habib
	Thal Limited	6.22	Mr. Imran A. Habib and Mr. Mohamedali R. Habib
	Habib Insurance Company Limited	0.031	Mr. Muhammad H. Habib
	Habib Metropolitan Bank Limited	Nil	Mr. Muhammad H. Habib and Mr. Mohamedali R. Habib
	Pakistan Business Council	Nil	Mr. Muhammad H. Habib
	Tripack Films Limited	Nil	Mr. Asif Qadir

Group Companies	Name	Percentage of shareholding (%)	Relationship with the Company	Country of Incorporation
	Toyota Motor Corporation	25.00	Associated Company	Japan
	Toyota Tsusho Corporation	12.50	---------- do ----------	Japan
	Toyota Motor Asia (Singapore) PTE. Limited	Nil	Subsidiary of Toyota Motor Corporation (TMC)	Singapore
	Toyota Tsusho (Thailand) Company Limited	Nil	Subsidiary of Toyota Tsusho Corporation (TTC)	Thailand
	Toyotsu Machinery Corporation	Nil	---------- do ----------	Japan
	Toyota Tsusho M&E (Thailand) Co. Ltd.	Nil	---------- do ----------	Thailand
	Toyota Tsusho Asia Pacific PTE. Limited	Nil	---------- do ----------	Singapore
	Hinopak Motors Limited	Nil	Group company of TMC and TTC	Pakistan

Key Management Personnel	Name	Percentage of shareholding (%)	Relationship with the Company
	Mr. Ali Asghar Jamali	0.048	Chief Executive Officer
	Mr. Mohammad Ibadullah	Nil	Chief Financial Officer
	Mr. Muhammad Arif Anzer	Nil	Company Secretary
	Mr. Shiraz Sanawar	Nil	Head of Internal Audit
	Mr. Mohamedali R. Habib	0.165	Non-Executive Director
	Mr. Shinji Yanagi	Nil	Director
	Mr. Muhammad H. Habib	0.049	Non-Executive Director
	Mr. Shigeki Furuya	Nil	Director
	Mr. Imran A. Habib	0.0016	Non-Executive Director
	Mr. Giri Venkatesh	Nil	Non-Executive Director
	Mr. Asif Qadir	0.0006	Independent Director
	Mr. Riyaz Ali T. Chinoy	0.0006	Independent Director
	Syeda Tatheer Zehra Hamdani	0.0006	Independent Director

Post Employment Plan	Name	Percentage of shareholding (%)	Relationship with the Company
	Company's Employees Provident Fund	Nil	Post Employment Contributory Plan
	Company's Employees Pension Fund	Nil	Post Employment Benefit Plan

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		2026	2025
40	**PLANT CAPACITY AND PRODUCTION**	--------(Number of units)-------	
	Capacity based on double shift basis	76,000	76,000
	Production	45,597	33,251

The capacity has been calculated based on average normal working hours in a year, whereas actual production may vary in response to market demand.

		2026	2025
41	**NUMBER OF EMPLOYEES**	--------(Number of staff)-------	
	Total number of employees as at June 30	2,241	2,089
	Average number of employees during the year	2,150	2,343

42 **FINANCIAL INSTRUMENTS BY CATEGORY**

	----------As at June 30, 2026----------		
Financial assets	**Amortized cost**	**Fair value through profit or loss**	**Total**
	----------(Rupees in '000)----------		
- Loans and advances	322,856	-	322,856
- Long-term deposits	12,273	-	12,273
- Trade debts - unsecured	2,803,870	-	2,803,870
- Accrued return	300,371	-	300,371
- Other receivables	491,241	-	491,241
- Investments	24,000,000	79,013,902	103,013,902
- Cash and bank balances	8,736,576	-	8,736,576
	36,667,187	79,013,902	115,681,089

	--------As at June 30, 2026----	
Financial liabilities	**Financial liabilities at amortized cost**	**Total**
	---------(Rupees in '000)--------	
- Long-term loan	159,929	159,929
- Unclaimed dividend	150,957	150,957
- Unpaid dividend	376,428	376,428
- Trade and other payables	33,614,317	33,614,317
	34,301,631	34,301,631

	As at June 30, 2025		
	Amortized cost	Fair value through profit or loss	Total
	(Rupees in '000)		
Financial assets			
- Loans and advances	151,631	-	151,631
- Long-term deposits	12,273	-	12,273
- Trade debts - unsecured	9,913,463	-	9,913,463
- Accrued return	34,688	-	34,688
- Other receivables	627,797	-	627,797
- Investments	12,000,000	104,863,133	116,863,133
- Cash and bank balances	5,397,774	-	5,397,774
	28,137,626	104,863,133	133,000,759

	As at June 30, 2025	
	Financial liabilities at amortized cost	Total
	(Rupees in '000)	
Financial liabilities		
- Long-term loan	199,912	199,912
- Unclaimed dividend	337,656	337,656
- Unpaid dividend	246,910	246,910
- Trade and other payables	44,309,415	44,309,415
	45,093,893	45,093,893

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to certain financial risks. Such financial risks emanate from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

The Company currently finances its operations mainly through equity and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk. The Company's risk management policies and objectives are as follows:

43.1 Credit risk exposure and concentration of credit risk

Credit risk represents the risk of a loss if the counter party fails to discharge its obligation and causes the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk arises from investments (except for the investments in Government securities) and balances with banks and financial institutions, as well as credit exposures to customers, employees including trade debts, loans, other receivables and committed transactions with the group companies. Out of the total financial assets of Rs. 115,681.089 million (2025: Rs. 133,000.759 million), the financial assets which are subject to credit risk amounted to Rs. 63,996.900 million (2025: Rs. 77,246.036 million), including trade receivables from government agencies.

Out of the total trade debts amounting to Rs. 2,803.870 million (2025: Rs. 9,913.463 million), an amount of Rs. 24.861 million (2025: Rs. 930.447 million) relates to government organizations.

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Out of the total bank balance and TDRs of Rs. 32,719.365 million (2025: Rs. 17,383.401 million) placed with banks, amounts aggregating to Rs. 32,523.057 million (2025: Rs. 6,896.692 million) have been placed with banks having credit rating of AAA, whereas the remaining amounts are placed with banks having long-term minimum credit rating of AA+.

Due to the Company's long standing business relationships with its counterparties and after giving due consideration to their strong financial standing, management does not expect non–performance by these counter parties on their obligations to the Company.

For trade debts, internal risk assessment process determines the credit quality of each customer, 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 management. The utilization of credit limits is regularly monitored. Accordingly, the management believes that the credit risk is minimal and in the opinion of the management, the Company is not exposed to major concentration of credit risk.

43.2 Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its funding requirements. To guard against this risk, the Company has diversified funding sources and assets are managed with liquidity in mind, maintaining a healthy balance of cash and cash equivalents. The maturity profile of trade debts is monitored to ensure adequate liquidity is maintained. The management forecasts the liquidity of the Company on the basis of expected cash outflows considering the level of liquid assets necessary to meet such outflows.

The maturity profile of the Company's liability based on contractual maturities is disclosed in note 43.3.2 to these financial statements.

43.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

43.3.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company manages its exposure against foreign currency risk by entering into foreign exchange contracts where considered necessary.

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company primarily has foreign currency exposures in US Dollars (USD), Japanese Yen (JPY), Thai Bhat (THB) and Singapore Dollars (SGD). The net foreign currency exposure at June 30, 2026 is USD 23.729 million (2025: USD 32.293 million), JPY 5.258 million (2025: JPY 15.167 million), THB 7.716 million (2025: THB 30.080 million) and SGD 0.116 million (2025: SGD 0.193 million).

43.3.2 Interest rate risk

Interest / mark-up rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark-up rate risk arises from mismatches of financial assets and financial liabilities that mature or reprice in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company is exposed to interest / mark-up rate risk in respect of the following:

	2026							
		Interest / mark-up bearing			Non-interest / mark-up bearing			Total
	Effective interest / mark-up rate	Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	June 30, 2026
On statement of financial position	%	(Rupees in '000)						
Financial instruments								
Financial assets								
Loans and advances	-	-	-	-	127,289	195,567	322,856	322,856
Long-term deposits	-	-	-	-	-	12,273	12,273	12,273
Trade debts	-	-	-	-	2,803,870	-	2,803,870	2,803,870
Accrued Return	-	-	-	-	300,371	-	300,371	300,371
Other receivables	-	-	-	-	491,241	-	491,241	491,241
Investments	9.93 -14.2	75,666,978	-	75,666,978	27,346,924	-	27,346,924	103,013,902
Cash and bank balances	3.5 -10	8,133,964	-	8,133,964	602,612	-	602,612	8,736,576
		83,800,942	-	83,800,942	31,672,307	207,840	31,880,147	115,681,089
Financial liabilities								
Long-term loan	3.25 - 4.25	39,983	119,946	159,929	-	-	-	159,929
Unclaimed dividend	-	-	-	-	150,957	-	150,957	150,957
Unpaid dividend	-	-	-	-	376,428	-	376,428	376,428
Trade and other payables	-	-	-	-	33,614,317	-	33,614,317	33,614,317
		39,983	119,946	159,929	34,141,702	-	34,141,702	34,301,631

	2025							
		Interest / mark-up bearing			Non-interest / mark-up bearing			Total
	Effective interest / mark-up rate	Maturity upto one year	Maturity after one year	Sub-total	Maturity upto one year	Maturity after one year	Sub-total	June 30, 2025
On statement of financial position	%	(Rupees in '000)						
Financial instruments								
Financial assets								
Loans and advances	0.00-3.50	-	-	-	79,376	72,255	151,631	151,631
Long-term deposits	-	-	-	-	-	12,273	12,273	12,273
Trade debts	-	-	-	-	9,913,463	-	9,913,463	9,913,463
Accrued Return	-	-	-	-	34,688	-	34,688	34,688
Other receivables	-	-	-	-	627,797	-	627,797	627,797
Investments	18.85-21.66	67,740,350	-	67,740,350	49,122,783	-	49,122,783	116,863,133
Cash and bank balances	11.01-20.5	5,233,070	-	5,233,070	164,704	-	164,704	5,397,774
		72,973,420	-	72,973,420	59,942,811	84,528	60,027,339	133,000,759
Financial liabilities								
Long-term loan	3.25 - 4.25	39,983	159,929	199,912	-	-	-	199,912
Unclaimed dividend	-	-	-	-	337,656	-	337,656	337,656
Unpaid dividend	-	-	-	-	246,910	-	246,910	246,910
Trade and other payables	-	-	-	-	44,309,415	-	44,309,415	44,309,415
		39,983	159,929	199,912	44,893,981	-	44,893,981	45,093,893

a) Sensitivity analysis of variable rate instruments

As at June 30, 2026, the Company holds market treasury bills which are classified as financial assets at fair value through profit or loss' exposing the Company to interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for market treasury bills and with all other variables held constant, the net profit before tax for the year of the Company would have been lower / higher by Rs. 516.670 million.

b) Sensitivity analysis of fixed rate instruments

Fixed rate instruments comprise of balances with banks and loans to employees. The income from these financial assets are substantially independent of changes in market interest rates except for changes, if any, as a result of fluctuation in respective fair values. The Company's income from these financial assets does not have any fair value impact.

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43.3.3 Other Price risk

Price risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate 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 price risk mainly on account of investments held in units of mutual funds the rates of which are based on the rates announced by the issuer on the Mutual Funds Association of Pakistan . As at reporting date, had there been increase / decrease of 1% in fair value with all other variables held constant, profit before taxation would have been higher / lower by Rs. 273.469 million (2025: Rs. 491.228 million). This analysis assumes that all other variables remain constant.

43.3.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying value and the fair value estimates.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Fair value hierarchy

The table below analyses 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 (level1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

The level in the fair value hierarchy within which the fair value measurement of a financial instrument is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement of that financial instrument.

	As at June 30, 2026			As at June 30, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	Rupees '000					
Financial assets 'at fair value through profit or loss						
Listed Mutual Fund Units	-	27,346,924	-	-	49,122,783	-
Government securities - Market Treasury Bills	-	51,666,978	-	-	55,740,350	-

43.3.5 Valuation techniques used in determination of fair values within level 1 and level 2.

Debt Securities

The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP).

Units of mutual fund

The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.

43.3.6 During the year ended June 30, 2026, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

44 SHARIA COMPLIANCE DISCLOSURE

	2026	2025
	---------(Rupees in '000)--------	
Disclosures required in the Statement of Financial Position – Liability Side		
- Long-term financing as per Islamic mode	-	-
- Interest or mark-up accrued on any conventional loan or advance	7,489	9,108
Disclosures required in the Statement of Financial Position – Asset Side		
- Long-term and short-term Shariah compliant Investments	14,891,849	7,520,695
- Shariah-compliant bank deposits and bank balances	805,922	124,415
Disclosures required in relation to the Statement of Comprehensive Income		
- Revenue earned from a Shariah-compliant business segment	258,754,860	215,136,582
- Gain or loss or dividend earned on Shariah compliant investments	737,565	591,759
- Profit earned from Shariah-compliant bank deposits or bank balances	10,138	2,091
- Exchange (loss) / gain earned from actual currency	(2,690)	44,575
Breakup of other income into Shariah-compliant and non-compliant		
Shariah compliant income		
Gain on disposal of operating fixed assets	105,347	214,116
Agency commission, net of commission expense	83,387	230,492
Freight and other charges income - net of expenses	429,459	431,628
Certification income	70,273	56,790
Unclaimed liabilities written back	786,116	544,363
Others	37,697	59,744
Gain on discounting of provision for SIDC	3,194,651	-

Relationship with Shariah-compliant financial institutions	**Relationship**
MCB Investment Management Limited	Investment
UBL Fund Managers Limited	Investment
Al Meezan Investments Limited	Investment
Atlas Asset Management Limited	Investment
HBL Asset Management Limited	Investment
Faysal Asset Management Limited	Investment
ABL Asset Management Company Limited	Investment
Meezan Bank Limited	Bank Balances
Bank Islami Pakistan Limited	Bank Balances
Faysal Bank Limited	Bank Balances
National Bank Limited	Bank Balances

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45 CAPITAL RISK 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 is currently financing its operations primarily through equity and working capital. The Company has no material gearing risk in the current year nor any in the prior year.

46 NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on August 29, 2026 has proposed a cash dividend in respect of the year ended June 30, 2026 of Rs. 47 (2025: cash dividend of Rs. 50) per share. This is in addition to the interim cash dividend of Rs. 148 (2025: Rs. 126) per share resulting in a total dividend for the year of Rs. 195 (2025: Rs. 176) per share. The Directors have also announced appropriation of Rs. 10,500 million (2025: Rs. 9,000 million) to general reserve. These appropriations will be approved in the forthcoming Annual General Meeting. The financial statements for the year ended June 30, 2026 do not include the effect of these appropriations which will be accounted for in the financial statements for the year ending June 30, 2027.

47 GENERAL

47.1 Figures in these financial statements have been rounded off to the nearest thousand rupee unless otherwise stated.

47.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of better comparison and presentation, the effects of which are not material.

48 DATE OF AUTHORIZATION

These financial statements were authorized for issue on August 29, 2026 by the Board of Directors of the Company. The directors have the power to amend and re-issue the financial statements.

