Agriauto Industries Limited

2026
annual report

TOGETHER
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Economy & The Auto Market

PAAPAM wants urgent discussions

RECORDER REPORT

ISLAMABAD: The Pakistan Association of Automotive Parts and Accessories Manufacturers (PAAPAM) has issued an urgent appeal to Prime Minister Mian Muhammad Shehbaz Sharif and Deputy Prime Minister Senator Mohammad Ishaq Dar, seeking an immediate hearing before the finalisation of the Auto & Auto Parts Policy 2026-31.

In a letter to the Deputy Prime Minister, PAAPAM stated that the auto-parts sector supports over 1.8 million livelihoods, contributes nearly 3 percent to the national GDP, and plays a key role in Large-Scale Manufacturing (LSM).

Despite operating at an estimated 34 percent cost disadvantage compared to regional competitors—due to high energy tariffs, financing costs, logistics inefficiencies, taxes, and duties—the sector has achieved annual exports of around USD 200 million. The association noted that this performance comes despite the absence of enabling measures such as Free Trade Agreements (FTAs) with key markets, limited export incentives, and persistent negative security perceptions.

PAAPAM Chairman Usman Aslam Malik warned that the application of National Tariff Policy (NTP) provisions to the upcoming auto policy could have severe consequences for the domestic industry. These include reversal of localisation gains built over decades, immediate risks to employment, weakening of small and medium enterprises (SMEs), and erosion of Pakistan's engineering and manufacturing base.

He further continued that tariff reductions, if implemented without parallel structural reforms, would undermine the competitiveness of local manufacturers and lead to a surge in imports, putting additional pressure on the country's already fragile foreign exchange reserves—contrary to the stated objectives of the NTP.

Senior Vice Chairman Shehyar Qadir emphasised that the industry does not measure the proposed tariff measures and warned their sequensibilty for their consequences would rest solely with policymakers if implemented in their current form. The association underscored that without strong localisation policies, Pakistan's auto sector risks collapse, with potential factory closures, job losses, and increased dependence on imported products.

PAAPAM has therefore urged the Prime Minister and Deputy Prime Minister to grant an urgent meeting with industry stakeholders before finalising the policy. The association expressed readiness to present data-driven recommendations aimed at strengthening exports, protecting livelihoods, and ensuring long-term industrial sustainability. "The choice is clear: localisation or collapse. Pakistan cannot afford inaction at this critical juncture," the association concluded.

Auto policy without localisation meaningless: PAAPAM

RECORDER REPORT

LAHORE: The Pakistan Association of Automotive Parts & Accessories Manufacturers (PAAPAM) has warned the government that ignoring localisation in the Auto Policy will badly hit the steel melting industry.

In a statement on Monday, Chairman PAAPAM Usman Aslam Malik said the PAAPAM has been in continuous dialogue with the government over the past year on the forthcoming Auto Policy 2026-31.

"PAAPAM's stance is clear that without protection of the job-creating local auto parts industry, the policy loses all rationale."

If localisation is ignored, it would be better to abandon the policy, allow imports of completely built up vehicles, and accept the collapse of the domestic industry rather than wait for it to happen gradually.

He stated that the auto policy must be anchored in a competitive local parts industry, warning that without strong tariff safeguard and enforcement, Pakistan's vendors cannot survive against a 34 percent cost disadvantage to produce in Pakistan, a country with high energy cost, high interest rates and high taxation. He emphasised that customs duties of 50-60 percent on CBU imports and a minimum 45 per cent duty on localised parts are essential safeguards, while raw materials must remain duty free to reduce vendor costs.

Senior Vice Chairman Shahyar Qadir added that uniform CKD tariffs across ICE and NEV categories are critical to ensure fairness, and that NEV definitions must be tightened to exclude plug-in hybrids and range-extended vehicles from reduced tax regimes, since they are not zero emission and are equipped with up to 1,500cc engines, fuel tanks and exhaust systems. He stressed that any concessionary sales tax must extend across the entire localised manufacturing chain, including vendor inputs (local or imported), to prevent erosion of domestic value addition.

Both leaders underscored the importance of strengthen-

ing SRO 693 with a unified parts registry, bi-annual reviews, and inclusion of engine and transmission assemblies to deepen localisation. They further called for strict CKD definitions, value caps on EV components to avoid cost-transfer, and consistent enforcement to block loopholes and provide long term certainty for vendors.

They called upon the government to adopt these measures to secure Pakistan's industrial base, protect jobs and preserve national self reliance. If localisation is abandoned, the auto policy itself must be abandoned too because without local industry, Pakistan's auto sector has no future they remarked.

Auto policy: do not fix what is not broken

Ali Khizar

The momentum is positive. Almost all major Chinese brands are now in Pakistan, and they will continue increasing their market share because they offer options in ICEs, HEVs, PHEVs, REEVs, and EVs. The question is which segment to promote, and that depends upon the policy

> P7 Col 1

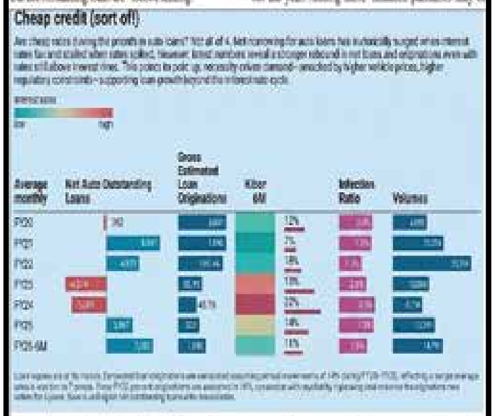
Suzuki officially launches Fronx XUV in Pakistan

LAHORE: Pak Suzuki Motor Company (PSMC) announced the official launch of the Suzuki Fronx. With this launch, Suzuki introduces a new vehicle category, the XUV in Pakistan. The Fronx is positioned as a modern, stylish, and practical offering, represents a major step in Suzuki's journey to redefine modern mobility. The launch reflects Suzuki's commitment to innovation, quality, and evolving customer needs.

Masafumi Harano, Managing Officer & Executive General Manager, Automobile Marketing – Asia, Latin America, and Oceania highlighted Suzuki's global strength in compact, efficient, and high-quality vehicles. He emphasized the philosophy of "Sho Sho Kei Tan Bi"—Smaller, Lighter, Fewer, Shorter—Neat and Beautiful. He noted that compact and efficient mobility is the smart choice in today's world.

Hiroshi Kawamura, Managing Director of Pak Suzuki Motor Company, spoke about Suzuki's legacy of enabling mobility in Pakistan. He shared the company's vision to deliver reliable, affordable, and evolving mobility solutions aligned with changing lifestyles. He highlighted Fronx as a strategic step toward a more aspirational and modern product lineup. He reaffirmed Suzuki's commitment to customers through its new slogan, "By Your Side."—PR

Cars, cash, and climbing credit



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Seeking a sensible auto policy

The objective should not be protection for its own sake nor liberalisation for ideological reasons

By Nasir Jamal

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Imported cars cause Rs60bn loss to domestic industry; CCP

SOHAIL SARFRAZ

ISLAMABAD: The Competition Commission of Pakistan (CCP) has issued a serious warning over the country's used car import

> P 10 Col 6

Auto sector urges caution on tariff reforms

NTP 2025-30 pits protection against productivity; new entrants fail to localise

USMAN HANIF

KARACHI

The proposed overhaul of tariffs under the National Tariff Policy (NTP) 2025-30 has sparked intense debate within Pakistan's auto industry, with manufacturers warning that the changes could dismantle the vendor base and manufacturing capabilities built over four decades, potentially leading to irreversible losses in jobs, investment, and localisation.

Others argue that tariff liberalisation will open the market to greater competition, forcing efficiency gains and higher productivity in the long run.

Local manufacturers contend that high vehicle prices and low ownership levels stem more from the cumulative tax architecture than from tariff protection alone. "The country's completive tax architecture, rather than trade policy, has kept new car ownership among the lowest in the region," said Ishtiaq Husain Siddiqi, Chief Executive of SM Engineering.

He noted that the sector remains one of the largest indirect tax generators, facing layers of customs duty, additional customs duty, regulatory duty, federal excise duty, sales tax, and some of the world's highest corporate tax rates.

Siddiqi highlighted India as a frequently cited model of liberalisation. However, he pointed out that India maintains tariffs of 60-100% on imported passenger cars depending on engine size, with concessions largely reserved for electric vehicles linked to substantial local manufacturing commitments. India's protections extend beyond tariffs through restricted import licences, stringent Bureau of Indian Standards certifications, and explicit domestic preferences under the 'Make-in-India' programme.

"Indian officials describe this not as protectionism, but as sequenced, conditional industrial policy designed to extract performance in exchange for market access," Siddiqi said. Pakistan, he added, is among a small group of developing countries capable of manufacturing across the full automotive value chain, from cars and light commercial vehicles to trucks, buses, tractors, and two- and three-wheelers, supported by nearly 2,000 indigenous parts' makers. He warned that abandoning protection without reforms risks trading away this capability for short-term price reductions. Key recommendations include reforming SRO 693 enforcement, rationalising the cascading tax burden, and correcting the CBU-CKD duty anomaly introduced by the Finance Act 2026, which makes imported completely built-up (CBU) units and certain parts cheaper than completely knocked down (CKD) kits used for local assembly.

Auto expert Mashood Ali Khan echoed these concerns, noting the dual influence of the government and the IMF in pushing tariff reductions under the National Tariff Policy. While the [illegible] and 2021-2026 policies successfully attracted new entrants, many failed to achieve meaningful localisation despite enjoying a 25% tariff advantage. "New entrants focused on launching models frequently rather than deepening localisation," Khan said. Existing players like the 'Big Three' maintained 60-70% localisation, sustaining a vendor base that new Korean and Chinese brands have not significantly expanded. He questioned whether reducing tariffs further to 15% would deliver localisation when higher protections had not.

Khan stressed the need for binding localisation commitments, benchmarks for new parts development over the next five years, and a focus on raw material manufacturing through B2B facilitation. He urged the inclusion of truck and bus segments, where new models are similarly eroding the local parts business. IBA Assistant Professor and international trade specialist Aadil Nakhoda acknowledged that the complex tariff structure has inflated showroom prices and the upcoming NTP aims to address this. However, he cautioned against equating tariffs with taxes. "A tariff is worse than a tax. Customs duties and ACD add onto the price, increasing the base at which other taxes are calculated," he observed.

Nakhoda contrasted Pakistan's situation with India's, which produces over 4.4 million passenger vehicles annually with dozens of original equipment manufacturers (OEMs) operating at efficient scales amid intense domestic competition. Indian auto parts' makers export products worth over $20 billion and engage in R&D, while Pakistan lacks Tier-2 producers and significant R&D. He argued that cascading tariffs and local content requirements have shielded an unproductive oligopoly rather than building global competitiveness.

"India is liberalising through FTAs (free trade agreements) with the EU and Asean, shaping its industry for future competitiveness," Nakhoda said. Pakistan's industry, he added, should lobby for productivity-enhancing certifications and standards-based non-tariff measures to integrate into global value chains instead of seeking perpetual protection.

Auto policy's mixed signals

Reducing tariffs on imported cars has fundamentally altered the economics of local vehicle assembly

By Nasir Jamal

PAKISTAN'S automobile industry has entered one of its most important phases in over a decade. As part of the government's tariff rationalisation commitments under the International Monetary Fund (IMF) programme, the protective gap between imported completely built-up (CBU) vehicles and locally assembled completely knocked down (CKD) vehicles has been sharply reduced to just about 15 percentage points.

While the objective is to liberalise trade and gradually expose domestic manufacturers to greater competition, the industry argues that the reform has fundamentally altered the economics of local vehicle assembly.

"This has narrowed the protection available to local manufacturers who invested under two previous auto policies (of 2016-21 and 2021-26)," notes the chief financial officer (CFO) of a car company, refusing to give his name. "Investors who established local assembly plants will now be competing against imported vehicles with substantially lower duty incidence."

For decades, Pakistan's automotive policy relied on tariff protection to encourage companies to assemble vehicles locally rather than import finished vehicles. That protection justified billions of rupees invested in assembly plants, tooling, localisation and vendor development.

The CFO argues that this makes local CFO assemblers uncompetitive against imported CBUs, shrinking the incentive to manufacture domestically besides putting tens of thousands of jobs at stake. "Existing manufacturing capacity may become idle, and the vendor industry will face closures while pressure on meagre foreign exchange reserves will rise."

Ali Asghar Jamali, chief executive officer of Indus Motor Company, says the revised tariff structure has created an anomaly where importing a fully built car is actually cheaper than importing CKD kits for local assembly. "While this current inversion temporarily discourages [illegible] locally, I expect the government will step in soon to rectify this anomaly."

The industry's anxiety is understandable given the achievements of the previous policy cycle. The auto policy 2016-21 marked a turning point by offering incentives to greenfield investors, attracting several new manufacturers and mobilising more than $1 billion in investment in assembly plants. Greater competition reduced the dominance of the traditional assemblers and expanded consumer choice.

Building on that momentum, the auto policy 2021-26 sought to position Pakistan for the global transition towards cleaner mobility by extending incentives to battery electric vehicles, hybrid electric vehicles, plug-in hybrid electric vehicles, range-extended electric vehicles and fuel cell vehicles. That transition, however, now appears to have stalled, at least temporarily.

Former Pakistan Association of Automotive Parts and Accessories Manufacturers chairman Syed Nabeel Hashmi argues that tariff reform should not come at the expense of domestic industry. "Tariff rationalisation should improve competitiveness, not eliminate the economic case for manufacturing in Pakistan," he says. "If importing a finished vehicle becomes almost as attractive as assembling it locally, investment will naturally move away from production."

The issue extends well beyond tariffs. Pakistan's automotive industry supports an ecosystem of more than 2,000 parts manufacturers and tens of thousands of skilled and semi-skilled jobs. A sustained shift from local assembly towards imports would reduce demand for domestically produced components, discourage investment in localisation and technology transfer, and weaken industrial capabilities that have taken decades to build.

"At a time when Pakistan urgently needs industrialisation, foreign direct investment, exports and productive employment, an import-biased tariff structure risks rewarding trading activity over domestic value addition," notes the CFO.

Policy vacuum

The timing has amplified the industry's concerns. The tariff rationalisation has taken effect just as the Auto Industry Development and Export Policy (AIDEP) 2021-26 expired on June 30. With its successor yet to be finalised, investors are left without a

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Auto Policy 2026-31 PAAPAM proposes rationalised tariff structure

RECORDER REPORT

ISLAMABAD: The Pakistan Association of Automotive Parts & Accessories Manufacturers (PAAPAM) has proposed a rationalised tariff structure for the upcoming Auto Policy 2026-31, seeking higher duties on completely built units (CBUs) and localised parts to protect domestic manufacturing, while maintaining minimal or zero duty on raw materials.

In its position paper submitted for consideration in the formulation of the Auto Policy 2026-31, PAAPAM urged the government to conclude the issue of auto-sector import tariffs in line.

> P 6 Col 1

Auto part makers rap FBR's new tariffs

By Our Staff Reporter

LAHORE: The local automotive parts manufacturing industry has criticised the Federal Board of Revenue's (FBR) new tariff framework, saying the changes introduced in it will raise production costs, weaken incentives for localisation and create uncertainty for more than 2,000 auto parts vendors.

Under the revised tariff regime notified through SRO 693, the protective gap between duties on completely built unit (CBU) vehicle imports and completely knocked down (CKD) kits has been reduced from 35 percentage points to 15 percentage points. The duty on CBU imports has been cut from 50 percent to 30pc while CKD duties remain unchanged at 15pc for non-localised parts and 46pc for localised parts.

Industry representatives argue that the revised duty structure increasingly favours imports over domestic production by making imported CBUs and commercially imported parts relatively cheaper than the CKD kits used for local assembly.

"SRO 693 was meant to promote localisation by imposing higher duties on imported parts in line with the Auto Industry Development and Export Policy (AIDEP)," says Ishtiaq Hussain Siddiqui, an auto parts manufacturers' representative. "Instead, it has created policy uncertainty and cost disadvantages for vendors employing tens of thousands of workers. We cannot absorb policy uncertainty or cost increases."

According to Siddiqui, the chief executive of SM Engineering, rationalising the cascading tax burden and restoring a meaningful tariff differential between CBU imports and CKD kits are essential for building a competitive, export-oriented auto industry.

"These are not concessions to a protected industry, but the minimum conditions needed to convert four decades of manufacturing capability into a technologically competitive, export-oriented sector, instead of sacrificing it for a modest, one-time reduction in showroom prices."

He argues that Pakistan's automobile industry has long been burdened by heavy, multiple taxes, including customs duty, additional customs duty, regulatory duty, federal excise duty and sales tax, along with one of the highest corporate tax rates in the world.

"It is this cumulative tax structure – more than tariff protection itself – that has kept vehicle ownership among the lowest in the region and pushed most Pakistanis out of the formal new-car market."

The government plans to reduce the maximum tariff on CBU imports to 15pc and bringing Pakistan's weighted average tariff down to around 6.7pc by 2030.

"That is precisely the problem. Without a credible localisation framework, tariff liberalisation loses its policy rationale," Siddiqui says, adding that industry that tariff reforms without safeguards for domestic manufacturing will undermine investment in local auto parts manufacturing.

Tax rationalisation to cut auto prices

By Aamir Shafaat Khan

KARACHI: The government is mulling over a proposal to amend the duties and taxes regime in the new auto policy in order to bring vehicles within the reach of the middle class.

"Prime Minister Shehbaz Sharif is keen on making vehicles cost effective for the middle class," the CEO of the Engineering Development Board (EDB), Hammad Ali Mansoor, told a media briefing on Monday.

Three small electric vehicles in completely built-up form are due in Karachi during the third quarter of this year. This will be followed by work on building mega assembly plants in Karachi and Lahore, he added.

Initially these vehicles will be priced at less than one million rupees, Ali Mansoor said.

The auto policy, which is likely to be announced on July 1, has been forwarded to the ministry for presentation to the prime minister. "No association has sought any extension in the current policy," he said.

The CEO did not disclose other salient features of auto policy, but said the prime minister's focus is on making small cars affordable for the middle class.

Mr Ali said that the massive increase in petrol and diesel prices had pushed a number of buyers towards electric vehicles. "Sales of electric vehicles saw a three-fold increase in March," he added.

He expressed the hope that the landscape of electric vehicles would change in coming months as two to three lithium battery makers are due to start operation this year.

An auto sector expert, Mashood Ali Khan, informed the EDB CEO that auto parts manufacturers were on the decline despite an increase in the number of vehicle assemblers.

Another problem, he said, is that the new entrants import localised parts leviable at 23pc import duty, but they continue to import parts under CKD kits after paying 15pc as customs duty. He emphasised that the new auto policy must prioritise SME auto parts, the backbone of the economy, which have developed. Govt must ensure actual manufacturing, not just assembly, in Pakistan.

Mixed trend

Amid the US-Israel war against Iran, buyers showed a mixed trend in purchasing new cars, vans, pickups and SUVs. Pak Suzuki sales during March plunged by 23pc to 6,256 units versus 8,108 in February 2026 while 9MFY26 sales swelled by 32pc to 61,796 units year on year (YoY).

Hyundai Nishat sales fell by nine per cent to 938 units in March from 1,021 units in February while its sales recorded a 33pc rise in 9MFY26 to 9,682 units YoY.

Indus Motor Company (IMC) sales partly grew by one per cent to 3,873 units in March from 3,817 in February while total sales in 9MFY26 surged by 54pc to 33,313 units YoY.

Honda Atlas Cars Limited (HACL) and Sazgar Engineering sales rose by 10pc and three per cent to 2,324 and 1,734 units in March as compared to 2,114 and 1,682 in February. Honda and Sazgar sold 20,097 and 12,630 units in July-March FY26, showing a growth of 37pc each YoY.

As a result, total sales of cars, vans, pickups and SUVs plunged by nine per cent in March (month on month) but rose by 40pc YoY. Total sales in 9MFY26 grew by 42pc to 144,029 YoY.

15,000 used cars get clearance window

Local assemblers fear Rs22bn losses, safety risks

By Amjad Mahmood

LAHORE: The Ministry of Commerce has issued dual directives introducing structural clarifications and a selective, conditional waiver for used vehicles imported under the Gift and Transfer of Residence schemes.

While the decisions aim to resolve intense clearance logjams at ports, they have drawn sharp criticism from the local automotive industry, which warns of severe fiscal and safety ramifications.

In an official office memorandum, the ministry addressed a long-standing bypass regarding the validity of Pre-Shipment Inspection (PSI) certificates. The federal government announced that certificates issued by EAA Company (Pvt) Ltd and Auto Terminal Pak (Pvt) Ltd through their foreign principals in Japan are fully acceptable. This compliance clearance follows their formal registration with the Pakistan Standards and Quality Control Authority (PSQCA) for automobiles.

To prevent fraudulent filings, the Federal Board of Revenue (FBR) and customs authorities must verify the certificates directly with the local offices of these inspection firms, which will carry full legal liability for the declarations. The local entities must also certify that the vehicles strictly comply with environmental, safety, and quality regulations that align with global standards.

Concurrently, the ministry issued a statutory notification under the Imports and Exports (Control) Act, granting a strict, one-time waiver for vehicles shipped under a Master Bill of Lading between Jan 16 and March 9, 2026. This window bypasses the initial pre-shipment inspection requirement mandated under SRO 638(I)/2025.

However, the government clarified that this is not a blanket amnesty.

To prevent the dumping of hazardous or structurally compromised vehicles, Customs officials are strictly prohibited from clearing any cars graded on Japanese auction sheets as Below Average (Grade 3), Poor Condition (Grade 2), Repaired Accident (Grade R), or Minor Accident Repair (Grade RA).

Despite these regulatory safeguards, the local automotive sector has reacted with strong opposition, labelling the adjustment an ad hoc policy shift that directly undermines the country's manufacturing base.

Industry sources report that an estimated 15,000 vehicles – roughly matching the entire annual sales volume of a major local manufacturer – are expected to arrive under this specific exemption window. Representatives contend that the sudden waiver bypasses the global safety and environmental standards established to protect Pakistani consumers on the road.

Auto sector experts express deep concern over the economic fallout of the policy relaxation, estimating that the influx will drain $160 million from the national exchequer via unofficial flight channels, worsening the national import bill.

The local vendor industry expects a substantial blow, with anticipated losses reaching Rs22 billion for automotive part manufacturers and a subsequent [illegible] deficit in government tax revenue.

With local assembly plants already operating at a heavily restricted 50 percent capacity due to economic pressures, industry analysts warn that such unpredictable policy reversals risk permanently fracturing lo-

Sindh to establish EV charging networks across province

NAYYAR ZUBERI

KARACHI: The Government of Sindh has approved an important Public - Private Partnership project to establish an Electric Vehicle (EV) charging network across the province in order to promote green energy and sustainable transport.

The project has been developed in collaboration with China's ADM Group and Malik Group of Companies, aiming to introduce modern fast-charging infrastructure to support the rapidly growing electric mobility ecosystem in Pakistan.

Under the approved plan, the Government of Sindh will provide funding of Rs750 million in the first phase for the installation of 300 EV charging stations.

In addition, ADM Group will invest $90 million for the development of 3,000 electric vehicle charging stations across Pakistan, which will further strengthen the country's electric mobility infrastructure.

According to Provincial Minister Syed Nasir Hussain Shah, the project will prove to be an important milestone in reducing carbon emissions, promoting environmentally friendly energy solutions, and strengthening the sustainable transportation system in Sindh.

Policy-level coordination and industrial partnerships played a significant role in the approval of the project. In this regard, the continuous coordination and efforts of Malik Khoda Bakhsh with relevant authorities and industrial stakeholders have also been acknowledged as supportive in achieving this progress.

The Government of Sindh stated that the project will create new investment opportunities, promote the development of modern infrastructure, and position Sindh as a prominent region in Pakistan in the field of electric vehicle technology.

Chairman of Malik Group of Companies, Malik Khoda Bakhsh, said that the project would be highly significant in terms of green energy, modern transportation, and sustainable infrastructure. He added that the Sindh government had earlier announced the installation of more than 691 EV charging stations at strategic locations along major highways and key cities of the province to facilitate public access and convenience, and the establishment of 300 charging stations in the first phase is an important step in that direction. He further stated that the project will create employment opportunities for youth, while relevant staff will also be provided with equipment and training.

'Managed' exchange rate hurts exports, investments

Cheaper dollar fuels unnecessary imports, widening trade gap

By Shahid Iqbal

KARACHI: An artificial exchange rate not only discourages exporters but also poses a major hurdle to foreign investment, particularly in the exportable manufacturing sector, said exporters, who expressed their dismay over the policy.

For the past year and a half, the dollar-rupee parity has been managed, and the local currency has continued to appreciate against the greenback, bit by bit. During the last 18 months, the rupee appreciated by at least Rs4 against the US dollar.

Exporters stated that the record imports increased the trade deficit to $39 billion in FY26, offsetting the substantial remittance inflows of $41.5bn.

Almost all regional currencies, including those of India and Bangladesh, depreciated against the US dollar, while the greenback weakened against the rupee for no apparent reason.

The government and the State Bank of Pakistan believe that a stronger rupee brought stability to the economy, but exporters found it detrimental to economic growth.

"Exporters have been losing markets due to the high cost of production, which is 12pc higher than in China, meaning we cannot compete in the international market," said Javed Bilwani, an exporter and former president of the Karachi Chamber of Commerce and Industry.

"The solution to this problem is different. Instead of opting for artificial currency appreciation, there should be gradual depreciation to make Pakistani goods competitive," he said, adding that it was the only way to help boost export proceeds, allowing industry to save some money for reinvestment.

Due to the weaker dollar, exports failed to grow while imports surged. Exporters said this is the first time Pakistan has imported cars in bulk, pushing up the total import bill and creating a huge trade deficit.

Some analysts noted that the Real Effective Exchange Rate (REER), which should be below 100, has risen to 106.4, a clear indication that the rupee is being kept at an artificial level.

"This is highly discouraging for foreign investors and is reflected in the very low investment, which is declining each year," said a financial expert.

Amir Aziz, an exporter, said the policy of dollar depreciation is not only discouraging but is also prompting exporters to close their businesses. He said all regional countries, such as China and Iran, are smuggling into the Pakistani market. China is already the largest exporter of goods to Pakistan, but under-invoicing and smuggling continue.

Amir said the high interest rate is also pushing production costs. Recently, the State Bank kept its policy rate unchanged at 11.5pc.

Exporters have been provided with a number of incentives, including subsidised loans, but they have found them of limited help, as the manufacturing sector is underperforming and the government has failed to stimulate growth.

The government plans to increase exports to $60bn, and Deputy Prime Minister Ishaq Dar is now willing to double trade with the US to $20bn in five years. Exporters expressed surprise about what this country will export, while manufacturing and related sectors have not grown for the past three years.

پاپام کا نئی آٹو پالیسی کی منظوری میں طویل تاخیر پر گہری تشویش کا اظہار

غیر یقینی صورتحال کے باعث ملک کی آٹو موٹیو مینوفیکچرنگ انڈسٹری بری طرح متاثر ہو رہی ہے: چیئرمین پاپام

نئی آٹو پالیسی کو لوکلائزیشن، ٹیکنالوجی اپ گریڈیشن، روزگار کے نئے مواقع پیدا کرنے پر مرکوز کیا جائے: عثمان اسلم

لاہور (بزنس رپورٹر) پاکستان ایسوسی ایشن آف آٹو موٹیو پارٹس اینڈ ایکسیسریز مینوفیکچررز (پاپام) نے پاکستان کی نئی آٹو انڈسٹری ڈویلپمنٹ پالیسی کو حتمی شکل دینے میں طویل تاخیر پر گہری تشویش کا اظہار کرتے ہوئے خبردار کیا ہے کہ اس غیر یقینی صورتحال کے باعث ملک کی آٹو موٹیو مینوفیکچرنگ انڈسٹری بری طرح متاثر ہو رہی ہے۔ چیئرمین پاپام عثمان اسلم ملک نے کہا کہ نئی آٹو پالیسی کی منظوری میں تاخیر نے وینڈر انڈسٹری سے وابستہ صنعتوں میں شدید غیر یقینی [illegible] ادارے پہلے ہی مالی اور آپریشنل مشکلات کا سامنا کر رہے ہیں۔ نئی آٹو انڈسٹری ڈویلپمنٹ پالیسی میں پاکستان کی آٹو پارٹس اور کمپونینٹس مینوفیکچرنگ انڈسٹری کے فروغ اور استحکام کو اولین ترجیح دی جانی چاہیے، کیونکہ یہی شعبہ ملک کی آٹو موبائل صنعت کی بنیاد ہے۔

PAAPAM Chairman Usman Aslam Malik urges Government to prioritize localization in new auto policy

[illegible]

Auto sales rise, ownership drops

Industry seeks 10-year policy as car ownership falls to 11 per 1,000

Stakeholders in Pakistan's automotive sector have renewed calls for a ten-year policy roadmap, warning that investors will continue to hesitate unless the government commits to long-term policy continuity in a capital-intensive industry that requires years to recoup investment.

[illegible]

نئی آٹو پالیسی میں طویل تاخیر پر پاپام کا گہری تشویش کا اظہار

نئی آٹو پالیسی میں تاخیر آٹو انڈسٹری کے مستقبل کو متاثر کر رہی ہے: چیئرمین پاپام

عثمان اسلم ملک کا نئی آٹو پالیسی میں لوکلائزیشن کو اولین ترجیح دینے کا مطالبہ

[illegible]

PRECISION
EXCELLENC

IN ACTION
E IN MOTION

Together We Move Forward

Our Company

Agriauto Industries Limited is a public limited company, incorporated in 1981 and listed on the Pakistan Stock Exchange.

The Company began its journey by producing essential components for local vehicle assemblers, primarily shocks and parts for tractor assemblies. Over the decades, it has expanded its capabilities through strategic partnerships, technical collaborations and continuous investment in technology and people.

Today, Agriauto is recognized as one of the leading private sector manufacturers of automotive components in Pakistan and was the first in the country to obtain TS-16949 Certification.

Technical collaborations with leading international companies have further strengthened its versatility. Its product portfolio serves both Original Equipment Manufacturers (OEMs) and the aftermarket.


MODEL: 652B

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Our Vision

A world class manufacturer and supplier of high entry barrier automotive components providing competitive returns to all stakeholders.

Together We Grow Stronger

Company Information

BOARD OF DIRECTORS

Yutaka Arae	Chairman
Fahim Kapadia	Chief Executive
Hamza Habib	Non Executive Director
Salman Burney	Non Executive Director
Sohail P. Ahmed	Non Executive Director
Ayesha T. Haq	Independent Director
Aqueel E. Merchant	Independent Director

BOARD AUDIT AND RISK MANAGEMENT COMMITTEE

Aqueel E. Merchant	Chairman
Sohail P. Ahmed	Member
Ayesha T. Haq	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Aqueel E. Merchant	Chairman
Salman Burney	Member
Sohail P. Ahmed	Member
Yutaka Arae	Member
Fahim Kapadia	Member

CHIEF FINANCIAL OFFICER

Fahad Tariq Rafi

COMPANY SECRETARY

Shaharyar Ashraf Khan

AUDITORS

A.F. Ferguson and Co., Chartered Accountants

SHARE REGISTRAR

FAMCO Share Registration Services (Pvt.) Limited
8-F, Near Hotel Faran, Nursery,
Block-6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi.
Tel: 34380101-5, 34384621-3

LEGAL ADVISOR

Aga Faquir Muhammad & Co.
712, 7th Floor, Uni Shopping Centre
Abdullah Haroon Road, Karachi
Tel: 35213375, 35214801

CONVENTIONAL BANKERS

Bank Al-Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited

ISLAMIC BANKERS

Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Meezan Bank Limited

REGISTERED OFFICE

5th Floor, House of Habib
3 JCHS, Main Shahrah-e-Faisal,
Karachi.
Website: www.agriauto.com.pk
Email: info@agriauto.com.pk

FACTORY

Agriauto Industries Limited
243, Mouza Baroot, Hub Chowki,
Distt. Lasbella, Balochistan.

Agriauto Stamping Company (Pvt.) Ltd
DSU-12B, Down Stream Industrial Estate
Pakistan Steel, Bin Qasim, Karachi.

BOARD OF DIREC

Yutaka Arae
Chairman (Non-Executive)

With an illustrious career spanning decades, Mr. Yutaka Arae has left an indelible mark on the automotive sector through his transformative leadership and strategic insights. His journey began at Toyota Tsusho Corporation, Japan, where he played a pivotal role in propelling the company to new heights of success.

His visionary approach continued at Indus Motor Co., Ltd., Pakistan, where he led the organization to become a market leader known for innovation and operational excellence. As a director at Agriauto Industries Ltd., Mr. Arae's influence further optimized operations, cementing his reputation as a driving force in the industry. His extensive experience and proven track record have solidified his position as a revered figure in the global automotive landscape, inspiring generations to come.

Fahim Kapadia
CEO

Fahim Kapadia is the CEO of the Company since January 2010. He has over 40 years of experience in the field of Finance, General Management and Business Development in Pakistan and abroad.

He has been associated with the House of Habib for the last 27 years having served as Chief Financial Officer of Thal Limited and prior to this, as General Manager Finance and Deputy Managing Director of Agriauto Industries Limited. He has been serving on the Board of Agriauto Industries Limited since 2002 and is a member of the Board of Agriauto Stamping Company (Private) Limited and AuVitronics Limited.

Hamza Habib
Non Executive Director

Hamza Habib was appointed as a Director of Agriauto Industries Limited in October 2018. He has over 14 years of banking experience and is currently the Head of Corporate Banking at Habib Bank AG Zurich (HBZ) in Dubai, UAE.

He has held various positions within the HBZ Group, including Alternate Chief Executive at Habib Bank Zurich (Hong Kong) Ltd, prior to which he was an Area Head with HBZ in the UAE. He also worked with Standard Chartered Bank in Geneva and London. He graduated from Babson College in Wellesley, Massachusetts (USA), with a Bachelor of Science in Business Management. He is also a Certified Director from the Pakistan Institute of Corporate Governance.

Sohail P. Ahmed
Non Executive Director

Sohail P. Ahmed has been the Chief Executive of Naya Daur Motors and Mack Trucks, under Ministry of Production and of Allwin Engineering, Agriauto Industries Ltd and Thal Limited in the private sector. He is the Chairman of Pakistan Auto Sector Skill Development Company and Vocational Training Centre for Women, Korangi.

He is a Director on many Boards in public & private sectors having served on Boards of PIDC, Pakistan Steel etc. He has been a member of the Senate of Dawood College of Engineering & Technology and Syndicate of NED University Karachi. He is the Founding Chairman of “Pakistan Association of Automotive Parts & Accessories Manufacturers” (PAAPAM). The Government of Japan has conferred the prestigious decoration, The Order of the Rising Sun, Gold Rays with Neck Ribbon to Sohail P. Ahmed, in recognition of his dedicated contributions for strengthening economic relations and mutual understanding between Japan and Pakistan.

Salman Burney
Non Executive Director

Salman Burney joined the Board in August 2017 as a Non-Executive Director. He began his professional career with ICI Pakistan in Sales and Marketing, holding various roles in Pakistan and at ICI plc, London and as General Manager of ICI's Agrochemicals & Seeds Business.

He later joined Smithkline Beecham in 1992 and was appointed MD, in 1997 with additional responsibility for Iran and the Caspian Region and was later responsible for GlaxoSmithKlines's Pharmaceutical business in Pakistan, Iran and Afghanistan in the capacity of VP/Area GM. He has a degree in Economics from Trinity College, University of Cambridge, UK and has been the President of Pakistan's foreign investors Chamber (OICCI) and Chairperson of the MNC Pharma Association, has led the industry interface with the government on various issues. He has also been a member of the Privatisation Commission, and a member of the Boards of P.I.D.C. and N.T.D.C.

Aqueel E. Merchant
Independent Director

Aqueel E. Merchant is a professional with a wealth of experience spanning more than 30 years in professional services, mainly consulting, covering Banking and Financial Services, FMCGs, Manufacturing, Development, and Government and Public sector clients in Pakistan, Afghanistan, UK and Middle East.

Large projects carried out by him cover Business, IT and HR transformations, Operational Improvements, Governance, Monitoring and Evaluation, Regulatory Compliance, Contract Management and Risk Management. Due to his being the only Senior Partner of EY Ford Rhodes and the founder and Country Leader of the Consulting Business, he is well placed to engage at a strategic level with C-suites and Boards to make a strong contribution to any organization in a leadership capacity.

Ayesha T. Haq
Independent Director

Ayesha T. Haq is a Barrister-at-Law and, for 13 years, was a media personality. She has practiced law in the UK, Pakistan, the Philippines and the USA and has worked on several international projects. A member of the Vision 2020 think tank of the Government of Pakistan, she has worked on policy and governance matters.

She hosted 24Seven on Business Plus, where she has interviewed presidents, prime ministers, political leaders and policymakers. She wrote opinion pieces for several publications and hosted a radio show. She has been the CEO of Fashion Pakistan and organized Pakistan’s first ever fashion week in 2009. At present, she heads Pharma Bureau, the association of the research-based multinational pharmaceutical companies operating in Pakistan.