Mohammad Ibadullah
Chief Financial Officer

Ali Asghar Jamali
Chief Executive

Shinji Yanagi
Vice Chairman & Director

Pattern of Shareholding
AS AT JUNE 30, 2026

Number of Shareholders	Shareholdings' Slab			Total Shares Held
3639	1	to	100	100,407
2444	101	to	500	974,335
322	501	to	1000	270,783
372	1001	to	5000	829,714
64	5001	to	10000	454,659
18	10001	to	15000	217,667
10	15001	to	20000	183,279
8	20001	to	25000	186,846
11	25001	to	30000	308,355
5	30001	to	35000	163,950
12	35001	to	40000	454,133
4	40001	to	45000	168,822
2	45001	to	50000	93,883
2	50001	to	55000	102,303
1	55001	to	60000	55,415
1	60001	to	65000	63,070
1	90001	to	95000	91,870
3	100001	to	105000	303,884
2	105001	to	110000	213,183
1	125001	to	130000	130,000
2	140001	to	145000	281,394
1	170001	to	175000	172,500
4	255001	to	260000	1,032,667
1	265001	to	270000	269,083
1	270001	to	275000	272,384
1	275001	to	280000	279,147
1	595001	to	600000	600,000
1	865001	to	870000	865,347
1	1205001	to	1210000	1,205,793
1	1325001	to	1330000	1,327,670
1	1615001	to	1620000	1,615,788
1	3560001	to	3565000	3,563,939
1	4885001	to	4890000	4,890,000
1	9820001	to	9825000	9,825,000
1	19645001	to	19650000	19,650,000
1	37975001	to	28000000	27,382,730
6,942				**78,600,000**

Pattern of Shareholding
AS AT JUNE 30, 2026

Categories of Shareholders	Number of Shares held	Category wise No. of Folios/ CDC Accounts	Category wise Shares Held	Percentage
Directors and their spouse(s) and minor children		8	245,197	0.31%
MOHAMEDALI R. HABIB	135,000			
MUHAMMAD H. HABIB	38,400			
IMRAN ALI HABIB	12,346			
ALI ASGHAR JAMALI	38,000			
ASIF QADIR	500			
RIYAZ T. CHINOY	500			
SYEDA TATHEER ZEHRA HAMDANI	500			
FARAH FATIMA HABIB W/O MUHAMMAD H. HABIB	19,951			
Associated Companies, undertakings and related parties		2	4,914,015	6.25%
THAL LIMITED	4,890,000			
HABIB INSURANCE COMPANY LIMITED	24,015			
Executives	972	6	972	0.00%
Public Sector Companies & Corporations (ICP/NIT)				
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	107,768	2	109,968	0.14%
INVESTMENT CORPORATION OF PAKISTAN	2,200			
Banks Development Financial Institutions, Non Banking Financial Institutions.	1,740,646	6	1,740,646	2.21%
Insurance Companies		3	3,736,574	4.75%
Modarabas and Mutual Funds		16	1,331,128	1.69%
CDC - TRUSTEE AKD INDEX TRACKER FUND	5,654			
CDC - TRUSTEE APF-EQUITY SUB FUND	7,820			
CDC - TRUSTEE ATLAS DIVIDEND YIELD FUND	37,765			
CDC - TRUSTEE ATLAS STOCK MARKET FUND	140,734			
CDC - TRUSTEE BMA STOCK FUND	1,500			
CDC - TRUSTEE GOLDEN ARROW STOCK FUND	11,272			
CDC - TRUSTEE MCB PAKISTAN DIVIDEND YIELD PLAN	18,971			
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	6,407			
CDC - TRUSTEE NBP BALANCED FUND	32,100			
CDC - TRUSTEE NBP SARMAYA IZAFA FUND	18,569			
CDC - TRUSTEE NBP STOCK FUND	865,347			
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	51,720			
CDC - TRUSTEE UBL ASSET ALLOCATION FUND	10,000			
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	19,719			
CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	102,550			
CDC-TRUSTEE NITPF EQUITY SUB-FUND	1,000			
Foreign Investors/Companies				
(holding 5% or more voting interest)		24	60,818,092	77.38%
TOYOTA TSUSHO CORPORATION	9,825,000			
TOYOTA MOTOR CORPORATION	19,650,000			
OVERSEAS PAKISTAN INVESTORS AG	27,382,730			
General Public		6,788	4,021,449	5.12%
a. Local	3,773,396			
b. Foreign	248,053			
Others	1,681,959	87	1,681,959	2.14%
Totals		**6,942**	**78,600,000**	**100.00%**

Detail of Transactions during the year ended June 30, 2026 are below:

Name of Director	**No. of Shares**
MOHAMEDALI R. HABIB (Transmission of Shares)	5,000

Ten Years Financial Summary

Financial Summary		2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statement of Profit or Loss											
Net revenue	Rs in '000	258,754,860	215,136,582	152,481,025	177,710,637	275,505,778	179,161,727	86,167,016	157,996,212	139,715,429	111,942,544
Gross profit	Rs in '000	36,295,621	31,195,387	19,382,302	7,931,170	18,404,481	16,653,710	7,450,859	19,191,674	23,884,658	19,492,589
Profit before taxation	Rs in '000	42,824,715	37,670,477	23,327,454	16,797,198	25,452,576	18,199,193	7,287,359	18,975,929	22,999,166	19,140,767
Profit after taxation	Rs in '000	25,505,832	23,009,659	15,072,426	9,664,429	15,801,848	12,828,592	5,082,027	13,714,975	15,771,860	13,001,265
Dividends	Rs in '000	15,327,000	13,833,600	9,015,420	5,643,480	7,368,750	8,135,100	2,358,000	9,039,000	11,004,000	9,039,000
Statement of Financial Position											
Share capital	Rs in '000	786,000	786,000	786,000	786,000	786,000	786,000	786,000	786,000	786,000	786,000
Reserves	Rs in '000	86,109,555	76,166,638	66,440,443	59,283,912	53,225,076	47,415,465	40,383,391	39,259,309	35,958,342	30,410,962
Non-current assets	Rs in '000	18,199,372	20,500,201	23,547,372	24,497,682	15,185,582	15,809,646	16,574,192	13,898,033	7,311,379	6,345,444
Net current assets	Rs in '000	69,983,201	53,597,100	41,039,405	36,039,448	30,458,149	29,752,647	24,991,174	26,679,161	29,383,117	24,762,671
Long term liabilities	Rs in '000	3,547,781	180,714	212,814	553,698	280,837	745,433	483,125	558,920	22,711	3,933
Investor Information											
Gross profit ratio	% age	14.03	14.50	12.71	4.46	6.68	9.30	8.65	12.15	17.10	17.66
Net profit ratio	% age	9.86	10.70	9.88	5.44	5.74	7.16	5.90	8.68	11.29	11.61
Earning per share	Rs	324.50	292.74	191.76	122.96	201.04	163.21	64.66	174.49	200.66	165.41
Inventory turnover	Times	8	8	5	6	11	9	5	11	11	11
Debt collection period	Days	9	13	8	4	2	2	8	5	3	3
Average fixed assets turnover	Times	13.37	9.77	6.35	8.96	17.78	11.06	5.66	14.90	22.89	19.90
Breakup value per share	Rs	1,105.54	979.04	855.30	764.25	687.16	613.25	523.78	509.48	467.49	396.91
Market price per share											
- as on June 30	Rs	2,058.43	1,735.55	1,580.00	943.24	1,144.41	1,254.14	994.99	1,203.92	1,421.46	1,793.60
- High value during the period	Rs	2,372.35	2,245.36	1,679.99	1,155.61	1,473.90	1,429.98	1,280.00	1,589.90	1,980.00	2,110.00
- Low value during the period	Rs	1,713.10	1,715.97	858.28	802.45	1,094.97	967.34	700.00	1,030.62	1,300.00	935.00
Price earning ratio	Times	6.34	5.93	8.24	7.67	5.69	7.68	15.39	6.90	7.08	10.84
Dividend per share	Rs	195.00	176.00	114.70	71.80	93.75	103.50	30.00	115.00	140.00	115.00
Dividend yield	% age	9.47	10.14	7.26	7.61	8.19	8.25	3.02	9.55	9.85	6.41
Dividend payout	% age	60.09	60.12	59.81	58.39	46.63	63.41	46.40	65.91	69.77	69.52
Dividend cover	Times	1.66	1.66	1.67	1.71	2.14	1.58	2.16	1.52	1.43	1.44
Return on equity	% age	29.35	29.90	22.42	16.09	29.26	26.61	12.34	34.25	42.92	41.67
Debt to equity	Ratio	0 : 1	0 : 1	0 : 1	0 : 1	0 : 1	0 : 1	0 : 1	0 : 1	0 : 1	0 : 1
Current ratio	Ratio	1.79:1	1.50:1	1.52:1	1.58:1	1.19:1	1.35:1	1.65:1	2.1:1	1.63:1	1.76:1
Other Information											
Units sold	Nos.	45,035	33,757	21,063	31,602	75,611	57,731	28,837	66,211	64,000	60,586
Units Produced	Nos.	45,597	33,251	19,599	32,696	72,438	59,187	28,519	65,346	62,886	59,945
Manpower	Nos.	2,241	2,089	2,579	3,129	3,139	2,943	2,855	3,349	3,266	2,849
Contribution to National Exchequer	Rs in '000	140,138,893	68,493,873	68,493,873	84,811,218	101,381,098	71,802,435	35,927,543	52,307,841	48,843,141	38,959,490

Notice of Annual General Meeting

Notice is hereby given that the 37th Annual General Meeting ("AGM") of Indus Motor Company Limited ("the Company") will be held on Monday, September 28, 2026, at 9:00 a.m. at the Avari Towers, Fatima Jinnah Road, Karachi, to transact the following business. The shareholders may also participate in the AGM through a video-link facility.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2026, together with the Directors' Report, Auditors' Report and the Chairman's Review Report thereon. In accordance with Section 223(7) of the Companies Act, 2017, the audited financial statements of the Company have been made available on the Company's website and may be accessed through the web link provided in the Notes to this Notice.
2. To approve final cash dividend for the year ended June 30, 2026, as recommended by the Board of Directors at the rate of 470%, i.e., Rs. 47 per ordinary share. This is in addition to the combined interim cash dividends aggregating 1480%, i.e., Rs. 148 per ordinary share, already paid during the year. Consequently, the total cash dividend for the year 2025-26 shall amount to 1950%, i.e., Rs. 195 per ordinary share.
3. To appoint the external auditors of the Company for the financial year ending June 30, 2027 and to fix their remuneration. The present auditors, M/s. A.F. Ferguson & Co., Chartered Accountants, retire and, being eligible, have offered themselves for re-appointment.
4. To transact any other ordinary business with the permission of the Chair.

By order of the Board

Muhammad Arif Anzer
Company Secretary

Karachi.
August 29, 2026

NOTES:

1. **Circulation of Annual Report through QR Code and Web Link:**

   Pursuant to Section 223(6) of the Companies Act, 2017 and SECP S.R.O. 389(I)/2023 dated March 21, 2023, the annual audited financial statements of the Company have been uploaded on the Company's website and may be accessed through the following QR code and web link:

   Web Link: https://www.toyota-indus.com/financial-results

2. **Participation in the AGM through Video-Link Facility:**

   Shareholders intending to participate in the AGM through video link are requested to send an email to imc.corporate@toyota-indus.com with the subject line "Registration for 37th Annual General Meeting", along with a valid copy of their CNIC.

   The email should contain the shareholder's particulars, including Name, Folio Number, CNIC/NTN Number. The registration request must be received from the shareholder's registered email address at least 48 hours before the AGM. Video-link details and login credentials will be provided only to those members whose complete registration requests are received within the prescribed time. Shareholders may also submit comments and questions relating to the agenda items along with their registration request.

3. **Closure of Register of Members and Share Transfer Books:**

   The Share Transfer Books and Register of Members of the Company will remain closed from September 22, 2026 to September 28, 2026 (both days inclusive) for the purpose of determining entitlement to attend the AGM and receive the final cash dividend. Transfers received by CDC Share Registrar Services Limited, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 (Tel: 0800-23275, UAN: 111-111-500, Email: info@cdcsrsl.com) at the close of business on September 21, 2026 shall be treated as having been received in time for determining entitlement to attend the AGM and receive the final cash dividend.

4. **Attendance at the Meeting:**

   In the case of individuals, account holders, sub-account holders and/or persons whose securities are registered in group accounts and whose registration details are uploaded in accordance with applicable regulations shall authenticate their identity by presenting their original CNIC or original passport at the time of attending the meeting.

   In the case of corporate entities, a certified copy of the Board Resolution or Power of Attorney authorizing the nominee to represent the corporate entity, together with the specimen signature of the nominee, shall be produced at the time of attending the meeting, unless previously submitted to the Company.

5. **Appointment of Proxy:**

   A member entitled to attend, participate and vote at the AGM may appoint another person as his/her proxy to attend, participate, speak and vote on his/her behalf. The duly completed Proxy Form, together with a copy of the CNIC of the proxy, must be deposited at the registered office of the Company not later than 48 hours before the time fixed for the meeting.

   In the case of a corporate entity, a certified copy of the Board Resolution or Power of Attorney authorizing the nominee, together with the specimen signature and CNIC copy of the nominee, must also be submitted at least 48 hours before the meeting.

   The Proxy Form, in both English and Urdu, is enclosed with the Annual Report and must be witnessed by two persons whose names, addresses and CNIC numbers should be specified therein. The Proxy Form is also available on the Company's website.

6. **Update of Shareholder Particulars and CNIC:**

   Shareholders are requested to promptly notify any change in their address or other particulars to the Company's Share Registrar. Corporate shareholders are also requested to notify any change in the particulars of their authorized representatives.

   Individual shareholders who have not yet submitted a copy of their valid CNIC to the Company's Share Registrar are requested to do so at the earliest. In accordance with Section 243 of the Companies Act, 2017, the Company shall withhold dividend payments where a valid CNIC copy is not available in its records.

7. **Unclaimed Shares and Dividends:**

   The members who have not yet claimed their shares and cash dividends, which are either kept with the members themselves or returned as undelivered to the Share Registrar or Company, are requested to make a claim for such unpaid/unclaimed dividends and/or shares with the Company. Dividend forms are available on the Company's website. Dividend form must be submitted to the Company's Share Registrar, M/s. CDC Share Registrar Services Limited (CDCSRSL), for receipt of dividend / shares.

8. **Withholding Tax on Dividend:**

   Under Section 150 of the Income Tax Ordinance, 2001, withholding income tax on dividend payment is currently deductible at the following rates:

Category	Tax Rate
Persons appearing on the Active Taxpayers List (ATL):	15%
Persons not appearing on the Active Taxpayers List (ATL):	30%

   Shareholders who have filed their income tax returns are advised to ensure that their names appear on the latest ATL available on the website of the Federal Board of Revenue (FBR) at the time of dividend payment. Otherwise, tax will be deducted at the higher applicable rate.

To enable the Company to comply with regulatory requirements relating to the determination of shareholding ratios among joint account holders for withholding tax purposes, shareholders are requested to provide details of the respective shareholding proportions of the principal shareholder and joint holder(s) to the Company's Share Registrar. Such information should reach the Share Registrar not later than September 21, 2026. In the absence of such information, the shareholding shall be assumed to be held in equal proportions, and withholding tax shall be deducted accordingly.

9. Electronic Payment of Cash Dividend (E-Mandate):

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory that dividend payable in cash, shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder.