Our Customers

TOYOTA

SUZUKI

HONDA

Atlas Honda

MASTER

YAMAHA

MILLAT TRACTORS LIMITED

HINO

Our Partners

KYB
Shock Absorbers
& Struts

Gabriel
Shock Absorbers
& Struts

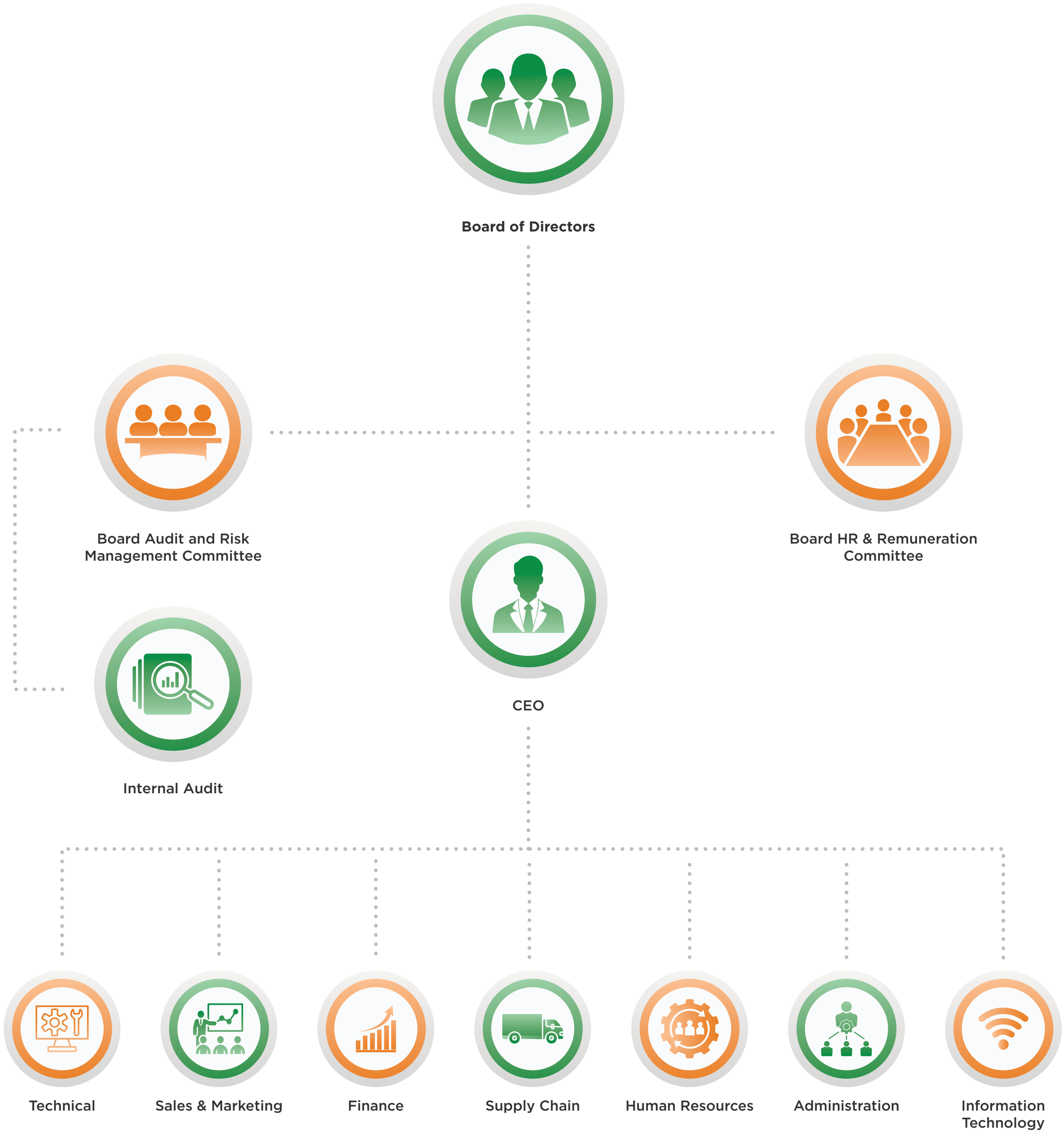
Ogihara
Sheet Metal Parts
& Assemblies

AISIN
Door Hinges
& Power Window
Regulators

KYB
Motorcycle
Suspension

SANNOU RIKEN

Organization Chart



Agriauto Stamping Company (Private) Limited (ASC)

Agriauto Stamping (Private) Limited (ASC) is a wholly owned subsidiary of Agriauto Industries Limited (AIL) and is engaged in the stamping of sheet metal parts, jigs and accessories, primarily serving the automotive sector under the technical assistance agreement with Ogihara (Thailand) Co. Ltd. With a focus on sustainable growth and long-term profitability, ASC continues to pursue new product development opportunities while strengthening its core capabilities.

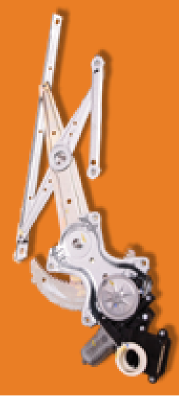
During the year, ASC remained focused on its core expertise in stamping of high-tensile sheet metal parts, with operations continuing to grow alongside an increasing number of parts being produced. In line with its commitment to strengthen technical capabilities and enhance manufacturing efficiency, ASC also installed a robotic welding facility as an R&D initiative, which delivered encouraging results and demonstrated potential for further application.

Management is implementing a series of automation-driven initiatives aimed at fostering innovation, optimizing performance, and enhancing productivity levels across operations. In parallel, ASC is expanding its capability to develop in-house tooling for small parts, supporting import substitution while also strengthening its support to AIL and the local vendor industry.

Our Products

Mcpherson Assemblies

Power Window Regulators



Catalytic Converters

Steering Box - Tractors

Fuel Tank - Passenger Car

Instrument Panels & Door Impact Beams

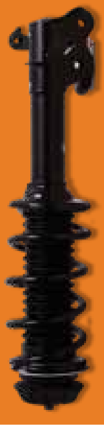
Shock Absorbers

Door Hinges

Front Suspension - Motorcycles

Shock Absorber Components - Motorcycles

Suspension Strut Assemblies



Steel Waiting Chair

Shaping the Future with Precision

Sheet Metal Parts

- Member Front Panel
- Instrument Panel Sub Assembly
- Cowl Assembly
- Member Sub Assembly
- Member Floor Side
- Panel Sub Assembly Body Lower
- Reinforcement Centre Body Sub Assembly
- Front Pillar Sub Assembly
- Cowl Side Panel
- Front Body Pillar
- Side Rail Roof
- Rocker Sub Assembly
- Recliner Panel Sub Assembly
- Back Seat Panel Sub Assembly
- Fuel Tank Panel


agriauto
stampingcompany(Pvt.) Ltd
agriauto
Products

Awards

Timely Development Award | Indus Motor Company

Appreciation Award | Indus Hospital

Outstanding Delivery Performance I Suzuki Motor Company

Skill Development Silver Award | Employers' Federation of Pakistan

Best Delivery Performance Award | Honda Atlas Cars

Recognition Award | Just Transition Forum by Employers' Federation of Pakistan

Employer of the Year - Diamond Award | Employers' Federation of Pakistan

Financial Highlights

KEY PERFORMANCE INDICATORS
CONSOLIDATED

47%

Gross Turnover
Rupees in billion

2025-26	**20.53**
2024-25	14.00

376%

Profit Before Levy and Taxation
Rupees in million

2025-26	**1,685.92**
2024-25	353.92

405%

Profit After Tax
Rupees in million

2025-26	**1,203.41**
2024-25	238.32

102%

EBITDA
Rupees in million

2025-26	**2,373.46**
2024-25	1,172.48

405%

EPS
in Rs.

2025-26	**33.43**
2024-25	6.62

19%

Equity
Rupees in billion

2025-26	**7.19**
2024-25	6.05

177%

Return on Capital Employed
in %

2025-26	**24.4%**
2024-25	8.8%

200%

Return on Fixed Assets
in %

2025-26	**44.25%**
2024-25	14.74%

103%

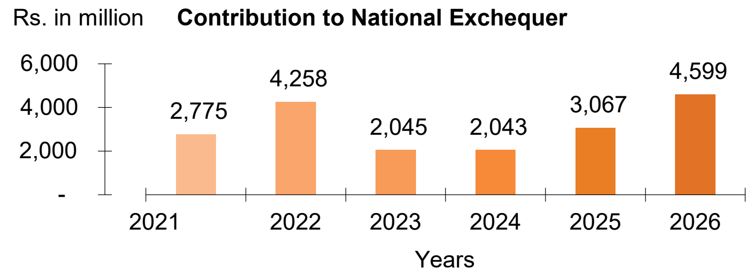
Capital Expenditures
Rupees in million

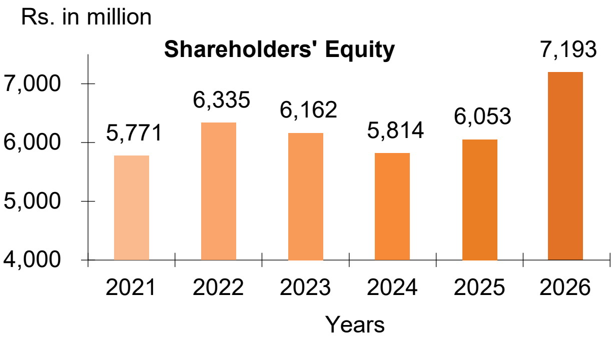
2025-26	**473.48**
2024-25	233.45

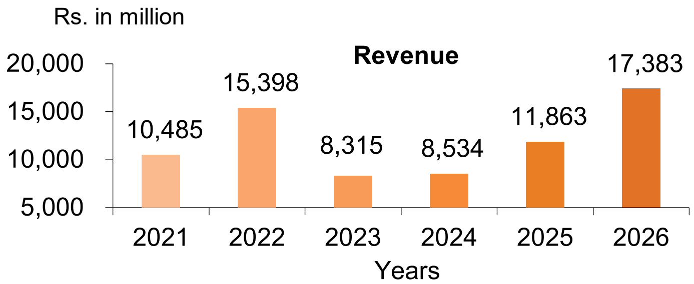
SIX YEARS AT A GLANCE
CONSOLIDATED

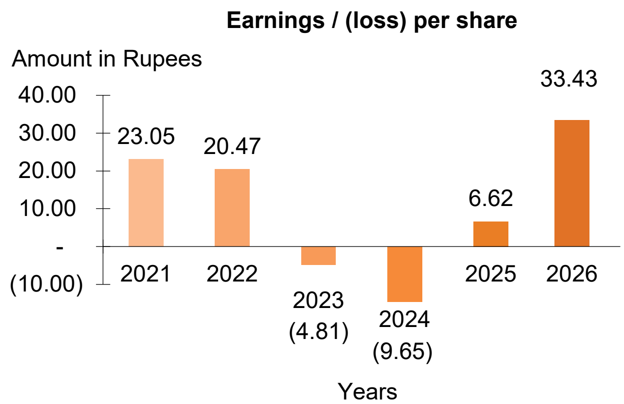
Operating Results	**2026**	2025	2024	2023	2022	2021
Net sales (Rs. in '000)	17,383,149	11,863,435	8,534,184	8,314,517	15,397,684	10,485,027
Gross profit (Rs. in '000)	2,537,854	1,228,099	388,520	542,184	1,930,993	1,685,479
Profit / (loss) before levy and taxation (Rs. in '000)	1,685,924	353,918	(314,660)	(126,308)	1,104,635	1,203,265
Profit / (loss) after taxation (Rs. in '000)	1,203,408	238,324	(347,502)	(173,280)	736,821	829,664
Earnings / (loss) per share (Rs.)	33.43	6.62	(9.65)	(4.81)	20.47	23.05
Cash dividend (%)	100%	35%	-	-	-	220%
Bonus shares	-	-	-	-	25%	-
Financial Position						
Current ratio	2.42 : 1	1.79 : 1	1.98 : 1	2.06 : 1	2.18 : 1	3.89 : 1
Issued, subscribed and paid-up capital (Rs. in '000)	180,000	180,000	180,000	180,000	144,000	144,000
Reserves (Rs. in '000)	7,012,975	5,872,567	5,634,243	5,981,745	6,191,025	5,627,004
Shareholders' Equity (Rs. in '000)	7,192,975	6,052,567	5,814,243	6,161,745	6,335,025	5,771,004
Breakup Value Per Share (Rs.)	199.80	168.13	161.51	171.16	219.97	200.38
Return on Equity (%)	16.73%	3.94%	-5.98%	-2.81%	11.63%	14.38%

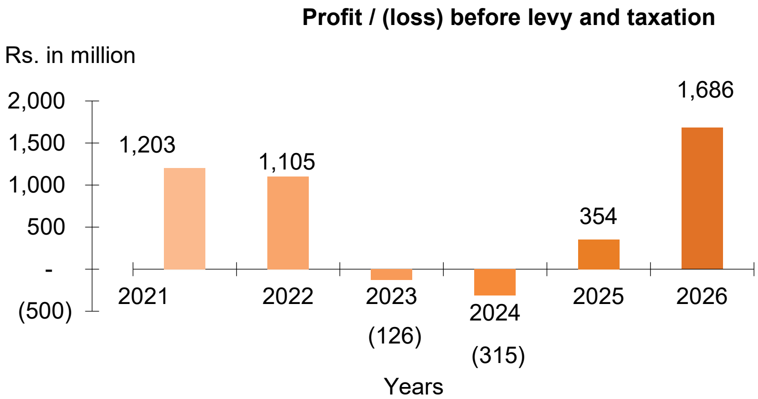
FINANCIAL HIGHLIGHTS
CONSOLIDATED

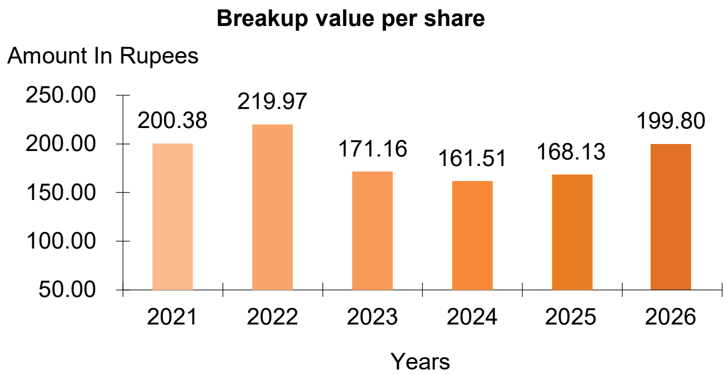












VERTICAL ANALYSIS
CONSOLIDATED

	2026		2025	
STATEMENT OF FINANCIAL POSITION	Rs. In 000's	%	Rs. In 000's	%
EQUITY AND LIABILITIES				
Equity	7,192,975	69.1%	6,052,567	62.7%
Non-Current Liabilities	475,301	4.6%	354,320	3.7%
Current Liabilities	2,748,649	26.4%	3,247,689	33.6%
Total Equity & Liabilities	10,416,925	100.0%	9,654,576	100.0%
ASSETS				
Non-Current Assets	3,773,586	36.2%	3,849,479	39.9%
Current Assets	6,643,339	63.8%	5,805,097	60.1%
Total Assets	10,416,925	100.0%	9,654,576	100.0%
STATEMENT OF PROFIT OR LOSS				
Turnover - net	17,383,149	100.0%	11,863,435	100.0%
Cost of Sales	(14,845,295)	85.4%	(10,635,336)	89.6%
Gross Profit	2,537,854	14.6%	1,228,099	10.4%
Distribution and Marketing Expenses	(310,776)	1.8%	(218,293)	1.8%
Administrative Expenses	(557,380)	3.2%	(442,338)	3.7%
Operating Profit / (Loss)	1,669,698	9.6%	567,468	4.8%
Other Expenses	(170,175)	1.0%	(91,179)	0.8%
Other Income	374,452	2.2%	87,847	0.7%
Finance Costs	(188,051)	1.1%	(210,218)	1.8%
Profit / (Loss) Before Taxation	1,685,924	9.7%	353,918	3.0%
Levy and Taxation	(482,516)	2.8%	(115,594)	1.0%
Profit / (Loss) After Taxation	1,203,408	6.9%	238,324	2.0%

2024		2023		2022		2021	
Rs. In 000's	%	Rs. In 000's	%	Rs. In 000's	%	Rs. In 000's	%
5,814,243	67.7%	6,161,745	67.5%	6,335,025	66.5%	5,771,004	81.4%
530,183	6.2%	658,221	7.2%	167,441	1.8%	98,308	1.4%
2,240,843	26.1%	2,309,539	25.3%	3,023,639	31.7%	1,219,655	17.2%
8,585,269	100.0%	9,129,505	100.0%	9,526,105	100.0%	7,088,967	100.0%
4,158,334	48.4%	4,362,168	47.8%	2,936,929	30.8%	2,350,556	33.2%
4,426,935	51.6%	4,767,337	52.2%	6,589,176	69.2%	4,738,411	66.8%
8,585,269	100.0%	9,129,505	100.0%	9,526,105	100.0%	7,088,967	100.0%
8,534,184	100.0%	8,314,517	100.0%	15,397,684	100.0%	10,485,027	100.0%
(8,145,664)	95.4%	(7,772,333)	93.5%	(13,466,691)	87.5%	(8,799,548)	83.9%
388,520	4.6%	542,184	6.5%	1,930,993	12.5%	1,685,479	16.1%
(139,875)	1.6%	(106,078)	1.3%	(147,689)	1.0%	(122,705)	1.2%
(389,991)	4.6%	(345,031)	4.1%	(324,892)	2.1%	(249,388)	2.4%
(141,346)	1.7%	91,075	1.1%	1,458,412	9.5%	1,313,386	12.5%
(13,755)	0.2%	(168,604)	2.0%	(306,320)	2.0%	(173,508)	1.7%
48,163	0.6%	69,082	0.8%	54,032	0.4%	67,512	0.6%
(207,722)	2.4%	(117,861)	1.4%	(101,489)	0.7%	(4,125)	0.0%
(314,660)	3.7%	(126,308)	1.5%	1,104,635	7.2%	1,203,265	11.5%
(32,842)	0.4%	(46,972)	0.6%	(367,814)	2.4%	(373,601)	3.6%
(347,502)	4.1%	(173,280)	2.1%	736,821	4.8%	829,664	7.9%

HORIZONTAL ANALYSIS
CONSOLIDATED

	2026		2025	
STATEMENT OF FINANCIAL POSITION	Rs. In 000's	26 Vs 25 %	Rs. In 000's	25 Vs 24 %
EQUITY AND LIABILITIES				
Equity	7,192,975	18.8%	6,052,567	4.1%
Non-Current Liabilities	475,301	34.1%	354,320	-33.2%
Current Liabilities	2,748,649	-15.4%	3,247,689	44.9%
Total Equity & Liabilities	10,416,925	7.9%	9,654,576	12.5%
ASSETS				
Non-Current Assets	3,773,586	-2.0%	3,849,479	-7.4%
Current Assets	6,643,339	14.4%	5,805,097	31.1%
Total Assets	10,416,925	7.9%	9,654,576	12.5%
STATEMENT OF PROFIT OR LOSS				
Turnover - net	17,383,149	46.5%	11,863,435	39.0%
Cost of Sales	(14,845,295)	39.6%	(10,635,336)	30.6%
Gross Profit	2,537,854	106.6%	1,228,099	216.1%
Distribution and Marketing Expenses	(310,776)	42.4%	(218,293)	56.1%
Administrative Expenses	(557,380)	26.0%	(442,338)	13.4%
Operating Profit / (Loss)	1,669,698	194.2%	567,468	501.5%
Other Expenses	(170,175)	86.6%	(91,179)	562.9%
Other Income	374,452	326.3%	87,847	82.4%
Finance Costs	(188,051)	-10.5%	(210,218)	1.2%
Profit / (Loss) Before Taxation	1,685,924	376.4%	353,918	212.5%
Levy and Taxation	(482,516)	317.4%	(115,594)	252.0%
Profit / (Loss) After Taxation	1,203,408	404.9%	238,324	168.6%

2024		2023		2022		2021	
Rs. In 000's	24 Vs 23 %	Rs. In 000's	23 Vs 22 %	Rs. In 000's	22 Vs 21 %	Rs. In 000's	21 Vs 20 %
5,814,243	-5.6%	6,161,745	-2.7%	6,335,025	9.8%	5,771,004	12.8%
530,183	-19.5%	658,221	293.1%	167,441	70.3%	98,308	38.8%
2,240,843	-3.0%	2,309,539	-23.6%	3,023,639	147.9%	1,219,655	20.9%
8,585,269	-6.0%	9,129,505	-4.2%	9,526,105	34.4%	7,088,967	14.5%
4,158,334	-4.7%	4,362,168	48.5%	2,936,929	24.9%	2,350,556	4.6%
4,426,935	-7.1%	4,767,337	-27.6%	6,589,176	39.1%	4,738,411	20.1%
8,585,269	-6.0%	9,129,505	-4.2%	9,526,105	34.4%	7,088,967	14.5%
8,534,184	2.6%	8,314,517	-46.0%	15,397,684	46.9%	10,485,027	99.9%
(8,145,664)	4.8%	(7,772,333)	-42.3%	(13,466,691)	53.0%	(8,799,548)	76.2%
388,520	-28.3%	542,184	-71.9%	1,930,993	14.6%	1,685,479	570.3%
(139,875)	31.9%	(106,078)	-28.2%	(147,689)	20.4%	(122,705)	62.6%
(389,991)	13.0%	(345,031)	6.2%	(324,892)	30.3%	(249,388)	0.9%
(141,346)	-255.2%	91,075	-93.8%	1,458,412	11.0%	1,313,386	-1947.2%
(13,755)	-91.8%	(168,604)	-45.0%	(306,320)	76.5%	(173,508)	2199.9%
48,163	-30.3%	69,082	27.9%	54,032	-20.0%	67,512	18.7%
(207,722)	76.2%	(117,861)	16.1%	(101,489)	2360.3%	(4,125)	28.5%
(314,660)	149.1%	(126,308)	-111.4%	1,104,635	-8.2%	1,203,265	-4919.0%
(32,842)	-30.1%	(46,972)	-87.2%	(367,814)	-1.5%	(373,601)	347.6%
(347,502)	100.5%	(173,280)	-123.5%	736,821	-11.2%	829,664	865.1%

Notice Of The Annual General Meeting

NOTICE is hereby given that the 45th Annual General Meeting of the Members of the Company will be held on Thursday, October 22, 2026 at 11:30 AM at the Pearl-Continental (PC) Hotel, Ballroom 1 & 2, Club Road, opposite the PIDC building, Civil Lines, Saddar Town, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2026, together with the Chairman's Review Report, Directors' and Auditors' Report thereon.

   In accordance with Section 223(7) of the Companies Act, 2017, and pursuant to SRO 389 (1)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the Company's website which can be downloaded from the following link and QR enabled code:

   https://www.agriauto.com.pk/pdf/jun-26/ail-annual-report-2026.pdf

2. To approve final cash dividend of 100% i.e. Rs. 5/- per share for the year 2025-26 as recommended by the Board of Directors.

3. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2027. The present Auditors, M/s. A. F. Ferguson & Co., Chartered Accountants, retiring and being eligible, have offered themselves and consented for re-appointment, and the Board of Directors has recommended their appointment.

4. To elect 7 (seven) Directors, as fixed by the Board of Directors in their meeting held on September 1, 2026 for a term of 3 (three) years, in accordance with the provision of the Section 159 (1) of the Companies Act, 2017. The names of the retiring directors who are eligible for re-election are as follows:

1) Mr. Yutaka Arae	2) Mr. Fahim Kapadia	3) Mr. Hamza Habib
4) Mr. Sohail P. Ahmed	5) Mr. Salman Burney	6) Mr. Aqueel E. Merchant

5. To transact any other business with the permission of the Chair.

By Order of the Board
Shaharyar Ashraf Khan
Company Secretary

Karachi
Dated: September 1, 2026

NOTES:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from October 16, 2026 to October 22, 2026 (both days inclusive). Transfer request received in order at our Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, PECHS, Sharah e Faisal Karachi, Tel: +92-21-34380101-5, +92-21-34384621-3 (Ext-103) Fax: +92-21-34380106, at the close of business on October 15, 2026 will be treated in time for the purpose of attending and voting at the Annual General Meeting (AGM).

2. Participation in the AGM via physical presence or through video conferencing

In order to protect wellbeing of the shareholders, the SECP has, vide its circulars issued from time to time, directed the listed companies to hold their general meetings virtually in addition to the requirements of holding physical meetings. In order to facilitate the shareholders, the Company in addition to convening a physical meeting has also arranged attendance of shareholder virtually via video link facility.

The shareholders interested in attending the AGM virtually are requested to register their intent beforehand by submitting their particulars at the designated e-mail address agm@agriauto.com.pk as per the table below. Video conference link details and login credentials will be shared with ONLY those Shareholders, whose particulars are received on or before October 20, 2026, from their registered e-mail addresses.

Shareholder Name	Folio/ CDC No.	CNIC Number	Cell Number	Registered Email Address

The login facility will be opened at 11:00 a.m. on October 22, 2026 enabling the participants to join the proceedings which will start at 11:30 a.m. sharp.

Members whose names appearing in the Register of Members as of October 15, 2026, are entitled to attend and vote at the Meeting. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote for him/her. A proxy must be a Member of the Company.

An instrument of proxy applicable for the Meeting is being provided with the Notice sent to Members. Further copies of the instrument of proxy may be obtained from the Registered Office of the Company during normal office hours. Proxy form may also be downloaded from the Company's website: www.agriauto.com.pk/investor-info/.

An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must, to be valid, be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.

Members are requested to submit a copy of their Computerized National Identity Card/Smart National Identity Card (CNIC/SNIC), if not already provided and notify immediately changes, if any, in their registered address to our Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited.

3. Guidelines for Central Depository Company of Pakistan Limited ('CDC') Account Holders

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000, issued by the SECP.

A. For Attending the Meeting

I. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original CNIC/SNIC or original passport at the time of attending the Meeting.

II. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies

I. In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration detail is uploaded as per the CDC Regulations, shall submit the proxy form as per the requirement.

II. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

III. Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.

IV. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.

V. In case of corporate entities, Board of directors' resolution/power of attorney with specimen signature of the nominee shall be submitted (unless provided earlier) along with the proxy form to Company.

VI. Form of proxy is enclosed.

C. Code of Conduct for Shareholders in General Meeting

I. Section 215 of the Companies Act, 2017 and Regulation 55 of the Companies Regulations, 2024, state the Code of Conduct of the Shareholders as follows:

a) Shareholders are not permitted to exert influence or approach the management directly for decisions which may lead to creation of hurdles in the smooth functioning of management. The law states that Shareholders shall not bring such material that may cause threat to participants or premises where meeting is being held, shall confine themselves to the agenda items covered in the notice of meeting, shall keep comments and discussion restricted to the affairs of the Company and shall not conduct in a manner to disclose any political affiliation or offend religious susceptibility of other members.

b) Any shareholder who fails to conduct in the manner provided in this section and as specified by the Commission shall be guilty of an offence under this section and shall be liable to a penalty not exceeding of level 1 on the standard scale.

II. Additionally, in compliance with Section 185 of the Companies Act, 2017; the Company is not permitted to distribute gifts in any form to its members in its meeting.

4. Postal Ballot / E-Voting

A. Any person who seeks to contest the election to the office of a Director, whether he is retiring director or otherwise, shall file the following documents with the Company Secretary, at its Registered Office, 5th Floor, House of Habib, 3-JCHS, Block 7/8, Shahrah-e-Faisal, Karachi - 75350, not later than fourteen days before the date of the meeting:.

I. Notice of his/her intention to offer himself /herself for election of directors in terms of Section 159(3) of the Companies Act, 2017.

II. Consent to act as director under section 167 of the Companies Act, 2017 along with copy of attested copy of CNIC, NTN or Passport.

III. A detailed profile of the Candidate including his/her office address for placement onto the Company's website as required under the SECP's SRO 1196(I) / 2019 dated October 03, 2019.

IV. A signed declaration confirming that:
- He/she is aware of his/her duties, liabilities and powers under the Companies Act 2017, the Securities Act 2015, Listed Companies (Code of Corporate Governance) Regulations, 2019, listing regulations of Pakistan Stock Exchange, Memorandum and Articles of Association and all other applicable laws/rules/regulations/codes etc.
- He/she is not ineligible to become a director of a listed company under the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and any other applicable law, rules and regulations.
- He / she is not a minor neither of unsound mind nor an un-discharged insolvent.
- He / she is borne on the register of National Taxpayers.
- He / she has not been convicted by a court as defaulter in payment of loan to financial institutions, Development Financial Institution and Non-Banking Financial Institution.
- He / she is not serving as director in more than seven listed companies simultaneously.
- Neither he / she nor his / her spouse is engaged in the business of stock brokerage.
- He / she is aware of “Closed Period”, required prior to the announcement of interim and final results, and business decisions, which may materially affect the market price of the Company's securities.

V. Copy of valid CNIC (in case of Pakistani national)/ Passport (in case of foreign national), and NTN and Folio Number/CDC Investors Account No. /CDC Sub-Account No (applicable for person filing consent for the first time).

VI. A director must be holding qualification shares (i.e. 1,000 shares) of the Company at the time of filing of his / her consent to act as director. The aforesaid qualification shall not be applicable for instances mentioned in Section 153(i) of the Companies Act, 2017.

VII. A candidate consenting for the election as director must be a member of the Company at the time of filing of his/her consent except a person representing a member, which is not a natural person.

B. Independent Directors will be elected through the process of election of directors in terms of Section 159 of the Companies Act, 2017 and they shall meet the criteria laid down under Section 166(2) of the Companies Act, 2017 as well as the Companies (Manner and Selection of Independent Directors) Regulations, 2018. Accordingly, the following additional documents are to be submitted by the candidates intending to contest Election of Directors as an Independent Director:

I. Declaration of independence under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

II. Undertaking on the appropriate denomination of non-judicial stamp paper that he/she meets the requirements of Regulation 4 (1) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

All the notices received for the category of independent director, shall be subject to due diligence by the Company as prescribed under section 166 of the Companies Act, 2017.

The final list of candidates contesting the election will be circulated not later than 07 (seven) days before the date of AGM in terms of Section 159(4) of the Companies Act, 2017. The website of the Company will be updated with the required information and Directors’ profile.

Statement of Material Fact in respect of Appointment of Independent Directors Under Section 166 (3) of the Companies Act, 2017

Section 166 of the Companies Act, 2017 requires that a statement of material facts is annexed to the notice of the general meeting called for the purpose of Election of Directors' which shall indicate the justification for choosing the appointee for appointment as Independent Director.

Accordingly, it will be ensured that the Independent Directors to be elected will meet the criteria set out for independence under Section 166 of the Companies Act, 2017 and Companies (Manner and Selection of Independent Directors) Regulations, 2018 and their names are listed on the data bank of Independent Directors maintained by Pakistan Institute of Corporate Governance duly authorized by the SECP. Appropriate competency, diversity, skill set, knowledge and experience of the contestants shall also be assessed during the finalization of Independent Directors. No directors have direct or indirect interest in the above said business, except as shareholders and that they may consent for Election of Directors accordingly.

5. Procedure For E-Voting and Voting through Postal Ballot

In accordance with the Companies (Postal Ballot) Regulations, 2018, the right to vote through electronic voting facility will be provided if the number of persons who offer themselves to be elected is more than the number of directors fixed under Section 159(1) of the Companies Act, 2017 and Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Details of e-voting facility will be shared through e-mail with those members of the Company who have their valid CNIC numbers, Cell Numbers and e-mail addresses available in the register of Members of the Company within due course.

E-Voting lines will start from October 15, 2026, 05:00 p.m. and shall close on October 21, 2026 at 05:00 p.m. Members can cast their votes any time in this period. Once the vote is cast by a member, he / she shall not be allowed to change it subsequently.

The members may alternatively opt for voting through postal ballot which will be circulated to them. The postal ballot paper will also be available for download from the website of the Company at www.agriauto.com.pk

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address, 5th Floor, House of Habib, 3-JCHS, Block 7/8, Shahrah-e-Faisal, Karachi -75350 or email at agm@agriauto.com.pk one day before AGM i.e. on October 21, 2026 by 05:00 p.m.

A postal ballot received after this time/date shall not be considered for voting. The signature on the ballot paper shall match the signature on CNIC.

Once the vote is cast by a member/proxy holder, he/she shall not be allowed to change it subsequently.

Members who have not exercised their right to vote earlier may cast their vote in person at the venue on the day of the Meeting through a ballot provided at the venue.

Please note that in case of any dispute in voting including the casting of more than one vote, the decision of the Chairman of the meeting shall be final.

6. Electronic Transmission of Annual Report

In compliance with Section 223(6) of the Companies Act, 2017, the Company has electronically transmitted the Annual Report 2026 through e-mail to shareholders whose e-mail addresses are available with the Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited.

Notwithstanding the above, the Company will provide hard copies of the Annual Report 2026, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request. Further, Members are requested to kindly provide their valid e-mail address (along with a copy of valid CNIC) to the Company's Share Registrar, FAMCO Share Registration Services (Pvt.) Limited if the Member holds shares in physical form or, to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.

Pursuant to Notification vide SRO.787(I)/2014 of September 08, 2014, the SECP has directed to facilitate the members of the Company receiving Annual Financial Statements and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through e-mail in future. In this respect, members are hereby requested to convey their consent via e-mail on a standard request form which is available at the Company website i.e. www.agriauto.com.pk/investor-info/. Please ensure that your e-mail has sufficient rights and space available to receive such e-mail. Further, it is responsibility of the member to timely update the Share Registrar of any change in the registered e-mail address.

7. Submission of CNIC/SNIC/NTN (Mandatory)

Pursuant to the directives of the SECP, the dividend of shareholders whose CNIC/SNIC or NTN (in case of corporate entities), are not available with the Share Registrar could be withheld. Shareholders are therefore, requested to submit a copy of their valid CNIC/SNIC (if not already provided) to the Company's Share Registrar, FAMCO Share Registration Services (Pvt.) Limited, 8-F, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi.

8. Dividend Mandate (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act 2017, and Regulation 4 of the Companies (Distribution of Dividends) Regulations 2017, a listed company is required to pay cash dividend to the shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders instead of issuing physical dividend warrants.

In compliance with the above law, in order to receive dividends directly in your bank account, you are requested to provide the information mentioned in the Form placed at the Company's website http://www.agriauto.com.pk otherwise the Company would be constrained to withhold payment dividend (if any) in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations 2017. Shareholders shall submit the information directly to their brokers / Central Depository Company Ltd. If the shares are held in the electronic form or to the Company's Share Registrar if the shares are held in physical form.

9. Deposit of Physical Shares in CDC account

As per Section 72 of the Companies Act, 2017 every listed company is required to replace its physical shares with book-entry form. Therefore, the shareholders having physical shares are requested to convert the shares into book entry.

10. Withholding Tax on Dividend

The rates of deduction of income tax from dividend payments under Section 150 of the Income Tax Ordinance, 2001 shall be as follows:

1. Persons appearing in Active Tax Payers List (ATL) 15%
2. Persons not appearing in Active Tax Payers List (ATL) 30%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL before the first day of book closure, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate or stay order from a competent court of law is made available to FAMCO Share Registration Services (Pvt.) Limited, by the first day of Book Closure.

Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding Proportions of Principal shareholders and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Share Registrar, in writing as follows:

Company Name	Folio / CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No.of Shares)	Name and CNIC #	Shareholding Proportion (No.of Shares)

The required information must reach our Share Registrar within ten days of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint-holder(s).

Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send copy of their NTN certificate to the Company or FAMCO Share Registration Services (Pvt.) Limited. Shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company name and their respective folio numbers. Without the NTN, the Company would not be in a position to check filer status on the ATL and hence higher tax of 30% may be applied in such cases.

11. Zakat Exemption

Zakat will be deducted from the dividends at source at the rate of 2.5% of the paid-up value of the share (Rs. 5/- each) and will be deposited within the prescribed period with the relevant authority. In order to claim exemption from compulsory deduction of zakat Shareholders who hold Company's shares in physical form, are requested to deposit before the first day of book closure, a notarized copy of their Zakat Declaration on Form CZ-50 executed on NJSP of Rs. 200/- with Company's Shares Registrar duly mentioning Folio No. and Name. Shareholders who hold Shares in book entry shall deposit their zakat declaration on Form CZ-50 with CDC Investor Account Services/CDC Participant/Stockbrokers duly mentioning CDS Account No. and name of shareholder for uploading on the CDS in the CDC account of the shareholder.

Further, non-Muslim shareholders are also required to file Solemn Affirmation available on (https://famcosrs.com/downloads) with the Share Registrar of the Company in case of shares held in physical form and with CDC Participant/Investor Account Services in case shares are in scripless form. No exemption will be allowed unless the above documents are made available completely in all respect.

12. Availability of Annual Audited Financial Statements on the Company's Website

In accordance with the provisions of Section 223(7) of the Companies Act 2017, the audited financial statements of the Company for the year ended June 30, 2026, are available on the Company's website (www.agriauto.com.pk).

13. Restriction on Distribution of Gifts

In accordance with the directive issued by the SECP vide SRO 452(I)/2025 dated March 17, 2025, the Company would like to inform all the shareholders that no gifts will be distributed.

Diversification Initiatives

The Company has embarked on a new phase of growth by expanding beyond its traditional automotive business and building new revenue streams. During the year, trial production of Steel Waiting Chairs commenced, while the power distribution business achieved key milestones with the approval of ED-coated Small and Large Bus Bar Boxes and continued development of utility products.

Chairman's Review

Chairman's Review

Dear Shareholders,

It is my privilege to present the Annual Report of Agriauto Industries Limited and its subsidiary, Agriauto Stamping Company (Private) Limited, for the year ended June 30, 2026.

During FY 2025–26, Pakistan's economy demonstrated encouraging resilience, with GDP growth reaching 3.7%, the highest rate in the last four years. The improvement in macroeconomic indicators, supported by easing inflation, stronger external accounts, and greater financial stability, contributed to improved business sentiment and a gradual recovery in industrial activity. This positive momentum was also reflected in the automotive sector, where improved consumer confidence and lower financing costs supported higher vehicle sales across passenger and commercial segments.

The automotive sector is entering a new phase of transformation as the Government advances its vision for New Energy Vehicles (NEVs) through policy support and incentives aimed at accelerating their adoption. While we welcome these initiatives, it is equally important that the policy framework continues to strengthen Pakistan's local automotive parts manufacturing industry, which has played a pivotal role in promoting localization, technology transfer, employment, and industrial development. A well-designed cascading tariff structure—where higher duties apply to Completely Built Units (CBUs) and lower duties to raw materials, components, and parts used in local manufacturing—remains fundamental to sustaining domestic value addition and enhancing the competitiveness of the vendor industry. As the Government finalizes the Auto Industry Development Policy 2026–31, we remain optimistic that it will provide a balanced and predictable roadmap that supports both the transition towards new mobility technologies and the long-term growth of Pakistan's automotive manufacturing ecosystem.

Despite operating in an evolving business environment, your Company remained focused on operational excellence, customer satisfaction, and prudent financial management. We continued to strengthen our manufacturing capabilities, improve operational efficiencies, and invest in our people to meet the evolving requirements of our customers and support future growth opportunities.

On behalf of the Board of Directors, I extend my sincere appreciation to our employees for their dedication, professionalism, and commitment throughout the year. I also thank our valued customers, business partners, shareholders, regulators, and all other stakeholders for their continued confidence and support. Our commitment to responsible corporate citizenship remains unwavering, and during the year the Company contributed Rs. 9.1 million towards healthcare, education, and community development initiatives.

As we look ahead, we remain confident in the long-term prospects of Pakistan's automotive industry. Guided by strong governance, a dedicated workforce, and an unwavering commitment to quality, innovation, and localization, your Company is well positioned to navigate the evolving industry landscape and continue creating sustainable value for its stakeholders.

Yutaka Arae
Chairman
September 1, 2026

چیئرمین کا جائزہ

محترم حصص یافتگان،

مجھے یہ اعزاز حاصل ہے کہ میں 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے اگیری آٹو انڈسٹریز لمیٹڈ اور اس کی ذیلی کمپنی اگیری آٹو اسٹیمپنگ کمپنی (پرائیویٹ) لمیٹڈ کی سالانہ رپورٹ آپ کی خدمت میں پیش کر رہا ہوں۔

مالی سال 26-2025 کے دوران پاکستان کی معیشت نے حوصلہ افزا استحکام کا مظاہرہ کیا، جہاں مجموعی قومی پیداوار (GDP) کی شرح نمو 3.7 فیصد رہی، جو گزشتہ چار برسوں کی بلند ترین شرح تھی۔ افراطِ زر میں کمی، بیرونی شعبے کی مضبوط کارکردگی اور مالیاتی استحکام میں بہتری جیسے معاشی اشاریوں نے کاروباری اعتماد میں اضافہ کیا اور صنعتی سرگرمیوں کی بتدریج بحالی میں اہم کردار ادا کیا۔ یہ مثبت رجحان آٹوموٹیو صنعت میں بھی نمایاں طور پر نظر آیا، جہاں صارفین کے بڑھتے ہوئے اعتماد اور فنانسنگ کی لاگت میں کمی کے باعث مسافر اور تجارتی دونوں اقسام کی گاڑیوں کی فروخت میں خاطرخواہ اضافہ ریکارڈ کیا گیا۔

آٹوموٹیو صنعت ایک نئے تبدیلی کے مرحلے میں داخل ہو رہی ہے، جہاں حکومت نیو انرجی وہیکلز (NEVs) کے فروغ کے اپنے تصور کو پالیسی معاونت اور مختلف مراعات کے ذریعے عملی جامہ پہنا رہی ہے تاکہ ان گاڑیوں کے استعمال میں تیزی لائی جا سکے۔ ہم ان اقدامات کا خیرمقدم کرتے ہیں، تاہم اس کے ساتھ یہ بھی نہایت ضروری ہے کہ پالیسی فریم ورک پاکستان کی مقامی آٹوموٹیو پارٹس مینوفیکچرنگ صنعت کو مزید مضبوط بنائے، جس نے گزشتہ برسوں کے دوران لوکلائزیشن، ٹیکنالوجی کی منتقلی، روزگار کے مواقع پیدا کرنے اور صنعتی ترقی میں کلیدی کردار ادا کیا ہے۔ ایسا متوازن کاسکیڈنگ ٹیرف اسٹرکچر، جس کے تحت مکمل تیار شدہ درآمدی گاڑیوں پر زیادہ درآمدی ڈیوٹی جبکہ مقامی پیداوار میں استعمال ہونے والے خام مال، کمپوننٹس اور پرزہ جات پر نسبتاً کم ڈیوٹی عائد ہو، مقامی ویلیو ایڈیشن کو فروغ دینے اور وینڈر انڈسٹری کی مسابقتی صلاحیت کو برقرار رکھنے کے لیے بنیادی اہمیت رکھتا ہے۔ حکومت کی جانب سے آٹو انڈسٹری ڈویلپمنٹ پالیسی 31-2026 کو حتمی شکل دی جا رہی ہے، اور ہمیں امید ہے کہ یہ پالیسی ایک متوازن، واضح اور قابلِ پیش گوئی روڈ میپ فراہم کرے گی، جو ایک جانب نئی موبلٹی ٹیکنالوجیز کی جانب منتقلی کی حمایت کرے گی اور دوسری جانب پاکستان کی آٹوموٹیو مینوفیکچرنگ صنعت کی طویل المدتی ترقی کو بھی یقینی بنائے گی۔

بدلتے ہوئے کاروباری ماحول کے باوجود، آپ کی کمپنی نے آپریشنل عمدگی، صارفین کے اطمینان، اور محتاط مالیاتی نظم و نسق پر اپنی توجہ مرکوز رکھی۔ ہم نے اپنی مینوفیکچرنگ صلاحیتوں کو مزید مستحکم کیا، آپریشنل کارکردگی میں بہتری لائی، اور اپنے ملازمین کی ترقی میں سرمایہ کاری جاری رکھی تاکہ صارفین کی بدلتی ہوئی ضروریات کو بہتر انداز میں پورا کیا جا سکے اور مستقبل میں دستیاب ترقی کے مواقع سے بھرپور فائدہ اٹھایا جا سکے۔

بورڈ آف ڈائریکٹرز کی جانب سے، میں اپنے تمام ملازمین کا ان کی انتھک محنت، پیشہ ورانہ صلاحیت، اور سال بھر کے عزم و وابستگی پر دلی شکریہ ادا کرتا ہوں۔ میں اپنے معزز صارفین، کاروباری شراکت داروں، حصص یافتگان، ریگولیٹری اداروں اور دیگر تمام اسٹیک ہولڈرز کا بھی ان کے مسلسل اعتماد، تعاون اور حمایت پر تہہ دل سے ممنون ہوں۔ ذمہ دارانہ کارپوریٹ طرزِ عمل کے لیے ہمارا عزم بدستور مضبوط ہے، اور سال کے دوران کمپنی نے صحت، تعلیم اور کمیونٹی کی ترقی سے متعلق مختلف منصوبوں کے لیے 9.1 ملین روپے کا تعاون فراہم کیا۔

مستقبل کی جانب دیکھتے ہوئے، ہمیں پاکستان کی آٹوموٹیو صنعت کے طویل المدتی کارکردگی پر مکمل اعتماد ہے۔ مضبوط کارپوریٹ گورننس، باصلاحیت اور پُرعزم افرادی قوت، اور معیار، جدت اور لوکلائزیشن کے لیے غیر متزلزل وابستگی کی بدولت، آپ کی کمپنی بدلتے ہوئے صنعتی ماحول میں کامیابی کے ساتھ آگے بڑھنے اور اپنے تمام اسٹیک ہولڈرز کے لیے پائیدار اور دیرپا قدر پیدا کرنے کے لیے بھرپور طور پر تیار ہے۔

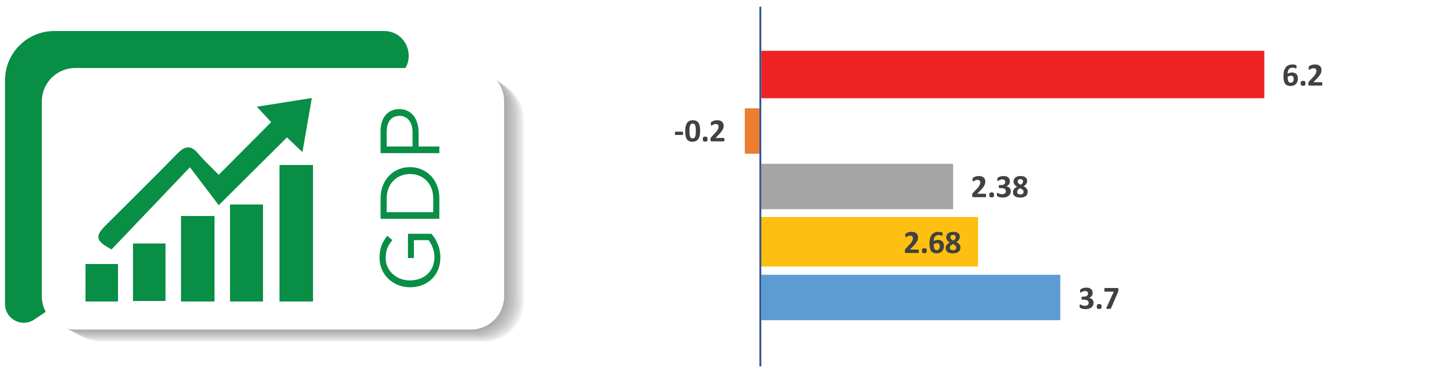
یوٹا کا آرائے
چیئرمین

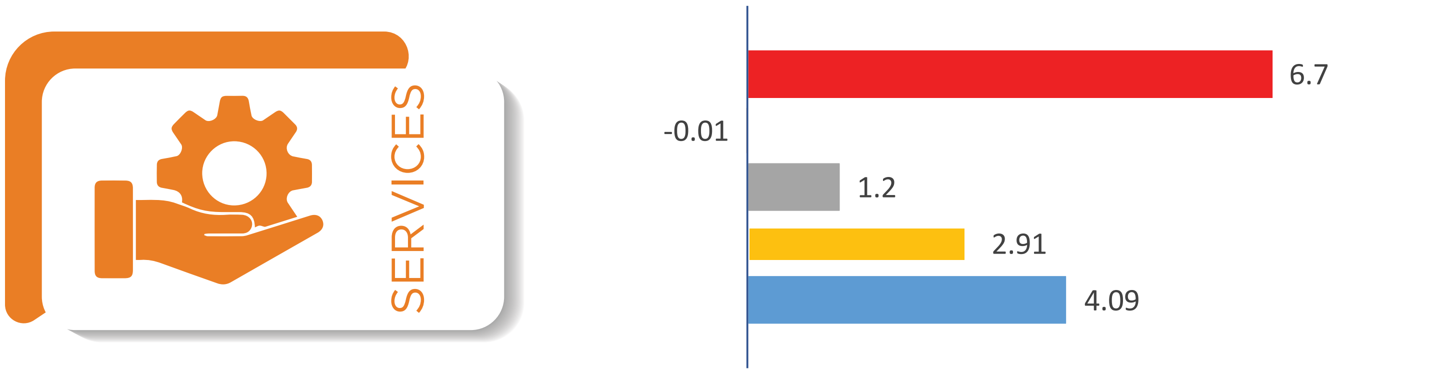
1 ستمبر 2026ء

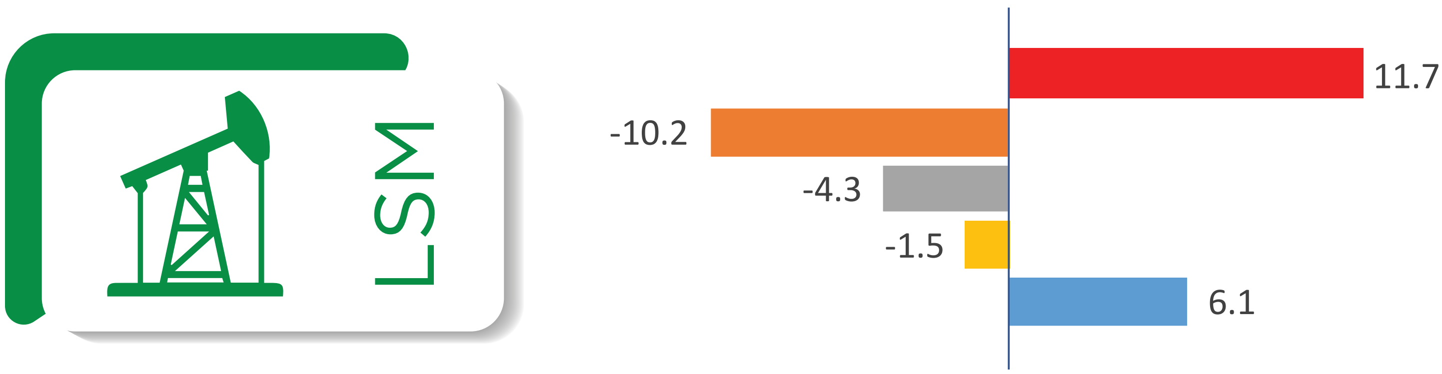
Directors' Report to the Shareholders

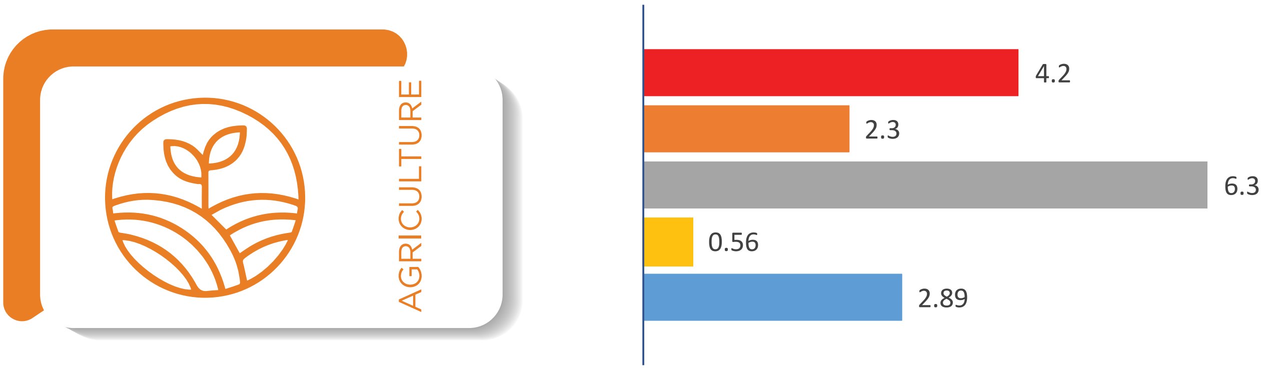
State Of The Economy | 2026

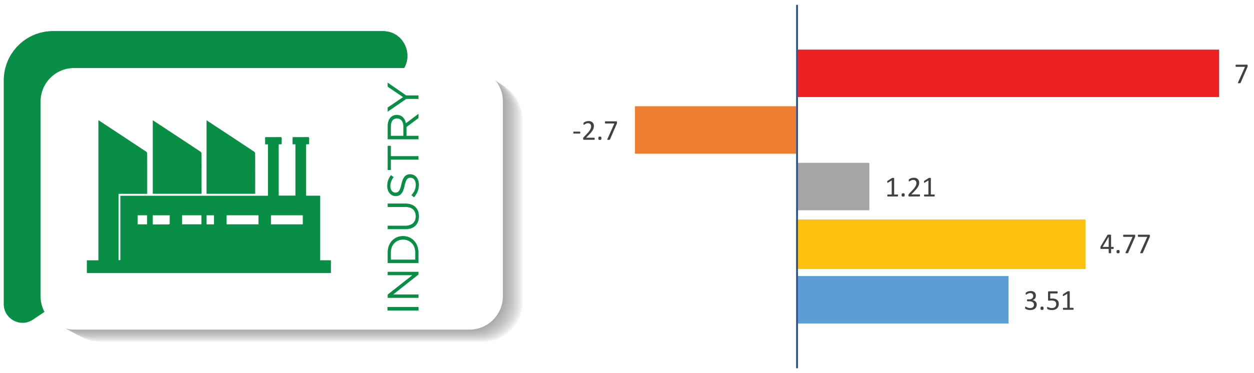
2022 2023 2024 2025 2026








AGRICULTURE
4.2
2.3
6.3
0.56
2.89


INDUSTRY
7
-2.7
1.21
4.77
3.51


INFLATION
12.2
28.2
26
4.7
6.2

DIRECTORS' REPORT TO THE SHAREHOLDERS

FOR THE YEAR ENDED JUNE 30, 2026

The Directors of Agriauto Industries Limited ("the Company") and its subsidiary Agriauto Stamping Company (Private) Limited (hereinafter referred to as "the Group") take pleasure in presenting the Directors' Report, along with the Audited Financial Statements of the Group for the year ended June 30, 2026.

ECONOMIC OVERVIEW

The year FY 2025–26 witnessed changing global conditions, geopolitical developments, and shifts in international trade. International markets continued to monitor developments in the Middle East, alongside the ongoing Russia–Ukraine conflict and other regional developments, which periodically influenced energy prices and global supply chains.

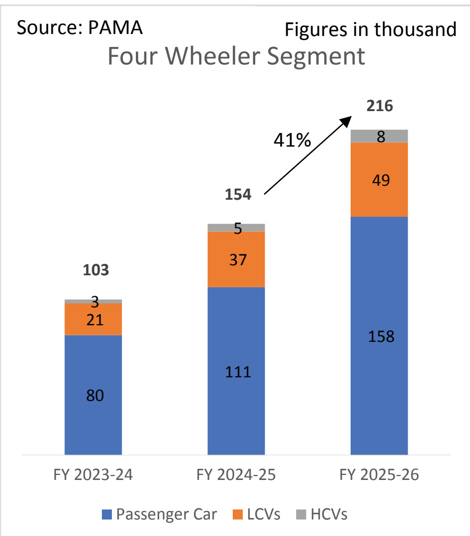
Against this backdrop, Pakistan's economy demonstrated encouraging improvement during FY 2026. The country's GDP expanded by 3.7%, while large-scale manufacturing returned to positive growth after three consecutive years of contraction. The external sector strengthened considerably, with Pakistan recording its first current account surplus in more than a decade, supported by record workers' remittances. Inflation moderated significantly for most of the year, foreign exchange reserves improved, and business confidence strengthened, creating a more conducive environment for industrial and commercial activity.

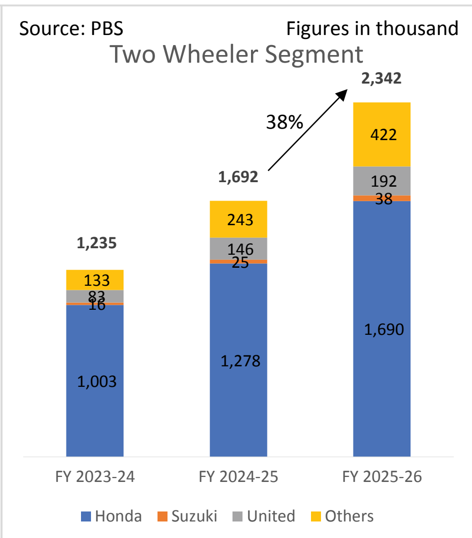
Looking ahead, the Government has set a GDP growth target of 4% for the next year, while continuing to implement structural reforms under the IMF's Extended Fund Facility (EFF) and the Resilience and Sustainability Facility (RSF). Continued policy consistency, fiscal discipline, and reforms aimed at enhancing industrial competitiveness will be important in sustaining economic momentum and supporting long-term growth in Pakistan's manufacturing sector.

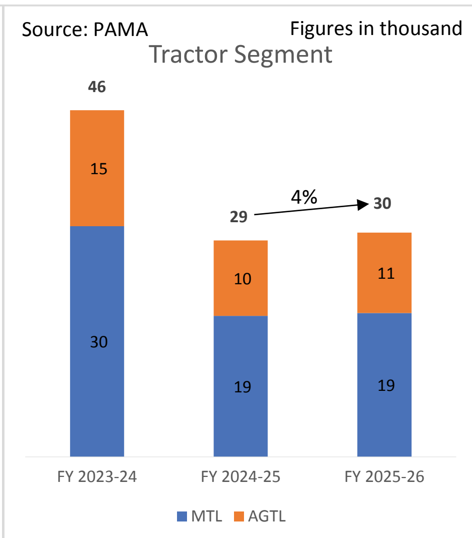
INDUSTRY OVERVIEW

Pakistan's automotive industry continued to evolve during FY 2026, driven by improving market demand, changing consumer preferences, and the introduction of new vehicle technologies. The entry of new assemblers and the introduction of a wider range of hybrid and electric vehicles intensified competition, providing consumers with greater choice while accelerating the industry's transition towards advanced mobility solutions. These developments present new opportunities for technological advancement and supply chain expansion, while also requiring the domestic manufacturing base to continuously enhance its capabilities and competitiveness.

This is reflected in the annual performance of the 4-wheeler, 2-wheeler and tractor segments, which witnessed an increase of 41% 38% and 4%, respectively. This information is illustrated in the graph below:







*The above data does not include the imported vehicles and assemblers not registered with Pakistan Automotive Manufacturers Association (PAMA) / Pakistan Bureau of Statistics (PBS).

At the same time, the Government continued to advance its trade and industrial reform agenda through the National Tariff Policy 2025–30 and the Finance Act 2026–27. While these reforms are intended to promote greater efficiency and integration with global markets, it is essential that they also preserve the progress made in developing Pakistan's automotive vendor industry. Over the years, local parts manufacturers have invested significantly in production capacity, technology, and human capital, resulting in higher localization levels and meaningful employment generation. As the Government is in the process of formulating the Auto Industry Development Policy 2026–31, the industry looks forward to a balanced policy framework that encourages investment, supports local value addition, and provides long-term certainty for manufacturers across the automotive supply chain.

FINANCIAL AND BUSINESS PERFORMANCE

Consolidated Results

On a consolidated basis, the Group's sales reported an increase of 47%, Rs. 17.4 billion in FY 2026, compared to the previous year. Consequently, the Group reported a profit after taxation of Rs. 1,203 million as compared to a profit after taxation of Rs. 238 million last year. The increase for the year is mainly attributable to the rise in the production and sale of passenger cars.

	2026	2025
	----Rs in million----	
Turnover	17,383	11,863
Gross profit	2,538	1,228
Profit before levy and taxation*	1,686	354
Levy and taxation	(483)	(116)
Profit after taxation	1,203	238
Earnings per share (Rs.)	33.43	6.62

*This includes Rs. 311.01 million (FY 2025: Nil) recognised on account of the present value measurement of Sindh Infrastructure and Development Cess (SIDC) liability in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" as disclosed in note 18 to the consolidated financial statements.

Standalone Results

During FY 2026, sales for the year closed at Rs. 10.7 billion, representing an increase of 38% as compared to last year. Consequently, the Company achieved a profit after tax of Rs. 681 million as compared to a profit after tax of Rs. 99 million in the preceding year. The profit for the year is mainly attributable to the improved automotive demand, due to declining interest rates and improved consumer outlook.

	2026	2025
	----Rs in million----	
Turnover	10,730	7,762
Gross profit	661	357
Profit before levy and taxation*	551	97
Levy and taxation	130	2
Profit after taxation	681	99
Earnings per share (Rs.)	18.93	2.75

*This includes Rs. 195.97 million (FY 2025: Nil) recognised on account of the present value measurement of Sindh Infrastructure and Development Cess (SIDC) liability in accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” , and dividend income of Rs. 457.6 million (FY 2025: Rs. 343.2 million) from the Company's wholly owned subsidiary, Agriauto Stamping Company (Private) Limited (ASC) as disclosed in note 19 and 31 respectively to the unconsolidated financial statements.

Key Highlights of the Year

- **Decline in Camshaft Sales**

  The Group undertook a comprehensive review of its camshaft sales and concluded that sustained low demand from the tractor industry had rendered the business commercially unviable. Subsequently, the remaining raw material inventory was sold to the respective customers, and the related plant and machinery were disposed of. The closure of the camshaft business will have negligible effect on the Group's turnover or asset base.

- **Discontinuation of Yamaha Operations in Pakistan**

  Yamaha Motor Pakistan (Private) Limited (YMPK) announced the discontinuation of its operations in Pakistan effective June 2026. The discontinuation of YMPK operations will have a negligible effect on the Group’s turnover.

- **Settlement of Sindh Infrastructure and Development Cess (SIDC) Liability**

  The SIDC is a statutory levy originally introduced under section 9 of the Sindh Finance Act, 1994, with effect from July 1, 1994, and subsequently governed by the Sindh Development and Maintenance of Infrastructure Cess Act, 2017, which retrospectively validated the levy from July 1, 1994. The levy was challenged by the Group before the Sindh High Court on the grounds that it was ultra vires the Constitution and beyond the legislative competence of the Provincial Legislature. The Sindh High Court dismissed the petitions and upheld the levy in favour of the Government of Sindh. The matter was thereafter taken up before the Supreme Court of Pakistan, which suspended recovery of the levy pending final determination. The Group withdrew the case before the Federal Constitutional Court following the settlement agreement reached in April 2026.

  Following the enactment of the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, the Government of Sindh (GoS) introduced a statutory framework for settlement of outstanding SIDC liabilities. After a series of discussions with the GoS, the Group entered into a settlement under which the consolidated SIDC liability, relating to the period from FY 2006 to FY 2026, was determined at Rs. 671.15 million (including Rs. 436.15 million for Agriauto Industries Limited), payable over approximately 14 years from the reporting date. The settlement provides for three instalments of Rs. 100.67 million (including Rs. 65.42 million for Agriauto Industries Limited) (15%) each in July 2026, October 2026 and July 2027, with the remaining Rs. 369.13 million (including Rs. 239.88 million for Agriauto Industries Limited) (55%) payable in 48 equal quarterly instalments commencing July 2028 on a consolidated basis.

  In accordance with IFRIC 21 and IAS 37, the Group reassessed the carrying amount of the SIDC liability and determined the best estimate of the expenditure required to settle the obligation. Given that the settlement is payable over approximately 14 years and the effect of the time value of money was material, the liability is measured at the present value of the expected future cash outflows in accordance with IAS 37. This resulted in the recognition of other income of Rs. 311.01 million (including Rs. 195.97 million for Agriauto Industries Limited) arising from the discounting effect, as disclosed in note 18 and note 19 to the consolidated and unconsolidated financial statements respectively. The first instalment of Rs. 100.67 million (including Rs. 65.42 million for Agriauto Industries Limited) has been paid upon execution of the settlement agreement in April 2026.

Industry Outlook

Pakistan's automotive components industry is entering a period of transition as regulatory reforms, evolving consumer preferences, and technological advancements reshape the automotive landscape. With the expiry of the Auto Industry Development & Export Policy 2021–26, the industry awaits the introduction of the new 2026–31 policy, which is expected to place greater emphasis on electric vehicles (EVs) and encourage the introduction of new models across different market segments. At the same time, the implementation of the National Tariff Policy and the gradual rationalization of import tariffs are expected to intensify competition by lowering barriers to imported vehicles and componentswhile encouraging greater localization as OEMs seek to improve cost competitiveness and strengthen domestic supply chains.

The increasing presence of Chinese vehicle manufacturers, the gradual adoption of EVs, and evolving customer preferences are expected to create both opportunities and challenges for local component manufacturers. While demand for certain traditional automotive components may come under pressure over the longer term, suppliers that invest in product development, process improvement, and technological capabilities will be better positioned to support new vehicle platforms and evolving mobility solutions. The industry's long-term competitiveness will ultimately depend on policy consistency, macroeconomic stability, and sustained investment in manufacturing capabilities and skilled human resources.

Future Outlook

The Group will continue to focus on maintaining operational efficiency, strengthening product quality, and supporting its OEM customers through reliable and cost-effective localized solutions. As the automotive industry adapts to changing technologies and increasing competition, management recognizes the need to continuously improve manufacturing processes, optimize costs, and enhance technical capabilities to meet evolving customer requirements.

Looking ahead, the Group will continue to pursue opportunities for localization of imported components, expand its product offering where commercially viable, and improve the utilization of its manufacturing facilities. At the same time, management remains mindful of the challenges posed by changing tariff structures, increasing competition from imported components, the gradual transition toward EVs, and fluctuations in economic conditions. By maintaining financial discipline, investing selectively in technology, and strengthening collaboration with OEM customers, the Group aims to preserve its competitiveness while creating sustainable long-term value for its stakeholders.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

The Group remains committed to maintaining the highest standards of health, safety, and environmental (HSE) performance by ensuring compliance with applicable regulations and industry best practices. The Group promotes a strong safety culture through continuous training, leadership commitment, stakeholder engagement, and the provision of adequate resources to safeguard employees, protect the environment, and support community well-being.

During FY 2025–26, the Group continued to benefit from its 2.5 MW solar power facility, which contributed to reducing reliance on conventional energy sources and lowering greenhouse gas emissions. The project continues to support the Group's long-term environmental objectives.

Key HSE initiatives during the year included the installation of an LPG storage system to ensure uninterrupted operations during gas supply disruptions, the completion of 1,540 hours of safety training, regular emergency drills, and the celebration of Safety Week, featuring management safety walks, emergency response training, safe driving awareness, and employee engagement activities.

The Group also strengthened its environmental stewardship through Earth Day and World Environment Day initiatives, during which 100 trees were planted and environmental awareness sessions were conducted. Additionally, employees and management participated in a beach clean-up campaign at Clifton Beach, Karachi, collecting approximately 120 kg of waste, reinforcing the Group's commitment to sustainability, environmental conservation, and community engagement.

HUMAN RESOURCES (HR)

Our people are the driving force behind our success. We are committed to creating a workplace where employees are empowered to learn, grow and contribute to operational excellence while upholding the Group's core values. Our people strategy focuses on developing capabilities, fostering engagement, promoting inclusion and ensuring the health, safety and well-being of our workforce.

By investing in our employees and cultivating a culture of collaboration, innovation and continuous improvement, we are building a resilient organization equipped to meet evolving business challenges and create sustainable long-term value for all stakeholders.

The Group ensures strict compliance with all applicable laws and regulations, safeguarding the well-being of its workforce and the communities in which we operate.

Training and Development

Building future-ready capabilities remained a strategic priority during the year. The Group continued to invest in structured learning and development initiatives to strengthen employees' technical, functional, leadership and digital capabilities. Training programmes covered key areas including quality management, production excellence, digitization, Microsoft Excel, Power BI, communication, teamwork, negotiation and supervisory effectiveness, supporting continuous improvement across the organization.

Employee Engagement and Well-being

Employee engagement and well-being remained important priorities during the year. The Group continued to monitor employee feedback through regular engagement surveys and check-ins, while undertaking various initiatives to foster collaboration, enhance the employee experience and promote work-life balance.

During the year, the Group also introduced the RESET Well-being Framework, a structured initiative focused on improving employees' physical health, financial well-being and social connectedness. Together with activities such as sports events, health camps and the reinstatement of the employee recreation room, these initiatives reflect the Group's commitment to building a healthy, engaged and productive workforce.

Diversity, Equity and Inclusion (DE&I)

The Group is committed to promoting a diverse and inclusive environment. The workforce includes 54 female employees across the organisation, reflecting the Group’s ongoing efforts to promote gender inclusion. The Group has various DE&I policies, including maternity and paternity leave policies and it continues to implement processes to encourage gender mainstreaming and enhance women’s participation.

DE&I initiatives are closely monitored to ensure we foster a more inclusive and equitable work environment.

The Board continues to monitor the Group’s efforts, ensuring that our strategies and targets are periodically reviewed and aligned with our long-term vision of creating corporate value through responsible and sustainable business practices.

Gender Pay Gap

The Group is committed to fostering an inclusive and equitable workplace where all employees have equal opportunities to grow and succeed. Consequently, our compensation is benchmarked with the market, irrespective of gender.

The following is the gender pay gap calculated for the year:

Mean gender pay gap	-7%
Median gender pay gap	0%

Any variation in pay is due to professional experience, education, employee performance, and market dynamics.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Group believes in giving back to society and is committed to improving the quality of life of our stakeholders, communities, and the underprivileged members of society. The Group made a total contribution of Rs. 9.1 million (2025: Rs. 3.8 million) during the year in CSR activities.

Various activities were conducted across all our business segments. The primary focus of these measures is on healthcare, education, environment, employees' welfare, and community development.

The Group distributes ration hampers among all its workers each year, to support the well-being of workers and their families.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year under review, the Group contributed Rs. 4.60 billion (2025: Rs. 3.07 billion) to the National Exchequer in the form of duties and direct and indirect taxes.

RELATED PARTY TRANSACTIONS

All transactions with related parties have been carried out in the normal course of business at agreed terms and have been disclosed in relevant notes to the financial statements.

INTERNAL FINANCIAL CONTROLS

The Company and its subsidiary have deployed an effective system of internal financial controls to safeguard its assets and ensure the accuracy and reliability of its records. Senior management reviews the financial performance of the Company and its subsidiary through detailed monthly financial reports and analysis, while the Board also carries out its own review at each quarter. Detailed examinations are regularly carried out by the internal audit function in adherence to internal procedures, and the internal audit function reports its findings to the Board Audit and Risk Management Committee as per best practice.

PRINCIPAL RISKS AND UNCERTAINTIES

Having a robust and efficient risk management system is essential for any company in its daily operations. The Group is cognizant of the risks faced by the Group and is constantly seeking opportunities to improve and stay ahead in the market while achieving our goals. The Board of Directors recognizes the significance of risk management and actively participates in developing and overseeing the Group's risk management framework, as well as creating and monitoring its risk management policies.

A committee consisting of senior management, known as the Risk Management and Strategic Plan Committee, has also been established to address and determine all issues related to the Company's risk management and strategic plan at regular intervals. This committee provides precise, comprehensive, and timely information that reaches all levels and departments to assist in making strategic decisions. It manages the Risk Register, which includes, but is not limited to, exchange risk, operational risk, and concentration risks. Furthermore, it takes proactive measures to manage risks within the predetermined risk appetite and tolerance levels.

AUDITORS

The existing auditors, M/s. A.F. Ferguson & Co., Chartered Accountants, are retiring at the conclusion of the forthcoming annual general meeting and have offered themselves for re-appointment for the year ending June 30, 2027. The reappointment has also been recommended by the Board Audit and Risk Management Committee to the Board.

PATTERN OF SHAREHOLDING

The pattern of shareholding as on June 30, 2026, is annexed.

THE BOARD OF DIRECTORS

The Board has seven (7) Directors comprising of six (6) male Directors and one (1) female Director.

Composition of the Board is as follows:

Categories	Names
Independent Director	Ms. Ayesha Tammy Haq Mr. Aqueel E. Merchant
Non-Executive Director	Mr. Yutaka Arae – Chairman Mr. Hamza Habib Mr. Sohail P. Ahmed Mr. Salman Burney
Executive Director	Mr. Fahim Kapadia – Chief Executive

During the year, five (5) meetings of the Board of Directors (BOD), four (4) meetings of the Board Audit and Risk Management Committee (BARMC), and one (1) meeting of the Human Resource and Remuneration Committee (HR&RC) were held. The attendance by each Director was as follows:

S. No.	Name of Director	Meetings Attended		
		BOD	BARMC	HR&RC
1	Mr. Yutaka Arae	5/5	-	1/1
2	Mr. Fahim Kapadia	5/5	-	1/1
3	Mr. Hamza Habib	5/5	-	-
4	Mr. Sohail P. Ahmed	5/5	4/4	1/1
5	Mr. Salman Burney	5/5	-	1/1
6	Ms. Ayesha Tammy Haq	5/5	4/4	-
7	Mr. Aqueel E. Merchant	5/5	4/4	1/1

COMPLETION OF TENURE OF AN INDEPENDENT DIRECTOR

Subsequent to the reporting date, Ms. Ayesha T. Haq will complete her third continuous tenure as an Independent Director on the Board in October 2026.

The Board places on record its sincere appreciation for Ms. Ayesha T. Haq's dedicated service, valuable guidance and significant contributions during her tenure, and extends its best wishes for her future endeavours.

REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

The fee of the Non-Executive and Independent Directors for attending the Board and Committee meetings of the Group is determined by the Board from time to time.

The remuneration paid to Directors during the year is disclosed in note 42 and 43 to the consolidated and unconsolidated financial statements for the year ended June 30, 2026, respectively.

DIRECTORS’ TRAINING PROGRAM

The Directors are in compliance with the training program as they have the requisite qualifications and experience of serving on the board.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE AND STATEMENT OF DIRECTORS’ RESPONSIBILITY

The Directors confirm compliance with the Corporate and Financial Reporting Framework as per the Listing Regulations of the PSX as follows:

- The financial statements prepared by the management of the Group present fairly its state of affairs, the results of its operations, cash flows, and changes in equity.
- Proper books of account have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates based on reasonable and prudent judgment.
- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and Provisions of, directives and notifications issued under the Companies Act, 2017.
- The Board has outsourced the internal audit function to M/s. Noble Computer Services (Pvt) Ltd., who are considered suitably qualified and experienced for the purpose, and are conversant with the policies and procedures of the Group.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- All members of the Audit Committee are independent/ non-executive Directors.
- There are no significant doubts about the Group’s ability to continue as a going concern.

- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- The key operating & finance data for the last 6 years is annexed to the report.
- The statement of compliance with the Code of Corporate Governance is annexed herewith.

DIVIDEND AND APPROPRIATION OF PROFIT

The Board of Directors are recommending final dividend of Rs. 5 per share amounting to Rs. 180 million for the approval of the shareholders at the Annual General Meeting of the Company to be held on October 22, 2026.

ACKNOWLEDGMENT

We would like to express our sincere appreciation to all our employees for their untiring efforts and for a cordial and positive relationship during the year, which helped us in meeting and overcoming our challenges, due to which the Group continued its year-on-year growth, and we expect the same level of support from our employees in the year ahead.

On behalf of the Board of Directors, we would like to place on record our appreciation to all our Patrons, Dealers, Suppliers, and Employees for their valuable help, continuous support, and contribution to the Group. We are also thankful to all our overseas technical collaborators, M/s Ride Control, LLC. USA, M/s KYB Corporation, Japan, M/s Aisin Seiki Co. Ltd, Japan, M/s. Shiroki Corporation, Japan, M/s. Sannou Riken Co Ltd, Japan, M/s KMS (KYB Motorcycle Suspension, Japan), and M/s. Ogihara (Thailand) Co. Ltd for their technical assistance and advice.

On behalf of the Board of Directors.