In compliance with the above provisions, the Company hereby again requests the shareholders to provide details of their active bank mandate specifying: (i) title of account, (ii) account number, (iii) IBAN number (iv) bank name and (v) branch name, code & address; to Company's Share Registrar, CDC Share Registrar Services Limited. Shareholders who hold shares with Participants / Central Depository Company of Pakistan (CDC) are advised to provide the mandate to the concerned Broker / CDC. In absence of the complete bank details, including IBAN mentioned above or inactive bank account, the company shall withhold the Dividend under the provision of Section 243 of the Companies Act, 2017. The "Electronic Dividend Mandate Form" in English and Urdu is attached in the Annual Report and the same is also available on the Company's website (www.toyota-indus.com).

10. Conversion of Physical Shares into Book-Entry Form:

Section 72 of the Companies Act, 2017 requires shareholders holding physical share certificates to convert their holdings into book-entry form maintained within the Central Depository System. Pursuant to SECP Letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, the Company continues to follow up with shareholders holding shares in physical form and requests them to convert their holdings into book-entry form (CDC Account) at the earliest. Shareholders are advised to contact the Company's Share Registrar for assistance in completing the conversion process.

11. Electronic Transmission of Annual Report 2026

In compliance with section 223(6) of the Act, the Company has electronically transmitted the Annual Report 2026 through email to Shareholders whose email addresses are available with the Company's Share Registrar, M/s. CDC Share Registrar Services Limited. In those cases, where email addresses are not available with the Company's Share Registrar, printed notices of AGM along with the weblink and QR enabled code to download the said Annual Report have been dispatched. However, the Company will provide hard copies of the Annual Report to any member on their demand, at their registered address, free of cost, within one week of receiving such request. The Annual Report of the Company for the year ended June 30, 2026 is also available on the Company's website (www.toyota-indus.com).

۸۔ منافع پر ود ہولڈنگ ٹیکس

انکم ٹیکس آرڈیننس **2001** کے سیکشن **150** میں کمپنیز کی جانب سے ڈیویڈنڈ کی ادائیگی پر ود ہولڈنگ انکم ٹیکس کی کٹوتی کیلئے درج ذیل شرحوں کا تعین کیا گیا ہے۔

(الف) وہ افراد جو ایکٹو ٹیکس دہندگان کی فعال فہرست میں شامل ہیں **15% (ATL)**

(ب) وہ افراد جو ایکٹو ٹیکس دہندگان کی فعال فہرست میں شامل نہیں ہیں **30% (ATL)**

جن شیئر ہولڈرز نے اپنے انکم ٹیکس گوشوارے جمع کرادیے ہیں، انہیں مشورہ دیا جاتا ہے کہ منافع کی ادائیگی کے وقت فیڈرل بورڈ آف ریونیو **FBR** کی ویب سائٹ پر دستیاب تازہ ترین **ATL** میں اپنا نام موجود ہونے کو یقینی بنائیں۔ بصورتِ دیگر زیادہ قابلِ اطلاق شرح سے ٹیکس منہا کیا جائے گا۔

مشترکہ اکاؤنٹ ہولڈرز کے درمیان ود ہولڈنگ ٹیکس کے مقصد کے لیے حصص کی ملکیت کے تناسب کے تعین سے متعلق ضابطہ جاتی تقاضے پورے کرنے کے لیے شیئر ہولڈرز سے درخواست ہے کہ اصل شیئر ہولڈر اور مشترکہ ہولڈر / ہولڈرز کے درمیان حصص کی ملکیت کے تناسب کی تفصیلات کمپنی کے شیئر رجسٹرار کو فراہم کریں۔ یہ معلومات **21** ستمبر **2026**ء تک شیئر رجسٹرار کو موصول ہو جانی چاہئیں۔ معلومات فراہم نہ ہونے کی صورت میں حصص کو مساوی تناسب سے ملکیت تصور کیا جائے گا اور اسی حساب سے ود ہولڈنگ ٹیکس منہا کیا جائے گا

۹۔ نقد منافع کی الیکٹرانک ادائیگی (ای-مینڈیٹ)

کمپنیز ایکٹ **2017**ء کی دفعہ **242** اور کمپنیز (منافع کی تقسیم) ریگولیشنز **2017**ء کے تحت نقد قابلِ ادائیگی منافع صرف الیکٹرانک طریقے سے مستحق شیئر ہولڈر کے نامزد بینک اکاؤنٹ میں براہِ راست منتقل کیا جائے گا۔

کمپنی نے ایک بار پھر شیئر ہولڈرز سے درخواست کی ہے کہ اپنے فعال بینک مینڈیٹ کی تفصیلات، جن میں اکاؤنٹ ٹائٹل، اکاؤنٹ نمبر **IBAN** نمبر، بینک کا نام، برانچ کا نام، کوڈ اور پتہ شامل ہو، کمپنی کے شیئر رجسٹرار، سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، کو فراہم کریں۔ وہ شیئر ہولڈرز جن کے حصص شرکاء / سنٹرل ڈپازٹری کمپنی آف پاکستان **CDC** کے پاس ہیں، وہ اپنا بینک مینڈیٹ متعلقہ بروکر **CDC** / کو فراہم کریں۔ مکمل بینک تفصیلات، بشمول، **IBAN** فراہم نہ کرنے یا بینک اکاؤنٹ غیر فعال ہونے کی صورت میں کمپنیز ایکٹ **2017**ء کی دفعہ **243** کے تحت کمپنی منافع روک دے گی۔ "الیکٹرانک ڈیویڈنڈ مینڈیٹ فارم" انگریزی اور اردو دونوں زبانوں میں سالانہ رپورٹ کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔

۱۰۔ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنا

کمپنیز ایکٹ **2017**ء کی دفعہ **72** کے تحت فزیکل شیئر سرٹیفکیٹس رکھنے والے شیئر ہولڈرز کے لیے ضروری ہے کہ وہ اپنی حصص کی ملکیت کو سنٹرل ڈپازٹری سسٹم میں برقرار رکھے جانے والے بک انٹری فارم میں تبدیل کریں۔ ایس ای سی پی کے خط نمبر **CSD/ED/Misc/2016-639-640** مورخہ **26** مارچ **2021**ء کے تحت کمپنی فزیکل شکل میں حصص رکھنے والے شیئر ہولڈرز سے رابطہ جاری رکھے ہوئے ہے اور ان سے درخواست کرتی ہے کہ وہ جلد از جلد اپنی حصص کی ملکیت کو بک انٹری فارم (**CDC** اکاؤنٹ) میں تبدیل کرائیں۔ شیئر ہولڈرز کو تبدیلی کا عمل مکمل کرنے میں معاونت کے لیے کمپنی کے شیئر رجسٹرار سے رابطہ کرنے کا مشورہ دیا گیا ہے۔

۱۱۔ ای میل کے ذریعے سالانہ رپورٹ کی تقسیم

کمپنیز ایکٹ **2017** کے سیکشن **223(6)** کے تحت کمپنیوں کو اجازت دی ہے سالانہ رپورٹ شیئر ہولڈرز کے ای میل پر بھیجی جائے۔ ایسے معاملات میں جہاں ای میل پتے کمپنی کے شیئر رجسٹرار کے پاس دستیاب نہیں ہیں، وہاں سالانہ جنرل میٹنگ کے نوٹسز پرنٹ شدہ شکل میں بھیجے گئے ہیں، جن کے ساتھ ویب لنک اور کیو آر کوڈ شامل ہے تاکہ متعلقہ (**AGM**) سالانہ رپورٹ کو ڈاؤن لوڈ کیا جا سکے تاہم، کمپنی کسی بھی رکن کی درخواست پر سالانہ رپورٹ کی ہارڈ کاپی ان کے رجسٹرڈ پتے پر بلا معاوضہ ایک ہفتے کے اندر فراہم کرے گی۔ **30** جون **2026** کو ختم ہونے والے سال کیلئے کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ (**www.toyota-indus.com**) پر بھی دستیاب ہے۔

نوٹس برائے سالانہ اجلاس عام

بذریعہ ہٰذا مطلع کیا جاتا ہے کہ انڈس موٹر کمپنی لمیٹڈ (" کمپنی ") کا 37واں سالانہ اجلاسِ عام (AGM) پیر، 28 ستمبر 2026ء کو صبح 9:00 بجے اواری ٹاورز، فاطمہ جناح روڈ، کراچی میں منعقد ہو گا، جس میں درج ذیل امور نمٹائے جائیں گے۔ شیئر ہولڈرز ویڈیو لنک کی سہولت کے ذریعے بھی سالانہ اجلاسِ عام میں شرکت کر سکتے ہیں۔

معمول کے امور

ا۔ 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے، ڈائریکٹرز کی رپورٹ، آڈیٹرز کی رپورٹ اور چیئرمین کے جائزہ رپورٹ کو وصول، زیرِ غور لاتے ہوئے منظور کرنا۔
کمپنیز ایکٹ 2017ء کی دفعہ 223 (7) کے تحت کمپنی کے آڈٹ شدہ مالیاتی گوشوارے کمپنی کی ویب سائٹ پر دستیاب ہیں اور نوٹس کے نوٹس میں دیے گئے ویب لنک کے ذریعے ان تک رسائی حاصل کی جاسکتی ہے۔

۲۔ 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے بورڈ آف ڈائریکٹرز کی سفارش کے مطابق حتمی نقد منافع کی منظوری دینا، جس کی شرح 470 فیصد یعنی فی عام شیئر 47 روپے ہے۔ یہ اس سال کے دوران پہلے ہی ادا کیے گئے مجموعی عبوری نقد منافع 1480 فیصد، یعنی فی عام شیئر 148 روپے، کے علاوہ ہو گا۔ چنانچہ مالی سال 26-2025ء کے لیے مجموعی نقد منافع 1950 فیصد یعنی فی عام شیئر 195 روپے ہو گا۔

۳۔ 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے کمپنی کے بیرونی آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین کرنا۔ موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور اہل ہونے کے باعث دوبارہ تقرری کے لیے خود کو پیش کر چکے ہیں۔

۴۔ چیئرمین کی اجازت سے کوئی دیگر معمول کا کاروبار نمٹانا۔

بورڈ کے حکم سے

محمد عارف انظر
کمپنی سیکرٹری

کراچی
29 اگست 2026

نوٹس

ا۔ QR کوڈ اور ویب لنک کے ذریعے سالانہ رپورٹ کی فراہمی۔
کمپنیز ایکٹ 2017 کی دفعہ 223 (6) اور ایس ای سی پی کے ایس آر او 389 (1) 2023 مورخہ 21 مارچ 2023 کے تحت کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشوارے کمپنی کی ویب سائٹ پر اپ لوڈ کر دیئے گئے ہیں، جن تک درج ذیل کیو آر کوڈ اور ویب لنک کے ذریعے رسائی حاصل کی جاسکتی ہے۔

ویب لنک

https://toyota-indus.com/financial-results/

۲۔ ویڈیو کانفرنس کی سہولت کے ذریعے سالانہ اجلاس عام میں شرکت

جو شیئر ہولڈرز ویڈیو لنک کے ذریعے سالانہ اجلاس میں شرکت کرنا چاہتے ہیں، وہ imc.corporate@toyota-indus.com پر ای میل کے ذریعے درخواست بھیجیں۔ ای میل کے موضوع میں Registration for 37th Annual General Meeting درج کرنا ہو گا اور اس کے ساتھ اپنے شناختی کارڈ CNIC کی درست نقل منسلک کرنا ہو گا۔

ای میل میں شیئر ہولڈر کی تفصیلات، بشمول نام، فولیو نمبر اور CNIC/NTN نمبر درج ہونا ضروری ہے۔ رجسٹریشن کی درخواست شیئر ہولڈر کے رجسٹرڈ ای میل ایڈریس سے اجلاس سے کم از کم 48 گھنٹے قبل موصول ہونی چاہیے۔ ویڈیو لنک اور لاگ اِن کی تفصیلات صرف ان اراکین کو فراہم کی جائیں گی جن کی مکمل رجسٹریشن درخواست مقررہ مدت میں موصول ہو گی۔ شیئر ہولڈرز اپنی رجسٹریشن درخواست کے ساتھ ایجنڈے کے نکات سے متعلق تبصرے اور سوالات بھی جمع کرا سکتے ہیں۔

۳۔ اراکین کے رجسٹر اور شیئر ٹرانسفر بکس کی بندش

کمپنی کی شیئر ٹرانسفر بکس اور رجسٹر آف ممبرز 22 ستمبر 2026ء سے 28 ستمبر 2026ء تک، دونوں دنوں سمیت، بند رہیں گے تاکہ سالانہ اجلاس میں شرکت اور حتمی نقد منافع وصول کرنے کے حقدار شیئر ہولڈرز کا تعین کیا جاسکے۔ سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B ، بلاک، "B" ایس ایم سی ایچ ایس، مین شاہراہِ فیصل، کراچی 74400 کو 21 ستمبر 2026ء کو کاروباری اوقات کے اختتام تک موصول ہونے والی منتقلیاں بروقت تصور کی جائیں گی۔

۴۔ اجلاس میں شرکت

افراد، اکاؤنٹ ہولڈرز، سب اکاؤنٹ ہولڈرز اور / یا وہ افراد جن کی سیکیورٹیز گروپ اکاؤنٹس میں رجسٹرڈ ہیں اور جن کی رجسٹریشن تفصیلات متعلقہ قواعد کے مطابق اپ لوڈ کی گئی ہیں، اجلاس میں شرکت کے وقت اپنی اصل شناختی دستاویز یعنی اصل CNIC یا اصل پاسپورٹ پیش کر کے اپنی شناخت کی تصدیق کریں گے۔

کارپوریٹ اداروں کی صورت میں بورڈ کی قرارداد یا پاور آف اٹارنی کی تصدیق شدہ نقل، جس کے ذریعے نامزد نمائندے کو ادارے کی نمائندگی کا اختیار دیا گیا ہو، نمائندے کے نمونہ دستخط کے ساتھ اجلاس میں پیش کرنا ہو گی، بشرطیکہ یہ دستاویزات پہلے کمپنی کو جمع نہ کرائی گئی ہوں۔

۵۔ پراکسی کی تقرری

اجلاس میں شرکت، شرکت کے دوران اظہارِ خیال اور ووٹ دینے کا حق رکھنے والا رکن اپنی جانب سے شرکت، اظہارِ خیال اور ووٹ دینے کے لیے کسی دوسرے شخص کو اپنا پراکسی مقرر کر سکتا ہے۔ مکمل طور پر پُر کیا گیا پراکسی فارم، پراکسی کے CNIC کی نقل کے ساتھ، اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں جمع کرانا ہو گا۔

کارپوریٹ ادارے کی صورت میں نامزد نمائندے کو اختیار دینے والی بورڈ قرارداد یا پاور آف اٹارنی کی تصدیق شدہ نقل، نمائندے کے نمونہ دستخط اور CNIC کی نقل کے ساتھ، اجلاس سے کم از کم 48 گھنٹے قبل جمع کرانا ہو گی۔

پراکسی فارم انگریزی اور اردو دونوں زبانوں میں سالانہ رپورٹ کے ساتھ منسلک ہے اور اس پر دو افراد کی گواہی ضروری ہے، جن کے نام، پتے اور CNIC نمبرز فارم میں درج کیے جائیں گے۔ پراکسی فارم کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔

۶۔ شیئر ہولڈرز کی تفصیلات اور CNIC کی ردوبدل

شیئر ہولڈرز سے درخواست ہے کہ اپنے پتے یا دیگر کوائف میں کسی بھی تبدیلی سے کمپنی کے شیئر رجسٹرار کو فوری طور پر آگاہ کریں۔ کارپوریٹ شیئر ہولڈرز اپنے مجاز نمائندگان کی تفصیلات میں کسی تبدیلی سے بھی مطلع کریں۔

جن انفرادی شیئر ہولڈرز نے ابھی تک کمپنی کے شیئر رجسٹرار کو اپنے درست CNIC کی نقل فراہم نہیں کی، وہ جلد از جلد یہ نقل جمع کرائیں۔ کمپنیز ایکٹ 2017ء کی دفعہ 243 کے مطابق، اگر کمپنی کے ریکارڈ میں درست CNIC کی نقل موجود نہ ہو تو کمپنی منافع کی ادائیگی روکنے کی پابند ہو گی۔

۷۔ غیر وصول شدہ شیئرز اور منافع

جن اراکین نے ابھی تک اپنے شیئرز اور نقد منافع وصول نہیں کیے، خواہ وہ ان کے پاس موجود ہوں یا ناقابل ترسیل ہونے کے باعث شیئر رجسٹرار یا کمپنی کو واپس کر دیئے گئے ہوں، وہ کمپنی سے ایسے غیر اداشدہ / غیر وصول شدہ منافع اور / یا شیئرز کے حصول کے لیے دعویٰ جمع کرائیں۔ منافع کے فارم کمپنی کی ویب سائٹ پر دستیاب ہیں۔ منافع کا فارم کمپنی کے شیئر رجسٹرار، میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، (CDCSRSL) کو منافع / شیئرز کی وصولی کے لیے جمع کرانا ہو گا۔

آڈیٹرز کی تقرری

موجودہ آڈیٹرز، اے۔ ایف۔ فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور اہل ہونے کی وجہ سے دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔ ڈائریکٹرز، آڈٹ کمیٹی کی سفارش کی توثیق کرتے ہیں کہ اے۔ ایف۔ فرگوسن اینڈ کمپنی کو **30** جون **2027** کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ مقرر کیا جائے۔

شیئر ہولڈنگ کا طریقہ کار

30 جون **2026** کو کمپنی کے شیئر ہولڈنگ کا پیٹرن صفحہ **338** سے **339** پر دیا گیا ہے۔

کمپنی کے حصص کی خرید و فروخت

30 جون **2026** کو ختم ہونے والے سال کے دوران ڈائریکٹرز، ایگزیکٹوز، ان کے شریک حیات یا نابالغ بچوں نے کمپنی کے حصص کی کوئی خرید و فروخت نہیں کی، سوائے اس کے جو شیئر ہولڈنگ کے پیٹرن میں ظاہر کی گئی ہے۔

اہم آپریشنل اور مالیاتی اعداد و شمار

اہم آپریشنل اور مالیاتی اعداد و شمار سالانہ رپورٹ کے صفحات **340** سے **341** پر فراہم کیے گئے ہیں۔

کوڈ آف کارپوریٹ گورننس کی تعمیل کا بیان

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، **2019** کے تقاضوں کی مکمل تعمیل کی ہے۔ اس امر کا بیان اس رپورٹ کے ساتھ صفحہ **280** سے **281** پر منسلک ہے۔

چیئرمین کا جائزہ

کمپنی کے ڈائریکٹرز چیئرمین کے جائزے کے مندرجات کی توثیق کرتے ہیں، جس میں کمپنی کی مجموعی کارکردگی اور مستقبل کے امکانات کے علاوہ بورڈ کی کارکردگی اور مؤثریت کا جائزہ بھی شامل ہے۔

اظہار تشکر

ہم اپنے صارفین کے شکر گزار ہیں کہ انہوں نے ہماری مصنوعات پر مسلسل اعتماد اور سرپرستی کا اظہار کیا۔ ہم انڈس موٹر کمپنی کی پوری ٹیم، بشمول اپنے ملازمین، وینڈرز، ڈیلرز اور تمام کاروباری شراکت داروں کی انتھک کوششوں کو سراہتے ہیں، خصوصاً موجودہ مشکل حالات میں ان کی کاوشیں قابلِ تحسین ہیں، اور ہم مستقبل میں بھی ان کے مسلسل تعاون کے خواہاں ہیں۔

ہم اللہ تعالیٰ کے حضور سرِ تسلیم خم کرتے ہیں اور اس کی رحمت، برکت اور رہنمائی کے لیے دعا گو ہیں۔

کراچی
29 اگست **2026**

علی اصغر جمالی
چیف ایگزیکٹو

شنجی یاناگی
وائس چیئرمین

3 ۔ بورڈ اجلاس کمیٹی

1 ۔ جناب ریاض ٹی. چنائے (چیئرمین)
2 ۔ محترمہ سیدہ تطہیر زہرہ حمدانی
3 ۔ جناب علی اصغر جمالی

نان ایگزیکٹو ڈائریکٹرز کے لیے معاوضے کی پالیسی کی نمایاں خصوصیات

بورڈ نان ایگزیکٹو ڈائریکٹرز، بشمول آزاد ڈائریکٹرز، کی قیمتی خدمات اور کردار کا اعتراف کرتا ہے۔ فی الحال ہر بورڈ اجلاس یا اس کی کمیٹی کے اجلاس میں شرکت اور فعال حصہ لینے کے لیے میٹنگ فیس ادا کی جاتی ہے۔ تاہم، یہ فیس ان کی خدمات کے مکمل معاوضے کی عکاسی نہیں کرتی بلکہ محض اظہارِ تشکر کے طور پر ادا کی جاتی ہے۔ نان ایگزیکٹو ڈائریکٹرز مذکورہ اجلاسوں میں شرکت اور حصہ لینے کے عوض ایسی فیس وصول کرنے کے اپنے حق سے دستبردار بھی ہو سکتے ہیں۔

ایگزیکٹو ڈائریکٹرز کا معاوضہ

30 جون **2026** کو ختم ہونے والے سال کے لیے کمپنی کے چیف ایگزیکٹو آفیسر اور ایگزیکٹو ڈائریکٹرز کا معاوضہ مالیاتی بیانات کے نوٹ نمبر ___ میں دیا گیا ہے۔

صنفی تنخواہ کے فرق کا بیان

30 جون **2026** کو ختم ہونے والے سال کے لیے اوسط صنفی تنخواہ کا فرق اور اوسط صنفی تنخواہ کا فرق بالترتیب **0.9%** (جون **2025**: **3.4%**) اور **10.6%** (جون **2025**: **9.1%**) ہے۔

سرمایہ کاروں سے روابط اور کارپوریٹ بریفنگ سیشنز

انڈس موٹر کمپنی لمیٹڈ اپنے شیئر ہولڈرز، سرمایہ کاروں اور مالیاتی تجزیہ کاروں کے ساتھ شفاف اور بامعنی روابط برقرار رکھنے کے لیے پُرعزم ہے۔ کمپنی مالیاتی اور آپریشنل کارکردگی سے متعلق اسٹیک ہولڈرز کو باخبر رکھنے کے لیے باقاعدگی سے کارپوریٹ بریفنگ سیشنز، سہ ماہی مالیاتی رپورٹس، سرمایہ کاروں کے لیے پریزنٹیشنز اور دیگر انکشافات جاری کرتی ہے۔

کارپوریٹ بریفنگ سیشنز کے ذریعے انتظامیہ پاکستان کی آٹو موٹیو صنعت میں ہونے والی پیش رفت، مارکیٹ کے رجحانات، صارفین کی طلب، ریگولیٹری تبدیلیوں، مصنوعات کے پورٹ فولیو، کاروباری کارکردگی اور مستقبل کے امکانات پر تبادلہ خیال کرتی ہے۔ یہ سیشنز شیئر ہولڈرز اور تجزیہ کاروں کو انتظامیہ کے ساتھ براہِ راست بات چیت اور قیمتی آراء فراہم کرنے کا موقع بھی دیتے ہیں، جس سے سرمایہ کاری کی کمیونٹی کے ساتھ کمپنی کے تعلقات مزید مضبوط ہوتے ہیں۔ مالی سال **26-2025** کے دوران کمپنی نے کامیابی سے تین کارپوریٹ بریفنگ سیشنز منعقد کیے، جو شفافیت، مؤثر اسٹیک ہولڈر انگیجمنٹ اور طویل مدتی قدر پیدا کرنے کے عزم کی عکاسی کرتے ہیں۔

مالیاتی بیانات

پاکستان میں قابلِ اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات (آئی ایف آر ایس) اور کمپنیز ایکٹ، **2017** کے تحت جاری کردہ دفعات اور ہدایات کو مالیاتی بیانات کی تیاری میں اختیار کیا گیا ہے۔ جہاں کمپنیز ایکٹ، **2017** کی دفعات اور ہدایات آئی ایف آر ایس سے مختلف ہیں، وہاں کمپنیز ایکٹ، **2017** کی دفعات اور ہدایات پر عمل کیا گیا ہے۔

کمپنی کے آڈیٹرز، اے۔ ایف۔ فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے کمپنی کے مالیاتی بیانات کا آڈٹ کیا اور اراکین کو غیر مشروط آڈٹ رپورٹ جاری کی ہے۔

متعلقہ فریقوں کے ساتھ لین دین

متعلقہ فریقوں کے ساتھ تمام لین دین آرمز لینتھ بنیادوں پر اور معمول کے کاروباری معاملات کے طور پر کیے گئے ہیں، جن کی تفصیلات مالیاتی بیانات میں متعلقہ نوٹس کے تحت ظاہر کی گئی ہیں۔

اہم تبدیلیاں اور وعدے

مالی سال کے اختتام، جس سے بیلنس شیٹ متعلق ہے، اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی اہم تبدیلیاں یا وعدے نہیں ہوئے، سوائے ان کے جو مالیاتی بیانات یا اس رپورٹ میں ظاہر کیے گئے ہیں۔

☆ اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
☆ کمپنی کی بطور Going Concern جاری رہنے کی صلاحیت کے بارے میں کوئی اہم شک موجود نہیں ہے۔
☆ شیئر ہولڈنگ کے پیٹرن کا بیان اس سالانہ رپورٹ کا حصہ ہے۔
☆ متعلقہ اداروں اور متعلقہ افراد کے پاس موجود حصص کا بیان بھی علیحدہ طور پر ظاہر کیا گیا ہے۔

بورڈ کی تشکیل

30 جون 2026 کو کمپنی کے بورڈ آف ڈائریکٹرز کی تشکیل درج ذیل تھی۔

1) ڈائریکٹرز کی کُل تعداد 10 ہے جو درج ذیل ہیں:

خواتین: 01 مرد (بمعہ چیف ایگزیکٹو): 09

2) متعلقہ کیٹیگریز کے تحت ڈائریکٹرز کی تعداد درج ذیل ہے:

آزاد ڈائریکٹرز بشمول ایک خاتون ڈائریکٹر: 03 نان ایگزیکٹو ڈائریکٹرز: 04 ایگزیکٹو ڈائریکٹرز: 03

بورڈ آف ڈائریکٹرز کے اجلاس

یکم جولائی 2025 سے 30 جون 2026 تک کے بارہ ماہ کے دوران بورڈ آف ڈائریکٹرز کے کُل چار (4) اجلاس ہوئے۔ ڈائریکٹرز (سال کے کسی بھی وقت) کے نام اور ان کی اجلاسوں میں حاضری درج ذیل ہے

نمبر شمار	ڈائریکٹرز کے نام	اجلاس میں شرکت
1	جناب محمد علی آر. حبیب (چیئرمین)	3
2	جناب شنجی یاناگی (وائس چیئرمین)	4
3	جناب علی اصغر جمالی (سی ای او)	4
4	جناب ریاض ٹی. چنائے (آزاد ڈائریکٹر)	3
5	جناب آصف قادر (آزاد ڈائریکٹر)	3
6	جناب عمران اے. حبیب (ڈائریکٹر)	4
7	جناب محمد ایچ. حبیب (ڈائریکٹر)	4
8	جناب گیری ونکٹیش (ڈائریکٹر)	4
9	جناب شیکیکی فُرویا (ڈائریکٹر)	4
10	محترمہ سیدہ تطہیر زہرہ حمدانی (آزاد ڈائریکٹر)	4

بورڈ کی کمیٹیاں

بورڈ نے درج ذیل کمیٹیاں تشکیل دی ہیں اور ممبران کی تفصیلات درج ذیل ہیں

1 ۔ بورڈ آڈٹ، رسک اینڈ ای ایس جی کمیٹی

1 ۔ جناب آصف قادر (چیئرمین)
2 ۔ جناب ریاض ٹی. چنائے
3 ۔ جناب محمد ایچ. حبیب
4 ۔ جناب عمران علی حبیب
5 ۔ جناب گیری ونکٹیش

2 ۔ بورڈ ہیومن ریسورسز اینڈ ریمونریشن کمیٹی

1 ۔ محترمہ سیدہ تطہیر زہرہ حمدانی (چیئرپرسن)
2 ۔ جناب محمد علی آر. حبیب
3 ۔ جناب ریاض ٹی. چنائے
4 ۔ جناب شنجی یاناگی
5 ۔ جناب علی اصغر جمالی

اسٹریٹجک خطرہ

کمپنی ایک انتہائی مسابقتی اور تیزی سے تبدیل ہونے والی آٹو موٹیو صنعت میں کام کرتی ہے، جہاں صارفین کی ترجیحات، معاشی حالات، مارکیٹ کی طلب، مسابقتی صورتحال اور تکنیکی ترقی میں تبدیلیاں فروخت کے حجم، مارکیٹ شیئر اور منافع کو متاثر کر سکتی ہیں۔ حکومتی آٹو موٹیو پالیسیوں، ٹیکسز، ٹیرف، درآمدی پابندیوں، لوکلائزیشن کی ضروریات اور ماحولیاتی ضوابط میں تبدیلیاں بھی کمپنی کی کاروباری حکمتِ عملی، لاگت کے ڈھانچے اور مسابقتی حیثیت پر اثر انداز ہو سکتی ہیں۔ اس کے علاوہ ہائبرڈ، الیکٹرک اور دیگر ابھرتی ہوئی آٹو موٹیو ٹیکنالوجیز کی جانب منتقلی کے لیے ٹیکنالوجی، مصنوعات کی ترقی، مینوفیکچرنگ کی صلاحیتوں اور انسانی سرمائے میں مسلسل سرمایہ کاری درکار ہے تاکہ کمپنی مسابقتی حیثیت برقرار رکھ سکے اور صارفین اور ریگولیٹری اداروں کی بدلتی ہوئی توقعات پوری کر سکے۔ اسٹریٹجک خطرات اور ان کے تدارک کی اقدامات کا انتظامیہ اور بورڈ باقاعدگی سے جائزہ لیتے ہیں۔