Fahim Kapadia
Chief Executive

Salman Burney
Director

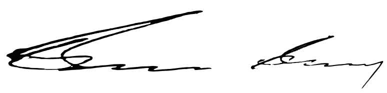
KARACHI
DATED: September 1, 2026

بورڈ آف ڈائریکٹرز کی جانب سے ہم اپنے تمام سرپرستوں، ڈیلرز، سپلائرز اور ملازمین کی کمپنی کے لیے قیمتی معاونت، مسلسل تعاون اور اہم کردار کو قدر کی نگاہ سے دیکھتے ہوئے ان کا شکریہ ادا کرتے ہیں۔ ہم اپنے تمام بیرونِ ملک تکنیکی شراکت داروں کا بھی تہہ دل سے شکریہ ادا کرتے ہیں، جن میں میسرز رائڈ کنٹرول LLC، یو ایس اے، میسرز KYB کارپوریشن، جاپان، میسرز Aisin Seiki کمپنی لمیٹڈ جاپان، میسرز شیروکی کارپوریشن جاپان، میسرز Sannou Riken کمپنی لمیٹڈ جاپان، میسرز KMS (KYB موٹرسائیکل سسپنشن، جاپان)، اور میسرز Ogihara (تھائی لینڈ) کمپنی لمیٹڈ شامل ہیں، جنہوں نے اپنی تکنیکی معاونت اور مشاورت کے ذریعے کمپنی کی ترقی میں اہم کردار ادا کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے

فہیم کپاڈیا

چیف ایگزیکٹو



سلمان برنی

ڈائریکٹر

کراچی

1 ستمبر 2026ء

☆ اکاؤنٹس کی کتابیں مناسب طریقہ سے مرتب کی گئی ہیں۔

☆ مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل بنیادوں پر لاگو کیا گیا ہے، جبکہ اکاؤنٹنگ تخمینے معقول اور محتاط فیصلوں کی بنیاد پر تیار کیے گئے ہیں۔

☆ انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS)، جو انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز بورڈ (IASB) کی جانب سے جاری کیے گئے ہیں اور کمپنیز ایکٹ 2017 کے تحت نافذ کیے گئے ہیں، نیز ایکٹ کے تحت جاری کردہ دفعات اور ہدایات کو مالیاتی بیانات کی تیاری میں اختیار کیا گیا ہے۔

☆ بورڈ نے انٹرنل آڈٹ کے شعبے کی ذمہ داری میسرز نوبل کمپیوٹر سروسز (پرائیویٹ) لمیٹڈ کو سونپی ہے، جو اس مقصد کے لیے موزوں اہلیت اور تجربہ رکھتے ہیں اور کمپنی کی پالیسیوں اور طریقہ کار سے بخوبی واقف ہیں۔

☆ انٹرنل کنٹرول کا نظام ڈیزائن کے اعتبار سے مؤثر ہے اور اسے مؤثر طریقے سے نافذ ہے اور اس کی نگرانی کی جا رہی ہے۔

☆ آڈٹ کمیٹی کے تمام اراکین آزاد/ نان ایگزیکٹو ڈائریکٹرز ہیں۔

☆ کمپنی کے بطور ایک جاری کاروباری ادارہ کام جاری رکھنے کی صلاحیت کے بارے میں کوئی اہم خدشات موجود نہیں ہیں۔

☆ لسٹنگ ریگولیشنز میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی اہم انحراف نہیں کیا گیا۔

☆ گزشتہ 6 سال کے اہم آپریشنل اور مالیاتی اعداد و شمار اس رپورٹ کے ساتھ منسلک ہیں۔

☆ کارپوریٹ گورننس کے ضابطہ کی تعمیل کا بیان بھی اس رپورٹ کے ساتھ منسلک ہے۔

منافع منقسمہ اور مصارفِ منافع:

بورڈ آف ڈائریکٹرز کمپنی کے سالانہ جنرل اجلاس میں، جو 22 اکتوبر 2026 کو منعقد ہوگا، حصص یافتگان کی منظوری کے لیے 5 روپے فی حصص کے حساب سے مجموعی طور پر 180 ملین روپے کے حتمی منافع منقسمہ کی سفارش کر رہا ہے۔

اظہارِ تشکر:

ہم اپنے تمام ملازمین کی انتھک محنت، لگن اور سال کے دوران قائم رہنے والے خوشگوار اور مثبت باہمی تعلقات پر تہہ دل سے ان کے شکر گزار ہیں۔ ان کی معاونت نے ہمیں درپیش چیلنجز کا مقابلہ کرنے اور انہیں کامیابی سے حل کرنے میں مدد فراہم کی، جس کے نتیجے میں کمپنی نے سال بہ سال ترقی کا سلسلہ جاری رکھا۔ ہمیں امید ہے کہ آئندہ سال بھی ہمارے ملازمین کی جانب سے اسی جذبے اور تعاون کا سلسلہ جاری رہے گا۔

ایک آزاد ڈائریکٹر کی مدتِ تکمیل:

رپورٹنگ کی تاریخ کے بعد، محترمہ عائشہ ٹامی حق اکتوبر 2026 میں بورڈ میں بطور آزاد ڈائریکٹر اپنی مسلسل تیسری مدتِ تقرری مکمل کر لیں گی۔

بورڈ محترمہ عائشہ ٹامی حق کی مدتِ کے دوران ان کی مخلصانہ خدمات، قابلِ قدر رہنمائی اور اہم کردار کو قدر کی نگاہ سے دیکھتا ہے، اور ان کے مستقبل کے تمام منصوبوں کے لیے نیک خواہشات کا اظہار کرتا ہے۔

نان ایگزیکٹو ڈائریکٹرز کی معاوضہ پالیسی:

کمپنی کے بورڈ اور کمیٹی اجلاسوں میں شرکت کے لیے نان ایگزیکٹو اور آزاد ڈائریکٹرز کی فیس کا تعین وقتاً فوقتاً بورڈ کی جانب سے کیا جاتا ہے۔

سال کے دوران ڈائریکٹرز کو ادا کیے گئے مشاہرے کی تفصیلات 30 جون 2026 کو ختم ہونے والے سال کے مجموعی اور انفرادی مالیاتی گوشواروں کے بالترتیب نوٹ 42 اور 43 میں بیان کیے گئے ہیں۔

ڈائریکٹرز کی تربیتی پروگرام:

ڈائریکٹرز تربیتی پروگرام کے تقاضوں کی تعمیل کر رہے ہیں، کیونکہ وہ بورڈ میں خدمات انجام دینے کے لیے مطلوبہ اہلیت اور تجربہ رکھتے ہیں۔

کارپوریٹ گورننس کے ضابطہ کی تعمیل اور ڈائریکٹرز کی ذمہ داری کا بیان:

ڈائریکٹرز تصدیق کرتے ہیں کہ کمپنی نے PSX کی لسٹنگ ریگولیشنز کے مطابق کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک کی تعمیل کی ہے، جس کی تفصیل درج ذیل ہے:

☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی بیانات کمپنی کی مالی حالت، آپریشنز کے نتائج، نقدی کے بہاؤ، اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

بورڈ کی تشکیل درج ذیل ہے:

درجہ بندیاں	نام
آزاد ڈائریکٹر	محترمہ عائشہ ٹامی حق جناب عقیل ای۔ مرچنٹ
نان ایگزیکٹو ڈائریکٹر	جناب یوٹاکا آرائے۔ چیئرمین جناب حمزہ حبیب جناب سہیل پی۔ احمد جناب سلمان برنی
ایگزیکٹو ڈائریکٹر	جناب فہیم کپاڈیا۔ چیف ایگزیکٹو

سال کے دوران بورڈ آف ڈائریکٹرز (BOD) کے پانچ (5) اجلاس، بورڈ آڈٹ اینڈ رسک مینجمنٹ کمیٹی (BARMC) کے چار (4) اجلاس، اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی (HR&RC) کا ایک (1) اجلاس منعقد ہوا۔ ہر ڈائریکٹر کی اجلاسوں میں شرکت کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں حاضری		
		BOD	BARMC	HR&RC
1	جناب یوٹاکا آرائے	5/5	-	1/1
2	جناب فہیم کپاڈیا	5/5	-	1/1
3	جناب حمزہ حبیب	5/5	-	-
4	جناب سہیل پی۔ احمد	5/5	4/4	1/1
5	جناب سلمان برنی	5/5	-	1/1
6	محترمہ عائشہ ٹامی حق	5/5	4/4	-
7	جناب عقیل ای۔ مرچنٹ	5/5	4/4	1/1

اہم خطرات اور غیر یقینی صورتحال:

ایک مضبوط اور موثر رسک مینجمنٹ سسٹم کا ہونا کسی بھی کمپنی کے روزمرہ آپریشنز کے لیے نہایت ضروری ہے۔ گروپ کو درپیش خطرات سے بخوبی آگاہ ہے اور اپنے اہداف کے حصول کے ساتھ ساتھ مارکیٹ میں اپنی پوزیشن کو مزید مستحکم رکھنے اور بہتری کے مواقع تلاش کرنے کے لیے مسلسل اقدامات کر رہی ہے۔ بورڈ آف ڈائریکٹرز رسک مینجمنٹ کی اہمیت کو تسلیم کرتا ہے اور گروپ کے رسک مینجمنٹ فریم ورک کی تیاری اور نگرانی میں فعال کردار ادا کرتا ہے، نیز رسک مینجمنٹ سے متعلق پالیسیوں کی تشکیل اور ان کی نگرانی بھی کرتا ہے۔

سینئر انتظامیہ پر مشتمل ایک کمیٹی، جسے رسک مینجمنٹ اینڈ اسٹریٹجک پلان کمیٹی کہا جاتا ہے، بھی قائم کی گئی ہے جو باقاعدہ وقفوں سے کمپنی کے رسک مینجمنٹ اور اسٹریٹجک پلان سے متعلق تمام امور کا جائزہ لینے اور ان کے حل کے لیے کام کرتی ہے۔ یہ کمیٹی بروقت، جامع اور درست معلومات فراہم کرتی ہے، جو ادارے کے تمام شعبہ جات اور سطحوں تک پہنچتی ہیں تاکہ اسٹریٹجک فیصلے موثر انداز میں کیے جا سکیں۔ یہ کمیٹی رسک رجسٹر کا انتظام بھی کرتی ہے، جس میں دیگر خطرات کے علاوہ زرِمبادلہ کا خطرہ، آپریشنل خطرات اور ارتکاز کے خطرات شامل ہیں۔ مزید برآں، کمیٹی پہلے سے متعین کردہ رسک برداشت کی حد اور برداشت کی سطح کے اندر رہتے ہوئے خطرات کے موثر انتظام کے لیے پیشگی اقدامات بھی کرتی ہے۔

آڈیٹرز:

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس، آئندہ سالانہ جنرل اجلاس کے اختتام پر اپنی مدتِ تقرری مکمل ہونے کے باعث ریٹائر ہو رہے ہیں اور انہوں نے 30 جون 2027 کو ختم ہونے والے سال کے لیے دوبارہ تقرری کی پیشکش کی ہے۔ بورڈ آڈٹ اینڈ رسک مینجمنٹ کمیٹی نے بھی ان کی دوبارہ تقرری کی سفارش بورڈ سے کی ہے۔

حصص داری کی ساخت:

30 جون 2026 کی حصص داری کی ساخت اس رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز:

بورڈ سات (7) ڈائریکٹرز پر مشتمل ہے، جن میں چھ (6) مرد ڈائریکٹرز اور ایک (1) خاتون ڈائریکٹر شامل ہیں۔

اجرت میں کسی بھی قسم کا فرق پیشہ ورانہ تجربے، تعلیمی قابلیت، ملازمین کی کارکردگی، اور مارکیٹ کے عوامل کی بنیاد پر ہوتا ہے۔

کارپوریٹ سماجی ذمہ داری(CSR):

گروپ معاشرے کی بہتری میں اپنا کردار ادا کرنے پر یقین رکھتا ہے اور اپنے اسٹیک ہولڈرز، معاشروں اور معاشرے کے محروم طبقات کے معیارِ زندگی کو بہتر بنانے کے لیے پُرعزم ہے۔گروپ نے سال کے دورانCSR سے متعلق سرگرمیوں کے لیے مجموعی طور پر9.1 ملین روپے(مالی سال3.8:2025 ملین روپے) کا مالی تعاون فراہم کیا۔گروپ کے تمام کاروباری شعبوں میں مختلف سماجی سرگرمیوں کا انعقاد کیا گیا۔ان اقدامات کا بنیادی مرکز صحت، تعلیم، ماحولیات، ملازمین کی فلاح و بہبود، اور کمیونٹی کی ترقی رہا۔ گروپ ہر سال اپنے تمام ورکرز میں راشن پیکجز تقسیم کرتا ہے تاکہ ورکرز اوران کے خاندانوں کی فلاح و بہبود میں معاونت فراہم کی جا سکے۔

قومی خزانے میں شراکت:

زیرِ جائزہ سال کے دوران گروپ نے ڈیوٹیز، براہِ راست اور بالواسطہ ٹیکسوں کی مد میں قومی خزانے میں4.60 بلین روپے(مالی سال 3.07:2025بلین روپے) جمع کرائے۔

متعلقہ فریقین کے ساتھ لین دین:

متعلقہ فریقین کے ساتھ تمام لین دین معمول کے کاروباری معاملات کے تحت باہمی طے شدہ شرائط وضوابط کے مطابق انجام دیے گئے ہیں، اوران کی تفصیلات مالیاتی گوشوارے کے متعلقہ نوٹس میں بیان کی گئی ہیں۔

اندرونی مالیاتی ضوابط:

کمپنی اوراس کی ذیلی کمپنی نے اپنے اثاثوں کے تحفظ اور ریکارڈز کی درستگی اور قابلِ اعتماد ہونے کو یقینی بنانے کے لیے مؤثر اندرونی مالیاتی ضوابط کا نظام نافذ کررکھا ہے۔سینئر انتظامیہ ماہانہ بنیادوں پر تفصیلی مالیاتی رپورٹس اور تجزیوں کے ذریعے کمپنی اوراس کی ذیلی کمپنی کی مالی کارکردگی کا جائزہ لیتی ہے، جبکہ بورڈ بھی ہر سہ ماہی میں اپنی سطح پراس کارکردگی کا جائزہ لیتا ہے۔ اندرونی آڈٹ کا شعبہ داخلی طریقہ کار کے مطابق باقاعدگی سے تفصیلی جانچ پڑتال کرتا ہے، اور بہترین طریقہ کار کے مطابق اندرونی آڈٹ کے نتائج اور مشاہدات بورڈ آڈٹ اینڈ رسک مینجمنٹ کمیٹی کو پیش کیے جاتے ہیں۔

سال کے دوران گروپ نے RESET ویل بینگ فریم ورک بھی متعارف کرایا، جو ایک منظّم اقدام ہے جس کا مقصد ملازمین کی جسمانی صحت، مالی فلاح و بہبود، اور سماجی روابط کو بہتر بنانا ہے۔ کھیلوں کی سرگرمیوں، صحت کے کیمپس، اور ملازمین کے تفریحی کمروں کی دوبارہ بحالی جیسے اقدامات کے ساتھ، یہ تمام سرگرمیاں کمپنی کے اس عزم کی عکاسی کرتی ہیں کہ ایک صحت مند، پُرجوش اور پیداواری افرادی قوت تشکیل دی جائے۔

تنوع، مساوات اور شمولیت (DE&I):

گروپ ایک متنوع اور جامع ماحول کے فروغ کے لیے پُرعزم ہے۔ ادارے میں مجموعی طور پر 54 خواتین ملازمین خدمات انجام دے رہی ہیں، جو صنفی شمولیت کے فروغ کے لیے کمپنی کی مسلسل کوششوں کی عکاسی کرتی ہیں۔ کمپنی کے پاس DE&I سے متعلق مختلف پالیسیاں موجود ہیں، جن میں زچگی کی چھٹی اور پیٹرنٹی چھٹی کی پالیسیاں بھی شامل ہیں۔ کمپنی صنفی مساوات کو فروغ دینے اور خواتین کی شرکت میں اضافے کے لیے مؤثر طریقہ کار پر مسلسل عمل درآمد کر رہی ہے۔

DE&I سے متعلق اقدامات کی باقاعدگی سے نگرانی کی جاتی ہے تاکہ ایک زیادہ جامع اور مساوی کام کے ماحول کو فروغ دیا جا سکے۔

بورڈ گروپ کی ان کوششوں کی مسلسل نگرانی کرتا ہے تاکہ یہ یقینی بنایا جا سکے کہ ہماری حکمتِ عملیاں اور اہداف وقتاً فوقتاً جائزہ لینے کے بعد گروپ کے طویل المدتی نظریہ کے مطابق رہیں، جس کا مقصد ذمہ دارانہ اور پائیدار کاروباری طریقہ کار کے ذریعے ادارہ جاتی قدر میں اضافہ کرنا ہے۔

صنفی اجرت کا فرق (جینڈر گیپ پے):

گروپ ایک ایسے جامع اور مساوی کام کے ماحول کے فروغ کے لیے پُرعزم ہے جہاں تمام ملازمین کو ترقی کرنے اور کامیابی حاصل کرنے کے یکساں مواقع میسر ہوں۔ اسی مقصد کے تحت، گروپ اپنے ملازمین کے معاوضے کا تعین مارکیٹ کے معیار کے مطابق کرتا ہے، جس میں جنس کی بنیاد پر کوئی فرق نہیں رکھا جاتا۔

سال کے دوران صنفی اجرت کے فرق کا حساب درج ذیل رہا:

اوسط صنفی اجرت کا فرق	-7%
درمیانی صنفی اجرت کا فرق	0%

انسانی وسائل (HR):

ہمارے افراد ہماری کامیابی کا بنیادی محرک ہیں۔ ہم ایسا کام کا ماحول قائم کرنے کے لیے پُرعزم ہیں جہاں ملازمین کو سیکھنے، ترقی کرنے اور عملی کارکردگی میں بہتری کے لیے اپنا مؤثر کردار ادا کرنے کے مواقع فراہم کیے جائیں، جبکہ گروپ کی بنیادی اقدار کو بھی برقرار رکھا جائے۔ ہماری انسانی وسائل کی حکمتِ عملی کا مرکز ملازمین کی صلاحیتوں کو فروغ دینا، ان کی شمولیت اور وابستگی کو مضبوط بنانا، جامعیت کو فروغ دینا، اور افرادی قوت کی صحت، تحفظ اور فلاح و بہبود کو یقینی بنانا ہے۔

اپنے ملازمین میں سرمایہ کاری اور تعاون، جدت طرازی اور مسلسل بہتری کے کلچر کو فروغ دے کر، ہم ایک مضبوط اور لچکدار ادارہ تشکیل دے رہے ہیں جو بدلتے ہوئے کاروباری چیلنجز کا مقابلہ کرنے اور تمام اسٹیک ہولڈرز کے لیے پائیدار طویل المدتی قدر پیدا کرنے کی صلاحیت رکھتا ہے۔

گروپ تمام قابلِ اطلاق قوانین اور ضوابط پر سختی سے عمل درآمد کو یقینی بناتا ہے، تاکہ اپنی افرادی قوت اور ان معاشروں کی فلاح و بہبود کا تحفظ کیا جا سکے جہاں ہم کام کر رہے ہیں۔

تربیت اور ترقی:

مستقبل کی ضروریات کے مطابق صلاحیتوں کی تیاری سال کے دوران ایک اہم حکمتِ عملی ترجیح رہی۔ گروپ نے ملازمین کی تکنیکی، عملی، قائدانہ اور ڈیجیٹل صلاحیتوں کو مزید مضبوط بنانے کے لیے منظّم تربیتی اور ترقیاتی پروگرامز میں سرمایہ کاری کا سلسلہ جاری رکھا۔ تربیتی پروگرامز میں معیار کا انتظام، پیداواری عمدگی، ڈیجیٹلائزیشن، مائیکروسافٹ ایکسل، پاور BI، مواصلاتی صلاحیتوں، ٹیم ورک، مذاکراتی صلاحیتوں، اور نگرانتی مؤثریت جیسے اہم شعبوں کو شامل کیا گیا۔ ان اقدامات کے ذریعے ادارے میں مسلسل بہتری کے عمل کو فروغ دینے اور ملازمین کی پیشہ ورانہ صلاحیتوں میں اضافے کو یقینی بنانے میں معاونت حاصل ہوئی۔

ملازمین کی شمولیت اور فلاح و بہبود:

سال کے دوران ملازمین کی شمولیت اور فلاح و بہبود گروپ کی اہم ترجیحات میں شامل رہی۔ گروپ نے باقاعدہ شمولیتی سرویز اور فیڈ بیک سیشنز کے ذریعے ملازمین کی آراء کا جائزہ لینے کا عمل جاری رکھا، جبکہ باہمی تعاون کو فروغ دینے، ملازمین کے تجربے کو بہتر بنانے، اور کام اور ذاتی زندگی میں توازن کو فروغ دینے کے لیے مختلف اقدامات کیے گئے۔

مستقبل کو مدنظر رکھتے ہوئے، گروپ درآمد شدہ کمپونٹس کی لوکلائزیشن کے مواقع تلاش کرنے، تجارتی طور پر قابلِ عمل شعبوں میں اپنی مصنوعات کے دائرہ کار کو وسعت دینے، اور اپنی پیداواری سہولیات کے بہتر استعمال کو یقینی بنانے کا عمل جاری رکھے گا۔ اسی دوران، انتظامیہ تبدیل ہوتے ہوئے ٹیرف ڈھانچے، درآمد شدہ کمپونٹس سے بڑھتی ہوئی مسابقت، الیکٹرک گاڑیوں (EVs) کی جانب بتدریج منتقلی، اور معاشی حالات میں اتار چڑھاؤ سے پیدا ہونے والے چیلنجز سے بھی آگاہ ہے۔ ہماری توجہ مالیاتی نظم و ضبط برقرار رکھنے، ٹیکنالوجی میں محتاط اور مؤثر سرمایہ کاری کرنے، اور OEM صارفین کے ساتھ تعاون کو مزید مضبوط بنانے پر مرکوز ہے، گروپ کا مقصد اپنی مسابقتی حیثیت کو برقرار رکھنا اور اپنے تمام اسٹیک ہولڈرز کے لیے پائیدار طویل المدتی قدر پیدا کرنا ہے۔

صحت، تحفظ اور ماحولیات HSE:

گروپ صحت، تحفظ اور ماحولیات کے شعبوں میں اعلیٰ ترین معیارات برقرار رکھنے کے لیے پُرعزم ہے، جس کے لیے قابلِ اطلاق قوانین اور صنعت کے بہترین طریقہ کار کی مکمل پاسداری کو یقینی بنایا جاتا ہے۔ گروپ مسلسل تربیت، قیادت کے عزم، اسٹیک ہولڈرز کی شمولیت، اور مناسب وسائل کی فراہمی کے ذریعے ایک مضبوط حفاظتی کلچر کو فروغ دیتا ہے تاکہ ملازمین کا تحفظ، ماحولیات کی حفاظت، اور معاشرتی فلاح و بہبود کو یقینی بنایا جا سکے۔

مالی سال 26-2025 کے دوران گروپ نے اپنی 2.5 میگاواٹ سولر پاور سہولت سے مسلسل مستفید ہوتی رہی، جس نے روایتی توانائی کے ذرائع پر انحصار کم کرنے اور گرین ہاؤس گیسوں کے اخراج میں کمی میں معاونت فراہم کی۔ یہ منصوبہ کمپنی کے طویل المدتی ماحولیاتی اہداف کے حصول میں مسلسل کردار ادا کر رہا ہے۔

سال کے دوران HSE سے متعلق اہم اقدامات میں گیس کی فراہمی میں تعطل کے دوران بلاتعطل آپریشنز کو یقینی بنانے کے لیے ایل پی جی اسٹوریج سسٹم کی تنصیب، 1,540 گھنٹے کی حفاظتی تربیت کی تکمیل، باقاعدہ ہنگامی مشقوں کا انعقاد، اور سیفٹی ویک کا انعقاد شامل تھا۔ اس موقع پر انتظامیہ کی جانب سے حفاظتی معائنہ دورے، ہنگامی صورتحال سے نمٹنے کی تربیت، محفوظ ڈرائیونگ سے متعلق آگاہی، اور ملازمین کی شمولیتی سرگرمیاں منعقد کی گئیں۔

گروپ نے یومِ ارض اور عالمی یومِ ماحولیات کے اقدامات کے ذریعے ماحولیاتی ذمہ داری کے حوالے سے بھی اپنی کاوشوں کو مزید مضبوط کیا۔ ان سرگرمیوں کے دوران 100 درخت لگائے گئے اور ماحولیاتی آگاہی کی نشستیں منعقد کی گئی۔ مزید برآں، ملازمین اور انتظامیہ نے کراچی کے کلفٹن بیچ پر صفائی مہم میں حصہ لیا، جس کے دوران تقریباً 120 کلوگرام کچرا جمع کیا گیا۔ یہ سرگرمی گروپ کے پائیداری، ماحولیاتی تحفظ، اور معاشرتی شمولیت کے عزم کی عکاسی کرتی ہے۔

گئی، جیسا کہ بالترتیب مجموعی اور انفرادی مالیاتی گوشوارے کے نوٹ 18 اور نوٹ 19 میں بیان کیا گیا ہے۔ تصفیہ معاہدے پر اپریل 2026 میں عمل درآمد کے وقت پہلی قسط، 100.67 ملین روپے (جس میں ایگری آٹو انڈسٹریز لمیٹڈ کے لی 65.42 ملین روپے شامل ہیں) ادا کر دی گئی۔

صنعت کے مستقبل کا جائزہ:

پاکستان کی آٹو موٹیو کمپوننٹس صنعت ایک ارتقائی دور میں داخل ہو رہی ہے، جہاں ضابطہ جاتی اصلاحات، صارفین کی بدلتی ہوئی ترجیحات، اور تکنیکی ترقیات آٹو موٹیو شعبے کے منظر نامے کو از سرِ نو تشکیل دے رہی ہیں۔ آٹو انڈسٹری ڈویلپمنٹ اینڈ ایکسپورٹ پالیسی 2021-26 کی مدت مکمل ہونے کے بعد، صنعت نئی 31-2026 پالیسی کے اجرا کی منتظر ہے، جس میں توقع ہے کہ الیکٹرک گاڑیوں (EVs) پر زیادہ توجہ دی جائے گی اور مارکیٹ کے مختلف شعبوں میں نئے ماڈلز متعارف کرانے کی حوصلہ افزائی کی جائے گی۔ اسی دوران قومی ٹیرف پالیسی کے نفاذ اور درآمدی ٹیرف میں بتدریج کمی سے مسابقت میں اضافہ متوقع ہے، کیونکہ اس سے درآمد شدہ گاڑیوں اور پرزہ جات کے لیے رکاوٹیں کم ہوں گی، جبکہ OEMs اپنی لاگت کی مسابقتی صلاحیت بہتر بنانے اور مقامی سپلائی چینز کو مضبوط کرنے کے لیے زیادہ لوکلائزیشن کی جانب راغب ہوں گے۔

چینی گاڑی ساز اداروں کی بڑھتی ہوئی موجودگی، الیکٹرک گاڑیوں کے بتدریج فروغ، اور صارفین کی بدلتی ہوئی ترجیحات مقامی کمپوننٹس تیار کرنے والوں کے لیے مواقع اور چیلنجز دونوں پیدا کریں گے۔ اگرچہ طویل مدت میں بعض روایتی آٹو موٹیو پرزہ جات کی طلب پر دباؤ آ سکتا ہے، تاہم وہ سپلائرز جو مصنوعات کی تیاری، پیداواری عمل میں بہتری، اور تکنیکی صلاحیتوں میں سرمایہ کاری کریں گے، وہ نئے گاڑیوں کے پلیٹ فارمز اور بدلتی ہوئی نقل و حمل کی ضروریات کو پورا کرنے کے لیے بہتر پوزیشن میں ہوں گے۔ صنعت کی طویل المدتی مسابقتی صلاحیت کا انحصار بالآخر پالیسیوں کے تسلسل، معاشی استحکام، اور پیداواری صلاحیتوں اور ہنرمند انسانی وسائل کی ترقی میں مسلسل سرمایہ کاری پر ہوگا۔

مستقبل کی حکمت عملی:

گروپ اپنی عملی کارکردگی کو برقرار رکھنے، مصنوعات کے معیار کو مزید بہتر بنانے، اور اپنے OEM صارفین کو قابلِ اعتماد اور لاگت کے لحاظ سے مؤثر مقامی حل فراہم کرنے پر مسلسل توجہ مرکوز رکھے گا۔ جیسے جیسے آٹو موٹیو صنعت بدلتی ہوئی ٹیکنالوجیز اور بڑھتی ہوئی مسابقت کے مطابق خود کو ڈھال رہا ہے، انتظامیہ اس امر کو تسلیم کرتی ہے کہ پیداواری عمل میں مسلسل بہتری، اخراجات کی بہتر نگرانی، اور تکنیکی صلاحیتوں میں اضافہ ضروری ہے تاکہ صارفین کی بدلتی ہوئی ضروریات کو مؤثر انداز میں پورا کیا جا سکے۔

اپنے آپریشنز بند کرنے کا اعلان کیا۔ YMPK کے آپریشنز کے خاتمے کا گروپ کے کاروباری حجم پر نہایت معمولی اثر پڑے گا۔

☆ سندھ انفراسٹرکچر اینڈ ڈویلپمنٹ سیس (SIDC) کی واجب الادا رقم کا تصفیہ

SIDC ایک قانونی محصول ہے، جو ابتدا میں سندھ فنانس ایکٹ 1994 کی دفعہ 9 کے تحت یکم جولائی 1994 سے نافذ العمل تھا، جبکہ بعد ازاں سندھ ڈویلپمنٹ اینڈ مینٹیننس آف انفراسٹرکچر سیس ایکٹ 2017 کے تحت اس کی توثیق کی گئی، جس کے ذریعے یکم جولائی 1994 سے اس محصول کے نفاذ کو ماضی سے مؤثر طور پر قانونی حیثیت دی گئی۔ گروپ نے اس محصول کو سندھ ہائی کورٹ میں اس بنیاد پر چیلنج کیا کہ یہ آئین کے منافی اور صوبائی مقنّنہ کے قانون سازی کے اختیار سے تجاوز ہے۔ سندھ ہائی کورٹ نے درخواستیں مسترد کرتے ہوئے حکومتِ سندھ کے حق میں اس محصول کو برقرار رکھا۔ اس کے بعد معاملہ سپریم کورٹ آف پاکستان میں پیش کیا گیا، جس نے حتمی فیصلے تک اس محصول کی وصولی معطل کر دی۔ اپریل 2026 میں ہونے والے تصفیہ معاہدے کے بعد گروپ نے وفاقی آئینی عدالت میں زیرِ سماعت مقدمہ واپس لے لیا۔

سندھ ڈویلپمنٹ اینڈ مینٹیننس آف انفراسٹرکچر سیس (ترمیمی) ایکٹ 2026 کے نفاذ کے بعد حکومتِ سندھ (GoS) نے بقایا SIDC واجبات کے تصفیے کے لیے قانونی فریم ورک متعارف کرایا۔ حکومتِ سندھ کے ساتھ متعدد مذاکرات کے بعد گروپ نے ایک تصفیہ معاہدہ کیا، جس کے تحت مالیاتی سال 2006 سے مالیاتی سال 2026 تک کی مدت سے متعلق مجموعی SIDC واجب الادا رقم 671.15 ملین روپے مقرر کی گئی (جس میں ایگری آٹو انڈسٹریز لمیٹڈ کے 436.15 ملین روپے شامل ہیں)۔ یہ رقم رپورٹنگ کی تاریخ سے تقریباً 14 سال کے عرصے میں ادا کی جائے گی۔ تصفیے کے تحت 100.67 ملین روپے (جس میں ایگری آٹو انڈسٹریز لمیٹڈ کے 65.42 ملین روپے شامل ہیں) کی تین اقساط، ہر ایک مجموعی واجب الادا رقم کا 15% ہے، بالترتیب جولائی 2026، اکتوبر 2026 اور جولائی 2027 میں ادا کی جائیں گی۔ باقی 369.13 ملین روپے (جس میں ایگری آٹو انڈسٹریز لمیٹڈ کے 239.88 ملین روپے شامل ہیں) (مجموعی رقم کا 55%) جولائی 2028 سے شروع ہوگی اور 48 مساوی سہ ماہی اقساط میں مجموعی بنیاد پر ادا کی جائے گی۔

IFRIC 21 اور IAS 37 کے مطابق گروپ نے SIDC واجب الادا رقم کی کتابی مالیت کا ازسرِنو جائزہ لیا اور اس ذمہ داری کو پورا کرنے کے لیے درکار اخراجات کا بہترین تخمینہ مقرر کیا۔ چونکہ تصفیہ کی رقم تقریباً 14 سال کے عرصے میں ادا کی جانی ہے اور رقم کی وقت کے ساتھ قدر میں تبدیلی کا اثر نمایاں تھا، اس لیے IAS 37 کے مطابق اس واجب الادا رقم کی پیمائش مستقبل میں متوقع نقد ادائیگیوں کی موجودہ قدر کی بنیاد پر کی گئی۔ اس کے نتیجے میں ڈسکاؤنٹنگ کے اثر سے 311.01 ملین روپے (جس میں ایگری آٹو انڈسٹریز لمیٹڈ کے 195.97 ملین روپے شامل ہیں) کی دیگر آمدنی تسلیم کی

	2026	2025
	(روپے ملین میں)	
کاروباری حجم	10,730	7,762
خام منافع	661	357
لیویز اور انکم ٹیکس سے قبل منافع*	551	97
لیویز اور انکم ٹیکس	130	2
بعداز ٹیکس منافع	681	99
فی حصص آمدنی (روپے)	18.93	2.75

*اس میں 195.97 ملین روپے (مالی سال 2025: صفر) بھی شامل ہیں، جو سندھ انفراسٹرکچر ڈویلپمنٹ سیس (SIDC) کی واجب الادا رقم کی موجودہ قدر (Present Value) کے مطابق IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" کے تحت تسلیم کیے گئے ہیں، نیز، کمپنی کی مکمل ملکیتی ذیلی کمپنی ایگری آٹو اسٹیمپنگ کمپنی (پرائیویٹ) لمیٹڈ (ASC) سے حاصل ہونے والی 457.6 ملین روپے کا منافع منقسمہ (مالی سال 2025: 343.2 ملین روپے) بھی اس میں شامل ہے، جیسا کہ غیر مجموعی مالیاتی گوشوارے کے نوٹ نمبر 19 اور 31 میں بالترتیب وضاحت کے ساتھ بیان کیا گیا ہے۔

سال کی اہم جھلکیاں

☆ کیم شافٹ کی کاروباری حجم میں کمی

گروپ نے اپنی کیم شافٹ کی کاروباری حجم کا جامع جائزہ لیا اور اس نتیجے پر پہنچا کہ ٹریکٹر انڈسٹری کی جانب سے مسلسل کم طلب کے باعث یہ کاروبار تجارتی طور پر قابلِ عمل نہیں رہا۔ بعدازاں، باقی ماندہ خام مال کے ذخیرے کو متعلقہ صارفین کو فروخت کر دیا گیا اور متعلقہ پلانٹ اور مشینری بھی فروخت کر دی گئی۔ کیم شافٹ کاروبار کی بندش کا گروپ کے کاروباری حجم یا اثاثوں کے مجموعی حجم پر نہایت معمولی اثر پڑے گا۔

☆ پاکستان میں یاماہا آپریشنز کا خاتمہ

Yamaha Motor Pakistan (Private) Limited (YMPK) نے جون 2026 سے پاکستان میں

مالی اور کاروباری کارکردگی:

مجموعی نتائج:

مجموعی بنیادوں پر مالی سال2026 کے دوران کمپنی کی فروخت میں گزشتہ سال کے مقابلے میں 47 فیصد اضافہ ریکارڈ کیا گیا، جس کے نتیجے میں فروخت کا حجم 17.4 ارب روپے تک پہنچ گیا۔ اس کے نتیجے میں کمپنی نے مالی سال2026 میں بعد از ٹیکس منافع 1,203 ملین روپے حاصل کیا، جبکہ گزشتہ مالی سال میں یہ منافع 238 ملین روپے تھا۔ سال کے دوران منافع میں ہونے والا یہ نمایاں اضافہ بنیادی طور پر مسافر گاڑیوں کی تیاری اور فروخت میں اضافے کا نتیجہ ہے۔

	2026	2025
	------------------- (روپے ملین میں)	-------------------
کاروباری حجم	17,383	11,863
خام منافع	2,538	1,228
لیویز اور انکم ٹیکس سے قبل منافع *	1,686	354
لیویز اور انکم ٹیکس	(483)	(116)
بعد از ٹیکس منافع	1,203	238
فی حصص آمدنی (روپے)	33.43	6.62

*اس میں 311.01 ملین روپے (مالی سال2025: صفر) شامل ہے، جو IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" کے مطابق سندھ انفراسٹرکچر اینڈ ڈویلپمنٹ سیس (SIDC) کی واجب الادا رقم کی موجودہ قدر کی پیمائش کی بنیاد پر تسلیم کی گئی ہے، جیسا کہ مجموعی گوشوارے کے نوٹ 18 میں بیان کیا گیا ہے۔

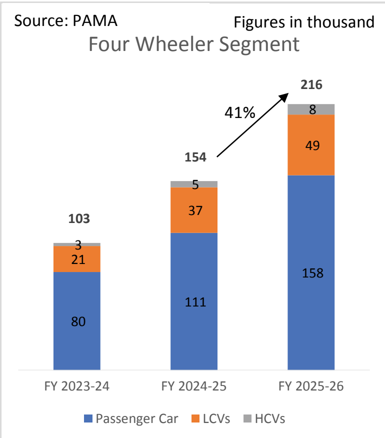
انفرادی نتائج:

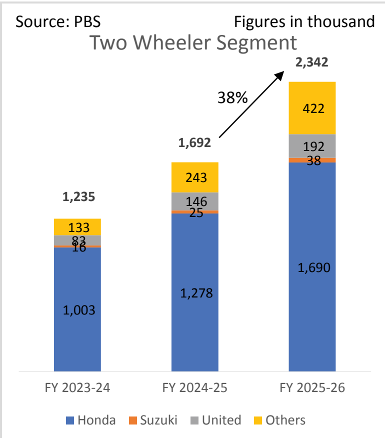
مالی سال2026 کے دوران کمپنی کی سالانہ فروخت 10.7 ارب روپے رہی، جو گزشتہ سال کے مقابلے میں 38 فیصد زیادہ ہے۔ اس کے نتیجے میں کمپنی نے مالی سال2026 میں بعد از ٹیکس منافع 681 ملین روپے حاصل کیا، جبکہ گزشتہ مالی سال میں یہ بعد از ٹیکس منافع 99 ملین روپے تھا۔ سال کے دوران منافع میں ہونے والا یہ نمایاں اضافہ بنیادی طور پر آٹوموٹیو شعبے میں طلب میں بہتری، شرحِ سود میں کمی، اور صارفین کے بہتر ہوتے ہوئے اعتماد اور مثبت معاشی توقعات کا نتیجہ ہے۔

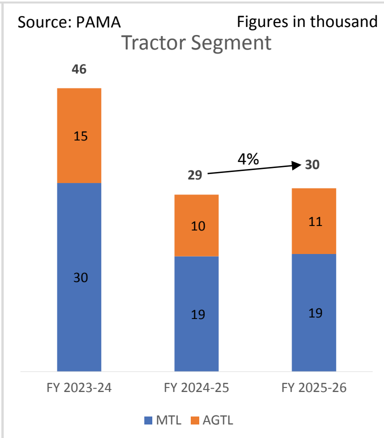
صنعتی جائزہ:

مالی سال 2025-26 کے دوران پاکستان کی آٹو موٹیو کی صنعت مسلسل ارتقاء پذیر رہی، جس کی بنیادی وجوہات مارکیٹ میں طلب میں بہتری، صارفین کی بدلتی ہوئی ترجیحات، اور نئی گاڑیوں کی ٹیکنالوجیز کا متعارف ہونا تھیں۔ نئے اسمبلرز کی آمد اور ہائبرڈ و الیکٹرک گاڑیوں کے وسیع تر اقسام کی دستیابی نے مارکیٹ میں مسابقت کو مزید فروغ دیا، جس کے نتیجے میں صارفین کو زیادہ انتخاب کے مواقع میسر آئے اور صنعت جدید طرز کی نقل و حمل کی جانب تیزی سے گامزن ہوئی۔ یہ پیش رفت ایک جانب ٹیکنالوجی میں ترقی اور سپلائی چین کی توسیع کے نئے مواقع فراہم کر رہی ہے، جبکہ دوسری جانب مقامی مینوفیکچرنگ شعبے سے یہ تقاضا بھی کرتی ہے کہ وہ اپنی استعداد، تکنیکی صلاحیت اور مسابقتی معیار میں مسلسل بہتری لائے۔

اس مثبت رجحان کی عکاسی چار وہیلر گاڑیوں، دو وہیلر گاڑیوں اور ٹریکٹر کے شعبوں کی سالانہ کارکردگی سے بھی ہوتی ہے، جہاں بالترتیب 41 فیصد، 38 فیصد اور 4 فیصد اضافہ ریکارڈ کیا گیا۔ اس کی تفصیل ذیل میں دیے گئے گراف میں پیش کی گئی ہے:







*مندرجہ بالا اعداد و شمار میں درآمد شدہ گاڑیاں اور وہ اسمبلرز شامل نہیں ہیں جو پاکستان آٹوموٹیو مینوفیکچررز ایسوسی ایشن (PAMA) یا پاکستان بیورو آف اسٹیٹسٹکس (PBS) کے ساتھ رجسٹرڈ نہیں ہیں۔

اسی دوران حکومت نے قومی ٹیرف پالیسی 2025-30 اور فنانس ایکٹ 2026-27 کے ذریعے اپنی تجارتی اور صنعتی اصلاحات کے ایجنڈے پر پیش رفت جاری رکھی۔ اگرچہ ان اصلاحات کا مقصد صنعت کی استعداد میں اضافہ اور عالمی مارکیٹوں کے ساتھ بہتر انضمام کو فروغ دینا ہے، تاہم یہ بھی ضروری ہے کہ ان کے نتیجے میں پاکستان کی آٹوموٹیو وینڈر انڈسٹری نے ماضی میں جو کامیابیاں حاصل کی ہیں، ان کے تحفظ کو یقینی بنایا جائے۔ گزشتہ برسوں کے دوران مقامی آٹو پارٹس مینوفیکچررز نے اپنی پیداواری صلاحیت، جدید ٹیکنالوجی اور انسانی وسائل کی ترقی میں نمایاں سرمایہ کاری کی ہے، جس کے نتیجے میں لوکلائزیشن کی شرح میں خاطر خواہ اضافہ ہوا ہے اور روزگار کے وسیع مواقع بھی پیدا ہوئے ہیں۔ اب جب کہ حکومت آٹو انڈسٹری ڈویلپمنٹ پالیسی 2026-31 کی تشکیل کے عمل میں ہے، اس لیے صنعت ایک ایسے متوازن پالیسی فریم ورک کی منتظر ہے جو سرمایہ کاری کی حوصلہ افزائی کرے، مقامی ویلیو ایڈیشن کو فروغ دے اور آٹوموٹیو سپلائی چین سے وابستہ مینوفیکچررز کو طویل مدتی پالیسی استحکام اور یقین دہانی فراہم کرے۔

حصص یافتگان کے لیے ڈائریکٹرز کی رپورٹ

برائے مختتمہ مالی سال 30 جون 2026ء

اگیری آٹو انڈسٹریز لمیٹڈ ("کمپنی") اور اس کی ذیلی کمپنی اگیری آٹو اسٹیمپنگ کمپنی پرائیوٹ لمیٹڈ (جنہیں اس کے بعد مجموعی طور پر "گروپ" کہا گیا ہے) کے ڈائریکٹرز کو یہ مسرت حاصل ہے کہ وہ ڈائریکٹرز کی رپورٹ بمہ آڈٹ شدہ 30 جون 2026ء کو اختتام پذیر ہونے والے مالی سال کے مالیاتی گوشوارے پیش کر رہے ہیں۔

معاشی جائزہ:

مالی سال 26-2025 ایک ایسے عالمی ماحول میں گزرا جو بدلتی ہوئی جغرافیائی و سیاسی صورتحال اور عالمی تجارتی رجحانات میں آنے والی تبدیلیوں سے متاثر رہا۔ بین الاقوامی مارکیٹس مشرقِ وسطیٰ میں ہونے والی پیش رفت، روس اور یوکرین تنازع کے تسلسل، اور دیگر علاقائی حالات پر مسلسل نظر رکھے ہوئے تھیں، جن کے زیرِ اثر وقتاً فوقتاً توانائی کی عالمی قیمتوں اور عالمی سپلائی چینز پر نمایاں اثرات مرتب ہوتے رہے۔

اس پس منظر میں مالی سال 26-2025 کے دوران پاکستان کی معیشت نے حوصلہ افزا بہتری کا مظاہرہ کیا۔ ملک کی مجموعی قومی پیداوار (GDP) میں 3.7 فیصد اضافہ ریکارڈ کیا گیا، جبکہ بڑے پیمانے کی صنعتی پیداوار مسلسل تین برس کی تخفیف کے بعد دوبارہ مثبت نمو کی راہ پر گامزن ہوئی۔ بیرونی شعبے کی کارکردگی میں بھی نمایاں بہتری آئی، جہاں ریکارڈ سطح پر موصول ہونے والی کارکنوں کی ترسیلاتِ زر کی بدولت پاکستان نے ایک دہائی سے زائد عرصے میں پہلی مرتبہ کرنٹ اکاؤنٹ سرپلس حاصل کیا۔ سال کے بیشتر حصے میں افراطِ زر کی شرح میں نمایاں کمی دیکھی گئی، زرِمبادلہ کے ذخائر میں اضافہ ہوا، اور کاروباری اعتماد میں بہتری آئی، جس سے صنعتی اور تجارتی سرگرمیوں کے لیے نسبتاً زیادہ سازگار ماحول میسر آیا۔

آئندہ مالی سال 27-2026 کے لیے حکومت نے 4 فیصد شرحِ نمو کا ہدف مقرر کیا ہے، جبکہ آئی ایم ایف کے ایکسٹینڈڈ فنڈ فیسلٹی (EFF) اور ریزیلینس اینڈ سسٹین ایبلٹی فیسلٹی (RSF) کے تحت ساختی اصلاحات پر عمل درآمد بھی جاری رکھا جا رہا ہے۔ اقتصادی پالیسیوں میں تسلسل، مالیاتی نظم و ضبط، اور صنعتی شعبے کی مسابقتی صلاحیت میں اضافے کے لیے کی جانے والی اصلاحات پاکستان کی معاشی رفتار کو برقرار رکھنے اور پیداواری شعبے کی پائیدار اور طویل المدتی ترقی کو فروغ دینے میں اہم کردار ادا کریں گی۔

Agriauto's Journey

1981
Incorporated

1984
Listed on Karachi Stock Exchange

1987
TAA With Gabriel Ride Control Inc, USA

1989
Steering Box Manufacturing-Tractors

2012
- TAA with Ogihara Thailand for ASC – Stamping parts
- TAA with Shiroki Japan for Window Regulator

2014
- High-Tensile Sheet Metal Part Manufacturing at ASC
- TAA with Sannou Riken for Chrome plating

2016
- Establishment of Effluent Treatment Plant
- Fuel Tank Corolla

2017
- Power Window Regulator for Corolla
- Catalytic Converter Corolla

2022
Installation of Solar Power Plant

2023
- Press shop extension at Hub Plant
- Installation of Auto Chrome Plant
- Second Tandem Press line at ASC
-1st Export Order of Shock Absorbers

1994
TAA with KYB Japan

2000
ISO 9002 certification

2002
Start of Motorcycle Parts Manufacturing

2005
- ISO 9001:2000 certification
- ISO/ TS 16949 certification

2006
TAA with AISIN Japan – Door Hinges

2008
Press Shop Commissioned

2024
Development of aftermarket shock absorbers through Chinese support

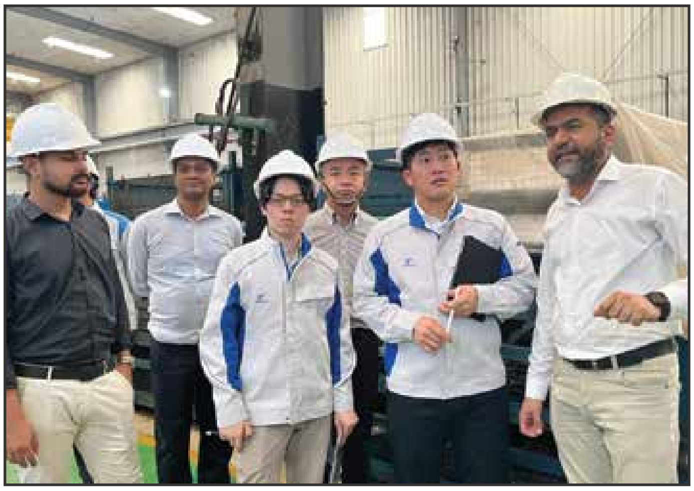
2025
- Diversification into Power Sector
- Export of dies

2026
- Waiting Chair facility production
- Establishment of Powder Coating Facility

Management Team

2026 at a Glance


agriauto
STAMPING COMPANY
KAIZEN
5S!


EXCELLENCE. INNOVATION. TRUST.

From a humble beginning in 1981 to becoming one of Pakistan's leading automotive component manufacturers, Agriauto Industries Limited has completed 45 remarkable years of excellence. This milestone reflects our unwavering commitment to quality, innovation, engineering excellence, and customer trust. Over the years, we have continuously expanded our capabilities, embraced advanced manufacturing technologies, and strengthened partnerships with global and local customers. As we celebrate 45 years, we remain dedicated to driving progress, creating sustainable value, and shaping the future of Pakistan's automotive and engineering industry.

Events
and Activities

Women's Day Celebration

Independence Day Celebration

Training and Development

Beach Day

Fire Safety Training

Birthday Celebrations

Sales Convention - Mirpur Azad Kashmir

Sales Convention-Hyderabad

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 as per the following:

a. Male:	-	06
b. Female:	-	01

2. The composition of the Board is as follows:

Category	Name
Independent Directors*	Ms. Ayesha T. Haq (Female Director) Mr. Aqueel E. Merchant
Non-Executive Directors	Mr. Yutaka Arae (Chairman) Mr. Hamza Habib Mr. Salman Burney Mr. Sohail P. Ahmed
Executive Director	Mr. Fahim Kapadia (Chief Executive)

*In a Board comprising 7 members, one-third works out to be 2.33, which is below half (i.e. 0.5). The fraction contained in such one-third is not rounded up to one as the Company has experienced and well-rounded independent directors on the Board who perform and carry out their responsibilities diligently.

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 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 Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. All of the directors have either completed Directors' Training program or are exempt from doing so under these regulations.

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. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

a) Board Audit and Risk Management Committee

- Mr. Aqueel E. Merchant	Chairman
- Mr. Sohail P. Ahmed	Member
- Ms. Ayesha T. Haq	Member

b) Board HR and Remuneration Committee

- Mr. Aqueel E. Merchant	Chairman
- Mr. Yutaka Arae	Member
- Mr. Fahim Kapadia	Member
- Mr. Salman Burney	Member
- Mr. Sohail P. Ahmed	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings of the committee were as per following:

a) Board Audit and Risk Management Committee	-	Four quarterly meetings
b) Board HR and Remuneration Committee	-	One meeting

15. The Board has outsourced the internal audit function to M/s. Noble Computer Services (Private) Limited who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S. No.	Requirement	Explanation	Regulation No.
1	The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The responsibilities as prescribed for the nomination committee are being taken care at the Board level, as and when needed, therefore a separate committee is not considered to be necessary by the Board.	29
2	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board has formed Audit and Risk Management Committee to address risk management framework at the Company's level.	30
3	The Company may post on its website key elements of its significant policies including but not limited to the following: i. Communication and disclosure policy; ii. Code of conduct for members of board of directors, senior management and other employees; iii. Risk management policy; iv. Internal control policy; v. Whistle blowing policy; vi. Corporate social responsibility / sustainability / environmental, social and governance related policy; and vii. policies for promoting DE&I and protection against harassment at the workplace.	As the regulation provides option for the disclosure of key elements of significant policies on the Company's website, only those policies which were considered necessary by management, have been posted on the website.	35 (1)
4	ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) The Board is responsible for the oversight of sustainability risks and opportunities, including ESG and climate-related matters, promotion of diversity, equity and inclusion (DE&I) policies, assessment and mitigation of sustainability risks, periodic review of sustainability and DE&I initiatives, oversight through a sustainability / designated Board committee of related compliance and disclosures, and ensuring adequate sustainability and DE&I disclosures in the Directors' report.	Currently, management is assessing these amendments / requirements and compliance thereof, as applicable, will be ensured in due course. The Sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB) will become applicable in a phased manner and the Company will be liable to comply with these disclosure requirements from FY 2027 based on criteria prescribed by the SECP.	10A

YUTAKA ARAE
Chairman / Director
Dated: September 1, 2026

FAHIM KAPADIA
Chief Executive

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Agriauto Industries 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 Agriauto Industries 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 23, 2026
UDIN: CR2026100816DeMS1ZVL

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INDEPENDENT AUDITOR'S REPORT

To the members of Agriauto Industries Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Agriauto Industries Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2026, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter

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

Following is the Key audit matter:

S.No.	Key audit matter	How the matter was addressed in our audit
(i)	Revenue from contracts with customers As disclosed in note 26 to the accompanying unconsolidated financial statements, the Company recognised revenue aggregating to Rs. 10,729.54 million, net of taxes, for the year ended June 30, 2026. The Company is engaged in the manufacturing and sale of components for automotive vehicles and motor cycles. Revenue is recognised when the performance obligation is satisfied by transferring control of promised goods to a customer. We considered revenue recognition as a key audit matter as it is one of the key performance indicators of the Company. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	We performed, amongst others, the following audit procedures: • Understood and evaluated the accounting policy with respect to revenue recognition. • Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition. • Tested revenue transactions, on a sample basis, with underlying documentation including goods delivery notes 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 recognised in the correct period. • Assessed the adequacy of disclosures made in the unconsolidated financial statements related to revenue.

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

pwc

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

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 **Khattab Muhammad Akhi Baig**.

A F Ferguson & Co.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 23, 2026
UDIN: AR202610081RnjiO3HBF

Financial Statements (Unconsolidated)

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	2026	2025
ASSETS		-----(Rupees in '000)-----	
Non-Current Assets			
Property, plant and equipment	4	1,767,616	1,695,011
Right-of-use assets	5	3,784	7,570
Intangible assets	6	8,810	19,728
Long-term investment	7	1,144,006	1,144,006
Long-term deposits	8	11,215	11,265
Deferred taxation - net	9	111,276	187,390
		3,046,707	3,064,970
Current Assets			
Stores, spares and loose tools	10	140,736	127,056
Stock-in-trade	11	1,926,794	2,158,766
Trade debts	12	1,228,362	894,907
Advances, deposits, prepayments and other receivables	13	530,638	365,808
Short-term investment	14	-	38,282
Sales tax receivable		-	7,906
Taxation - net		485,531	398,654
Cash and bank balances	15	43,404	39,785
		4,355,465	4,031,164
Total assets		7,402,172	7,096,134
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
40,000,000 (2025: 40,000,000) ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up capital	16	180,000	180,000
Reserves		4,738,540	4,120,181
		4,918,540	4,300,181
Non-Current Liabilities			
Lease liabilities	17	-	4,936
Long-term financings	18	129,040	219,445
Sindh Infrastructure Development Cess (SIDC) payable	19	180,065	-
Deferred income	20	10,689	12,948
		319,794	237,329
Current Liabilities			
Trade and other payables	21	1,281,411	1,117,459
Current maturity of lease liabilities	17	4,936	3,476
Current maturity of long-term financings	18	90,069	87,000
Current maturity of deferred income	20	2,251	2,251
Current maturity of SIDC payable	19	42,940	381,793
Sales tax payable		43,433	-
Warranty obligations	22	157,916	130,730
Unpaid dividend	23	654	-
Unclaimed dividend	23	32,458	33,701
Short-term finances	24	507,770	802,214
		2,163,838	2,558,624
Total liabilities		2,483,632	2,795,953
CONTINGENCIES AND COMMITMENTS	25		
Total equity and liabilities		7,402,172	7,096,134

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

DIRECTOR	CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		-----(Rupees in '000)-----	
Turnover - net	26	10,729,536	7,762,170
Cost of sales	27	(10,068,974)	(7,404,776)
Gross profit		660,562	357,394
Distribution and marketing expenses	28	(246,766)	(172,584)
Administrative expenses	29	(370,638)	(318,367)
		(617,404)	(490,951)
Operating profit / (loss)		43,158	(133,557)
Other expenses	30	(33,859)	(35,655)
Other income	31	501,634	420,398
Finance costs	32	(155,750)	(153,815)
Remeasurement gain on SIDC payable	19	195,968	-
		507,993	230,928
Profit before levy and taxation		551,151	97,371
Levy (minimum tax)	33	-	(96,416)
Profit before taxation		551,151	955
Taxation	34	130,208	98,020
Profit after taxation for the year		681,359	98,975
		---------(Rupees)---------	
Earnings per share – basic and diluted	35	18.93	2.75

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	-----(Rupees in '000)-----	
Profit after taxation for the year	681,359	98,975
Other comprehensive income	-	-
Total comprehensive income for the year	681,359	98,975

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital	Reserves				Total equity
		Capital reserve	Revenue reserves		Total reserves	
		Share premium (note 16.2)	General (note 16.3)	Unappropriated profit / (loss)		
	----------------------(Rupees in '000)----------------------					
Balance as at July 1, 2024	180,000	12,598	4,265,000	(256,392)	4,021,206	4,201,206
Transactions with owners in the capacity as owners directly recorded in equity	-	-	-	-	-	-
Total comprehensive income for the year ended June 30, 2025						
Profit after taxation for the year	-	-	-	98,975	98,975	98,975
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	98,975	98,975	98,975
Balance as at June 30, 2025	180,000	12,598	4,265,000	(157,417)	4,120,181	4,300,181
Transactions with owners in the capacity as owners directly recorded in equity						
Final dividend of Rs. 1.75 per share for the year ended June 30, 2025	-	-	(63,000)	-	(63,000)	(63,000)
Total comprehensive income for the year ended June 30, 2026						
Profit after taxation for the year	-	-	-	681,359	681,359	681,359
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	681,359	681,359	681,359
Balance as at June 30, 2026	180,000	12,598	4,202,000	523,942	4,738,540	4,918,540

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

UNCONSOLIDATED 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 / (used in) operations	36	576,480	(342,245)
Long-term deposits recovered / (paid)		50	(243)
Finance costs paid		(121,340)	(80,534)
Levy and income tax paid		(84,125)	(153,575)
Warranty claims paid	22.1	(5,209)	(8,074)
Sindh Infrastructure Development Cess (SIDC) paid	19	(65,423)	-
Royalty paid	21.3	(48,234)	(28,089)
Short-term finances obtained during the year - net		172,389	119,962
Net cash generated from / (used in) operating activities		424,588	(492,798)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(322,188)	(161,699)
Proceeds from disposal of operating fixed assets	4.4	46,286	17,678
Purchase of intangible asset		-	(450)
Profit received on short-term investment		2,514	5,128
Profit received on deposit accounts		7,399	945
Proceeds from disposal of short-term investment		38,000	-
Dividend received from subsidiary company	31	457,603	343,202
Net cash generated from investing activities		229,614	204,804
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	37	(63,589)	(231)
Lease rentals paid	37	(4,373)	(4,564)
Long-term financing repaid	37	(115,641)	(119,897)
Net cash used in financing activities		(183,603)	(124,692)
Net increase / (decrease) in cash and cash equivalents		470,599	(412,686)
Cash and cash equivalents at the beginning of the year		(507,370)	(94,684)
Cash and cash equivalents at the end of the year	38	(36,771)	(507,370)

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

DIRECTOR | CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 THE COMPANY AND ITS OPERATIONS

1.1 Agriauto Industries Limited (the Company) was incorporated in Pakistan on June 25, 1981 as a public limited company and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacture and sale of components for automotive vehicles and motor cycles. The registered office of the Company is situated at 5th Floor, House of Habib, 3 Jinnah Cooperative Housing Society (J.C.H.S), Block 7/ 8, Main Shahrah-e-Faisal, Karachi.

1.2 Geographical location and addresses of all the business units are as under:

Location	Business unit
Karachi, Sindh 5th Floor, House of Habib, 3 Jinnah Cooperative Housing Society (J.C.H.S), Block 7/ 8, Main Shahrah-e-Faisal, Karachi.	Registered office
Hub, Balochistan 243, Mouza Baroot, Hub Chowki District Lasbella, Balochistan.	Manufacturing facility

1.3 These unconsolidated financial statements are the separate financial statements of the Company in which the investments in subsidiary is accounted for at cost less accumulated impairment losses, if any.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

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

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

2.2 Basis of measurement

2.2.1 These unconsolidated financial statements have been prepared under the historical cost convention except otherwise specified in respective notes to the unconsolidated financial statements.

2.2.2 These unconsolidated financial statements are presented in Pakistan Rupees which is the Company's functional and presentational currency.

2.3 Standards, interpretations, improvements and amendments applicable to unconsolidated financial statements

2.3.1 Amendments to approved accounting and reporting standards that became effective during the year

There were certain amendments to approved accounting and reporting standards that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have therefore not been disclosed in these unconsolidated financial statements.

2.3.2 Standards, interpretations and amendments to accounting and reporting standards that are not yet effective

There are certain new standards and amendments to accounting and reporting standards that will be applicable to the Company's accounting period beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Company's unconsolidated financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) with applicability date of January 1, 2027. IFRS 18 shall impact the presentation of 'Statement of Profit or Loss' with certain additional disclosures in the unconsolidated financial statements; and

- amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' clarify the timing of recognition and derecognition of certain financial instruments including settlement of liabilities through banking instruments and channels including electronic transfers. These amendments are effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the accounting and presentation of the financial instruments.

The management is in the process of assessing the impacts of the above new standards and amendments on the unconsolidated financial statements of the Company.

2.4 Material accounting policy information

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

2.4.1 Current versus non-current classification

The Company presents assets and liabilities in the unconsolidated statement of financial position based on current / non-current classification. An asset is current when it is:
- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- it is expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading; or
- due to be settled within twelve months after the reporting period.
- "there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period."

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

2.4.2 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is stated at cost, less accumulated impairment loss, if any. All expenditure connected with specific assets, including the cost of replacing parts and the cost of borrowings for long-term construction projects are carried under capital work-in-progress, if the recognition criteria is met. These are transferred to specific categories of property, plant and equipment as and when these are available for use.

Depreciation on operating fixed assets is charged to the unconsolidated statement of profit or loss applying the straight line method at the rates specified in note 4.1 to these unconsolidated financial statements. Depreciation on additions is charged from the month of addition and in case of disposal, prior to the month of disposal. Maintenance and normal repairs are charged to unconsolidated statement of profit or loss as and when incurred, Subsequent expenditures including major renewals and improvements are capitalised when it is probable that respective future economic benefits will flow to the Company and the cost of the items can be measured reliably.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing the carrying amount of that asset with the sales proceeds and are recognised within 'other income / other expenses' in the unconsolidated statement of profit or loss.

The carrying value of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceed the estimated recoverable amount, the assets or related cash-generating units are written down to their recoverable amount.

The assets' residual values, useful lives and depreciation methods are reviewed at each reporting date, and adjusted if material.

Capital work-in-progress

These are stated at cost less accumulated impairment, if any. Capital work-in-progress consist of expenditure incurred and advance made in respect of operating fixed assets in the course of their procurement, construction and installation.

2.4.3 Right-of-use assets and related liabilities

The Company assesses at contract inception whether a contract is, or contains, a lease, i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4.3.1 Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received as applicable.

Right-of-use assets are depreciated on straight-line basis over the lower of the lease term and the estimated useful lives of the assets as specified in note 5 to these unconsolidated financial statements. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

2.4.3.2 Lease liabilities

The Company applies a single recognition and measurement approach for all leases, except for short-term leases, if any. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The extension and termination options are incorporated in the determination of the lease term only when the Company is reasonably certain to exercise these options.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the commencement date of the lease, if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.4.4 Intangible assets

These are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and that cost of such asset can also be measured reliably and the same is amortised applying the straight line method at the rate disclosed in note 6 to these unconsolidated financial statements.

Research and development expenditure that do not meet the criteria mentioned in IAS 38 'Intangible Assets' are recognised as an expense as incurred.

The assets' residual values, useful lives and amortisation methods are reviewed at each reporting date, and adjusted accordingly.

2.4.5 Stores, spares and loose tools

Stores, spares and loose tools are stated at weighted average cost less provision for obsolete items (if any) except items in-transit, if any, are valued at cost comprising invoice value plus other charges incurred thereon up to the reporting date. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision, if required, is made in the unconsolidated financial statements for slow moving and obsolete items. Stores, spares and loose tools are assessed and provision is applied according to the degree of ageing based on a specific criteria.

2.4.6 Stock-in-trade

Stock-in-trade, except goods-in-transit, is stated at the lower of net realisable value (NRV) and cost determined as follows:

Raw and packing materials	Moving average basis, cost of raw materials comprises of purchase price plus import duties and taxes (other than those that are subsequently recoverable).
Work-in-process	Cost of direct materials plus conversion cost valued on the basis of equivalent production units.
Finished goods	Cost of finished goods comprises cost of direct materials plus conversion cost valued on the basis of equivalent production units.

Goods-in-transit are valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Stock-in-trade is regularly reviewed by management and obsolete items, if any, are brought down to their NRV. NRV signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.4.7 Investment in subsidiary company

Subsidiary is a entity over which the Company has control, typically through ownership of more than 50% of the voting rights. Control exists when the Company:

- has the ability to direct the investee's financial and operating policies, enabling it to influence the investee's strategic decisions;

- has exposure to, or rights to, fluctuating returns resulting from its involvement with the investee; and

- can utilise its power over the investee to impact the amount of returns it receives from its investment.

Investments in subsidiary company is stated at cost less impairment, if any. An assessment is made at each reporting date to determine whether there is any indication that an investment may be impaired. If such indication exists, the estimated recoverable amount of the investment is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

2.4.8 Cash and cash equivalents

For the purpose of unconsolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances, readily encashable investments and short-term running finance that is repayable on demand and forms an integral part of the Company's cash management. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

2.4.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The financial assets of the Company mainly include trade debts, deposits, short-term investment, other receivables and cash and bank balances.

On initial recognition, a financial asset is classified as measured at amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Based on the business model of the Company, the financial assets of the Company are measured and classified under IFRS 9 as follows;

Trade debts, short-term investment and other financial assets are measured at amortised cost using the effective interest rate method less an allowance for expected credit losses, if any.

Derecognition

A financial asset, a part of a financial asset or part of a group of similar financial assets is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through' arrangement and either the Company has transferred substantially all the risks and rewards of the asset or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in the unconsolidated statement of profit or loss.

Financial liabilities

The financial liabilities of the Company mainly include long-term financing, short-term finance and trade creditors. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. For the purpose of subsequent measurement, financial liabilities are classified at amortised cost.

Derecognition

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

Impairment of financial assets - allowance for expected credit losses (ECL)

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive.

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and contract assets. The Company applies the simplified approach to recognise life time expected credit losses for trade debts while general 3 - stage approach for other financial assets 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.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset. The Company considers a financial asset in default when contractual payments are 90 days past due and it is subsequently written off when there is no reasonable expectation of recovering the contractual cash flows. This definition is based on the Company's internal credit risk management policy.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated statement of financial position if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4.10 Impairment of non-financial assets

The carrying amounts of non-financial assets other than stock-in-trade, stores, spares and loose tools and deferred tax assets are assessed at date of unconsolidated statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the unconsolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

2.4.11 Levies

The Company considers unrecoupable minimum taxes in excess of normal tax liability and tax deducted at source under final tax regime are out of scope of IAS 12 'Income Taxes' and fall in the ambit of IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

2.4.12 Taxation

Income tax expense comprises of current and deferred tax. The Company has opted for Group Taxation under section 59AA of Income Tax Ordinance, 2001 ('the Ordinance'). The Group consists of Agriauto Industries Limited (the Holding Company) and Agriauto Stamping Company (Private) Limited - wholly owned subsidiary.

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or Alternate Corporate Tax whichever is higher in accordance with the provisions of the Ordinance. The minimum tax under section 113 which is not recoupable is classified under levies.

The Company applies a separate taxpayer within a group method, under which current and deferred tax are determined for the Company as a separate taxpayer. The Company is the nominated entity responsible for settlement of the tax group's liability and group members are jointly and severally liable. Accordingly, the Company recognises the full tax liability payable to the taxation authority, with any recovery rights from other group member recognised separately. The Group has tax funding arrangement in place by virtue of which the difference in tax charge recognised on the basis of taxable income in the separate financial statements of each entity and the Group's tax liability under section 59AA is settled in cash between the Group companies.

Deferred

Deferred tax is recognised using the balance sheet method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the unconsolidated statement of financial position date.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

2.4.13 Warranty obligations

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns and recognises the estimated product warranty costs in the unconsolidated statement of profit or loss when the sale is recognised. Assumptions used to calculate the provision for warranties are based on current sales levels and current information available about returns based on the warranty period for all products sold.

2.4.14 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 a 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 measure with sufficient reliability.

The assessment of contingent liabilities 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 latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

2.4.15 Deferred income

The benefit of a long-term financing at a below-market rate of interest is treated as a deferred income, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The deferred income is held on the unconsolidated statement of financial position as a deferred credit and realised to the unconsolidated statement of profit or loss over the periods necessary to match the related finance cost.

2.4.16 Revenue from contract with customers

The Company manufactures and sells components for automotive vehicles and motor cycles to Original Equipment Manufacturers (OEMs) and certain after market suppliers. Revenue from contracts with customers is recognised when the performance obligation is satisfied and the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods according to the negotiated contractual terms. The Company has generally concluded that it acts as a principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Company's performance obligations, comprising of the sale of components of automotive vehicles and motor cycles, are not separable, and are not partially satisfied, since they are satisfied at a point in time, when the customer accepts the products. Moreover, the payment terms identified in most sources of revenue are short term usually 30 to 90 days upon delivery, without any variable considerations, financing components and guarantees.

The Company recognises a trade receivable when the performance obligations have been met, recognising the corresponding revenue.

Advance from customers is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. Advance from customers is recognised as revenue when the Company performs under the contract.

2.4.17 Other income

Return on bank deposits / saving accounts and short-term investments is recognised using effective interest rate method.

Dividend income is recognised when the Company's right to receive the dividend is established.

Scrap sales are recognised at sales proceeds less book value on the day of transaction.

Gain on disposal of property, plant and equipment is recognised at the difference between sales proceeds and carrying value when the relevant item of property, plant and equipment is disposed of.

Other income, if any, is recognised on accrual basis.

2.4.18 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4.19 Sales tax

Revenues, expenses and assets are recognised, net off amount of sales tax except:

- where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;

- trade receivables or trade payables are stated with the amount of sales tax; and

- the net amount of sales tax recoverable from, or payable to, the taxation authorities is included as part of sales tax receivables or payables in the unconsolidated statement of financial position.

2.4.20 Unclaimed dividend

This is recognised at the amount of dividend declared and unclaimed by shareholders from the date it became due and payable.

2.4.21 Unpaid dividend

This is recognised at the amount of dividend declared and claimed by shareholders but remained unpaid for the period of 3 years from the date it became due and payable.

2.4.22 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

2.4.23 Provisions

Provision is recognised in the unconsolidated statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each date of unconsolidated statement of financial position and adjusted to reflect the current best estimate.

2.4.24 Operating segments

For management purposes, the activities of the Company are organised into one reportable operating segment. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure, and internal financial reporting systems. Accordingly, the figures reported in these unconsolidated financial statements are related to the Company's only reportable segment.

2.4.25 Share capital and reserves

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

Reserves comprise of capital and revenue reserves. Capital reserves represent share premium while revenue reserves comprise of general reserves and unappropriated profit.

2.4.26 Dividends and appropriation to reserve

Dividend and appropriation to reserve are recognised in the unconsolidated financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognised in the unconsolidated financial statements in the period in which such transfers are made.

2.4.27 Foreign currency transactions and translation

Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated into rupees at the foreign exchange rates approximating those prevailing at the unconsolidated statement of financial position date. Exchange differences if any are taken to the unconsolidated statement of profit or loss.

2.4.28 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of unconsolidated financial statements in conformity with approved accounting standards requires the use of certain critical 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 historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the accounting policies, management has made the following judgments and estimates which are significant to these unconsolidated financial statements:

(i) Residual value, rate of depreciation and useful life of property, plant and equipment - Note 2.4.2 & 4

The Company reviews appropriateness of the useful life, depreciation method and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment as and when required. In making these estimates, Company uses the technical resources available with the Company or external experts, where required. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

(ii) Net realisable value of stock-in-trade - Note 2.4.6 & 11

The Company reviews the net realisable value of stock-in-trade to assess any diminution in the respective carrying values and also review the inventories for obsolescence.

(iii) Levies, provision for income tax and deferred tax - Note 2.4.11, 2.4.12, 9, 33 & 34

The Company takes into account current income and sales tax laws and decisions taken by the appellate authorities. Instances where the Company's view differs from the view taken by the tax authorities at the assessment stage and where the Company, in consultation with its external counsel, considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities (unless there is a remote possibility of transfer of benefits).

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management considers tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iv) Contingent liabilities - Note 2.4.14 & 25

The Company, based on the availability of the latest information, estimates the value of contingent liabilities, which may differ on the occurrence / non-occurrence of uncertain future event(s).

(v) Warranty obligations - Note 2.4.13 & 22

The Company, based on the tenure of warranty under the agreements with its customers and rate determined based on the availability of latest information, estimates the provision for warranty obligations. The actual warranty claims may differ from the estimated warranty provision held as above.

3.1 Change in accounting estimate

During the year, as a result of the annual reassessment of the useful lives, residual values and depreciation method of Property, Plant and Equipment (operating fixed assets), management identified a change in the expected pattern of consumption of the future economic benefits embodied in the operating fixed assets. Accordingly, the useful lives, residual values and depreciation method of the operating fixed assets were revised to reflect the new pattern of consumption. This revision has been treated as a change in accounting estimate and has been accounted for prospectively in accordance with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The net effect of these changes during the current financial year is a decrease in depreciation expense of Rs. 18.14 million and increase in profit before tax by the same amount.

Assuming that the assets are held until the end of their estimated useful lives, the effect of this change on depreciation expense in the unconsolidated statement of profit or loss for the future years is as follows:

	2027	2028	2029	2030	Thereafter
	------------------------- (Rupees in '000) -------------------------				
(Decrease) / increase in depreciation expense	(21,089)	9,404	16,377	16,303	(371,843)

	Note	2026	2025
		-----(Rupees in '000)-----	
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,694,352	1,661,271
Capital work-in-progress	4.5	73,264	33,740
		1,767,616	1,695,011

4.1 Operating fixed assets

	COST			Depreciation rate (note 4.1.1)	ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE
	As at July 1, 2025	Additions / transfer* / (disposals)	As at June 30, 2026		As at July 1, 2026	Charge for the year (Note 4.2)	(On disposals)	As at June 30, 2026	As at June 30, 2026
	-------- (Rupees in '000) --------			%	------------------ (Rupees in '000) ------------------				
Owned									
Freehold land	1,652	-	1,652	-	-	-	-	-	1,652
Building on freehold land	714,521	-	746,298	5	255,089	19,645	-	274,734	471,564
		31,777 *							
Plant and machinery	2,073,049	12,693	2,175,619	10 - 20	1,053,175	131,119	-	1,154,976	1,020,643
		120,360 *					-		
		(30,483)					(29,318)		
Furniture and fittings	32,528	2,244	34,866	20 - 33	21,586	7,295	-	28,784	6,082
		202 *					-		
		(108)					(97)		
Vehicles	189,413	22,116	194,482	20	87,467	19,909	-	74,925	119,557
		43,891 *					-		
		(60,938)					(32,451)		
Office equipment	11,444	6,405	17,404	20 - 33	6,943	2,825	-	9,701	7,703
		(445)					(67)		
Computer equipment	40,736	24,449	63,588	20 - 33	31,023	8,606	-	38,192	25,396
		(1,597)					(1,437)		
Dies and tools	194,604	3,338	206,627	33	141,393	27,165	-	164,872	41,755
		15,189 *					-		
		(6,504)					(3,686)		
	3,257,947	71,245	3,440,536		1,596,676	216,564	-	1,746,184	1,694,352
		211,419 *					-		
		(100,075)					(67,056)		

* represents transfers from capital work-in-progress to operating fixed assets.

	COST			Depreciation rate (note 4.1.2)	ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE
	As at July 1, 2024	Additions / transfer* / (disposals)	As at June 30, 2025		As at July 1, 2024	Charge for the year (Note 4.2)	(On disposals)	As at June 30, 2025	As at June 30, 2025
	-------- (Rupees in '000) --------			%	------------------ (Rupees in '000) ------------------				
Owned									
Freehold land	1,652	-	1,652	-	-	-	-	-	1,652
Building on freehold land	713,809	712	714,521	10	204,114	50,975	-	255,089	459,432
Plant and machinery	2,019,013	43,332	2,073,049	10 – 20	933,553	131,600	-	1,053,175	1,019,874
		25,202 *					-		
		(14,498)					(11,978)		
Furniture and fittings	31,807	1,329	32,528	15	20,179	1,926	-	21,586	10,942
		(608)					(519)		
Vehicles	162,374	46,548	189,413	20	75,859	20,772	-	87,467	101,946
		(19,509)					(9,164)		
Office equipment	10,863	-	11,444	20	5,952	991	-	6,943	4,501
		581 *					-		
Computer equipment	34,631	7,260	40,736	33	28,488	3,401	-	31,023	9,713
		(1,155)					(866)		
Dies and tools	190,069	4,535	194,604	40	108,460	32,933	-	141,393	53,211
	3,164,218	103,716	3,257,947		1,376,605	242,598	-	1,596,676	1,661,271
		25,783 *					-		
		(35,770)					(22,527)		

* represents transfers from capital work-in-progress to operating fixed assets.