آپریشنل خطرہ

کمپنی کو سپلائی چین میں خلل، درآمدی اور مقامی طور پر حاصل کیے جانے والے اجزاء کی قلت یا تاخیر، پیداوار میں رکاوٹ، آلات کی خرابی، یوٹیلیٹی کی پابندیوں اور کاروباری تسلسل سے متعلق دیگر چیلنجز سے آپریشنل خطرات لاحق رہتے ہیں۔ خام مال، توانائی اور لاجسٹکس کی دستیابی اور لاگت میں اتار چڑھاؤ بھی مینوفیکچرنگ لاگت اور پیداواری کارکردگی کو متاثر کر سکتا ہے۔ مصنوعات کا معیار، وارنٹی کلیمز، گاڑیوں کی واپسی، سائبر سیکیورٹی کے واقعات اور دیگر آپریشنل ناکامیاں کاروباری تسلسل، صارفین کے اطمینان اور کمپنی کی ساکھ پر منفی اثر ڈال سکتی ہیں۔ کمپنی ان خطرات کو کم کرنے کے لیے اپنی سپلائی چین، کوالٹی مینجمنٹ، آپریشنل کنٹرولز اور بزنس کنٹینیوٹی کے اقدامات کو مسلسل مضبوط کر رہی ہے۔

مالیاتی خطرہ

کمپنی کو مختلف مالیاتی خطرات کا سامنا ہے، جن میں زرمبادلہ، شرح سود، کریڈٹ اور لاگت سے متعلق خطرات شامل ہیں۔ شرحِ مبادلہ میں تبدیلیاں درآمدی اجزاء، مشینری اور دیگر مواد کی لاگت میں اضافہ کر سکتی ہیں، جبکہ شرح سود میں تبدیلیاں مالیاتی لاگت اور گاڑیوں کی خریداری کی استطاعت کو متاثر کر سکتی ہیں، جس کے نتیجے میں صارفین کی طلب متاثر ہو سکتی ہے۔ لیکویڈیٹی رسک نقد آمدنی اور مالی ذمہ داریوں کے درمیان عدم مطابقت سے پیدا ہو سکتا ہے، جبکہ کریڈٹ رسک صارفین، ڈیلرز یا مالیاتی فریقین کی جانب سے اپنی ذمہ داریاں پوری نہ کرنے کے نتیجے میں پیدا ہو سکتا ہے۔ افراطِ زر اور خام مال، توانائی اور دیگر پیداواری مواد کی لاگت میں اضافہ بھی منافع کے مارجن پر دباؤ ڈال سکتا ہے۔ کمپنی ان خطرات کا انتظام محتاط مالیاتی منصوبہ بندی، نقد بہاؤ کے انتظام، غیر ملکی کرنسی کی ہیجنگ، خطرات کی نگرانی اور مناسب اندرونی کنٹرولز کے ذریعے کرتی ہے۔

تعمیلی خطرہ

کمپنی کارپوریٹ گورننس، ٹیکس، کسٹمز اور تجارت، ماحولیاتی تحفظ، لیبر، مصنوعات کی حفاظت، آٹو موٹیو معیارات اور سیکیورٹیز مارکیٹ سے متعلق وسیع قوانین، ضوابط اور ریگولیٹری تقاضوں کی پابند ہے۔ حکومتی پالیسیوں، ریگولیٹری فریم ورکس، ماحولیاتی معیارات، درآمدی ڈیوٹیز اور ٹیکسز میں تبدیلیاں تعمیلی تقاضوں اور آپریٹنگ لاگت میں اضافہ کر سکتی ہیں۔ عدم تعمیل کے نتیجے میں مالی جرمانے، قانونی یا ریگولیٹری کارروائی اور ساکھ کو نقصان پہنچ سکتا ہے۔ لہٰذا کمپنی قابلِ اطلاق قوانین، ضوابط اور ریگولیٹری تقاضوں کی پابندی کو یقینی بنانے کے لیے مناسب کمپلائنس فریم ورکس، اندرونی کنٹرولز اور نگرانی کے نظام برقرار رکھتی ہے۔

کمپنی کا رسک مینجمنٹ ڈھانچہ ٹویوٹا کے عالمی سطح پر رائج طریقہ کار سے ہم آہنگ ہے، جو کاروباری خطرات کی مؤثر شناخت، تشخیص اور انتظام کے ذریعے پائیدار ترقی میں معاونت کرتا ہے۔

کارپوریٹ گورننس کا ضابطہ

کمپنی کے ڈائریکٹرز لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور پاکستان اسٹاک ایکسچینج کے رول بک کے تحت اپنی ذمہ داریوں سے بخوبی آگاہ ہیں۔ کمپنی نے اچھی کارپوریٹ گورننس اور کوڈ کی مکمل تعمیل کو یقینی بنانے کے لیے تمام ضروری اقدامات کیے ہیں اور ہم درج ذیل کی تصدیق کرتے ہیں۔

☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی بیانات کمپنی کی مالی حالت، آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔
☆ کمپنی کی قانون کے تقاضوں کے مطابق مناسب اکاؤنٹنگ بکس برقرار رکھی گئی ہیں۔
☆ چیف ایگزیکٹو اور چیف فنانشل آفیسر نے بورڈ کی منظوری سے قبل مالیاتی بیانات کی باقاعدہ توثیق کی۔
☆ مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط فیصلے کی بنیاد پر کیے گئے ہیں۔
☆ پاکستان میں قابلِ اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات (آئی ایف آر ایس) کی مالیاتی بیانات کی تیاری میں پیروی کی گئی ہے اور کسی بھی انحراف کو مناسب طور پر ظاہر اور بیان کیا گیا ہے۔

کارپوریٹ سماجی ذمہ داری (CSR)

مشترکہ قدر پیدا کرنا کمپنی کے کارپوریٹ فلسفے اور ان کمیونٹیز کے لیے اس کے عزم کا ایک اہم حصہ ہے جن کی وہ خدمت کرتی ہے۔ سال کے دوران کمپنی نے اپنے "کنسرن بیونڈ کارز" پروگرام کے تحت مختلف کارپوریٹ سماجی ذمہ داری کے اقدامات پر 377 ملین پاکستانی روپے خرچ کیے۔ ان اقدامات میں بنیادی ضروریات کی معاونت، صحت، تعلیم، کھیل، نقل و حرکت اور روڈ سیفٹی، ماحولیاتی تحفظ، اور خیبر پختونخوا میں سیلاب سے متاثرہ علاقوں کے لیے امداد اور بحالی شامل تھی۔ ان اقدامات سے 255,761 افراد مستفید ہوئے، جو گزشتہ سال کے مقابلے میں 27 فیصد اضافہ ہے۔

کمپنی کے اہم سماجی ذمہ داری کے اقدامات اور عطیات درج ذیل ہیں:

☆ مختلف ہسپتالوں اور متعلقہ فاؤنڈیشنز کو صحت عامہ کے اقدامات کی معاونت کے لیے تقریباً 83 ملین روپے کے عطیات دیے گئے۔

☆ مختلف تعلیمی اداروں کو تقریباً 96 ملین روپے کے عطیات دیے گئے۔

☆ دسمبر 2018 میں آغاز کے بعد سے کمپنی کے "ملین ٹری پلانٹیشن پروگرام" کے تحت ملک بھر میں 10 لاکھ سے زائد درختوں کے پودے لگائے جا چکے ہیں۔

☆ طلبہ اور نوجوانوں کے لیے آن لائن شرکت کے ذریعے "ٹویوٹا 5 ایس ایکولوجیکل کنزرویشن پروگرام" نافذ کیا گیا۔

☆ رمضان المبارک اور دیگر مواقع پر قریبی دیہات کے مستحق خاندانوں میں راشن تقسیم کیا گیا۔

☆ قریبی دیہات میں ہفتہ وار مفت پکا ہوا کھانا تقسیم کیا گیا۔

☆ قریبی دیہات میں ہفتہ وار مفت طبی کیمپ اور ہر دو ہفتے بعد نفسیاتی کیمپ منعقد کیے گئے۔

☆ شمولیت کو فروغ دینے کے لیے کمپنی نے معذوری کے حامل افراد کے لیے کاروباری سرگرمیوں اور انٹرپرینیورشپ کی معاونت کے لیے 25 ملین روپے دینے کا وعدہ کیا اور 100 افراد کو مصنوعی اعضا اور وہیل چیئرز فراہم کیں۔

اعزازات اور اعترافات

سال کے دوران کمپنی نے مجموعی طور پر 18 اعزازات حاصل کیے۔ ان میں ٹویوٹا موٹر ایشیا کی جانب سے مارکیٹنگ، کسٹمر ایکسپیرینس، تکنیکی کارکردگی اور ویلیو چین میں عمدگی کے اعتراف میں حاصل کیے گئے سات اعزازات شامل ہیں۔ ان میں سی ڈی ای اے گولڈ، ویلیو چین، کنزیومر چوائس، مارکیٹنگ، ایکسیلنس، وارنٹی ریڈکشن اور زیرو فیلڈ ایکشن ایوارڈز شامل ہیں، جو ٹویوٹا کے علاقائی معیارات اور بینچ مارکس کے مطابق کمپنی کی مضبوط کارکردگی کی عکاسی کرتے ہیں۔

کمپنی کو قومی سطح پر بھی نمایاں اعزازات حاصل ہوئے، جن میں ایم اے پی 40 واں کارپوریٹ ایکسیلنس ایوارڈ — آٹو موبائل اسمبلر اور پاکستان ڈیجیٹل ایوارڈز میں بیسٹ یوز آف اے آئی ان کنٹینٹ کریئیشن شامل ہیں۔ کمپنی کی پائیداری اور سماجی اثرات سے متعلق کاوشوں کو این ایف ای ایچ کی جانب سے ٹری پلانٹیشن، سی ایس آر رپورٹنگ، ریسرچ اینڈ پبلیکیشن اور میرٹ ریبل امپیکٹ اینڈ ایویلیویشن کے متعدد اعزازات سے نوازا گیا۔ اس کے علاوہ دی پروفیشنلز نیٹ ورک کی جانب سے ریسپانسبل انویسٹمنٹ، رپورٹنگ اینڈ ٹرانسپیرنسی اور کمیونٹی امپیکٹ ایوارڈز بھی حاصل کیے گئے۔

مزید برآں، ایمپلائی فیڈریشن آف پاکستان کی جانب سے ڈائمنڈ ایوارڈ اور آئی سی ایم اے انٹرنیشنل کی جانب سے میرٹ سرٹیفکیٹ بھی حاصل ہوا۔

اندرونی کنٹرول

کمپنی نے کاروباری سرگرمیوں کو منظم انداز میں جاری رکھنے، اپنے اثاثوں کے تحفظ اور اپنے ریکارڈز کی درستگی اور قابلِ اعتماد ہونے کو یقینی بنانے کے لیے ایک مؤثر اندرونی کنٹرول سسٹم نافذ کر رکھا ہے۔ انتظامیہ کی نگرانی اور جائزے اندرونی کنٹرول کے نظام کا ایک اہم عنصر ہیں۔ انتظامیہ نے تفصیلی جانچ اور خصوصی جائزے کی ذمہ داری اندرونی آڈیٹرز کی ٹیم کو سونپ رکھی ہے۔

بورڈ براہِ راست یا اپنی کمیٹیوں کے ذریعے اندرونی کنٹرول کی سرگرمیوں کی مناسبیت کو یقینی بناتا ہے۔ بورڈ عبوری اکاؤنٹس، رپورٹس، منافع کے جائزوں اور دیگر مالیاتی و شماریاتی معلومات کے ذریعے باقاعدگی سے کمپنی کی مالیاتی سرگرمیوں اور مالی حیثیت کا جائزہ بھی لیتا ہے۔ بجٹ کنٹرولز کا تجزیہ موجود ہے اور بورڈ باقاعدگی سے اہم انحرافات، ان کی وجوہات اور ان کے تدارک کے لیے کیے گئے اقدامات کا جائزہ لیتا ہے۔

خدشات کا تدارک

کمپنی اپنے کاروباری امور اور وسیع تر سیاسی و معاشی ماحول سے پیدا ہونے والے خطرات کی نشاندہی، تشخیص اور انتظام کے لیے ایک باقاعدہ رسک مینجمنٹ فریم ورک برقرار رکھتی ہے۔ یہ فریم ورک بنیادی طور پر اسٹریٹجک، مالیاتی، آپریشنل اور کمپلائنس خطرات کا احاطہ کرتا ہے۔ شناخت کیے گئے خطرات کا انتظامیہ کمیٹی کی جانب سے متعلقہ شعبہ جاتی مقاصد اور کارکردگی کے ساتھ باقاعدگی سے جائزہ لیا جاتا ہے، جبکہ ان کے ممکنہ اثرات کو کم کرنے کے لیے مناسب تدارکی اقدامات کیے جاتے ہیں۔

کمپنی کی بنیادی سرگرمیاں

انڈس موٹر کمپنی لمیٹڈ پاکستان میں دسمبر 1989 میں ایک پبلک لمیٹڈ کمپنی کے طور پر قائم ہوئی اور مئی 1993 میں تجارتی پیداوار شروع کی۔ کمپنی کے حصص پاکستان اسٹاک ایکسچینج میں درج ہیں۔ کمپنی کی بنیادی سرگرمی پاکستان میں ٹویوٹا گاڑیوں کی اسمبلی، مرحلہ وار تیاری اور مارکیٹنگ ہے۔

کمپنی کی کارکردگی

انڈس موٹر کمپنی لمیٹڈ نے 30 جون 2026 کو ختم ہونے والے سال کے دوران مضبوط کارکردگی کا مظاہرہ کیا۔ سی کے ڈی اور سی بی یو یونٹس کی مجموعی فروخت میں 33 فیصد اضافہ ہوا اور یہ 45,035 یونٹس تک پہنچ گئی، جبکہ گزشتہ سال اسی عرصے میں یہ تعداد 33,757 یونٹس تھی۔ کمپنی نے ملکی آٹو موٹیو شعبے میں تقریباً 14.7 فیصد مارکیٹ شیئر برقرار رکھا۔ فروخت میں اضافے کے مطابق گاڑیوں کی پیداوار میں بھی نمایاں 37 فیصد اضافہ ہوا اور یہ 45,597 یونٹس تک پہنچ گئی، جبکہ گزشتہ سال 33,251 یونٹس تیار کیے گئے تھے۔

خالص فروخت کی آمدنی بڑھ کر 258.75 ارب روپے ہو گئی، جبکہ گزشتہ سال اسی عرصے میں یہ 215.14 ارب روپے تھی۔ ٹیکس کے بعد منافع نمایاں اضافے کے ساتھ 25.51 ارب روپے رہا، جبکہ گزشتہ سال یہ 23.01 ارب روپے تھا۔ آمدنی اور منافع میں اضافہ بنیادی طور پر فروخت کے حجم میں اضافے، نسبتاً سازگار شرحِ مبادلہ کے باعث خام مال کی لاگت میں کمی، مؤثر لاگت میں کمی کے اقدامات اور پرزہ جات یا اجزاء کی مقامی تیاری میں اضافے کی وجہ سے ہوا۔ سرمایہ کاری اور بینک میں رکھی گئی رقوم سے حاصل ہونے والی آمدنی کمپنی کے منافع کا ایک اہم حصہ رہی۔ سال کے دوران دیگر آمدنی کو سندھ انفراسٹرکچر ڈویلپمنٹ سیس کی طویل مدتی واجب الادا رقم کی دوبارہ پیمائش پر تسلیم کیے گئے غیر حقیقی منافع سے بھی تقویت ملی، جو آئی ایف آر ایس کے تقاضوں کے مطابق تسلیم کیا گیا۔