4.1.1 These represent depreciation rates under straight line depreciation method.

4.1.2 These represent depreciation rates under reducing balance depreciation method.

	Note	2026	2025
		-----(Rupees in '000)-----	
4.2 Depreciation charge for the year has been allocated as follows:			
Cost of sales	27	200,557	229,303
Distribution and marketing expenses	28	1,303	1,348
Administrative expenses	29	14,704	11,947
		216,564	242,598

4.3 Particulars of immovable property (i.e. freehold land and building on freehold land) in the name of the Company are as follows:

Location	Use of immoveable property	Total area
243, Mouza Baroot, Hub Chowki, Distt. Lasbella, Balochistan.	Manufacturing facility	18.2 acres

4.4 Particulars of operating fixed asset having net book value of five hundred thousand rupees or more disposed of during the year are as follows:

Particulars	Cost	Book value	Sale proceed	Gain	Mode of disposal	Particulars of buyer	Relationship of purchaser with the Company or any of its directors
	---------- (Rupees in '000) ----------						
Plant and machinery							
Camshaft gangmaster	6,504	2,818	11,552	8,734	Negotiation	M/s. Badar Ali Traders	Independent purchaser
Vehicles							
Suzuki Cultus AGS	2,130	850	850	-	Company policy	Imran Hussain	Employee
Suzuki Cultus AGS	2,130	850	850	-	Company policy	Aslam Baig	Employee
Suzuki Cultus VXL	1,830	761	761	-	Company policy	Haris Qureshi	Employee
Suzuki Cultus VXL	4,084	2,635	3,250	615	Insurance claim	Habib Insurance Company Ltd.	Insurer
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Akber Karim	Employee
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Nadeem Khan	Employee
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Zubair Khan	Employee
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Azam Khan	Employee
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Adnan Sarwar	Employee
Toyota Corolla Altis Auto	3,375	1,181	1,181	-	Company policy	Hassan M. Khan	Employee
Toyota Corolla Altis Grande	3,905	1,333	1,367	34	Company policy	Fahim Kapadia	Chief Executive
Toyota Corolla Grande	4,005	1,415	1,415	-	Company policy	Omar Razzaq	Ex-employee
Toyota Yaris 1.3 CVT	2,695	943	943	-	Company policy	Shams ul Huda	Employee
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Shahid Sattar	Employee
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Amjad Elahi	Employee
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Shezan Ali Fareed	Employee
Toyota Yaris 1.3 CVT	4,760	3,971	4,038	67	Company policy	Adnan Afzal	Ex-employee
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Nadeem ul Haq	Employee
Toyota Yaris 1.5 CVT	3,005	1,169	1,253	84	Company policy	Azeem Saadat	Employee
Toyota Yaris 1.5 CVT	3,005	1,169	1,253	84	Company policy	Mian Saeed	Employee
Toyota Yaris GLi CVT 1.3	4,835	4,583	4,583	-	Sale to related party	Agriauto Stamping Company (Private) Limited	Subsidiary company
	67,213	31,220	40,838	9,618			
Operating fixed assets having WDV less than Rs. 0.5 million	32,862	1,799	5,448	3,649	Various	Various	
2026	100,075	33,019	46,286	13,267			
2025	35,770	13,243	17,678	4,435			

		Note	2026	2025
			-----(Rupees in '000)-----	
4.5	**Capital work-in-progress**			
	Plant and machinery		8,360	25,951
	Advance for vehicles		64,904	7,789
		4.5.1	73,264	33,740
4.5.1	**Movement in capital work-in-progress during the year is as follows:**			
	As at July 1		33,740	1,540
	Capital expenditure incurred / advance paid during the year		250,943	57,983
	Transferred to operating fixed assets during the year	4.1	(211,419)	(25,783)
	As at June 30		73,264	33,740
5	**RIGHT-OF-USE ASSETS**			
	As at July 1		7,570	2,376
	Additions during the year	5.1	-	8,980
	Depreciation charge for the year	5.2	(3,786)	(3,786)
	As at June 30		3,784	7,570

5.1 The Company has two lease arrangements for its offices (in Karachi and Lahore) in which rentals are payable in advance. The lease tenure of all rental premises ranges between 3 years to 3 years and 1 month.

		Note	2026	2025
			-----(Rupees in '000)-----	
5.2	**Depreciation charge for the year has been allocated as follows:**			
	Distribution and marketing expenses	28	793	793
	Administrative expenses	29	2,993	2,993
			3,786	3,786

6 INTANGIBLE ASSETS

	COST			Amortisation rate	ACCUMULATED AMORTISATION				WRITTEN DOWN VALUE
	As at July 1, 2025	Additions/ (retirements)	As at June 30, 2026		As at July 1, 2025	Charge for the year (Note 6.1)	(On retirements)	As at June 30, 2026	As at June 30, 2026
	-------- (Rupees in '000) --------			%	----------------- (Rupees in '000) -----------------				
Licenses *	87,972	-	87,972	20	78,986	5,392	-	84,378	3,594
Software	27,330	-	27,330	20 - 33	16,588	5,526	-	22,114	5,216
	115,302	-	115,302		95,574	10,918	-	106,492	8,810

	COST			Amortisation rate	ACCUMULATED AMORTISATION				WRITTEN DOWN VALUE
	As at July 1, 2024	Additions/ (retirements)	As at June 30, 2025		As at July 1, 2024	Charge for the year (Note 6.1)	(On retirements)	As at June 30, 2026	As at June 30, 2025
	-------- (Rupees in '000) --------			%	------------------ (Rupees in '000) ------------------				
Licenses *	87,972	-	87,972	20	70,037	8,949	-	78,986	8,986
Software	26,880	450	27,330	20 - 33	11,200	5,388	-	16,588	10,742
	114,852	450	115,302		81,237	14,337	-	95,574	19,728

* This represents amount paid against licenses and technical fee for certain products / components that are being manufactured by the Company under technical service agreements with technical advisors.

	Note	2026	2025
		-----(Rupees in '000)-----	
6.1 Amortisation charge for the year has been allocated as follows:			
Cost of sales	27	9,083	12,650
Distribution and marketing expenses	28	241	241
Administrative expenses	29	1,594	1,446
		10,918	14,337

7 LONG-TERM INVESTMENT

Investment in subsidiary company - at cost

	Note	2026	2025
Agriauto Stamping Company (Private) Limited 114,400,634 (2025: 114,400,634) ordinary shares of Rs. 10/- each	7.1	1,144,006	1,144,006

7.1 This represents investment in wholly owned subsidiary incorporated on January 20, 2012 as a private limited company. The subsidiary company is engaged in the business of stamping of sheet metal parts, dies and fixtures primarily for the automotive industry. The registered office of the subsidiary company is situated at 5th Floor, House of Habib, 3 Jinnah Cooperative Housing Society, Block 7 / 8, Main Shahrah-e-Faisal, Karachi.

	Note	2026	2025
		-----(Rupees in '000)-----	
8 LONG-TERM DEPOSITS			
Security deposits - considered good	8.1 & 8.2	11,215	11,265

8.1 This represents interest free deposits with suppliers having no fixed maturity. Fair value of these deposits is not considered to be materially different from the amortised cost.

8.2 This includes long-term deposit held with Habib Metropolitan Bank Limited - associated company, amounting to Rs. 0.09 million (2025: Rs. 0.09 million).

		2026	2025
		-----(Rupees in '000)-----	
9	**DEFERRED TAXATION - net**		
	Deductible temporary differences arising due to:		
	- provisions	155,023	157,642
	- lease liabilities and right-of-use assets	334	244
	- unused business losses	-	164,617
	- minimum tax credits (expiring in tax year 2027)	81,233	-
	- alternative corporate tax credits (expiring in tax year 2036)	15,903	-
		252,493	322,503
	Taxable temporary difference arising due to:		
	- accelerated tax depreciation	141,217	135,113
		111,276	187,390

9.1 As of the date of unconsolidated statement of financial position, deferred tax asset amounting to Rs. Nil (2025: Rs. 147.89 million) and Rs. Nil (2025: Rs. 16.19 million) in respect of minimum tax credits and unused business losses have not been recognised in these unconsolidated financial statements based on the forecast of future taxable profits.

		Note	2026	2025
			-----(Rupees in '000)-----	
10	**STORES, SPARES AND LOOSE TOOLS**			
	Stores		102,877	100,840
	Spares		86,622	73,403
	Loose tools		5,264	6,624
			194,763	180,867
	Less: provision for obsolescence	10.1	(54,027)	(53,811)
			140,736	127,056

10.1 This includes a charge of provision for obsolescence amounting to Rs. 0.22 million (2025: Rs. 3.91 million) during the year.

		Note	2026	2025
			-----(Rupees in '000)-----	
11	**STOCK-IN-TRADE**			
	Raw material	11.1 & 11.2	1,307,751	1,387,075
	Less: provision for obsolescence	11.1	(59,234)	(95,347)
			1,248,517	1,291,728
	Packing material		9,212	9,524
	Less: provision for obsolescence	11.1	(999)	(813)
			8,213	8,711
	Work-in-process		48,462	49,295
	Finished goods		92,267	116,167
	Less: provision for obsolescence	11.1	(7,744)	(7,600)
			84,523	108,567
	Goods-in-transit		537,079	700,465
			1,926,794	2,158,766

11.1 This includes an amount of Rs. 36.064 million (2025: Rs. 108.09 million) in respect of reversal of provision for obsolescence and also includes an amount of Rs. 0.28 million (2025: Rs. 3.34 million) in respect of charge of provision for write down of inventory to its NRV during the year.

11.2 As at the reporting date, raw materials amounting to Rs. 52.25 million (2025: Rs. 30.85 million) were held with the sub-contractors.

	Note	2026	2025
		-----(Rupees in '000)-----	
12 TRADE DEBTS			
Considered good - unsecured	12.2 & 12.3	1,228,362	894,907

12.1 These include balance due from various customers of the Company. The ageing analysis of these trade debtors is as follows:

	2026	2025
	-----(Rupees in '000)-----	
Not yet due	1,202,857	868,259
Upto 1 month	25,505	16,634
1 to 2 months	-	8,929
3 to 6 months	-	760
More than 6 months	-	325
	1,228,362	894,907

12.2 This includes an amount of Rs. 5.01 million (2025: Rs. 0.04 million) and Rs. 7.12 million (2025: Rs. 3.94 million) receivable from Agriauto Stamping Company (Private) Limited – a wholly owned subsidiary and Thal Boshoku Pakistan (Private) Limited - associated company respectively, against sales made by the Company. These balances are not yet due and also not impaired.

12.3 The maximum aggregate amount receivable from the related parties at the end of any month during the year was Rs.16.52 million (2025: Rs. 11.73 million).

	Note	2026	2025
		-----(Rupees in '000)-----	
13 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances - unsecured, considered good			
Contractors		9,263	2,155
Employees		2,086	5,722
Suppliers		10,861	3,576
		22,210	11,453
Deposits	13.1	29,076	17,382
Prepayments			
Insurance		7,056	6,339
Software maintenance		14,507	12,079
		21,563	18,418
Other receivables - secured, considered good	13.2, 13.3 & 13.4	457,789	318,555
		530,638	365,808

13.1 This includes an amount of Rs. 25.67 million (2025: Rs. 14.07 million) given against letter of credit and letter of guarantee margin deposits, out of which Rs. 24.99 million (2025: Rs. 0.78 million) are held with Habib Metropolitan Bank Limited - associated company.

13.2 This includes receivable of Rs. 226.78 million (2025: Rs. 226.78 million) in respect of claim against Additional Custom Duty (ACD) (as disclosed in note 21.4) from a customer.

13.3 This includes an amount of Rs. 3.80 million (2025: Rs. 2.09 million) accrued profit on deposit accounts held with Habib Metropolitan Bank Limited - associated company.

13.4 This includes receivable from the Agriauto Stamping Company (Private) Limited – a wholly owned subsidiary amounting to Rs. 169.54 million (2025: Rs. 63.22 million) out of which 164.96 million (2025: Rs. 63.22 million) is with respect to group tax adjustment.

	Note	2026	2025
		-----(Rupees in '000)-----	
14 SHORT-TERM INVESTMENT			
At amortised cost			
Term deposit receipts		-	38,000
Accrued profit thereon		-	282
		-	38,282
15 CASH AND BANK BALANCES			
In hand		8	8
With banks in			
- current accounts		6,039	6,067
- deposit accounts	15.1	37,357	33,710
		43,396	39,777
		43,404	39,785

15.1 This represent balances in deposit accounts maintained with Habib Metropolitan Bank Limited - associated company under interest / mark-up arrangements and carry interest at the rate of 10.00% (2025: 9.50%) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2026	2025		2026	2025
(Number of shares in '000)		**Ordinary shares of Rs. 5/- each**	----- (Rupees in '000) -----	
22,800	22,800	Fully paid in cash	114,000	114,000
13,200	13,200	Issued as bonus shares	66,000	66,000
36,000	36,000		180,000	180,000

16.1 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.

16.2 Share premium reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

16.3 The purpose of general reserves includes, but not limited to, fulfilling various business needs like meeting contingencies, enhancing the working capital, etc.

16.4 As at the reporting date, 2,644,500 shares (2025: 2,644,500 shares) are held by Thal Limited - associated company.

17 LEASE LIABILITIES

The Company has two lease arrangements for its offices (in Karachi and Lahore) in which rentals are payable in advance. The weighted average discounting rate of the lease is 20.00% (2025: 20.00%) per annum.

	Note	2026	2025
		-----(Rupees in '000)-----	
Lease liabilities		4,936	8,412
Current maturity of lease liabilities		(4,936)	(3,476)
	17.1	-	4,936

17.1 Movement of lease liabilities

	Note	2026	2025
As at July 1		8,412	2,480
Addition during the year		-	8,980
Finance cost charged during the year		897	1,516
Payments made during the year		(4,373)	(4,564)
As at June 30	17.2	4,936	8,412
Current maturity of lease liabilities		(4,936)	(3,476)
		-	4,936

17.2 The maturity analysis of lease liabilities as at the reporting date is as follows:

	2026	2025
Up to 1 year	4,936	3,476
1 to 3 years	-	4,936
Total lease liabilities	4,936	8,412

18 LONG-TERM FINANCINGS

	Note	2026	2025
Secured			
SBP refinance scheme for renewable energy	18.1	33,928	38,567
Current maturity of long-term financing		(4,888)	(4,538)
		29,040	34,029
Long-term financing	18.2	185,181	267,878
Current maturity of long-term financing		(85,181)	(82,462)
		100,000	185,416
	18.3	129,040	219,445

18.1 This represents long-term financing facility obtained from a conventional bank under State Bank of Pakistan (SBP) refinance scheme for renewable energy, recognised initially at fair value. The total facility amounts to Rs. 90 million and carries contractual mark-up at the rate of 2% plus spread of 0.75% (2025: 2% plus spread of 0.75%) per annum payable quarterly. The effective mark-up rate as calculated with reference to fair value of the loan ranges from 10.02% to 16.30% (2025: 10.02% to 16.30%) per annum. The tenure of this facility is ten years and is due to mature latest by September 29, 2032. The facility is secured against first specific hypothecation charge over plant and machinery related to the solar power project for the disbursed amount. As at June 30, 2026, the unutilised portion of the facility amounts to Nil (2025: Nil).

18.2 This represents long-term financing facility obtained from a conventional bank to refinance capital expenditure incurred by the Company, with a total limit of Rs. 500 million (2025: Rs. 500 million) at a markup rate of 3 months KIBOR + 0.3% (2025: 3 months KIBOR + 0.3%) payable on quarterly basis. The tenure of this facility is six years, including grace period of one year and is due to mature latest by July 3, 2028. This facility is secured by first pari passu hypothecation / first charge over present and future fixed assets (excluding land and building) of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility amounts to Nil (2025: Nil).

	2026	2025
	-----(Rupees in '000)-----	

18.3 Movement of long-term financings during the year is as follows:

	2026	2025
As at July 1	306,445	378,033
Repayments made during the year (including interest)	(115,641)	(119,897)
Accretion of interest during the year	28,305	48,309
As at June 30	219,109	306,445
Current maturity of long-term financing	(90,069)	(87,000)
	129,040	219,445

18.4 In accordance with the long term financing agreement between the Company and a commercial bank, the Company is required to comply with the following financial thresholds over the tenure of the loan agreement.

Financial covenants	Thresholds
Debt Service Cover Ratio	At least 1.25:1
Interest Coverage Ratio	At least 1.25:1
Current Ratio	At least 1:1

The Company has complied with the above financial covenants as at the reporting date.

19 SINDH INFRASTRUCTURE DEVELOPMENT CESS PAYABLE

In February 2026, the Sindh Assembly enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, which reduced the Sindh Infrastructure Development Cess (SIDC) rate from 1.85% to between 0.80% and 0.85%. The amendment also introduced a Settlement Agreement facility, allowing importers to enter into structured payment plans either to pay the cess in full or installments for outstanding SIDC obligations. The Company entered into a Settlement Agreement on April 22, 2026, and opted to pay the SIDC in installments and issued post dated cheques in favor of the Government of Sindh. In accordance with the agreed payment plan as per the Settlement Agreement, the present value of the liability as at June 30, 2026 amounts to Rs. 223.01 million. Following is the movement in Sindh Infrastructure Development Cess (SIDC):

	Note	2026	2025
		-----(Rupees in '000)-----	
Opening balance		381,793	301,090
Charge for the year		97,295	80,703
Payment during the year		(65,423)	-
Closing balance		413,665	381,793
Remeasurement gain on SIDC payable		(195,968)	-
Present value of SIDC payable - at the date of Settlement Agreement		217,697	381,793
Finance cost for the year	32	5,308	-
Present value of SIDC payable - closing		223,005	381,793
Less: current portion of SIDC payable		(42,940)	(381,793)
Non-current portion of SIDC payable		180,065	-

20 DEFERRED INCOME

	Note	2026	2025
Deferred income	20.1	12,940	15,199
Current maturity of deferred income		(2,251)	(2,251)
		10,689	12,948

20.1 Movement of deferred income during the year is as follows:

	Note	2026	2025
		-----(Rupees in '000)-----	
As at July 1		15,199	17,458
Amortisation during the year	32	(2,259)	(2,259)
As at June 30		12,940	15,199

20.2 This represents deferred income recognised in respect of the benefit of below-market interest rate on long-term financing as disclosed in note 18.1. The benefit has been measured as the difference between the fair value of the loan and the proceeds received. The Company has used the prevailing market rate of mark-up for similar instruments to calculate fair value of the respective loan.

21 TRADE AND OTHER PAYABLES

	Note	2026	2025
		-----(Rupees in '000)-----	
Trade creditors	21.1	643,199	534,446
Accrued liabilities	21.2	286,781	244,623
Royalty payable	21.3	44,649	31,615
Additional Custom Duty payable	21.4	291,103	291,103
Payable to provident fund	21.5	9	5,289
Withholding tax payable		8,941	1,990
Workers' Profit Participation Fund payable	21.6	4,709	-
Workers' Welfare Fund payable	21.6	2,020	-
Others		-	8,393
		1,281,411	1,117,459

21.1 This includes payable to Agriauto Stamping Company (Private) Limited - a wholly owned subsidiary amounting to Rs. 27.70 million (2025: Rs. 0.36 million).

21.2 This includes an amount of Rs. 68.41 million (2025: Rs. 55.54 million) in respect of sales incentive payable to distributors.

21.3 Movement of royalty payable during the year is as follows:

	Note	2026	2025
		-----(Rupees in '000)-----	
As at July 1		31,615	23,430
Charge for the year	27	61,268	36,274
Payments made during the year	21.3.1	(48,234)	(28,089)
As at June		44,649	31,615

21.3.1 Royalties paid during the year comprise of the following:

Beneficiary name	Address	Relationship with the Company	2026	2025
			----- (Rupees in '000) -----	
KYB Corporation	World Trade Center Building 4-1, Hamamatsu-Cho Chome, Minato-Ku, Tokyo 105 Japan	Technical Partner	47,609	27,585
Aisin Seiki Co., Ltd	2-1, Asahi-Machi, Kariya, Aichi, 448-8650, Japan	Technical Partner	625	504

21.4 This represents Additional Custom Duty (ACD) payable to the Customs Authorities (Federal Board of Revenue) on import of certain raw materials. The provision has been maintained in respect of ACD levied under SRO 670 (I)/2019 dated June 28, 2019 at enhanced rates upto June 30, 2021. The Company is contesting levy of ACD under SRO 670 (I)/2019 dated June 28, 2019 and has filed a petition in the Honorable High Court of Sindh (the Court) against the aforesaid additional levy. The Court has granted a stay order after the submission of Corporate Guarantees by the Company amounting to Rs. 288 million (2025: Rs. 288 million) with the Court.

The Company has recorded a receivable from a customer, amounting to Rs. 226.78 million (2025: Rs. 226.78 million) in respect of the ACD payable as disclosed in note 13.2.

21.5 Investments in collective investment schemes, listed equity and listed debt securities out of provident funds have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

21.6

Particulars	Note	Workers' Welfare Fund 2026	Workers' Welfare Fund 2025	Workers' Profit Participation Fund 2026	Workers' Profit Participation Fund 2025
		(Rupees in '000)			
As at July 1		-	-	-	-
Charge for the year	30	2,020	-	4,709	-
Payments made during the year		-	-	-	-
As at June 30		2,020	-	4,709	-

22 WARRANTY OBLIGATIONS

	Note	2026	2025
		(Rupees in '000)	
Warranty obligations	22.1 & 22.2	157,916	130,730

22.1 Movement in warranty obligations during the year is as follows:

	Note	2026	2025
As at July 1		130,730	126,762
Charge for the year - net	28	32,395	12,042
Claims paid during the year		(5,209)	(8,074)
As at June 30		157,916	130,730

22.2 This represents Company's best estimate of the amount required to be paid / settled to cover the potential warranty claims based on the historical experience.

23 UNPAID DIVIDEND AND UNCLAIMED DIVIDEND

The Company has opened separate bank accounts for unclaimed / unpaid dividends as required under the provision of section 244 of the Act and the required amounts have been transferred in such accounts accordingly.

24 SHORT-TERM FINANCES

	Note	2026	2025
		(Rupees in '000)	
Conventional - secured			
Running finance facility		80,175	547,155
Accrued interest thereon		8,418	19,758
	24.1	88,593	566,913
Islamic - secured			
Running Musharakah		336,537	-
Accrued interest thereon		11,389	-
	24.2	347,926	-
Musawamah		69,175	143,237
Accrued profit thereon		2,076	1,507
	24.3	71,251	144,744
Import Murabaha		-	90,086
Accrued profit thereon		-	471
	24.4	-	90,557
		507,770	802,214

24.1 This represents short-term running finance facility obtained from various commercial banks including short-term running finance amounting to Rs. 51.09 million (2025: Rs. 112.99 million) availed from Habib Metropolitan Bank Limited - associated company. The total facility limit amounts to Rs. 1,190 million (2025: Rs. 1,190 million). The rate of mark-up on these finances ranges from 1 month to 3 months KIBOR plus spreads varying from 0.2% to 0.75% (2025: 1 month to 3 months KIBOR plus spreads varying from 0.2% to 0.75%) per annum. The facilities are secured by way of first pari passu and ranking hypothecation charge on the Company's stock-in-trade, stores, spares, loose tools and trade debts and will mature latest by March 31, 2027. As at June 30, 2026, the unutilised portion of the facility is Rs. 1,109.83 million (2025: Rs. 642.85 million).

24.2 This represents money market loan facility (Running Musharakah - short-term finance) obtained from an Islamic bank for financing the working capital requirements of the Company. The facility has a total limit of Rs. 1,000 million (2025: Rs. 500 million). The facility carry mark-up at the rate of 1 month to 3 months KIBOR plus spreads varying from 0.17% to 0.5% per annum (2025: 1 month to 3 months KIBOR plus spreads varying from 0.25% to 0.5%). The facility is secured by way of first pari passu hypothecation charge over stock-in-trade and trade debts of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Rs. 663.46 million (2025: Rs. 500 million).

24.3 This represents short-term financing facility (Musawamah) obtained from an Islamic bank for financing the working capital requirements of the Company. The facility has a total limit of Rs. 250 million (2025: Rs. 250 million). These carry mark-up at the rate of matching tenure KIBOR + 0.5% (2025: matching tenure KIBOR + 0.5%) per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The current drawn amount is payable by October 21, 2026. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Rs.180.82 million (2025: Rs. 106.76 million).

24.4 This represents short-term financing facility (Import Murabaha) obtained from an Islamic bank for financing the working capital requirements of the Company. The facility has a total limit of Rs. 750 million (2025: Rs. 250 million). These carry mark-up at the rate of matching tenure KIBOR + 0.17% (2025: matching tenure KIBOR + 0.17%) per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Rs. 750 million (2025: Rs. 159.91 million).

25 CONTINGENCIES AND COMMITMENTS

25.1 Contingencies

25.1.1 Income tax related contingencies are disclosed in note 34.4.

		Note	2026	2025
25.2	**Commitments**		-----(Rupees in '000)-----	
25.2.1	Outstanding bank guarantees	25.2.2 & 25.2.3	393,905	359,424

25.2.2 This includes bank guarantees amounting to Rs. 290.36 million (2025: Rs. 200 million) obtained from Habib Metropolitan Bank Limited - associated company.

25.2.3 This also includes bank guarantees amounting to Rs. 31.16 million (2025: Rs. 6.89 million) issued to the Collector of Customs in respect of custom duty.

25.2.4 Commitments in respect of outstanding letters of credit for raw material amounts to Rs. 1,411.75 million (2025: Rs. 317.35 million), out of which Rs. 45.36 million (2025: Rs. 41.70 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at June 30, 2026.

25.2.5 Commitments in respect of outstanding letters of credit for capital expenditure amounts to Rs. 25.48 million (2025: Rs. 33.65 million), which is outstanding with Habib Metropolitan Bank Limited - associated company as at June 30, 2026 (2025: Rs. 3.28 million). Further, commitments in respect of capital expenditure with local vendors amounts to Rs. 8.11 million (2025: Nil) as at June 30, 2026.

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		Note	2026	2025
			-----(Rupees in '000)-----	
26	**TURNOVER – net**			
	Gross sales			
	Local sales		12,652,382	9,107,490
	Export sales	26.1	7,178	43,958
			12,659,560	9,151,448
	Less: sales tax		(1,930,024)	(1,389,278)
	Revenue from contracts with customers		10,729,536	7,762,170
26.1	Region wise export sales are as under:			
	United Arab Emirates		7,178	43,958
27	**COST OF SALES**			
	Raw material consumed			
	Opening stock		1,291,728	901,581
	Purchases		7,846,861	5,900,895
	Raw materials available for consumption		9,138,589	6,802,476
	Closing stock	11	(1,248,517)	(1,291,728)
			7,890,072	5,510,748
	Manufacturing expenses			
	Salaries, wages and benefits	27.1	964,660	789,517
	Stores, spares and loose tools consumed		340,302	350,562
	Utilities		179,027	201,996
	Amortisation of intangible assets	6.1	9,083	12,650
	Royalty	21.3	61,268	36,274
	Depreciation on operating fixed assets	4.2	200,557	229,303
	Transportation and travelling		194,224	158,660
	Repairs and maintenance		133,688	101,078
	Packing material consumed		56,674	50,427
	Rates and taxes		200	875
	Research costs		2,510	8,164
	Insurance		1,410	4,398
	Communications and professional fee		2,728	4,486
	Printing and stationery		2,582	1,679
	Legal and professional charges		795	1,384
	Others		4,317	2,920
			2,154,025	1,954,373
	Work-in-process			
	Opening stock		49,295	36,977
	Closing stock	11	(48,462)	(49,295)
			833	(12,318)
	Cost of goods manufactured		10,044,930	7,452,803
	Finished goods			
	Opening stock		108,567	60,540
	Closing stock	11	(84,523)	(108,567)
			24,044	(48,027)
			10,068,974	7,404,776

27.1 This includes an amount of Rs. 16.47 million (2025: Rs. 13.71 million) in respect of staff retirement benefits.

28 DISTRIBUTION AND MARKETING EXPENSES

	Note	2026	2025
		-----(Rupees in '000)-----	
Salaries, wages and benefits	28.1	30,051	24,101
Advertisement and sales promotion		70,027	58,628
Carriage and forwarding		104,282	68,564
Travelling and conveyance		3,064	2,484
Depreciation on operating fixed assets	4.2	1,303	1,348
Depreciation on right-of-use assets	5.2	793	793
Amortisation of intangible assets	6.1	241	241
Charge for warranty claims - net of reversal	22.1	32,395	12,042
Communications		247	461
Insurance		3,679	2,893
Repairs and maintenance		414	201
Others		270	828
		246,766	172,584

28.1 This includes an amount of Rs. 1.08 million (2025: Rs. 0.84 million) in respect of staff retirement benefits.

29 ADMINISTRATIVE EXPENSES

	Note	2026	2025
		-----(Rupees in '000)-----	
Salaries, wages and benefits	29.1	191,621	153,283
Legal and professional charges		64,356	60,403
Travelling and conveyance		29,707	25,251
Repairs and maintenance		32,057	32,080
Depreciation on operating fixed assets	4.2	14,704	11,947
Depreciation on right-of-use assets	5.2	2,993	2,993
Amortisation of intangible assets	6.1	1,594	1,446
Security services		13,261	11,387
Communications and professional fee		816	2,204
Printing and stationery		3,421	3,061
Rates and taxes		197	134
Utilities		1,839	2,142
Auditor's remuneration	29.2	6,660	4,440
Insurance		1,973	1,813
Others		5,439	5,783
		370,638	318,367

29.1 This includes an amount of Rs. 4.54 million (2025: Rs. 3.69 million) in respect of staff retirement benefits.

29.2 Auditor's remuneration

	2026	2025
	-----(Rupees in '000)-----	
Audit fee for unconsolidated financial statements	2,240	1,820
Audit fee for consolidated financial statements	640	520
Fee for review of half yearly financial statements	400	325
Fee for other certifications	1,320	1,072
Fee for other consultancy services	900	-
Out of pocket expenses	370	374
Sindh Sales Tax	790	329
	6,660	4,440

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		Note	2026	2025
			-----(Rupees in '000)-----	
30	**OTHER EXPENSES**			
	Exchange loss on foreign currency transactions - net		20,574	32,596
	Workers' Profit Participation Fund	21.6	4,709	-
	Workers' Welfare Fund	21.6	2,020	-
	Donations	30.1 & 30.2	1,716	2,219
	Sales tax receivable written off		647	-
	Miscellaneous expenses		4,193	840
			33,859	35,655

30.1 Donation to the following party exceeds 10% of the Company's total donations or Rs. 1 million, whichever is higher:

	2026	2025
	-----(Rupees in '000)-----	
Indus Hospital & Health Network	1,000	1,000

30.2 None of the donations were made to any donee in which a director or their spouse had any interest at any time during the year.

		Note	2026	2025
			-----(Rupees in '000)-----	
31	**OTHER INCOME**			
	Income from financial assets			
	Interest on:			
	- short-term investments - term deposit receipts		2,232	3,884
	- deposit accounts	31.1	7,394	22,826
			9,626	26,710
	Dividend income from subsidiary company		457,603	343,202
			467,229	369,912
	Income from non-financial assets			
	Gain on disposal of operating fixed assets	4.4	13,267	4,435
	Liabilities no longer payable - written back		-	33,062
	Scrap sales		11,065	8,247
	Rebate on export sales		1,574	676
	Insurance claim		7,886	4,053
	Miscellaneous income		613	13
			34,405	50,486
			501,634	420,398

31.1 This represents interest earned from Habib Metropolitan Bank Limited - associated company, under conventional banking relationships.

32 FINANCE COSTS

	Note	2026	2025
		-----(Rupees in '000)-----	
Interest / profit on:			
- long-term financings		28,305	48,309
- short-term finances		121,487	99,950
- lease liabilities		897	1,516
Bank charges and commission		2,012	6,299
Unwinding of interest on SIDC payable	19	5,308	-
Amortisation of deferred income	20.1	(2,259)	(2,259)
		155,750	153,815

33 LEVY (MINIMUM TAX)

	Note	2026	2025
Minimum tax u/s 113	33.1	-	96,416

33.1 This represents minimum tax paid under section 113 of the Income Tax Ordinance, 2001, recorded as levy in terms of the requirements of IFRIC 21 / IAS 37.

34 TAXATION

	Note	2026	2025
		-----(Rupees in '000)-----	
Current tax - expense			
For the current year		15,903	-
For prior year		(18,655)	3,195
		(2,752)	3,195
Deferred tax - income	9	(127,456)	(101,215)
		(130,208)	(98,020)

34.1 Reconciliation of tax charge as per tax laws for the year with tax expense recognised in the unconsolidated statement of profit or loss, is as follows:

	2026	2025
	-----(Rupees in '000)-----	
Profit before income tax	551,151	955
Normal tax charge at the rate of 29%	159,834	277
Effect of Alternative Corporate Tax	22,606	-
Effect of group tax adjustment	(38,791)	(63,223)
Effect of Minimum Tax	(81,233)	-
Effect of prior year charge	(18,655)	3,195
Effect of permanent differences	(132,207)	-
Others	(41,762)	(38,269)
	(130,208)	(98,020)

34.2 The Company has opted for Group taxation for tax year 2026 under section 59AA of the Income Tax Ordinance, 2001. During the year, provision for current taxation is based on Alternative Corporate Tax (2025: minimum tax) being higher than normal tax and minimum tax.

34.3 Income tax returns of the Company have been submitted up to Tax Year 2025 on self-assessment basis under section 120 of the Income Tax Ordinance, 2001.

34.4 Description of income tax proceedings:

(a) The Deputy Commissioner Inland Revenue (DCIR) passed an order under section 4B of the Income Tax Ordinance, 2001 ('the Ordinance') for the Tax Year 2017 raising a demand of Rs. 34.45 million taking into consideration the group income without appreciating that the subsidiary of the Company was allowed a tax credit under section 65D of the Ordinance. The Company preferred an appeal before the CIR(A) against the order of DCIR who confirmed the action of DCIR. The Company, has challenged the order of CIR(A) before ATIR which is yet to be fixed for hearing. The management, based on the advice of its tax advisor, has not recorded any provision in respect of this matter in these unconsolidated financial statements as they believe that the matter will be decided in their favour.

(b) The Company has received a notice dated February 4, 2026 from the taxation authorities demanding an amount of Rs. 126.86 million on account of super tax at the rate of 10% of the taxable income for the Tax Year 2022 filed under group taxation under section 59AA of the Income Tax Ordinance, 2001 (ITO). The Company has submitted its response to the taxation authorities on the aforesaid demand notice stating that the Company has already discharged and paid Rs 50.29 million as full and final discharge of the Group's liability for super tax under section 4C of the ITO, 2001 for the Tax Year 2022 and no further amount of super tax (i.e.: Rs. 76.57 million) is payable by the Group.

The management based on the advise of the tax advisor believes that it has correctly paid super tax chargeable at the rate of 4% amounting to Rs 50.29 million against the tax liability of the Group for the Tax year 2022 and therefore no provision of the additional super tax amounting to Rs. 32.91 million (Rs. 43.66 million pertaining to the Subsidiary Company) as demanded in above notice has been recorded in these unconsolidated financial statements for the year ended June 30, 2026.

35 EARNINGS PER SHARE – basic and diluted

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

	2026	2025
Profit after taxation for the year (Rs. in '000)	681,359	98,975
Weighted average number of ordinary shares outstanding during the year (shares in '000)	36,000	36,000
Earnings per share (Rs.)	18.93	2.75

36 CASH GENERATED FROM / (USED IN) OPERATIONS

	Note	2026	2025
		-----(Rupees in '000)-----	
Profit before taxation		551,151	955
Adjustments for:			
Depreciation and amortisation	4, 5 & 6	231,269	260,721
Levies (minimum tax)	33	-	96,416
Finance costs - net	32	153,738	147,516
Workers' Profit Participation Fund	30	4,709	-
Workers' Welfare Fund	30	2,020	-
Charge against SIDC payable	19	97,295	80,703
Remeasurement gain on SIDC payable	19	(195,968)	-
Sales tax receivable written off	30	647	-
Liabilities no longer payable - written back	31	-	(33,062)
Interest on deposit accounts	31	(7,394)	(22,826)
Interest on short-term investments - term deposit receipts	31	(2,232)	(3,884)
Charge for warranty claims	22.1	32,395	12,042
Provision for royalty	21.3	61,268	36,274
Dividend income	31	(457,603)	(343,202)
Reversal of provision for obsolescence		(35,567)	(104,184)
Gain on disposal of operating fixed assets	31	(13,267)	(4,435)
		(128,690)	122,079
		422,461	123,034
(Increase) / decrease in current assets			
Stores, spares and loose tools		(13,896)	(11,031)
Stock-in-trade		267,755	(532,216)
Trade debts		(333,455)	(91,786)
Sales tax receivable		-	(53,092)
Advances, deposits, prepayments and other receivables		38,735	(7,869)
		(40,861)	(695,994)
Increase in current liabilities			
Trade and other payables		144,188	230,715
Sales tax payable		50,692	-
		194,880	230,715
		576,480	(342,245)

37 CHANGES IN LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Note	2026		
		Long-term financing - secured (including deferred income)	Unclaimed and unpaid dividend	Lease liabilities
		-------- (Rupees in '000) --------		
As at July 1		321,644	33,701	8,412
Changes from financing cash flows				
Dividend declared during the year		-	63,000	-
Dividend paid during the year		-	(63,589)	-
Lease rentals paid during the year	17.1	-	-	(4,373)
Long-term financings repaid during the year (including interest thereon)	18.3	(115,641)	-	-
		(115,641)	(589)	(4,373)
Other changes				
Addition of lease during the year	17.1	-	-	-
Amortisation of deferred income during the year	20.1	(2,259)	-	-
Accretion of interest during the year	18.3 & 17.1	28,305	-	897
		26,046	-	897
As at June 30		232,049	33,112	4,936

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	Note	2025		
		Long-term financing - secured (including deferred income)	Unclaimed and unpaid dividend	Lease liabilities
		-------- (Rupees in '000) --------		
As at July 1		395,491	33,932	2,480
Changes from financing cash flows				
Dividend declared during the year		-	-	-
Dividend paid during the year		-	(231)	-
Lease rentals paid during the year	17.1	-	-	(4,564)
Long-term financings repaid during the year (including interest thereon)	18.3	(119,897)	-	-
		(119,897)	(231)	(4,564)
Other changes				
Addition of lease during the year	17.1	-	-	8,980
Amortisation of deferred income during the year	20.1	(2,259)	-	-
Accretion of interest during the year	18.3 & 17.1	48,309	-	1,516
		46,050	-	10,496
As at June 30		321,644	33,701	8,412

38 CASH AND CASH EQUIVALENTS

	Note	2026	2025
		-----(Rupees in '000)-----	
Cash and bank balances	15	43,404	39,785
Short-term running finances	24	(80,175)	(547,155)
		(36,771)	(507,370)

39 FINANCIAL RISK MANAGEMENT

39.1 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets - at amortised cost

	Note	2026	2025
Long-term deposits	8	11,215	11,265
Trade debts	12	1,228,362	894,907
Deposits and other receivables	13	260,089	109,161
Short-term investment	14	-	38,282
Cash and bank balances	15	43,404	39,785
		1,543,070	1,093,400

Financial liabilities - at amortised cost

	Note	2026	2025
Lease liabilities	17	4,936	8,412
Long-term financings and deferred income	18 & 20	232,049	321,644
Trade and other payables	21	974,638	824,366
Unpaid dividend	23	654	-
Unclaimed dividend	23	32,458	33,701
Short-term finances	24	507,770	802,214
		1,752,505	1,990,337

39.2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Company's financial instruments are market risks, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

39.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk. The Company manages its market risk by monitoring exposure on financial instruments and by following internal risk management policies.

(i) Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of change in market interest rate relates primarily to the Company's liability against long-term financings and short-term finances with floating interest rates.

Interest rate profile of financial instruments

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments were as follows:

	Note	2026	2025
		-----(Rupees in '000)-----	
Financial assets at amortised cost			
Short-term investment	14	-	38,282
Bank balances	15	37,357	33,710
		37,357	71,992
Financial liabilities at amortised cost			
Lease liabilities	17	4,936	8,412
Long-term financings	18	185,181	267,878
Short-term finances	24	507,770	802,214
		697,887	1,078,504

Sensitivity analysis of variable rate instruments

A change of 100 basis points (1%) in interest rate at the reporting date would have changed the Company's profit before income tax for the year by the amounts shown below, with all other variables held constant.

	2026	2025
	-----(Rupees in '000)-----	
	(Decrease) / Increase	
Effect of 1% increase in interest rate on profit before taxation	(6,605)	(10,065)
Effect of 1% decrease in interest rate on profit before taxation	6,605	10,065

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Company manages its foreign currency risk through taking cover, if required, in accordance with its approved risk management policy. The Company's exposure to foreign currency risk at the reporting date is as follows:

	2026	2025
	-----(Rupees in '000)-----	
USD		
Trade and other payables	784	981
JPY		
Trade and other payables	112,893	41,716
CNY		
Trade and other payables	358	956

The following significant exchange rates were applied during the year:

	Statement of financial position date rate		Average rate	
	2026	2025	2026	2025
USD	278.16	283.76	280.41	279.36
JPY	1.71	1.97	1.82	1.87
EUR	316.92	332.66	326.19	304.01
CNY	41.00	39.60	40.19	38.72
AED	75.74	77.27	76.35	76.06

Sensitivity analysis

A ten percent strengthening / weakening of the Pakistani Rupee against the above foreign currencies at the reporting date would increase / (decrease) profit before income tax for the year by Rs. 42.61 million (2025: Rs. 39.83 million). This analysis assumes that all other variables, in particular interest rates, remain constant.

(iii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from foreign currency risk and interest risk), whether those changes are caused by factors specific to the individual financial instruments, or its issuer or factors affecting all similar financial instruments traded in the market. As at June 30, 2026, the Company is not exposed to other price risks.

39.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company is exposed to credit risk mainly on trade debts, short-term investment, long-term deposits, short-term deposits, other receivables and bank balances.

The maximum exposure to credit risk at reporting date is as follows:

	2026	2025
	-----(Rupees in '000)-----	
Long-term deposits	11,215	11,265
Trade debts	1,228,362	894,907
Deposits and other receivables	483,068	560,615
Short-term investment	-	38,282
Bank balances (including accrued interest thereon)	47,193	41,874
	1,769,838	1,546,943

The credit quality of financial assets other than bank balances and short-term investment can be assessed with reference to their historical performance. The ageing analysis of trade debts is given in note 12.1.

The credit quality of the Company's bank balances and accrued profit thereon and short-term investments can be assessed with reference to external credit ratings as follows:

Ratings	2026	2025
	-----(Rupees in '000)-----	
AAA	44,558	5,898
AA+	2,635	72,831
AA	-	1,427
	47,193	80,156

For trade debts, long-term deposits, short-term deposits and other receivables, the internal risk assessment process determines the credit quality of each counter party, 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 management. The utilisation 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.

39.2.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in raising funds to meet commitments associated with financial instruments. Management of the Company believes that it is not exposed to any significant level of liquidity risk.

Management forecasts the liquidity of the Company on the basis of expected cashflow considering the level of liquid assets necessary to mitigate the liquidity risk. The table below summarises the maturity profile of the Company's financial liabilities at the reporting date:

2026	Carrying amount	Contractual cashflows			
		On demand	Not later than one year	Later than one year	Total
	-----	(Rupees in '000)	-----		
Non-interest bearing financial liabilities					
Trade and other payables	974,638	-	974,638	-	974,638
Unpaid dividend	654	654	-	-	654
Unclaimed dividend	32,458	32,458	-	-	32,458
Interest bearing financial liabilities					
Lease liabilities	4,936	-	5,017	-	5,017
Long-term financings	219,109	-	105,557	146,527	252,084
Short-term finances	507,770	80,175	428,958	-	509,133
	1,739,565	113,287	1,514,170	146,527	1,773,984

2025	Carrying amount	Contractual cashflows			
		On demand	Not later than one year	Later than one year	Total
	-----	(Rupees in '000)	-----		
Non-interest bearing financial liabilities					
Trade and other payables	824,366	-	824,366	-	824,366
Unpaid dividend	-	-	-	-	-
Unclaimed dividend	33,701	33,701	-	-	33,701
Interest bearing financial liabilities					
Lease liabilities	8,412	-	4,374	5,017	9,391
Long-term financings	306,445	-	117,390	254,071	371,461
Short-term finances	802,214	547,155	263,920	-	811,075
	1,975,138	580,856	1,210,050	259,088	2,049,994

40 CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital. The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. As of the unconsolidated statement of financial position date, the debt to equity ratio is as follows:

	2026	2025
	-----(Rupees in '000)-----	
Debt	739,819	1,123,858
Equity	4,918,540	4,300,181
Gearing ratio	15.04%	26.14%

41 FAIR VALUE MEASUREMENT

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 under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

As of the reporting date, the Company does not have any financial assets carried at fair value that required categorisation in Level 1, Level 2 and Level 3 fair value hierarchy.

42 SHARIAH COMPLIANCE DISCLOSURE

42.1 In accordance with the requirements of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 1278(I) / 2024 dated August 15, 2024. The Company has disclosed its assets, liabilities, income and expenditure related to financing, investments and other income/expenses etc. between shariah and conventional elements as follows:

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026			2025		
		Conventional	Shariah compliant	Total	Conventional	Shariah Compliant	Total
		Rupees in '000			Rupees in '000		
Statement of Financial Position - Asset							
Long-term investment	7	-	1,144,006	1,144,006	-	1,144,006	1,144,006
Short-term investments	14	-	-	-	38,282	-	38,282
Bank balances	15	39,169	4,227	43,396	37,974	1,803	39,777
Accrued profit / interest on bank balances	13	3,797	-	3,797	2,098	-	2,098
Statement of Financial Position - Liability							
Lease liability	17	-	4,936	4,936	-	8,412	8,412
Long-term financings		213,444	-	213,444	298,083	-	298,083
Accrued interest / profit on long-term financings		5,665	-	5,665	8,362	-	8,362
Short-term finances	24	80,175	405,712	485,887	547,155	233,323	780,478
Accrued interest / profit on short-term finances	24	8,418	13,465	21,883	19,758	1,978	21,736
Statement of Profit or Loss							
Turnover - net	26	-	10,729,536	10,729,536	-	7,762,170	7,762,170
Late payments or liquidated damages			Not applicable			Not applicable	
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates			Not applicable			Not applicable	
Profit / interest on:							
- short-term investments - term deposit receipts	31	2,232	-	2,232	3,884	-	3,884
- deposit accounts	31	7,394	-	7,394	22,826	-	22,826
Gain / (loss) on investments		-	-	-	-	-	-
Dividend income from subsidiary company	31	-	457,603	457,603	-	343,202	343,202
Gain on disposal of operating fixed assets	31	-	13,267	13,267	-	4,435	4,435
Scrap sales	31	-	11,065	11,065	-	8,247	8,247
Exchange gains earned using conventional derivative financial instruments			Not applicable			Not applicable	
Liabilities no longer payable - written back	31	-	-	-	-	33,062	33,062
Rebate on export sales	31	-	1,574	1,574	-	676	676
Insurance claim	31	7,886	-	7,886	4,053	-	4,053
Miscellaneous income	31	-	613	613	-	13	13
Exchange loss on foreign currency transactions - net	30	-	20,574	20,574	-	32,596	32,596
Profit / interest:							
- expense		109,400	44,338	153,738	127,540	19,976	147,516
- paid		86,948	32,380	121,340	60,216	20,318	80,534

42.2 Other disclosure requirements

42.2.1 The Company has facilities with Islamic banks for short-term finances (i.e., Istisna / Musawamah / Tijarah / Murabaha / Musharakah), letter of guarantee and letter of credit amounting to Rs. 1,000 million (2025: Rs. 1,750 million), Rs. 325 million (2025: Rs. 325 million) and Rs. 950 million (2025: Rs. 450 million) respectively.

42.2.2 The Company has no insurance relationships with takaful operators and their windows.

42.2.3 Relationship with Shariah-compliant financial institutions, including banks (have been disclosed in respective notes to the unconsolidated financial statements) is as follows:

Name	Relationship
Faysal Bank Limited	Funded / Non-funded facility and bank balance
Meezan Bank Limited	Funded / Non-funded facility and bank balance

43 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

43.1 The aggregate amount charged in the unconsolidated financial statements for remuneration including other benefits paid to the Chief Executive, directors and executives of the Company are as follows:

	2026		2025	
	Chief Executive	Executives	Chief Executive	Executives
	(Rupees in '000)			
Managerial remuneration	41,783	256,218	41,380	186,550
Bonus	20,298	57,652	10,086	28,291
Retirement benefits	3,480	12,151	3,026	9,667
Utilities	675	1,546	654	1,255
Medical expenses	18	2,724	16	1,589
	66,254	330,291	55,162	227,352
Number of persons	1	53	1	42

43.2 The Chief Executive and certain executives have been provided with Company maintained vehicles in accordance with the Company's policy.

43.3 Three (2025: three) non-executive directors have been paid fees of Rs. 3.75 million (2025: Rs. 2.7 million) for attending board and other meetings.

44 TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS AND RELATED PARTIES

44.1 The associated undertakings and related parties of the Company comprises of the subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary and directors as key management personnels. All the transactions with associated undertakings and related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Company.

44.2 Detail of transactions with associated undertakings and related parties during the year, other than disclosed elsewhere in the unconsolidated financial statements, are as follows:

Name of associated undertaking / related party and relationship with the Company	Nature of transactions	Percentage of share holding in the Company	2026	2025
		%	(Rupees in '000)	
Subsidiary Company (wholly owned)				
Agriauto Stamping Company (Private) Limited	Sale of goods	100	84,104	45,390
	Purchase of dies and tools		10,386	3,500
	Purchase of equipment		-	310
	Dividends received		457,603	343,202
	Group tax settlement received / (paid)		157,633	(4,917)
Associated companies (Common directorship)				
Auvitronics Limited	Reimbursement of expenses	Nil	436	-
	Expenses charged		303	-
Habib Metropolitan Bank Limited	Interest expense	Nil	11,963	14,295
	Interest earned on deposit accounts		7,396	1,010
	Bank charges		5,561	4,683
	Guarantees issued		90,360	86,000
Thal Boshoku Pakistan (Private) Limited	Sale of goods	Nil	62,455	35,195
Post employment benefit plan				
Agriauto Industries Limited – Employees' Provident Fund	Contributions made during the year	Nil	22,099	21,274

44.3 The outstanding balances with related parties as at reporting date have been disclosed in the respective notes to the unconsolidated financial statements.

44.4 Details of the compensation of the key management personnel have been disclosed in the note 43 to the unconsolidated financial statements.

45 PRODUCTION CAPACITY

The production capacity of the Company cannot be determined as this depends on the relative proportions of various types of vehicles produced by Original Equipment Manufacturers (OEMs).

46 NUMBER OF EMPLOYEES

	2026	2025
Total number of employees as at June 30	702	667
Average number of employees during the year	685	658

47 OPERATING SEGMENTS

These unconsolidated financial statements have been prepared on the basis of a single reportable segment.

The sales of the Company comprise of sale of components / parts for automotive vehicles and motor cycles.

All non-current assets of the Company at the end of the current and preceding year were located in Pakistan.

Three (2025: three) of the Company's customers contributed Rs. 9,127.79 million (2025: Rs. 5,873.54 million) in total revenue and revenue earned from each customer individually exceeded 10% of the total revenue of the company for the current and prior year.

48 UNUTILISED CREDIT FACILITIES

As of reporting date, the Company has unutilised facilities for letter of credit, bonds and guarantees and terms of loan available from various banks amounted to Rs. 3,827.98 million (2025: Rs. 3,225.30 million). The facilities are secured by way of lien on import documents and pari passu ranking hypothecation charge on the Company's specific fixed assets, stock-in-trade, stores, spares, loose tools and trade debts.

49 NON ADJUSTING EVENTS AFTER THE REPORTING DATE

The Board of Directors of the Company in their meeting held on September 1, 2026 proposed annual cash dividend of Rs. 5 per share (2025: Rs. 1.75 per share) for the year ended June 30, 2026 amounting to Rs. 180 million (2025: Rs. 63 million) for the approval of the members at the Annual General Meeting of the Company to be held on October 22, 2026.

50 GENERAL

50.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

50.2 Corresponding figures (including the following) have been re-arranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purposes of comparison.

Description of item	Nature	Rupees in '000	From	To
Sindh Infrastructure Development Cess (SIDC) payable	Liability	381,793	Trade and other payables	Sindh Infrastructure Development Cess (SIDC) payable

51 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorised for issue on September 1, 2026 by the Board of Directors of the Company.

DIRECTOR | CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER

INDEPENDENT AUDITOR'S REPORT

To the members of Agriauto Industries Limited

Opinion

We have audited the annexed consolidated financial statements of Agriauto Industries Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2026, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matter

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

Following is the Key audit matter:

S.No.	Key audit matter	How the matter was addressed in our audit
(i)	Revenue from contracts with customers As disclosed in note 25 to the accompanying consolidated financial statements, the Group recognised revenue aggregating to Rs. 17,383.15 million, net of taxes, for the year ended June 30, 2026. The Group is engaged in the manufacture and sale of components for automotive vehicles, motor cycles, stamping of sheet metal parts, dies and fixtures primarily for the automotive industry. Revenue is recognised when the performance obligation is satisfied by transferring control of a promised goods to a customer. We considered revenue recognition as key audit matter as it is one of the key performance indicators of the Group. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	We performed, amongst others, the following audit procedures: • Understood and evaluated the accounting policy with respect to revenue recognition. • Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition. • Tested revenue transactions, on a sample basis, with underlying documentation including goods delivery notes 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 recognised in the correct period. • Assessed the adequacy of disclosures made in the consolidated financial statements related to revenue.

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

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

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

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

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

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is **Khattab Muhammad Akhi Baig**.

A F Ferguson & Co.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: September 23, 2026
UDIN: AR202610081gsWD10oXb

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Financial Statements (Consolidated)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	2026	2025
ASSETS		-----(Rupees in '000)-----	
Non-Current Assets			
Property, plant and equipment	4	3,597,356	3,643,907
Right-of-use assets	5	3,784	7,570
Intangible assets	6	8,810	19,728
Long-term deposits	7	20,068	19,918
Deferred taxation - net	8	143,568	158,356
		3,773,586	3,849,479
Current Assets			
Stores, spares and loose tools	9	171,338	156,881
Stock-in-trade	10	3,605,231	3,264,505
Trade debts	11	1,783,853	1,289,047
Advances, deposits, prepayments and other receivables	12	437,226	424,122
Short-term investment	13	-	75,347
Taxation - net		284,649	407,903
Sales tax receivable		-	9,221
Cash and bank balances	14	361,042	178,071
		6,643,339	5,805,097
Total assets		10,416,925	9,654,576
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
40,000,000 (2025: 40,000,000) ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up capital	15	180,000	180,000
Reserves		7,012,975	5,872,567
		7,192,975	6,052,567
Non-Current Liabilities			
Lease liabilities	16	-	4,936
Long-term financings	17	182,829	329,351
Sindh Infrastructure Development Cess (SIDC) payable	18	277,084	-
Deferred income	19	15,388	20,033
		475,301	354,320
Current Liabilities			
Trade and other payables	20	1,776,483	1,528,304
Current maturity of lease liabilities	16	4,936	3,476
Current maturity of long-term financings	17	147,403	143,540
Current maturity of deferred income	19	4,894	4,894
Current maturity of SIDC payable	18	66,076	596,112
Sales tax payable - net		47,109	-
Warranty obligations	21	157,916	130,730
Unpaid dividend	22	654	-
Unclaimed dividend	22	32,458	33,701
Short-term finances	23	510,720	806,932
		2,748,649	3,247,689
Total liabilities		3,223,950	3,602,009
CONTINGENCIES AND COMMITMENTS	24		
Total equity and liabilities		10,416,925	9,654,576

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

DIRECTOR	CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		-----(Rupees in '000)-----	
Turnover – net	25	17,383,149	11,863,435
Cost of sales	26	(14,845,295)	(10,635,336)
Gross profit		2,537,854	1,228,099
Distribution and marketing expenses	27	(310,776)	(218,293)
Administrative expenses	28	(557,380)	(442,338)
		(868,156)	(660,631)
Operating profit		1,669,698	567,468
Other expenses	29	(170,175)	(91,179)
Other income	30	63,442	87,847
Finance costs	31	(188,051)	(210,218)
Remeasurement gain on SIDC payable	18	311,010	-
		16,226	(213,550)
Profit before levy and taxation		1,685,924	353,918
Levy (minimum tax)	32	-	(147,682)
Profit before taxation		1,685,924	206,236
Taxation	33	(482,516)	32,088
Profit after taxation		1,203,408	238,324
		---------(Rupees)---------	
Earnings per share – basic and diluted	34	33.43	6.62

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

DIRECTOR CHIEF EXECUTIVE CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	-----(Rupees in '000)-----	
Profit after taxation for the year	1,203,408	238,324
Other comprehensive income	-	-
Total comprehensive income for the year	1,203,408	238,324

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital	Reserves				Total equity
		Capital reserve	Revenue reserves		Total reserves	
		Share premium (note 15.2)	General (note 15.3)	Unappropriated profit / (loss)		
	-----------------------	-----------(Rupees in '000)	-----------------------			
Balance as at July 1, 2024	180,000	12,598	3,165,000	2,456,645	5,634,243	5,814,243
Transaction with owners in the capacity as owners directly recorded in equity	-	-	-	-	-	-
Total comprehensive income for the year ended June 30, 2025						
Profit after taxation for the year	-	-	-	238,324	238,324	238,324
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	238,324	238,324	238,324
Balance as at June 30, 2025	180,000	12,598	3,165,000	2,694,969	5,872,567	6,052,567
Transactions with owners in the capacity as owners directly recorded in equity						
Final dividend of Rs. 1.75 per share for the year ended June 30, 2025	-	-	(63,000)	-	(63,000)	(63,000)
Total comprehensive income for the year ended June 30, 2026						
Profit after taxation for the year	-	-	-	1,203,408	1,203,408	1,203,408
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	1,203,408	1,203,408	1,203,408
Balance as at June 30, 2026	180,000	12,598	3,102,000	3,898,377	7,012,975	7,192,975

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

DIRECTOR

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

CONSOLIDATED 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	35	1,989,725	514,703
Long-term deposits paid		(150)	(243)
Finance costs paid		(125,759)	(101,186)
Levy and income tax paid		(548,044)	(269,049)
Warranty claims paid	21	(5,209)	(8,074)
Workers' Profit Participation Fund paid	20.6	(32,356)	(7,263)
Workers' Welfare Fund paid	20.6	(15,011)	-
Sindh Infrastructure Development Cess (SIDC) paid	18	(100,673)	-
Royalty paid	20.2	(87,541)	(44,554)
Short-term finance obtained during the year - net		157,831	23,272
Net cash generated from operating activities		1,232,813	107,606
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(473,484)	(233,448)
Proceeds from disposal of operating fixed assets		55,030	21,726
Purchase of intangible asset		-	(450)
Interest received on short-term investments - term deposit receipts		4,691	9,479
Proceeds from disposal of short-term investment		74,605	-
Interest received on deposit accounts		9,839	2,607
Net cash used in investing activities		(329,319)	(200,086)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	37	(63,589)	(231)
Lease rentals paid	37	(4,373)	(4,564)
Long-term financings repaid during the year	37	(185,581)	(195,101)
Net cash used in financing activities		(253,543)	(199,896)
Net increase / (decrease) in cash and cash equivalents		649,951	(292,376)
Cash and cash equivalents at the beginning of the year		(369,084)	(76,708)
Cash and cash equivalents at the end of the year	36	280,867	(369,084)

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

DIRECTOR CHIEF EXECUTIVE CHIEF FINANCIAL OFFICER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 THE COMPANY, GROUP AND ITS OPERATIONS

1.1 Agriauto Industries Limited (the Holding Company) was incorporated in Pakistan on June 25, 1981 as a public limited company and is listed on the Pakistan Stock Exchange Limited. The Holding Company is engaged in the manufacture and sale of components for automotive vehicles and motor cycles. The registered office of the Holding Company is situated at 5th Floor, House of Habib, 3 Jinnah Cooperative Housing Society (J.C.H.S), Block 7/8, Main Shahrah-e-Faisal, Karachi.

1.2 The Group comprises of Agriauto Industries Limited (the Holding Company) and Agriauto Stamping Company (Private) Limited (the Subsidiary Company). The Subsidiary Company was incorporated in Pakistan on January 20, 2012 as a private limited company. The Subsidiary Company is engaged in stamping of sheet metal parts, dies and fixtures primarily for the automotive industry. The registered office of the Subsidiary Company is situated at 5th Floor, House of Habib, 3 Jinnah Cooperative Housing Society (J.C.H.S), Block 7/8, Main Shahrah-e-Faisal, Karachi.

1.3 As of the reporting date, the Group's shareholding in its Subsidiary Company is 100% (2025: 100%).

1.4 Geographical location and addresses of all the business units of the Group are as under:

Location	Business unit
5th Floor, House of Habib, 3 Jinnah Cooperative Housing Society (J.C.H.S), Block 7/ 8, Main Shahrah-e-Faisal, Karachi, Sindh.	Registered office
243, Mouza Baroot, Hub Chowki, Distt. Lasbella, Balochistan.	Manufacturing facility (Holding Company)
DSU 12 B, Down Stream Industrial Estate, Pakistan Steel Mills, Bin Qasim Town, Karachi, Sindh.	Manufacturing facility (Subsidiary Company)

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

2.2.1 These consolidated financial statements have been prepared under historical cost convention except otherwise specified in respective notes to the consolidated financial statements.

2.2.2 These consolidated financial statements are presented in Pakistani Rupees which is the Group's functional and presentational currency.

2.3 Standards, interpretations, improvements and amendments applicable to consolidated financial statements

2.3.1 Amendments to approved accounting and reporting standards that became effective during the year

There were certain amendments to approved accounting and reporting standards that became applicable for the Group during the year but are not considered to be relevant or did not have any significant effect on the Group's operations and have therefore not been disclosed in these consolidated financial statements.

2.3.2 Standards, interpretations and amendments to accounting and reporting standards that are not yet effective

There are certain new standards and amendments to accounting and reporting standards that will be applicable to the Group's accounting period beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Group's consolidated financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) with applicability date of January 1, 2027. IFRS 18 shall impact the presentation of 'Statement of Profit or Loss' with certain additional disclosures in the consolidated financial statements; and

- amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' clarify the timing of recognition and derecognition of certain financial instruments including settlement of liabilities through banking instruments and channels including electronic transfers. These amendments are effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the accounting and presentation of the financial instruments.

The management is in the process of assessing the impacts of the above new standards and amendments on the consolidated financial statements of the Group.

2.4 Material accounting policy information

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

2.4.1 Basis of consolidation

These consolidated financial statements include the financial statements of the Holding Company and its Subsidiary Company as at June 30, 2026, here-in-after referred to as "the Group".

The financial statements of the Subsidiary Company are prepared for the same reporting year as the Holding Company, using consistent accounting policies.

The assets, liabilities, income and expenses of Subsidiary Company are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the Subsidiary Company's shareholders' equity in the consolidated financial statements. All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

2.4.1.1 Subsidiaries

Subsidiaries are those entities over which the Holding Company has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

2.4.2 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current / non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

2.4.3 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is stated at cost, less accumulated impairment loss, if any. All expenditure connected with specific assets, including the cost of replacing parts and the cost of borrowings for long-term construction projects are carried under capital work-in-progress, if the recognition criteria is met. These are transferred to specific categories of property, plant and equipment as and when these are available for use.

Depreciation on operating fixed assets is charged to the consolidated statement of profit or loss applying the straight line method at the rates specified in note 4.1 to these consolidated financial statements. Depreciation on additions is charged from the month of addition and in case of disposal, prior to the month of disposal. Maintenance and normal repairs are charged to consolidated statement of profit or loss as and when incurred, Subsequent expenditures including major renewals and improvements are capitalised when it is probable that respective future economic benefits will flow to the Group and the cost of the items can be measured reliably.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing the carrying amount of that asset with the sales proceeds and are recognised within 'other income / other expenses' in the consolidated statement of profit or loss.

The carrying value of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceed the estimated recoverable amount, the assets or related cash-generating units are written down to their recoverable amount.

The assets' residual values, useful lives and depreciation methods are reviewed at each reporting date, and adjusted if material.

Capital work-in-progress

These are stated at cost less accumulated impairment, if any. Capital work-in-progress consist of expenditure incurred and advance made in respect of operating fixed assets in the course of their procurement, construction and installation.

2.4.4 Right-of-use assets and related liabilities

The Group assesses at contract inception whether a contract is, or contains, a lease, i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4.4.1 Right-of-use-assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received as applicable.

Right-of-use assets are depreciated on straight-line basis over the lower of the lease term and the estimated useful lives of the assets as specified in note 5 to these consolidated financial statements. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

2.4.4.2 Lease liabilities

The Group applies a single recognition and measurement approach for all leases, except for short-term leases, if any. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The extension and termination options are incorporated in the determination of the lease term only when the Group is reasonably certain to exercise these options.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the commencement date of the lease, if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.4.5 Intangible assets

These are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and that cost of such asset can also be measured reliably and the same is amortised applying the straight line method at the rate disclosed in note 6 to these consolidated financial statements.

Research and development expenditure that do not meet the criteria mentioned in IAS 38 'Intangible Assets' are recognised as an expense as incurred.

The assets' residual values, useful lives and amortisation methods are reviewed at each reporting date, and adjusted accordingly.

2.4.6 Stores, spares and loose tools

Stores, spares and loose tools are stated at weighted average cost less provision for obsolete items (if any) except items in-transit, if any, are valued at cost comprising invoice value plus other charges incurred thereon up to the reporting date. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision, if required, is made in the consolidated financial statements for slow moving and obsolete items. Stores, spares and loose tools are assessed and provision is applied according to the degree of ageing based on a specific criteria.

2.4.7 Stock-in-trade

Stock-in-trade, except goods-in-transit, is stated at the lower of net realisable value (NRV) and cost determined as follows:

Raw and packing materials	Moving average basis, cost of raw materials comprises of purchase price plus import duties and taxes (other than those that are subsequently recoverable).
Work-in-process	Cost of direct materials plus conversion cost valued on the basis of equivalent production units.
Finished goods	Cost of finished goods comprises cost of direct materials plus conversion cost valued on the basis of equivalent production units.

Goods-in-transit are valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Stock-in-trade is regularly reviewed by management and obsolete items, if any, are brought down to their NRV. NRV signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.4.8 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances, readily encashable investments and short-term finances that are repayable on demand and forms an integral part of the Group's cash management. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

2.4.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The financial assets of the Group mainly include trade debts, short-term deposits and long-term deposits, short-term investment, other receivables and cash and bank balances.

On initial recognition, a financial asset is classified as measured at amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Based on the business model of the Group, the financial assets of the Group are measured and classified under IFRS 9 as follows:

Trade debts, short-term investment and other financial assets are measured at amortised cost using the effective interest rate method less an allowance for expected credit losses, if any.

Derecognition

A financial asset, a part of a financial asset or part of a group of similar financial assets is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either the Group has transferred substantially all the risks and rewards of the asset or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset, in its entirety, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in the consolidated statement of profit or loss.

Financial liabilities

The financial liabilities of the Group mainly include long-term financing, short-term finances and trade creditors. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. For the purpose of subsequent measurement, financial liabilities are classified at amortised cost.

Derecognition

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

Impairment of financial assets - allowance for expected credit losses (ECL)

ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

The Group assesses on a forward looking basis the ECL associated with its financial assets carried at amortised cost and contract assets. The Group applies the simplified approach to recognise life time expected credit losses for trade debts while general 3 - stage approach for other financial assets 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.

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective assets. The Group considers a financial asset in default when contractual payments are 90 days past due and it is subsequently written off when there is no reasonable expectation of recovering the contractual cash flows. This definition is based on the Group's internal credit risk management policy.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.4.10 Impairment of non-financial assets

The carrying amounts of non-financial assets other than stock-in-trade, stores, spares and loose tools and deferred tax assets are assessed at date of the consolidated statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the consolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

2.4.11 Levies

The Group considers unrecoupable minimum taxes in excess of normal tax liability and tax deducted at source under final tax regime are out of scope of IAS 12 'Income Taxes' and fall in the ambit of IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

2.4.12 Taxation

Income tax expense comprises of current and deferred tax. The Group has opted for Group Taxation under section 59AA of Income Tax Ordinance, 2001 ('the Ordinance').

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or Alternative Corporate Tax whichever is higher in accordance with the provisions of the Ordinance. The minimum tax under section 113 which is not recoupable is classified under levies.

The Holding Company and Subsidiary Company apply a separate taxpayer within a group method, under which current and deferred tax are determined for the respective companies as a separate taxpayer. The Holding Company is the nominated entity responsible for settlement of the tax group's liability and group members are jointly and severally liable. Accordingly, the Group recognises the full tax liability payable to the taxation authority, with any recovery rights from other group member recognised separately. The Group has tax funding arrangement in place by virtue of which the difference in tax charge recognised on the basis of taxable income in the separate financial statements of each entity and the Group's tax liability under section 59AA is settled in cash between the Group companies.

Deferred

Deferred tax is recognised using the balance sheet method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the consolidated financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the consolidated statement of financial position date.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

2.4.13 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Group.

2.4.14 Provisions

Provision is recognised in the consolidated statement of financial position when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each date of consolidated statement of financial position and adjusted to reflect the current best estimate.

2.4.15 Warranty obligations

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns and recognises the estimated product warranty costs in the consolidated statement of profit or loss when the sale is recognised. Assumptions used to calculate the provision for warranties are based on current sales levels and current information available about returns based on the warranty period for all products sold.

2.4.16 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 Group; or

- there is a 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 assessment of contingent liabilities inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Group, based on the availability of latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

2.4.17 Deferred income

The benefit of long-term financing at a below-market rate of interest is treated as deferred income, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The deferred income is held on the consolidated statement of financial position as a deferred credit and realised to the consolidated statement of profit or loss over the periods necessary to match the related finance cost.

2.4.18 Revenue from contract with customers

The Holding Company manufactures and sells components for automotive vehicles and motor cycles to Original Equipment Manufacturers (OEMs) and certain after market suppliers. The Subsidiary Company is engaged in stamping of sheet metal parts, dies and fixtures primarily for the automotive industry. Revenue from contracts with customers is recognised when the performance obligation is satisfied and the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods according to the negotiated contractual terms. The Group has generally concluded that it acts as a principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Group's performance obligations, comprising of the sale of components of automotive vehicles and motor cycles, are not separable, and are not partially satisfied, since they are satisfied at a point in time, when the customer accepts the products. Moreover, the payment terms identified in most sources of revenue are short term usually 30 to 90 days upon delivery, without any variable considerations, financing components and guarantees.

The Group recognises a trade receivable when the performance obligations have been met, recognising the corresponding revenue.

Advance from customers is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Advance from customers is recognised as revenue when the Group performs under the contract.

2.4.19 Other income

Return on bank deposits / saving accounts and short-term investment is recognised using effective interest rate method.

Scrap sales are recognised at sales proceeds less book value on the date of transaction.

Gain on disposal of property, plant and equipment is recognised at the difference between sales proceeds and carrying value when the relevant item of property, plant and equipment is disposed of.

Other income, if any, is recognised on accrual basis.

2.4.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

2.4.21 Sales tax

Revenues, expenses and assets are recognised, net off amount of sales tax except:

- where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;

- trade receivables or trade payables are stated with the amount of sales tax; and

- the net amount of sales tax recoverable from, or payable to, the taxation authorities is included as part of sales tax receivables or payables in the consolidated statement of financial position.

2.4.22 Unclaimed dividend

This is recognised at the amount of dividend declared and unclaimed by shareholders from the date it became due and payable.

2.4.23 Unpaid dividend

This is recognised at the amount of dividend declared and claimed by shareholders but remained unpaid for the period of 3 years from the date it became due and payable.

2.4.24 Operating segments

For management purposes, the activities of the Group are organised into one reportable operating segment. The Group operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure, and internal financial reporting systems. Accordingly, the figures reported in these consolidated financial statements are related to the Group's only reportable segment.

2.4.25 Share capital and reserves

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

Reserves comprise of capital and revenue reserves. Capital reserves represent share premium while revenue reserves comprise of general reserves and unappropriated profit.

2.4.26 Dividends and appropriation to reserve

Dividend and appropriation to reserve are recognised in the consolidated financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognised in the consolidated financial statements in the period in which such transfers are made.

2.4.27 Foreign currency transactions and translation

Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated into rupees at the foreign exchange rates approximating those prevailing at the consolidated statement of financial position date. Exchange differences, if any, are taken to the consolidated statement of profit or loss.

2.4.28 Earnings per share

The Group presents basic and diluted earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the accounting policies, management has made the following judgments and estimates which are significant to these consolidated financial statements:

(i) Residual value, rate of depreciation and useful life of property, plant and equipment - Note 2.4.3 & 4

The Group reviews appropriateness of the useful life, depreciation method and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment as and when required. In making these estimates, Group uses the technical resources available with the Group or external experts where required. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

(ii) Net realisable value of stock-in-trade - Note 2.4.7 & 10

The Group reviews the net realisable value of stock-in-trade to assess any diminution in the respective carrying values and also review the inventories for obsolescence.

(iii) Levies, provision for income tax, sales tax and deferred tax - Note 2.4.11, 2.4.12, 8, 32 & 33

The Group takes into account current income and sales tax laws and decisions taken by the appellate authorities. Instances where the Group's view differs from the view taken by the tax authorities at the assessment stage and where the Group, in consultation with its external counsel, considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities (unless there is a remote possibility of transfer of benefits).

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management consider tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iv) Warranty obligations - Note 2.4.15 & 21

The Group, based on the tenure of warranty under the agreements with its customers and rate determined based on the availability of latest information, estimates the provision for warranty obligations. The actual warranty claims may differ from the estimated warranty provision held as above.

(v) Contingent liabilities - Note 2.4.16 & 24

The Group, based on the availability of the latest information, estimates the value of contingent liabilities, which may differ on the occurrence / non-occurrence of uncertain future event(s).

3.1 Change in estimates

During the year, as a result of the annual reassessment of the useful lives, residual values and depreciation method of Property, Plant and Equipment (operating fixed assets), management identified a change in the expected pattern of consumption of the future economic benefits embodied in the operating fixed assets. Accordingly, the useful lives, residual values and depreciation method of the operating fixed assets were revised to reflect the new pattern of consumption. This revision has been treated as a change in accounting estimate and has been accounted for prospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The net effect of these changes during the current financial year is a decrease in depreciation expense of Rs. 42.82 million and increase in profit before tax by the same amount.