قومی خزانے میں حصہ

سال کے دوران کمپنی نے قومی خزانے میں تقریباً 140 ارب روپے کی رقم بطور حصہ جمع کرائی، جو حکومتِ پاکستان کی جانب سے مجموعی ٹیکس وصولیوں کا تقریباً 1 فیصد ہے۔ کمپنی کے 1989 میں قیام سے اب تک قومی خزانے میں کمپنی کا مجموعی حصہ 1,030 ارب روپے سے زائد ہو چکا ہے۔

بنیادی خطرات، غیر یقینی صورتحال اور پائیداری سے متعلق خطرات

موجودہ سال کے دوران کمپنی کی مجموعی مالی کارکردگی میں بہتری بنیادی طور پر فروخت کے زیادہ حجم کی وجہ سے آئی۔ اس ترقی کو سیڈان گاڑیوں، بالخصوص ٹویوٹا کرولا اور ٹویوٹا یارس کی مضبوط طلب سے تقویت ملی، جو مارکیٹ میں اپنی مستحکم ساکھ اور صارفین کی مسلسل ترجیح کی وجہ سے نمایاں رہیں۔ ٹویوٹا یارس میں معمولی ماڈل اپ گریڈز کے کامیاب تعارف نے بھی اس کی کشش میں اضافہ کیا۔ کمپنی نے مؤثر لاگت میں کمی کے اقدامات اور سازگار شرحِ مبادلہ سے بھی فائدہ اٹھایا، جس کے نتیجے میں خام اور دیگر درآمدی مواد کی لاگت میں کمی آئی۔ تاہم، کرنسی میں اتار چڑھاؤ، افراطِ زر اور عالمی اجناس کی قیمتیں کمپنی کی لاگت کے ڈھانچے کو متاثر کرنے والے اہم عوامل ہیں۔ اس کے علاوہ موجودہ ڈیوٹی اور ٹیکس نظام گاڑیوں کی پیداواری لاگت اور فروخت کے حجم پر نمایاں اثر ڈالتا ہے۔

پائیداری سے متعلق مالیاتی انکشافات

سال کے دوران کمپنی نے پہلی مرتبہ آئی ایف آر ایس ایس 1، یعنی پائیداری سے متعلق مالی معلومات کے انکشافات کے عمومی تقاضے، اور آئی ایف آر ایس ایس 2، یعنی موسمیاتی تبدیلی سے متعلق انکشافات، کے مطابق پائیداری سے متعلق مالیاتی انکشافات تیار کیے، جنہیں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) نے پاکستان میں نافذ کیا ہے۔ ان انکشافات میں پائیداری اور موسمیاتی تبدیلی سے متعلق ان خطرات اور مواقع کی نشاندہی اور تشخیص کی گئی ہے جن سے معقول طور پر یہ توقع کی جا سکتی ہے کہ وہ قلیل، درمیانی اور طویل مدت میں کمپنی کے امکانات، بشمول نقد بہاؤ، مالی وسائل تک رسائی اور سرمایہ کی لاگت، کو متاثر کر سکتے ہیں۔ ان عوامل کو کمپنی کی حکمتِ عملی، ای ایس جی، انٹرپرائز رسک مینجمنٹ، کارپوریٹ منصوبہ بندی، بجٹ سازی، سرمایہ کاری کے فیصلوں اور کارکردگی کی نگرانی میں شامل کیا گیا ہے۔ ان معاملات کی نگرانی بورڈ آڈٹ اینڈ رسک کمیٹی (بی اے آر سی) اور بورڈ آف ڈائریکٹرز کرتے ہیں، جبکہ عمل درآمد کی نگرانی انتظامیہ کی ایس ایچ ای اسٹیئرنگ کمیٹی کے ذریعے کی جاتی ہے۔ مکمل پائیداری سے متعلق مالیاتی انکشافات، جن میں کمپنی کی گورننس، حکمتِ عملی، رسک مینجمنٹ، پیمائش اور اہداف شامل ہیں، جو کہ سالانہ رپورٹ کا حصہ ہیں۔

تنوع، مساوات اور شمولیت (DEI)

کمپنی مساوی مواقع، میرٹ کی بنیاد پر بھرتی، ملازمین کی ترقی اور باہمی احترام اور شمولیت پر مبنی کام کے ماحول کے ذریعے ڈائیورسٹی، ایکویٹی اینڈ انکلوژن (ڈی ای اینڈ آئی) کو فروغ دیتی ہے۔

ڈائریکٹرز کی رپورٹ

انڈس موٹر کمپنی لمیٹڈ کے ڈائریکٹرز کو یہ مسرت حاصل ہے کہ وہ **30** جون **2026** کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی بیانات کے ہمراہ ڈائریکٹرز کی رپورٹ پیش کر رہے ہیں۔

یہ رپورٹ کمپنیز ایکٹ، **2017** کی دفعہ **227** اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، **2019** کے مطابق تیار کی گئی ہے اور اسے کمپنی کے شیئر ہولڈرز کے سامنے کمپنی کے **37** ویں سالانہ جنرل اجلاس میں پیش کیا جائے گا، جو **28** ستمبر **2026** کو منعقد ہو گا۔

مالیاتی نتائج، منافع کی تخصیصات اور بعد ازاں رونما ہونے والے اثرات

30 جون **2026** کو ختم ہونے والے سال کے مالیاتی نتائج اور منافع کی تخصیصات درج ذیل ہیں:

	2026	2025
	(ہزار روپے میں)	
ٹیکس کے بعد منافع	25,505,832	23,009,659
دیگر جامع (نقصان)- ٹیکس کے بعد	(115)	(64)
گزشتہ سال سے لایا گیا دیگر جامع آمدنی اور غیر مختص منافع	589,088	413,093
	26,094,805	23,422,688
منافع کی تخصیصات		
پہلا عبوری منافع @ **510%** یعنی **51.00** روپے فی شیئر (**2025: 390%** یعنی **39.00** روپے فی شیئر)	4,008,600	3,065,400
دوسرا عبوری منافع @ **460%** یعنی **46.00** روپے فی شیئر (**2025: 370%** یعنی **37.00** روپے فی شیئر)	3,615,600	2,908,200
تیسرا عبوری منافع @ **510%** یعنی **51.00** روپے فی شیئر (**2025: 500%** یعنی **50.00** روپے فی شیئر)	4,008,600	3,930,000
کل عبوری منافع	11,632,800	9,903,600
سال کے اختتام پر غیر مختص منافع	14,462,005	13,519,088
بعد ازاں رونما ہونے والے اثرات		
تجویز کردہ حتمی منافع @ **470%** یعنی **47.00** روپے فی شیئر (**2025: 500%** یعنی **50.00** روپے فی شیئر)	3,694,200	3,930,000
جنرل ریزرو میں مجوزہ منتقلی	10,500,000	9,000,000
	14,194,200	12,930,000
بنیادی اور ڈائلیوٹڈ فی شیئر آمدنی (روپے)	324.50	292.74

کاروبار کرنے کی بلند لاگت اور سپلائی چین کی رکاوٹوں سمیت ساختی چیلنجز سے نمٹنے سے صنعت کی مسابقت میں مزید بہتری آئے گی اور روزگار، صنعتی ترقی اور قومی معیشت میں اس کے کردار کو تقویت ملے گی۔ ہمیں یقین ہے کہ پالیسی سازوں اور صنعت سے وابستہ اسٹیک ہولڈرز کے درمیان تعمیری تعاون کے ذریعے پاکستان کا آٹو موٹیو شعبہ پائیدار اور جامع طویل المدتی ترقی حاصل کرنے کے لیے مضبوط پوزیشن میں ہے۔

مستقبل کی جانب پیش رفت

پالیسی کے بدلتے ہوئے منظر نامے کے باوجود ہمیں پاکستان کی آٹو موٹیو صنعت کے طویل المدتی بنیادی امکانات پر مکمل اعتماد ہے۔ ہماری توجہ آپریشنل ایکسی لینس، تیز رفتار لوکلائزیشن، ٹیکنالوجی کی بنیاد پر مصنوعات کی تیاری اور سرمائے کے محتاط استعمال کے ذریعے اپنی طویل المدتی حکمتِ عملی پر عمل درآمد جاری رکھنے پر مرکوز رہے گی۔ ہم اپنی مسابقتی صلاحیت کو مزید مضبوط بنانے کے ساتھ ایسی مصنوعات اور خدمات فراہم کرتے رہیں گے جو ہمارے صارفین کی بدلتی ہوئی توقعات پر پورا اتریں۔

جیسے جیسے صنعت مارکیٹ کی بدلتی ہوئی صورتحال سے ہم آہنگ ہو گی، ہم ایک مسابقتی، پائیدار اور سرمایہ کاری کے لیے سازگار آٹو موٹیو ایکو سسٹم کی ترقی کے لیے پالیسی سازوں اور صنعت کے اسٹیک ہولڈرز کے ساتھ تعمیری رابطہ جاری رکھیں گے۔ معیار، جدت اور ذمہ دارانہ کارپوریٹ نگرانی کے عزم کی رہنمائی میں ہم اپنے صارفین، شیئر ہولڈرز، ملازمین، کاروباری شراکت داروں اور ان کمیونٹیز کے لیے مستقل قدر پیدا کرنے پر توجہ مرکوز رکھیں گے جن کی ہم خدمت کرتے ہیں۔

اظہارِ تشکر

بورڈ کی جانب سے میں اپنے ملازمین، ڈیلرز، وینڈرز اور شراکت داروں کی انتھک محنت اور لگن پر دلی تشکر کا اظہار کرتا ہوں، جنہوں نے ایک مشکل لیکن کامیاب سال کا سامنا کرنے میں کمپنی کا ساتھ دیا۔ ہم اپنے شیئر ہولڈرز کے بھی بے حد شکر گزار ہیں جنہوں نے کمپنی پر اعتماد اور بھروسہ برقرار رکھا۔

ہم اللہ تعالیٰ سے دعا کرتے ہیں کہ وہ ہماری کوششوں کو اپنی برکتوں سے نوازتا رہے اور پاکستان کی آٹو موٹیو صنعت کے لیے ایک مضبوط مستقبل کی تعمیر کے ہمارے عزم میں ہماری رہنمائی فرمائے۔

محمد علی آر حبیب

چیئرمین

چیئرمین ریویو

محترم شیئر ہولڈرز،

یہ سال ہماری مسلسل بہتری اور ذمہ دارانہ کارپوریٹ رپورٹنگ کے سفر میں ایک اہم سنگِ میل کی حیثیت رکھتا ہے، کیونکہ ہم انڈس موٹر کمپنی کی پہلی انٹیگریٹڈ اینوئل رپورٹ پیش کر رہے ہیں، جس میں ہماری مالیاتی اور پائیداری سے متعلق معلومات کو ایک جامع رپورٹ میں یکجا کیا گیا ہے۔ یہ اقدام شفافیت کو فروغ دینے، اسٹیک ہولڈرز کے ساتھ روابط مضبوط بنانے اور ہماری کارکردگی، حکمتِ عملی، طرزِ حکمرانی اور پائیدار ترقی میں کردار کا جامع جائزہ فراہم کرنے کے عزم کی عکاسی کرتا ہے۔ اپنے کاروباری نتائج کو ماحولیاتی، سماجی اور گورننس ترجیحات کے ساتھ مربوط کرکے ہم تمام اسٹیک ہولڈرز کے لیے طویل المدتی قدر پیدا کرنے کے عزم کا اعادہ کرتے ہیں، جبکہ ٹویوٹا کے رہنما اصولوں کے مطابق پائیدار نقل و حرکت اور ذمہ دارانہ ترقی کے اپنے وژن کو آگے بڑھا رہے ہیں۔

مالی سال **26-2025** پاکستان کے لیے معاشی استحکام اور بتدریج بحالی کا ایک اہم سال رہا۔ موسمیاتی تبدیلی سے متعلق بحرانوں، جغرافیائی سیاسی غیر یقینی صورتحال اور عالمی منڈی کے دباؤ سمیت متعدد ملکی و عالمی چیلنجز کے باوجود معیشت نے بہتر میکرو اکنامک انتظام، مالیاتی نظم و ضبط، بیرونی مالیاتی ذخائر میں بہتری اور مسلسل ساختی اصلاحات کے باعث لچک کا مظاہرہ کیا۔ اس سال صنعتی سرگرمیوں میں بحالی، مہنگائی کے دباؤ میں کمی، سرمایہ کاروں کے اعتماد میں بہتری اور زیادہ پائیدار اور نجی شعبے کی قیادت میں ترقی کے ماڈل کی جانب پیش رفت دیکھنے میں آئی۔

مالی سال **26-2025** میں حقیقی مجموعی ملکی پیداوار (GDP) کی شرحِ نمو ابتدائی طور پر **3.70** فیصد رہنے کا تخمینہ لگایا گیا، جو مالی سال **25-2024** میں **3.18** فیصد تھی۔ اس بہتری میں بڑے شعبوں، بالخصوص بڑی سطح کی صنعتی پیداوار (LSM) کی بحالی کا اہم کردار رہا، جس نے گزشتہ سال کے **0.8** فیصد سکڑاؤ کے مقابلے میں **5** فیصد نمو حاصل کی۔ مالیاتی استحکام کے حوالے سے بھی نمایاں پیش رفت ہوئی اور جولائی تا مارچ مالی سال **2026** کے دوران مالیاتی خسارہ کم ہو کر GDP کے **0.7** فیصد رہ گیا، جبکہ ملک نے **4.1** ٹریلین روپے کا بنیادی بجٹ سرپلس حاصل کیا، جو GDP کا **3.2** فیصد بنتا ہے اور حالیہ برسوں کی مضبوط ترین مالیاتی کارکردگی میں سے ایک ہے۔ بیرونی شعبہ بھی مضبوط ترسیلاتِ زر، زرمبادلہ کے ذخائر میں بہتری اور شرحِ تبادلہ کے استحکام کے باعث مستحکم رہا۔

اگرچہ مالی سال **26-2025** نے معاشی بحالی کے لیے ایک مضبوط بنیاد فراہم کی ہے، تاہم پیداواری صلاحیت میں اضافے، برآمدی مسابقت بہتر بنانے، توانائی کے شعبے کی کارکردگی مضبوط کرنے اور پائیدار سرمایہ کاری کی قیادت میں ترقی کو تیز کرنے کے حوالے سے چیلنجز بدستور موجود ہیں۔ معاشی استحکام کو طویل المدتی اور جامع اقتصادی ترقی میں تبدیل کرنے کے لیے مسلسل پالیسی اصلاحات، انسانی سرمائے میں سرمایہ کاری اور نجی شعبے کی شمولیت ناگزیر ہوگی۔

پاکستان کے بہتر ہوتے ہوئے میکرو اکنامک ماحول کے دوران مالی سال **26-2025** میں آٹو موٹیو صنعت نے بھی مضبوط بحالی کا مظاہرہ کیا۔ پاکستان آٹو موٹیو مینوفیکچررز ایسوسی ایشن (PAMA) کے مطابق مسافر گاڑیوں اور لائٹ کمرشل گاڑیوں کی فروخت میں **39** فیصد اضافہ ہوا اور یہ تعداد **206,000** یونٹس سے تجاوز کر گئی۔ اس بحالی میں صارفین کے اعتماد میں بہتری، فنانسنگ کی شرائط میں آسانی اور مسلسل نئی مصنوعات متعارف کرانے کا اہم کردار رہا، جبکہ استعمال شدہ گاڑیوں کی درآمدات کو منطقی بنانے کے لیے کیے گئے پالیسی اقدامات نے مقامی آٹو موٹیو مینوفیکچرنگ صنعت کی طویل المدتی مسابقت کو بھی مضبوط کیا۔ تاہم مقامی صنعت اپنی تنصیب شدہ پیداواری صلاحیت سے نمایاں طور پر کم سطح پر کام کرنے کے باوجود درآمد شدہ استعمال شدہ گاڑیوں کا حصہ PAMA مارکیٹ میں تقریباً **19** فیصد رہا۔ مقامی صنعت میں مقامی پیداوار (Localization) کو فروغ دینے، وینڈر ایکو سسٹم مضبوط کرنے اور ملکی معاشی ترقی میں صنعت کے کردار کو زیادہ سے زیادہ بنانے کے لیے پالیسیوں میں تسلسل ضروری ہوگا۔

کمپنی کی کارکردگی

صنعت میں پیدا ہونے والی اس مثبت پیش رفت کی بنیاد پر مجھے یہ بتاتے ہوئے خوشی ہے کہ مالی سال **26-2025** میں آپ کی کمپنی نے بھی بہتر کارکردگی کا مظاہرہ کیا۔ یونٹس کی فروخت میں سالانہ بنیاد پر **33** فیصد اضافہ ہوا اور یہ تعداد بڑھ کر **45,035** یونٹس ہوگئی، جو مارکیٹ میں طلب کی بحالی اور ہمارے برانڈز کی مضبوط حیثیت کی عکاسی کرتی ہے۔ اگرچہ فروخت اب بھی تاریخی بلند ترین سطح سے کم ہے، تاہم رواں سال کی کارکردگی ہماری ترقی کے سفر میں ایک حوصلہ افزا قدم ہے اور پاکستان کی آٹو موٹیو صنعت کے طویل المدتی امکانات پر ہمارے اعتماد کو مزید مضبوط کرتی ہے۔ ہم جدت کو فروغ دینے، مارکیٹ میں اپنی قیادت مضبوط بنانے اور اپنے شیئر ہولڈرز سمیت تمام اسٹیک ہولڈرز کے لیے پائیدار طویل المدتی قدر پیدا کرنے کے لیے پرعزم ہیں۔

اس کے نتیجے میں خالص فروخت سے حاصل ہونے والی آمدنی بڑھ کر **258.75** ارب پاکستانی روپے ہوگئی، جو مالی سال **25-2024** میں **215.14** ارب روپے تھی۔ مختلط لاگت مینجمنٹ، مقامی سطح پر پیداوار میں اضافے اور شرحِ تبادلہ میں سازگار اتار چڑھاؤ کے باعث ٹیکس سے قبل منافع بڑھ کر **42.82** ارب روپے ہوگیا، جبکہ گزشتہ سال یہ **37.67** ارب روپے تھا۔ دیگر آمدنی نے بھی ٹیکس سے قبل منافع میں تقریباً **37.06** فیصد حصہ ڈالا، نتیجتاً فی حصص آمدنی بڑھ کر **324.50** روپے ہوگئی، جبکہ مالی سال **25-2024** میں یہ **292.71** روپے فی حصص تھی۔ ٹیکس کے بعد خالص منافع **25.51** ارب روپے تک پہنچ گیا، جو گزشتہ سال کے **23.01** ارب روپے کے مقابلے میں نمایاں اضافہ ہے۔

یہ کارکردگی ہماری ٹیموں کی ثابت قدمی، صارفین کی وفاداری اور ہمارے شیئر ہولڈرز کے اعتماد کا ثبوت ہے۔

پائیداری کی کارکردگی

پائیداری انڈس موٹر کمپنی کی طویل المدتی حکمتِ عملی اور اسٹیک ہولڈرز کے لیے مستقل قدر پیدا کرنے کے عزم کا بنیادی حصہ ہے۔ پائیداری کے حوالے سے ہمارا سفر بامعنی ماحولیاتی اثرات پیدا کرنے کے ساتھ ساتھ ذمہ دارانہ اور مستقبل کے تقاضوں سے ہم آہنگ ترقی کو آگے بڑھا رہا ہے۔ رواں سال آپ کی کمپنی پاکستان کی پہلی آٹو موٹیو کمپنی بن گئی جس نے ملک بھر میں **10** لاکھ درخت لگانے کا ہدف کامیابی سے مکمل کیا۔ اس کے علاوہ سندھ کے ساحلی علاقوں میں **16,000** مینگروز بھی لگائے گئے، جس سے ماحولیاتی نظام کی بحالی اور موسمیاتی تبدیلیوں کے خلاف لچک پیدا کرنے میں مدد ملی۔

ہماری پائیداری کی کوششیں پوری ویلیو چین تک پھیلی ہوئی ہیں۔ آج ہمارے **85** فیصد ڈیلر شپ نیٹ ورک میں شمسی توانائی استعمال کی جا رہی ہے اور انہیں "گرین ڈیلر شپس" قرار دیا گیا ہے، جبکہ ہمارے **13** فیصد سے زائد مقامی سپلائرز شمسی توانائی پر منتقل ہو چکے ہیں اور انہیں "گرین سپلائرز" کا درجہ حاصل ہے۔ ہماری مینوفیکچرنگ فسیلٹی میں قابلِ تجدید توانائی کے استعمال کو تیز کیا جا رہا ہے اور **8** ویں انوائرنمنٹل ایکشن پلان **FY2030-31** کے تحت پاکستان کے سب سے بڑے چھت پر نصب سولر منصوبے کی استعداد کو بڑھا کر **6.7** میگاواٹ کیا جا رہا ہے۔ اس کے علاوہ رواں سال پلانٹ میں کاربن میں کمی کے مختلف منصوبوں کے نفاذ کے نتیجے میں **762** ٹن CO_2 اخراج میں کمی ہوئی۔

یہ کامیابیاں ہمارے کاروبار کے ہر شعبے میں پائیداری کو شامل کرنے کے پختہ عزم کی عکاسی کرتی ہیں۔ ہم اپنے اسٹیک ہولڈرز کے لیے طویل المدتی قدر پیدا کرنے کے ساتھ ساتھ زیادہ مضبوط، وسائل کے مؤثر استعمال اور کم کاربن والے مستقبل کے قیام میں اپنا کردار ادا کرنے کے لیے پرعزم ہیں۔

سائبر سیکیورٹی اور ڈیجیٹل لچک

سائبر سیکیورٹی انڈس موٹر کمپنی کی اہم ترجیحات میں شامل اور ہمارے گورننس ورسک مینجمنٹ فریم ورک کا لازمی حصہ ہے۔ مالی سال **26-2025** کے دوران کمپنی نے رسائی کے کنٹرول، مسلسل سیکیورٹی مانیٹرنگ، خطرات کی نشاندہی، انفراسٹرکچر اور ڈیجیٹل تحفظ کو مزید مضبوط کیا۔ اس سلسلے میں **Penetration Testing, Vulnerability Assessments** اور اہم نظام کے کنٹرولز کے جائزوں سے بھی مدد لی گئی۔ ایک معروف بین الاقوامی آڈٹ فرم کی جانب سے کیے گئے جائزے کے ذریعے آزادانہ یقین دہانی بھی حاصل کی گئی، جبکہ اندرونی آڈٹ اور انتظامی جائزوں کا سلسلہ بھی جاری رہا۔ ملازمین، ڈیلرز اور کاروباری شراکت داروں کے درمیان آگاہی کے اقدامات بھی جاری رکھے گئے۔

کمپنی نے سائبر حملوں اور آپریشنل تعطل سے نمٹنے کی تیاری کو مزید مضبوط بنانے کے لیے بیک اپ، ڈیزاسٹر ریکوری اور کاروباری تسلسل کے انتظامات کو بھی بہتر بنایا۔ اہم خطرات، کنٹرولز کے جائزوں اور بہتری کے اقدامات کا مقررہ گورننس نظام کے تحت مسلسل جائزہ لیا جاتا رہا، جس میں بورڈ آڈٹ اینڈ رسک کمیٹی اور بورڈ شامل ہیں۔ بورڈ کمپنی کے آپریشنز، اسٹیک ہولڈرز کے مفادات اور شیئر ہولڈرز کے طویل المدتی مفادات کے تحفظ کے لیے سائبر لچک کو مسلسل بہتر بنانے کے عزم پر قائم ہے۔

مشترکہ قدر کی تخلیق

مشترکہ قدر کی تخلیق انڈس موٹر کمپنی کے کارپوریٹ فلسفے اور ان کمیونٹیز کے لیے ہمارے عزم کا بنیادی حصہ ہے جن کی ہم خدمت کرتے ہیں۔ ہمارے جامع CSR پروگرام **Concern Beyond Cars** کے ذریعے کمپنی ایسے اقدامات میں مسلسل سرمایہ کاری کر رہی ہے جو لوگوں کی زندگیوں کو بہتر بنانے اور کمیونٹیز کو مضبوط بنانے میں معاون ہیں۔ کمپنی کی CSR پالیسی کے تحت IMC ہر سال اپنے ٹیکس سے قبل منافع کا **1** فیصد کمیونٹی ڈویلپمنٹ کے منصوبوں کے لیے مختص کرتی ہے۔ رواں سال **377** ملین روپے ایسے پروگراموں میں سرمایہ کاری کیے گئے جن کا تعلق روزگار اور ذریعہ معاش کی معاونت، صحت، تعلیم، کھیل، ماحولیاتی تحفظ، روڈ سیفٹی آگاہی اور خیبر پختونخوا میں سیلاب سے متاثرہ علاقوں میں امداد و بحالی کی سرگرمیوں سے تھا۔ ان اقدامات سے **255,761** افراد مستفید ہوئے، جو گزشتہ سال کے مقابلے میں **27** فیصد زیادہ ہیں۔

مشترکہ قدر پیدا کرنے کے لیے ہمارا عزم صرف مالی معاونت تک محدود نہیں۔ ہم کمیونٹیز کو بااختیار بنانے، جامع ترقی کو فروغ دینے اور معاشرے کے لیے دیرپا مثبت اثرات پیدا کرنے کے لیے پرعزم ہیں

پاکستان کی آٹو موٹیو صنعت اور آئندہ آؤٹ لک

پاکستان کی آٹو موٹیو صنعت مالی سال **27-2026** میں ایک اہم مرحلے میں داخل ہو رہی ہے۔ بہتر ہوتے ہوئے میکرو اکنامک حالات کے دوران اس شعبے نے لچک کا مظاہرہ کیا ہے، تاہم آٹو موٹیو انڈسٹریل ڈویلپمنٹ پالیسی **26-2021** کی مدت مکمل ہونے اور اس کی متبادل پالیسی کے متوقع اعلان نے مینوفیکچررز اور سرمایہ کاروں کے لیے پالیسی کی منتقلی کا ایک مرحلہ پیدا کر دیا ہے۔ اسی دوران نیشنل ٹیرف پالیسی **30-2025** پر عمل درآمد ایک اہم ساختی اصلاح ہے جو صنعت کی مستقبل کی مسابقت کی سمت متعین کرے گی۔ تاہم اس کے مطلوبہ فوائد مکمل طور پر حاصل نہیں ہو سکتے اور اگر ملکی معاشی سرگرمیوں کو فروغ دینے اور صنعتی بنیاد کو مضبوط کرنے کے لیے مؤثر انتظامی اقدامات نہ کیے گئے تو اس کے فوائد ممکنہ منفی اثرات سے متاثر ہو سکتے ہیں۔

جیسے جیسے پاکستان ایک زیادہ آزاد تجارتی نظام کی جانب بڑھ رہا ہے، اس امر کو یقینی بنانا ناگزیر ہے کہ مسابقت کے فروغ اور ایسی سازگار پالیسی ماحول کے درمیان مناسب توازن قائم رکھا جائے جو مقامی مینوفیکچرنگ، لوکلائزیشن، ٹیکنالوجی کی منتقلی، جدت اور طویل المدتی صنعتی سرمایہ کاری کو فروغ دے۔

ہم سمجھتے ہیں کہ مستحکم اور قابلِ پیش گوئی طویل المدتی پالیسی ماحول، صارفین کے لیے فنانسنگ تک بہتر رسائی اور مقامی ویلیو ایڈیشن میں مسلسل سرمایہ کاری، اس شعبے کی ترقی کی صلاحیت کو بروئے کار لانے کے لیے ضروری ہوگی۔

چیئرمین کی جائزہ رپورٹ
بورڈ کی کارکردگی کے بارے میں

انڈس موٹر کمپنی لمیٹڈ (آئی ایم سی) نے بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل، طریقہ کار اور اجلاسوں کے حوالے سے کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں درج تمام تقاضوں کی تعمیل کی ہے۔ آئی ایم سی بہترین کارپوریٹ گورننس طریقہ کار اختیار کرنے کے لیے بھی کوشاں ہے۔

اس سال آئی ایم سی کو ایس ای سی پی کے حکم نامہ نمبر SMD/PRDD/COMP/(108)/2023 مورخہ 31 دسمبر 2024 کے تحت پائیداری اور موسمیاتی تبدیلی سے متعلق معلومات کی فراہمی کے حوالے سے آئی ایف آر ایس ایس ون اور آئی ایف آر ایس ایس ٹو کو بروقت اپنانے کی اطلاع دیتے ہوئے خوشی محسوس ہو رہی ہے۔ یہ شفاف اور مضبوط پائیداری رپورٹنگ کے لیے کمپنی کے عزم کی توثیق ہے۔ پائیداری ہماری طویل مدتی حکمت عملی کا بنیادی ستون ہے، جس کی رہنمائی ٹویوٹا کے ماحولیاتی تحفظ کے چیلنج 2050 اور آئی ایم سی کے ماحولیاتی تحفظ کے 8 ویں عملی منصوبے 2031 سے ہوتی ہے۔

بورڈ کی آڈٹ اینڈ رسک کمیٹی، جس کی سربراہی ایک آزاد ڈائریکٹر کر رہے ہیں، کمپنی کی پائیداری اور موسمیاتی تبدیلی سے متعلق انتظامی نظام کی نگرانی کرتی ہے۔ اس میں آئی ایف آر ایس ایس ون اور آئی ایف آر ایس ایس ٹو کی تعمیل، پائیداری کے اہداف، بینر پائیداری اور موسمیاتی تبدیلی سے متعلق خطرات اور مواقع کی نگرانی بھی شامل ہے، جو کمیٹی کے طے شدہ دائرہ کار کے مطابق انجام دی جاتی ہے۔

بورڈ کی انسانی وسائل اور معاوضہ کمیٹی، جس کی سربراہی ایک آزاد ڈائریکٹر کر رہے ہیں، انتظامیہ کے اعلیٰ عہدیداران کے معاوضوں میں پائیداری سے متعلق کارکردگی کو شامل کرنے کی نگرانی کرتی ہے۔

بورڈ اخلاقیات کمیٹی، جس کی سربراہی ایک آزاد ڈائریکٹر کر رہے ہیں، کمپنی کے تنوع، مساوات اور شمولیت کے منصوبے میں تنوع، مساوات اور شمولیت کے اصولوں کو شامل کرنے کی نگرانی کرتی ہے، جو کمیٹی کے طے شدہ دائرہ کار کے مطابق ہے۔

مجموعی طور پر بورڈ کی سطح پر یہ گورننس ادارے نگرانی اور مسلسل بہتری کے لیے ایک مضبوط نظام فراہم کرتے ہیں۔ بورڈ کی ہر کمیٹی اپنی مؤثریت اور کارکردگی کا جائزہ لینے کے لیے سالانہ خود تشخیصی جائزہ بھی کرتی ہے۔

مالی سال 26-2025 کے دوران بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل میں کوئی تبدیلی نہیں ہوئی۔ بورڈ میں وہی ڈائریکٹرز زبر قرار رہے، جبکہ بورڈ کی کمیٹیوں نے بھی پورے سال اپنی موجودہ تشکیل برقرار رکھی۔

کارپوریٹ گورننس کے ضابطے کے تحت انڈس موٹر کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز کی سالانہ کارکردگی کا جائزہ لیا جاتا ہے۔ اس جائزے کا مقصد کمپنی کے مقرر کردہ اہداف کے تناظر میں بورڈ کی مجموعی کارکردگی اور مؤثریت کو جانچنا اور مقررہ توقعات کے مقابلے میں اس کا معیار متعین کرنا ہے۔ جہاں بہتری کی ضرورت محسوس ہوتی ہے، ان شعبوں کا باقاعدہ جائزہ لے کر عملی اقدامات کے منصوبے مرتب کیے جاتے ہیں۔ بورڈ کی کارکردگی کے جائزے کے لیے جامع معیار بھی وضع کیا گیا ہے۔

بورڈ نے 30 جون 2026 کو ختم ہونے والے سال کے لیے حال ہی میں اپنا سالانہ، خفیہ اور گمنام خود تشخیصی جائزہ مکمل کیا ہے۔ میں رپورٹ کرتا ہوں کہ منظور شدہ معیار کی بنیاد پر سال کے دوران بورڈ کی مجموعی کارکردگی اطمینان بخش رہی اور گزشتہ برسوں کے مقابلے میں اس میں بہتری آئی ہے۔ مجموعی کارکردگی کو اطمینان بخش قرار دینے کی بنیاد درج ذیل اہم عناصر کا جائزہ ہے، جو کمپنی کے اہداف کے حصول میں بورڈ کے کردار پر براہ راست اثر انداز ہوتے ہیں:

- بورڈ کی تشکیل اور تنوع: بورڈ آف ڈائریکٹرز آزاد اور غیر انتظامی ڈائریکٹرز کے متوازن امتزاج پر مشتمل ہے، جو مختلف نقطہ ہائے نظر اور مہارتیں فراہم کرتے ہیں۔ عہدے یا درجہ بندی سے قطع نظر تمام ڈائریکٹرز نے اہم امور پر غور اور فیصلہ سازی کے عمل میں فعال کردار ادا کیا۔
- حکمت عملی میں شمولیت: بورڈ تمام متعلقہ فریقوں، بشمول حصص یافتگان، صارفین، ملازمین، کاروباری شراکت داروں اور مجموعی طور پر معاشرے کے مفادات کی مضبوط سمجھ رکھتا ہے۔ بورڈ نے آئندہ پانچ برسوں کے دوران کمپنی کی ترقی کے لیے ایک واضح حکمت عملی اور وژن وضع کیا اور اسٹریٹجک منصوبہ بندی کے لیے خاطر خواہ وقت صرف کیا۔ انتظامیہ کے لیے تمام اہم عملیاتی شعبوں میں سالانہ کارکردگی کے اہداف مقرر کیے گئے۔
- ذمہ داری اور نگرانی: بورڈ کے اراکین نے اپنی ذمہ داریاں بھرپور طریقے سے انجام دیں اور کارپوریٹ حکمت عملی، اہداف، مالیاتی گوشواروں، بجٹ اور دیگر اہم رپورٹس کا تفصیلی جائزہ لے کر ان کی منظوری دی۔ بورڈ کے اجلاس مناسب طور پر تیار کردہ ایجنڈے اور جامع دستاویزات کے ذریعے منعقد کیے گئے، جو اجلاس سے قبل اراکین کو فراہم کی گئیں، جس سے باخبر فیصلہ سازی میں مدد ملی۔ بورڈ کے اجلاس مطلوبہ تواتر کے ساتھ منعقد ہوئے تاکہ وہ اپنی ذمہ داریاں مؤثر انداز میں ادا کر سکے۔
- کاروباری کارکردگی کی نگرانی: بورڈ کو انتظامیہ، اندرونی و بیرونی آڈیٹرز اور آزاد مشیروں کی جانب سے باقاعدہ بریفنگز کے ذریعے کمپنی کے اسٹریٹجک اور مالیاتی اہداف کی جانب پیش رفت سے مسلسل آگاہ رکھا گیا۔ بورڈ نے کمپنی کے اہداف سے ہم آہنگی یقینی بنانے کے لیے بروقت اور مؤثر نگرانی اور رہنمائی فراہم کی۔
- انتظامی نظام اور داخلی نگرانی کا ماحول: بورڈ نے ایک مضبوط انتظامی نظام قائم کیا اور اعلیٰ سطح پر دیانت داری، جوابدہی اور قوانین و ضوابط کی پابندی پر مبنی ماحول کو فروغ دیا۔ کمپنی میں مضبوط داخلی نگرانی کے نظام نافذ کیے گئے ہیں اور کارپوریٹ گورننس کے بہترین طریقہ کار کی پابندی کی جاتی ہے، جس سے پوری تنظیم میں اخلاقی طرز عمل کو فروغ ملتا ہے۔

محمد علی آر حبیب

چیئرمین

Form of Proxy
37TH ANNUAL GENERAL MEETING

I/We _____

of _____

being member(s) of **INDUS MOTOR COMPANY LIMITED**, holding _____

ordinary shares, hereby appoint _____ S/o, D/o _____

Folio No. _____ of Karachi or failing him / her Mr. / Ms. _____

S/o, D/o _____ CDC Part. ID & A/c #_____ of Karachi who is/are also member(s) of **INDUS MOTOR COMPANY LTD** as my / our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Thirty Seventh Annual General Meeting of the Company to be held on September 28, 2026 and / or any adjournment thereof.

As witness my / our hand / seal this _____ day of _____ Signed by the said _____

Signed in the presence of:

Member's Folio / CDC Account No.	Affix revenue Stamp of Rs. 5 (Sign should agree with specimen registered with the Company)	Recent photograph of Proxy, who will attend AGM through Video Conference

Witness 1

Signature _____

Name _____

CNIC / Passport No. _____

Address _____

_____

Witness 2

Signature _____

Name _____

CNIC / Passport No. _____

Address _____

_____

NOTES

1. This proxy form, duly completed and signed, must be received at the office of the Company's Share Registrar, not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders/Corporate Entities:

In addition to the above the following requirements have to be met:

i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
iii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and recent photograph of the Nominee shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Affix
Correct
Postage

Registrar, Indus Motor Company Limited
M/s. CDC Share Registrar Services Limited,
CDC House, 99-B, Block "B", S.M.C.H.S.,
Main Shahrah-e-Faisal,
Karachi-74400.

پراکسی فارم 37 واں سالانہ جنرل اجلاس

میں / ہم_____جو_____سے متعلق ہیں، انڈس موٹر کمپنی لمیٹڈ کے ممبر ہیں
اور_____عمومی حصص رکھتے ہیں، بزریعہ ممبر کا نام_____اور ان کا فولیو نمبر / سی ڈی سی اکاونٹ نمبر_____ہے،
یا ان کی غیر حاضری رہنے کی صورت میں (ممبر کا نام)_____اور ان کا فولیو نمبر / سی ڈی سی اکاونٹ نمبر_____جو
انڈس موٹر کمپنی کے ممبر ہیں اور 28 ستمبر 2026 کو منعقد ہونے والی کمپنی کے 37 واں سالانہ جنرل اجلاس یا اس سے التوا میں ووٹنگ کیلئے میری / ہماری غیر موجودگی میں میرے / ہمارے پراکسی / مختار ہیں۔

بطور گواہی پر میرے / ہمارے دستخط / مہر مورخہ_____برائے ماہ_____ثبت ہیں

درج ذیل گواہوں کی موجودگی میں میرے دستخط یہ ہیں_____

پراکسی کی حالیہ تصویر، جو ویڈیو کانفرنس کے ذریعے اے جی ایم میں شرکت کریں گے	اخذ شدہ آمدنی 5 روپے کا ڈاک ٹکٹ (دستخط کمپنی کے ساتھ رجسٹرڈ نمونے سے متفق ہونا چاہئے)	ممبر کا فولیو / سی ڈی سی اکاؤنٹ نمبر

گواہ نمبر 1

دستخط:_____

نام:_____

CNIC/ پاسپورٹ نمبر:_____

پتہ:_____

گواہ نمبر 2

دستخط:_____

نام:_____

CNIC/ پاسپورٹ نمبر:_____

پتہ:_____

نوٹ

۱۔ یہ پراکسی فارم باقاعدہ طور پر مکمل اور دستخط شدہ ہے، کمپنی کے شیئر رجسٹرار کے دفتر میں موصول ہونا ضروری ہے، میٹنگ منعقد کرنے کے وقت سے کم از کم 48 گھنٹے پہلے۔
۲۔ کوئی بھی شخص پراکسی کے طور پر کام نہیں کرے گا جب تک کہ وہ خود کمپنی کا رکن نہ ہو، سوائے اس کے کہ کارپوریشن کسی ایسے شخص کو مقرر کرے جو ممبر نہیں ہے۔
۳۔ اگر کوئی رکن ایک سے زیادہ پراکسی مقرر کرتا ہے اور کسی رکن کی طرف سے کمپنی کے پاس پراکسی کے ایک سے زیادہ انسٹرومنٹس جمع کروائے جاتے ہیں تو پراکسی کے ایسے تمام انسٹرومنٹس غیر قانونی قرار دیئے جائیں گے۔

سی ڈی سی اکاؤنٹ ہولڈرز / کارپوریٹ اداروں کے لئے

مندرجہ بالا کے علاوہ مندرجہ ذیل ضروریات کو پورا کرنا ہو گا

ا) پراکسی فارم کو دو افراد دیکھیں گے جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج ہوں گے۔
ب) حصص یافتگان اور پراکسی کے **CNIC** یا پاسپورٹ کی مصدقہ نقول فارم کے ساتھ منسلک ہوں۔
ج) کارپوریٹ ادارے کے معاملے میں، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی جس میں نمونہ دستخط اور نامزد کی حالیہ تصویر شامل ہو (جب تک کہ یہ پہلے فراہم نہ کی گئی ہو) کمپنی کو پراکسی فارم کے ساتھ پیش کی جائے گی۔

Affix
Correct
Postage

رجسٹرار، انڈس موٹر کمپنی لمیٹڈ

میسرز **CDC** شیئر رجسٹرار سروسز لمیٹڈ

سی ڈی سی ہاؤس، **99-B** بلاک "بی" سندھی مسلم کوآپریٹو ہاؤسنگ سوسائٹی

مین شاہراہ فیصل، کراچی۔ **74400**

Electronic Dividend Mandate Form

INDUS MOTOR COMPANY LIMITED

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder.

Shareholders are requested to send the attached Form duly filled and signed, along with attested copy of their CNIC to the Company's Share Registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, SMCHS, Main Shahrah-e-Faisal, Karachi. Shareholders who hold shares with Participants / CDC are advised to provide the Dividend Mandate and attested copy of CNIC, directly to their concerned Broker (Participants) / CDC.

My Bank account details for credit of dividend are as below

Name of shareholder _____

Folio Number / CDC A/c No._____of **Indus Motor Company Limited.**

Address of Shareholder_____

Mobile number of shareholder_____

Title of Account (*)_____

Account Number_____

IBAN Number (**)_____

Name of Bank_____

Bank branch & Code_____

Mailing Address of Branch_____

CNIC No. (attach attested copy)_____

NTN (in case of corporate entity)_____

It is stated that the above particulars given by me are correct and to the best of my knowledge; I shall keep the Company informed in case of any changes in the said particulars in future.

_____ _____

Shareholder's Signature Date

NOTES:

* Joint account holders shall specify complete Title of Account including Shareholders name.

** Please provide complete IBAN Number, after checking with your concerned Bank branch to enable electronic credit directly into your bank account.

الیکٹرانک ڈیویڈنڈ مینڈیٹ فارم

انڈس موٹر کمپنی لمیٹڈ

کمپنیز ایکٹ، 2017 کی دفعہ 242 اور کمپنیز (ڈیویڈنڈ کی تقسیم) ریگولیشنز، 2017 کی دفعات کے مطابق، یہ لازمی ہے کہ نقد میں ادا کیے جانے والے منافع کی ادائیگی صرف الیکٹرانک طریقے سے براہ راست حقدار شیئر ہولڈر کے نامزد کردہ بینک اکاؤنٹ میں کی جائے گی۔

شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ منسلک فارم کو صحیح طریقے سے بھرا ہوا اور دستخط شدہ اپنے شناختی کارڈ کی تصدیق شدہ کاپی کے ساتھ منسلک فارم کمپنی کے شیئر رجسٹرار میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99 بی، بلاک بی، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی کو ارسال کریں۔ شیئر ہولڈرز جو شرکاء / سی ڈی سی کے ساتھ حصص رکھتے ہیں انہیں مشورہ دیا جاتا ہے کہ وہ اپنے متعلقہ بروکر (شرکاء) / سی ڈی سی کو براہ راست ڈیویڈنڈ مینڈیٹ اور شناختی کارڈ کی تصدیق شدہ کاپی فراہم کریں

ڈیویڈنڈ کے کریڈٹ کے لئے میرے بینک اکاؤنٹ کی تفصیلات درج ذیل ہیں۔

شیئر ہولڈر کا نام:_____

فولیو نمبر / سی ڈی سی اے / سی نمبر:_____کا انڈس موٹر کمپنی لمیٹڈ

شیئر ہولڈر کا پتہ:_____

شیئر ہولڈر کا موبائل نمبر:_____

* اکاؤنٹ کا عنوان:_____

اکاؤنٹ نمبر:_____

** IBAN نمبر:_____

بینک کا نام:_____

بینک برانچ اور کوڈ:_____

برانچ کا میلنگ ایڈریس:_____

شناختی کارڈ نمبر (تصدیق شدہ کاپی منسلک کریں):_____

این ٹی این (کارپوریٹ ادارے کے معاملے میں):_____

تصدیق کی جاتی ہے کہ میری طرف سے دی گئی مندرجہ بالا تفصیلات صحیح ہیں اور میرے علم کے مطابق ہیں۔ مستقبل میں مذکورہ تفصیلات میں کسی بھی تبدیلی کی صورت میں میں کمپنی کو مطلع کیا جائے گا۔

_____ _____

تاریخ شیئر ہولڈر کے دستخط

نوٹ

(*) جوائنٹ اکاؤنٹ ہولڈرز ہونے کی صورت میں شیئر ہولڈرز اپنے نام سمیت اکاؤنٹ کا مکمل عنوان بیان کریں گے۔

(**) براہ کرم اپنے بینک اکاؤنٹ میں الیکٹرانک کریڈٹ کو براہ راست فعال کرنے کے لئے اپنی متعلقہ بینک برانچ سے چیک کرنے کے بعد مکمل آئی بی اے این نمبر فراہم کریں۔

INDUS MOTOR COMPANY LTD.
Plot No. N.W.Z/1/P-1, Port Qasim Authority,
Bin Qasim, Karachi Pakistan.
www.toyota-indus.com

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