Assuming that the assets are held until the end of their estimated useful lives, the effect of this change depreciation expense in the consolidated statement of profit or loss for the future years is as follows:

	2027	2028	2029	2030	Thereafter
	--------------- (Rupees in '000) ---------------				
(Decrease) / increase in depreciation expense	(109,434)	(44,493)	(13,692)	7,388	(574,488)

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2026	2025
		-----(Rupees in '000)-----	
Operating fixed assets	4.1	3,494,565	3,587,080
Capital work-in-progress	4.5	102,791	56,827
		3,597,356	3,643,907

4.1 Operating fixed assets

	Cost			Depreciation rate (note 4.1.1)	Accumulated depreciation				Written down value
	As at July 1, 2025	Additions / transfer* / (disposals) / reclassification*	As at June 30, 2026		As at July 1, 2025	Charge for the year (Note 4.2)	(On disposals) / (reclassification)**	As at June 30, 2026	As at June 30, 2026
Owned	----------- (Rupees in '000) ------			%	------------------------- (Rupees in '000) ------------				
Freehold land	1,652	-	1,652	-	-	-	-	-	1,652
Leasehold land	29,418	-	29,418	1.79	6,828	496	-	7,324	22,094
Building on freehold land	714,521	31,777 *	746,298	5	255,089	19,645	-	274,734	471,564
Building on leasehold land	668,201	24,424 * 228,732 **	921,357	5	310,921	21,959	- 61,566 **	394,446	526,911
Plant and machinery	4,455,211	35,942 143,897 * (30,483) (228,732) **	4,375,835	10 - 20	2,063,748	299,271	- - (29,318) (61,566) **	2,272,135	2,103,700
Furniture and fittings	49,737	2,982 202 * (108)	52,813	20 - 33	29,566	13,119	- - (97)	42,588	10,225
Vehicles	286,177	50,499 81,989 * (73,889)	344,776	20	131,299	34,095	- (43,283)	122,111	222,665
Office equipment	16,616	8,211 (595)	24,232	20 - 33	10,154	5,221	- (103)	15,272	8,960
Computer equipment	93,863	29,070 (1,597)	121,336	20 - 33	69,202	15,647	- (1,437)	83,412	37,924
Dies and tools	755,700	3,338 15,189 * (6,504)	767,723	33	607,209	75,330	- - (3,686)	678,853	88,870
2026	7,071,096	130,042 297,478 * (113,176)	7,385,440		3,484,016	484,783	- - (77,924)	3,890,875	3,494,565

	Cost			Depreciation rate (note 4.1.2)	Accumulated depreciation				Written down value
	As at July 1, 2024	Additions / transfer* / (disposals)	As at June 30, 2025		As at July 1, 2024	Charge for the year (Note 4.2)	(On disposals)	As at June 30, 2025	As at June 30, 2025
Owned	--------- (Rupees in '000) ----------			%	-------------------- (Rupees in '000) --------------------				
Freehold land	1,652	-	1,652	-	-	-	-	-	1,652
Leasehold land	29,418	-	29,418	1.79	6,303	525	-	6,828	22,590
Building on freehold land	713,809	712	714,521	10	204,114	50,975	- -	255,089	459,432
Building on leasehold land	658,201	10,000	668,201	10	271,871	39,050	-	310,921	357,280
Plant and machinery	4,390,819	56,270 25,202 * (17,080)	4,455,211	10 - 20	1,720,280	357,057	- - (13,589)	2,063,748	2,391,463
Furniture and fittings	45,920	4,692 (875)	49,737	15	27,184	3,068	- (686)	29,566	20,171
Vehicles	244,599	67,096 (25,518)	286,177	20	111,680	31,469	- (11,850)	131,299	154,878
Office equipment	16,035	- 581 *	16,616	10 - 20	8,835	1,319	-	10,154	6,462
Computer equipment	87,018	9,074 (2,229)	93,863	33	60,718	10,306	- (1,822)	69,202	24,661
Dies and tools	751,165	4,535	755,700	40	510,755	96,454	-	607,209	148,491
2025	6,938,636	152,379 25,783 * (45,702)	7,071,096		2,921,740	590,223	- - (27,947)	3,484,016	3,587,080

* represents transfer from capital work-in-progress to operating fixed assets.

4.1.1 These represent depreciation rates used under straight line depreciation method.

4.1.2 These represent depreciation rates used under reducing balance depreciation method.

	Note	2026	2025
		-----(Rupees in '000)-----	
4.2 Depreciation charge for the year has been allocated as follows:			
Cost of sales	26	451,563	564,078
Distribution and marketing expenses	27	4,829	3,383
Administrative expenses	28	28,391	22,762
		484,783	590,223

4.3 Particulars of immovable properties (i.e. freehold land, leasehold land, building on freehold land and building on leasehold land) in the name of the Group, are as follows:

Location	Use of immoveable property	Total area
243, Mouza Baroot, Hub Chowki, Distt. Lasbella, Balochistan.	Manufacturing facilities	18.2 acres
DSU 12 B, Down Stream Industrial Estate, Pakistan Steel Mills, Bin Qasim Town, Karachi, Sindh.		6.08 acres

4.4 Particulars of operating fixed asset having net book value of five hundred thousand rupees or more disposed off during the year are as follows:

Particulars	Cost	Book value	Sale proceeds	Gain	Mode of disposal	Particulars of buyer	Relationship of purchaser with the Group or any of its directors
	-------- (Rupees in '000)			---------			
Plant and machinery							
Camshaft gangmaster	6,504	2,818	11,552	8,734	Negotiation	M/s. Badar Ali Traders	Independent purchaser
Vehicles							
Suzuki Cultus AGS	2,130	850	850	-	Company policy	Imran Hussain	Employee (Holding Company)
Suzuki Cultus AGS	2,130	850	850	-	Company policy	Aslam Baig	Employee (Holding Company)
Suzuki Cultus VXL	1,830	761	761	-	Company policy	Haris Qureshi	Employee (Holding Company)
Suzuki Cultus VXL	4,084	2,635	3,250	615	Insurance claim	Habib Insurance Company Ltd.	Insurer
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Akber Karim	Employee (Holding Company)
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Nadeem Khan	Employee (Holding Company)
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Zubair Khan	Employee (Holding Company)
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Azam Khan	Employee (Holding Company)
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Adnan Sarwar	Employee (Holding Company)
Toyota Corolla Altis Auto	3,375	1,181	1,181	-	Company policy	Hassan M. Khan	Employee (Holding Company)
Toyota Corolla Altis Grande	3,905	1,333	1,367	34	Company policy	Fahim Kapadia	Chief Executive
Toyota Corolla Grande	4,005	1,415	1,415	-	Company policy	Omar Razzaq	Ex-employee (Holding Company)
Toyota Yaris 1.3 CVT	2,695	943	943	-	Company policy	Shams ul Huda	Employee (Holding Company)
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Shahid Sattar	Employee (Holding Company)
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Amjad Elahi	Employee (Holding Company)
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Shezan Ali Fareed	Employee (Holding Company)
Toyota Yaris 1.3 CVT	4,760	3,971	4,038	67	Company policy	Adnan Afzal	Ex-employee (Holding Company)
Toyota Yaris 1.3 CVT	2,775	1,023	1,023	-	Company policy	Nadeem ul Haq	Employee (Holding Company)
Toyota Yaris 1.5 CVT	3,005	1,169	1,253	84	Company policy	Azeem Saadat	Employee (Holding Company)
Toyota Yaris 1.5 CVT	3,005	1,169	1,253	84	Company policy	Mian Saeed	Employee (Holding Company)
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Jahanzeb	Employee (Subsidiary Company)
Suzuki Cultus VXL	1,970	690	690	-	Company policy	Asim Idrees	Employee (Subsidiary Company)
Suzuki Cultus VXL	1,830	691	740	49	Company policy	Abdul Karim	Ex-employee (Subsidiary Company)
Toyota Yaris ATIV 1.5 CVT	3,005	1,052	1,052	-	Company policy	Syed Nasruddin	Employee (Subsidiary Company)
Toyota Yaris ATIV 1.3 CVT	2,775	1,074	3,900	2,826	Insurance claim	Habib Insurance Company Ltd.	Insurer
Toyota Yaris Gli 1.3 CVT	2,695	943	943	-	Company policy	Zargham Alvi	Employee (Subsidiary Company)
Toyota Corolla 1.6 AT	3,541	1,564	5,200	3,636	Insurance claim	Habib Insurance Company Ltd.	Insurer
	80,164	33,341	49,470	16,129			
Operating fixed assets having WDV less than Rs. 0.5 million	33,012	1,911	5,560	3,649	Various	Various	
2026	113,176	35,252	55,030	19,778			
2025	45,702	17,755	21,726	3,971			

	Note	2026	2025
		-----(Rupees in '000)-----	
4.5 Capital work-in-progress			
Building on leasehold land		10,116	-
Plant and machinery		15,151	41,249
Furniture and fittings		2,810	-
Advance for vehicles		74,714	15,578
	4.5.1	102,791	56,827
4.5.1 Movement in capital work-in-progress is as follows:			
As at July 1		56,827	1,540
Capital expenditure incurred / advances made during the year		343,442	81,070
Transfer to operating fixed assets during the year	4.1	(297,478)	(25,783)
As at June 30		102,791	56,827
5 RIGHT-OF-USE ASSETS			
As at July 1		7,570	2,376
Additions during the year		-	8,980
Depreciation charge for the year	5.2	(3,786)	(3,786)
As at June 30		3,784	7,570

5.1 The Holding Company has two lease arrangements for its offices (in Karachi and Lahore) in which rentals are payable in advance. The lease tenure of all rental premises ranges between 3 years to 3 years and 1 month.

	Note	2026	2025
		-----(Rupees in '000)-----	
5.2 Depreciation charge for the year has been allocated as follows:			
Distribution and marketing expenses	27	793	793
Administrative expenses	28	2,993	2,993
		3,786	3,786

6 INTANGIBLE ASSETS

	Cost			Amortisation rate	Accumulated amortisation				Written down value
	As at July 1, 2025	Additions/ (retirements)	As at June 30, 2026		As at July 1, 2025	Charge for the year (Note 6.1)	(On retirements)	As at June 30, 2026	As at June 30, 2026
	(Rupees in '000)			%	(Rupees in '000)				
Licenses *	87,972	-	87,972	20	78,986	5,392	-	84,378	3,594
Software	27,330	-	27,330	20 - 33	16,588	5,526	-	22,114	5,216
	115,302	-	115,302		95,574	10,918	-	106,492	8,810

	Cost			Amortisation rate	Accumulated amortisation				Written down value
	As at July 1, 2024	Additions/ (retirements)	As at June 30, 2025		As at July 1, 2024	Charge for the year (Note 6.1)	(On retirements)	As at June 30, 2025	As at June 30, 2025
	(Rupees in '000)			%	(Rupees in '000)				
Licenses *	87,972	-	87,972	20	70,037	8,949	-	78,986	8,986
Software	26,880	450	27,330	20 - 33	11,200	5,388	-	16,588	10,742
	114,852	450	115,302		81,237	14,337	-	95,574	19,728

* This represents amount paid against licenses and technical fee for certain products / components that are being manufactured by the Group under the technical service agreements with technical advisors.

		Note	2026	2025
			-----(Rupees in '000)-----	
6.1	Amortisation charge for the year has been allocated as follows:			
	Cost of sales	26	9,083	12,650
	Distribution and marketing expenses	27	241	241
	Administrative expenses	28	1,594	1,446
			10,918	14,337

7 LONG-TERM DEPOSITS

	Note	2026	2025
Security deposits - considered good	7.1 & 7.2	20,068	19,918

7.1 This represent interest free deposits with suppliers having no fixed maturity. Fair value of these deposits is not considered to be materially different from the amortized cost.

7.2 This includes long-term deposit held with Habib Metropolitan Bank Limited - associated company, amounting to Rs. 0.09 million (2025: Rs. 0.09 million).

8 DEFERRED TAXATION - NET

	2026	2025
	-----(Rupees in '000)-----	
Deductible temporary differences arising due to:		
- provisions	235,797	248,285
- lease liabilities and right-of-use assets	334	244
- unused business losses	-	237,250
- minimum tax credits (expiring in tax years 2027 and 2028)	146,325	-
- alternative corporate tax credits (expiring in tax year 2036)	66,435	-
	448,891	485,779
Taxable temporary differences arising due to:		
- accelerated tax depreciation	305,323	327,423
	143,568	158,356

8.1 The Holding Company and the Subsidiary Company have opted for Group taxation for Tax Year 2026 under section 59AA of the Income Tax Ordinance, 2001. As of the date of consolidated statement of financial position, deferred tax asset amounting to Rs. Nil (2025: Rs. 183.44 million) and Rs. Nil (2025: Rs. 16.19 million) in respect of minimum tax credits and unused business losses respectively, have not been recognised in these consolidated financial statements.

9 STORES, SPARES AND LOOSE TOOLS

	Note	2026	2025
		-----(Rupees in '000)-----	
Stores		121,736	120,464
Spares		100,138	84,570
Loose tools		27,717	23,783
		249,591	228,817
Less: provision for obsolescence	9.1	(78,253)	(71,936)
		171,338	156,881

9.1 This includes a charge of provision for obsolescence amounting to Rs. 6.32 million (2025: Rs. 6.73 million) during the year.

		Note	2026	2025
			-----(Rupees in '000)-----	
10	**STOCK-IN-TRADE**			
	Raw material	10.2	2,467,781	2,121,940
	Less: provision for obsolescence		(111,868)	(165,332)
			2,355,913	1,956,608
	Packing material		9,212	9,524
	Less: provision for obsolescence		(999)	(813)
			8,213	8,711
	Work-in-process		177,284	126,027
	Finished goods		190,843	191,738
	Less: provision for obsolescence		(11,564)	(11,559)
			179,279	180,179
	Goods-in-transit		884,542	992,980
			3,605,231	3,264,505

10.1 This includes an amount of Rs. 53.41 million (2025: charge of Rs. 166.71 million) in respect of reversal of provision for obsolescence and also includes an amount of Rs. 0.14 million (2025: Rs. 5.30 million) charged in respect of write down of inventory to its NRV during the year.

10.2 As at the reporting date, raw materials amounting to Rs. 130.70 million (2025: Rs. 55.45 million) are held with the sub-contractors.

		Note	2026	2025
			-----(Rupees in '000)-----	
11	**TRADE DEBTS**			
	Considered good - unsecured	11.2 & 11.3	1,783,853	1,289,047

11.1 These include balance due from various customers of the Group. The ageing analysis of these trade debtors is as follows:

	Note	2026	2025
		-----(Rupees in '000)-----	
Not yet due		1,748,321	1,249,161
Upto 1 month		35,165	28,905
1 to 2 months		367	9,397
3 to 6 months		-	1,220
More than 6 months		-	364
		1,783,853	1,289,047

11.2 This includes an amount of Rs. 14.11 million (2025: Rs. 9.95 million) receivable from Thal Boshoku Pakistan (Private) Limited - associated company, against sales made by the Group. These balances are not yet due and also not impaired.

11.3 The maximum aggregate amount receivable from the related parties of the Group at the end of any month during the year was Rs. 16.12 million (2025: Rs. 19.50 million).

	Note	2026	2025
		-----(Rupees in '000)-----	
12 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances - unsecured, considered good			
Contractors		10,843	6,260
Employees		2,826	6,229
Suppliers		14,386	3,576
		28,055	16,065
Deposits	12.1	29,178	41,549
Prepayments			
Insurance		8,792	11,459
Software maintenance		17,610	12,079
Others		-	3,374
		26,402	26,912
Other receivables - secured, considered good		353,591	339,596
		437,226	424,122

12.1 This includes an amount of Rs. 25.67 million (2025: Rs. 25.60 million) against letter of credit (LC) and letter of guarantee (LG) margin deposits, out of which Rs. 24.99 million (2025: Rs. 12.31 million) are held with Habib Metropolitan Bank Limited - associated company.

12.2 This includes Rs. 301.20 million (2025: Rs. 301.20 million) with respect to claim against Additional Custom Duty (ACD) (as disclosed in note 20.4) from a customer.

12.3 This includes an amount of Rs. 4.28 million (2025: Rs. 2.66 million) pertaining to accrued profit on deposit accounts held with Habib Metropolitan Bank Limited - associated company.

	Note	2026	2025
13 SHORT-TERM INVESTMENT		-----(Rupees in '000)-----	
At amortised cost			
Term deposit receipts		-	74,605
Accrued profit thereon		-	742
		-	75,347

	Note	2026	2025
14 CASH AND BANK BALANCES			
In hand		88	92
With banks in			
- current accounts		17,545	29,684
- deposit accounts	14.1	343,409	148,295
		360,954	177,979
		361,042	178,071

14.1 This represent balances in deposit accounts maintained with Habib Metropolitan Bank Limited - associated company under interest / mark-up arrangements and carry interest at the rate of 10.00% (2025: 9.50%) per annum.

15 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2026	2025		2026	2025
(Number of shares in '000)		Ordinary shares of Rs. 5/- each	----- (Rupees in '000) ----	
22,800	22,800	Fully paid in cash	114,000	114,000
13,200	13,200	Issued as bonus shares	66,000	66,000
36,000	36,000		180,000	180,000

15.1 All ordinary shares rank equally with regard to the Holding 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 Holding Company.

15.2 Share premium reserve can be utilised by the Holding Company only for the purposes specified in section 81 of the Companies Act, 2017.

15.3 The purpose of general reserves includes, but not limited to, fulfilling various business needs like meeting contingencies, enhancing the working capital, etc.

15.4 As at the reporting date 2,644,500 shares (2025: 2,644,500 shares) are held by Thal Limited - associated company.

16 LEASE LIABILITIES

The Holding Company has two lease arrangements for its offices (in Karachi and Lahore) in which rentals are payable in advance. The weighted average discounting rate of the lease is 20.00% (2025: 20.00%) per annum.

	Note	2026	2025
		-----(Rupees in '000)-----	
Lease liabilities		4,936	8,412
Current maturity of lease liabilities		(4,936)	(3,476)
	16.1	-	4,936

16.1 Movement of lease liabilities during the year is as follows:

	Note	2026	2025
As at July 1		8,412	2,480
Addition during the year		-	8,980
Finance cost during the year		897	1,516
Payments during the year		(4,373)	(4,564)
As at June 30	16.2	4,936	8,412
Current maturity of lease liabilities		(4,936)	(3,476)
		-	4,936

16.2 The maturity analysis of lease liabilities as at the reporting date is as follows:

	2026	2025
Up to 1 year	4,936	3,476
1 to 3 years	-	4,936
Total lease liabilities	4,936	8,412

	Note	2026	2025
		-----(Rupees in '000)-----	
17 LONG-TERM FINANCINGS			
Secured			
SBP refinance scheme for renewable energy	17.1 & 17.2	67,798	76,818
Current maturity of long-term financing		(9,969)	(9,334)
		57,829	67,484
Long-term financing	17.3 & 17.4	262,434	396,073
Current maturity of long-term financing		(137,434)	(134,206)
		125,000	261,867
	17.5	182,829	329,351

17.1 This includes Rs. 33.93 million (2025: Rs. 38.57 million) against long-term financing facility obtained by the Holding Company from a conventional bank under State Bank of Pakistan (SBP) refinance scheme for renewable energy, recognised initially at fair value. The total facility amounts to Rs. 90 million (2025: Rs. 90 million) against and carries contractual mark-up at the rate of 2% plus spread of 0.75% (2025: 2% plus spread of 0.75%) per annum payable quarterly. The effective mark-up rate as calculated with reference to fair value of the loan ranges from 10.02% to 16.30% (2025: 10.02% to 16.30%) per annum. The tenure of this facility is ten years and is due to mature latest by September 29, 2032. The facility is secured against first specific hypothecation charge over plant and machinery related to the solar power project for the disbursed amount. As at June 30, 2026, the unutilised portion of the facility is Nil (2025: Nil).

17.2 This includes Rs. 33.87 million (2025: Rs. 38.25 million) against long-term financing facility obtained by the Subsidiary Company from a conventional bank under State Bank of Pakistan (SBP) refinance scheme for renewable energy, recognised initially at fair value. The total facility amounts to Rs. 85 million (2025: Rs. 85 million) and carries contractual mark-up at the rate of 2% plus spread of 0.75% (2025: 2% plus spread of 0.75%) per annum payable quarterly. The effective mark-up rate as calculated with reference to fair value of the loan ranges from 10.02% to 16.30% (2025: 10.02% to 16.30%) per annum. The tenure of this facility is ten years and is due to mature latest by September 30, 2032. The facility is secured against first specific hypothecation charge over plant and machinery related to the solar power project for the disbursed amount. As at June 30, 2026, the unutilised portion of the facility is Nil (2025: Nil).

17.3 This includes Rs. 185.18 million (2025: Rs. 267.88 million) against long-term financing facility obtained by the Holding Company from a conventional bank to refinance capital expenditure incurred by the Company, with a total limit of Rs. 500 million (2025: Rs. 500 million) at a markup rate of 3 months KIBOR + 0.3% (2025: 3 months KIBOR + 0.3%) payable on quarterly basis. The tenure of this facility is six years, including grace period of one year and is due to mature by July 3, 2028. This facility is secured by first pari passu hypothecation / first charge over present and future fixed assets (excluding land and building) of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Nil (2025: Nil).

17.4 This includes Rs. 77.25 million (2025: Rs. 128.19 million) against long-term financing facility obtained by the Subsidiary Company from a conventional bank to refinance capital expenditure incurred by the Company, with a total limit of Rs. 900 million (2025: Rs. 900 million) at a markup rate of 3 months KIBOR + 0.3% (2025: 3 months KIBOR + 0.3%) payable on quarterly basis. The tenure of this facility is six years, including grace period of one year and is due to mature latest by August 3, 2028. This facility is secured by first pari passu hypothecation / first charge over present and future fixed assets (excluding land and building) of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Nil (2025: Nil).

		2026	2025
		-----(Rupees in '000)-----	
17.5	Movement of long-term financings during the year is as follows:		
	As at July 1	472,891	592,664
	Repayments made during the year	(185,581)	(195,101)
	Accretion of interest during the year	42,922	75,328
	As at June 30	330,232	472,891
	Current maturity of long-term financing	(147,403)	(143,540)
		182,829	329,351

17.6 In accordance with the long term financing agreement between the Group companies and a commercial bank, the Group companies are required to comply with the following financial thresholds in their standalone financial statements over the tenure of the loan agreement.

Financial covenants	**Thresholds**
Debt Service Cover Ratio	At least 1.25:1
Interest Coverage Ratio	At least 1.25:1
Current Ratio	At least 1:1

The Group companies have complied with the above financial covenants as at the reporting date.

18 SINDH INFRASTRUCTURE DEVELOPMENT CESS (SIDC) PAYABLE

In February 2026, the Sindh Assembly enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, which reduced the SIDC rate from 1.85% to between 0.80% and 0.85%. The amendment also introduced a Settlement Agreement facility, allowing importers to enter into structured payment plans either to pay the cess in full or installments for outstanding SIDC obligations. The Group entered into a Settlement Agreement on April 22, 2026, and opted to pay the SIDC in installments and issued post dated cheques in favor of the Government of Sindh. In accordance with the agreed payment plan as per the Settlement Agreement, the present value of the liability as at June 30, 2026 amounts to Rs. 343.16 million. Following is the movement in SIDC:

	Note	2026	2025
		-----(Rupees in '000)-----	
Opening balance		596,112	473,280
Charge for the year		150,563	122,832
Payment during the year		(100,673)	-
Closing balance		646,002	596,112
Remeasurement gain on SIDC payable		(311,010)	-
Present value of SIDC payable - at the date of Settlement Agreement		334,992	596,112
Finance cost for the year	31	8,168	-
Present value of SIDC payable - closing		343,160	596,112
Less: current portion of SIDC payable		(66,076)	(596,112)
Non-current portion of SIDC payable		277,084	-

19 DEFERRED INCOME

	Note	2026	2025
Deferred income	19.2	20,282	24,927
Current maturity of deferred income		(4,894)	(4,894)
		15,388	20,033

19.1 Movement of deferred income during the year is as follows:

	Note	2026	2025
As at July 1		24,927	29,829
Amortisation during the year	31	(4,645)	(4,902)
As at June 30		20,282	24,927

19.2 This represents deferred income recognised in respect of the benefit of below-market interest rate on long-term financing (as disclosed in note 17.1 and 17.2). The benefit has been measured as the difference between the fair value of the loan and the proceeds received. The Group has used the prevailing market rate of mark-up for similar instruments to calculate fair values of respective loan.

20 TRADE AND OTHER PAYABLES

	Note	2026	2025
		-----(Rupees in '000)-----	
Trade creditors		786,629	746,365
Accrued liabilities	20.1	382,176	289,603
Royalty payable	20.2	65,941	49,715
Advance from customers (contract liabilities)		38,106	10,933
Additional Custom Duty payable	20.4	365,519	365,519
Payable to provident fund	20.5	9	5,856
Withholding tax payable		13,732	3,644
Workers' Profit Participation Fund payable	20.6	88,473	32,356
Workers' Welfare Fund payable	20.6	35,898	15,920
Others		-	8,393
		1,776,483	1,528,304

20.1 This includes an amount of Rs. 68.41 million (2025: Rs. 55.54 million) in respect of sales incentive payable to distributors of the Holding Company.

20.2 Movement of royalty payable during the year is as follows:

	Note	2026	2025
		-----(Rupees in '000)-----	
As at July 1		49,715	31,095
Charge for the year		103,767	63,174
Payment during the year	20.3	(87,541)	(44,554)
As at June 30		65,941	49,715

20.3 Royalties paid during the year comprise of the following:

Company name	Address	Relationships	2026	2025
			----- (Rupees in '000) -----	
KYB Corporation	World Trade Center Building 4-1, Hamamatsu-Cho 2 Chome, Minato-Ku, Tokyo 105 Japan.	Technical partner	47,609	27,585
Aisin Seiki Co., Ltd	2-1, Asahi-Machi, Kariya, Aichi, 448-8650, Japan.	Technical partner	625	504
Ogihara (Thailand) Company Limited	231 Latkrabang Industrial Estate Phase 3, Chalongkrung Rd, Ladkrabang, Bangkok, Thailand.	Technical partner	39,307	16,465

20.4 This represents Additional Custom Duty (ACD) payable to the Customs Authorities (Federal Board of Revenue) on import of certain raw materials. The provision has been maintained in respect of ACD levied under SRO 670 (I)/2019 dated June 28, 2019 at enhanced rates upto June 30, 2021. The Group is contesting levy of ACD under SRO 670 (I)/2019 dated June 28, 2019 and has filed a petition in the Honorable High Court of Sindh (the Court) against the aforesaid additional levy. The Court has granted a stay order after the submission of Corporate Guarantees by the Group amounting to Rs. 362.42 million (2025: Rs. 362.42 million) with the Court.

The Group has recorded a receivable from customer, on the basis of comfort letter, amounting to Rs. 301.20 million (2025: Rs. 301.20 million) in respect of the ACD payable as disclosed in note 12.2.

20.5 Investments in collective investment schemes, listed equity and listed debt securities out of provident funds of the respective companies have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

20.6

Particulars	Note	Workers' Welfare Fund 2026	Workers' Welfare Fund 2025	Workers' Profit Participation Fund 2026	Workers' Profit Participation Fund 2025
		----- (Rupees in '000) -----		----- (Rupees in '000) -----	
As at July 1		15,920	902	32,356	7,263
Charge for the year	29	34,989	15,018	88,473	32,356
		50,909	15,920	120,829	39,619
Payments during the year		(15,011)	-	(32,356)	(7,263)
As at June 30		35,898	15,920	88,473	32,356

21 WARRANTY OBLIGATIONS

	Note	2026	2025
		-----(Rupees in '000)-----	
Warranty obligations	21.1	157,916	130,730

21.1 Movement in warranty obligations during the year is as follows:

	Note	2026	2025
As at July 1		130,730	126,762
Charge for the year	27	32,395	12,042
Claims paid during the year		(5,209)	(8,074)
As at June 30		157,916	130,730

21.2 This represents Group's best estimate of the amount required to be paid / settled to cover the potential warranty claims based on the historical experience.

22 UNPAID DIVIDEND AND UNCLAIMED DIVIDEND

The Holding Company has opened separate bank accounts as required under the provision of section 244 of the Act and the required amounts have been transferred accordingly.

23 SHORT-TERM FINANCES

	Note	2026	2025
		-----(Rupees in '000)-----	
Conventional - secured			
Running finance facility		80,175	547,155
Accrued markup thereon		11,363	24,205
	23.1 & 23.2	91,538	571,360
Islamic - secured			
Musawamah		69,175	143,237
Accrued profit thereon		2,076	1,507
	23.3	71,251	144,744
Import Murabaha		-	90,086
Accrued profit thereon		-	471
	23.4	-	90,557
Running Musharakah		336,537	-
Accrued profit thereon		11,394	271
	23.5 & 23.6	347,931	271
		510,720	806,932

23.1 This include Rs. 88.59 million short-term running finance (including accrued interest of Rs. 8.42 million) [2025: Rs. 566.91 million including accrued interest of Rs. 19.76 million] obtained by the Holding Company from various commercial banks, including short-term running finance amounting to Rs. 51.09 million (2025: Rs. 112.99 million) availed from Habib Metropolitan Bank Limited - associated company. The total facility limit amounts to Rs. 1,190 million (2025: Rs. 1,190 million). The rate of mark-up on these finances ranges from 1 month to 3 months KIBOR plus spreads varying from 0.2% to 0.75% (2025: 1 month to 3 months KIBOR plus spreads varying from 0.2% to 0.75%) per annum. The facilities are secured by way of first pari passu and ranking hypothecation charge on the Company's stock-in-trade, stores, spares, loose tools and trade debts and will mature latest by March 31, 2027. As at June 30, 2026, the unutilised portion of the facility is Rs. 1,109.83 million (2025: Rs. 642.85 million).

23.2 This include Rs. 2.94 million accrued interest on short-term running finance amounting to Rs. Nil (2025: Rs. 4.45 million accrued interest on short-term running finance amounting to Rs. Nil) obtained by the Subsidiary Company from various commercial banks. The total facility limit amounts to Rs. 1,000 million (2025: Rs. 1,000 million) and the rate of mark-up on these finances ranges from 1 month to 3 months KIBOR plus spreads varying from 0.20% to 0.50% (2025: 1 month to 3 months KIBOR plus spreads varying from 0.20% to 1.00%) per annum and are due to mature latest by December 31, 2026. The facilities are secured by way of pari passu hypothecation plus ranking charge on the Subsidiary Company's stock-in-trade, stores, spares, loose tools and trade debts. As at June 30, 2026, unutilized portion of the facility is Rs 1,000 million (2025: Rs. 1,000 million).

23.3 This represent short-term financing facility (Musawamah) amounting to Rs. 71.25 million (including accrued profit of Rs. 2.08 million) [2025: Rs. 144.74 million, including accrued profit of Rs. 1.51 million] obtained by the Holding Company from an Islamic bank for financing the working capital requirements of the Holding Company. The facility has a total limit of Rs. 250 million (2025: Rs. 250 million). These carry mark-up at the rate of matching tenure KIBOR + 0.5% (2025: matching tenure KIBOR + 0.5%) per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The current drawn amount is payable by October 21, 2026. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Holding Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Rs. 180.82 million (2025: Rs. 106.76 million).

23.4 This represent short-term financing facility (Import Murabaha) amounting to Rs. Nil (2025: 90.56 million including accrued profit of Rs. 0.47 million) obtained by the Holding Company from an Islamic bank for financing the working capital requirements of the Holding Company. The facility has a total limit of Rs. 750 million (2025: Rs. 250 million). These carry mark-up at the rate of matching tenure KIBOR + 0.17% (2025: matching tenure KIBOR + 0.17%) per annum. The facility can be drawn and settled in tranches with maximum tenure of 180 days. The facility is secured by way of first joint pari passu hypothecation charge over present and future stock-in-trade and trade debts of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Rs. 750 million (2025: Rs. 159.91 million).

23.5 This include money market loan facility (Running Musharakah) amounting to Rs. 336.54 million including accrued profit of Rs 11.39 million (2025: Rs. Nil and accrued profit of Rs. 0.27 million) obtained by the Holding Company from an Islamic bank for financing the working capital requirements of the Holding Company. The facility has a total limit of Rs. 1,000 million (2025: Rs. 500 million). The facility carry mark-up at the rate of 1 month to 3 months KIBOR plus spreads varying from 0.17% to 0.50% per annum (2025: 1 month to 3 months KIBOR plus spreads varying from 0.25% to 0.50% per annum). The facility is secured by way of first pari passu hypothecation charge over stock-in-trade and trade debts of the Company with 25% margin. As at June 30, 2026, the unutilised portion of the facility is Rs. 663.46 million (2025: Rs. 500 million).

23.6 This include money market loan facility (Running Musharakah) amounting to Rs. Nil including accrued profit of Rs. 0.01 million (2025: Rs. Nil and accrued profit of Rs. 0.27 million) obtained by the Subsidiary Company from an Islamic bank for financing the working capital requirements of the Subsidiary Company. The total facility limit amounts to Rs. 600 million (2025: Rs. 500 million). The facility carry mark-up at the rate of 1 month KIBOR plus 0.50% (2025: 1 month to 3 months KIBOR plus spreads varying from 0.25% to 0.50%) and are due to mature latest by January 31, 2027. The facilities are secured by way of first joint pari passu hypothecation charge over present and future stocks and receivables of the Subsidiary Company with 25% margin. As at June 30, 2026, unutilized portion of the facility is Rs. 600 million (2025: Rs. 500 million).

24 CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

24.1.1 Income tax related contingencies are disclosed in note 33.4.

24.1.2 During the year ended June 30, 2023, the Subsidiary Company received a show cause notice from the Collectorate of Customs Adjudication-I (West Collectorate and East Collectorate), regarding the short payment of custom duties and taxes amounting to Rs. 861.50 million and Rs. 28.14 million respectively against the import of component 'Catalyst Monolithic' used in the production of catalytic converters which is sold by the Subsidiary Company. In the said notice, the Collector of Customs alleged that the Subsidiary Company has applied an incorrect tariff rate of 0% under PCT heading 7115.900 instead of PCT heading 8421.9990 which is taxable at the rate of 20% on the import of the component during the period from March 2017 to December 2021. The Subsidiary Company filed an appeal against the order of the Adjudication department of Collectorate of Customs before the Customs Appellate Tribunal (CAT).

The CAT West in its order dated July 6, 2022 has decided the matter and upheld the earlier decision of the Adjudicator for West Collectorate for the alleged demand of custom duty short paid, but waived the penalty and fine imposed by the customs department. Aggrieved with the decision of the CAT West, the Subsidiary Company preferred an appeal / reference before the Honourable High Court of Sindh (the Court). The SHC in its interim order dated July 28, 2022 granted relief to the Subsidiary Company and restrained customs authorities from taking any coercive action and directed the Subsidiary Company to furnish bank guarantees in favour of the Collectorate of Customs until the final decision of the Court is announced. In this regard, the Subsidiary Company has submitted bank guarantees in favour of the Collectorate of Customs aggregating to Rs. 283.58 million (2025: Rs. 258.48 million) as disclosed in note 24.2.3 as at June 30, 2026.

In another order, the CAT East has accepted the contention of the Subsidiary Company in other identical case of imports pertaining to East Collectorate, and set aside the earlier order of the Adjudicator for East Collectorate, in favour of the Subsidiary Company. The department has filed a reference against the decision of the CAT East before the Court. There are now varying decisions of two different benches of the CAT on the same issue in the Court, with the most recent judgment being in favour of the Subsidiary Company.

During the current year, the Collector of Customs has written a letter to the Classification Committee of the Collectorate of Customs (Appraisement East) to determine the correct PCT heading of the subject goods being imported by the Subsidiary Company. There has been no further update from the Classification Committee with regards to this matter. The management based on the advice of its legal advisor believes that there are strong grounds of the Subsidiary Company to defend the case in favour of the Group. Accordingly, the Group has not maintained any provision in respect of this matter in these consolidated financial statements.

	Note	2026	2025
		-----(Rupees in '000)-----	
24.2 Commitments			
24.2.1 Outstanding bank guarantees	24.2.2 & 24.2.3	686,112	819,529

24.2.2 This includes bank guarantees amounting to Rs. 411.32 million (2025: Rs. 445.86 million) obtained from Habib Metropolitan Bank Limited - associated company.

24.2.3 This includes bank guarantees issued to Collector of Customs in respect of custom duty and non-deduction of withholding tax amounting to Rs. 314.74 million (including guarantees of Rs. 31.16 million and Rs. 283.58 million issued by the Holding Company and the Subsidiary Company respectively) [2025: Rs. 265.37 million] and Rs. 8.62 million (2025: Rs. 8.62 million) respectively.

24.2.4 Commitments in respect of outstanding letter of credit for raw material, stores, spares and loose tools amounts to Rs. 2,572.13 million (2025: Rs. 970.91 million), out of which Rs. 52.94 million (2025: Rs. 84.92 million) is outstanding with Habib Metropolitan Bank Limited - associated company as at the reporting date.

24.2.5 Commitments in respect of outstanding letters of credit for capital expenditure amounts to Rs. 25.48 million (2025: Rs. 36.30 million), out of which an amount of Rs. 25.48 million (2025: Rs. 3.28 million) million is outstanding with Habib Metropolitan Bank Limited - associated company as at June 30, 2026 . Further, commitments in respect of capital expenditure with local vendors amounts to Rs. 23.43 million (2025: Rs. 2.65 million) as at June 30, 2026.

25 TURNOVER – NET

	Note	2026	2025
		-----(Rupees in '000)-----	
Gross sales			
Local sales	25.1	20,520,654	13,940,196
Export sales	25.1 & 25.2	7,178	57,167
		20,527,832	13,997,363
Less: sales tax		(3,144,683)	(2,133,928)
Revenue from contracts with customers		17,383,149	11,863,435

25.1 Revenue recognised in local sales from amounts included in advance from customers (contract liabilities) at the beginning of the year amounted to Rs. 10.93 million (2025: local sales of Rs. 1.18 million and export sales of Rs. 5.88 million).

25.2 Region wise export sales of the Group are as under:

	Note	2026	2025
		-----(Rupees in '000)-----	
United Arab Emirates		7,178	43,958
South Africa		-	13,209

26 COST OF SALES

	Note	2026	2025
Raw materials consumed			
Opening stock		1,956,608	1,372,893
Purchases		12,261,382	8,586,244
Raw materials available for consumption		14,217,990	9,959,137
Closing stock	10	(2,355,913)	(1,956,608)
		11,862,077	8,002,529
Manufacturing expenses			
Salaries, wages and benefits	26.1	1,298,654	1,041,597
Stores, spares and loose tools consumed		367,193	364,431
Utilities		231,038	222,948
Amortisation of intangible assets	6.1	9,083	12,650
Royalty	20.2	103,767	63,174
Depreciation on operating fixed assets	4.2	451,563	564,078
Transportation and travelling		264,846	210,004
Repairs and maintenance		217,234	155,676
Packing material consumed		56,674	50,427
Rates and taxes		2,340	1,868
Research costs		3,202	9,096
Insurance		8,714	10,503
Communications and professional fee		3,640	5,655
Printing and stationery		3,579	2,332
Legal and professional charges		4,895	4,615
Others		7,153	3,502
		3,033,575	2,722,556
Work-in-process			
Opening stock		126,027	109,009
Closing stock	10	(177,284)	(126,027)
		(51,257)	(17,018)
Cost of goods manufactured		14,844,395	10,708,067
Finished goods			
Opening stock		180,179	107,448
Closing stock	10	(179,279)	(180,179)
		900	(72,731)
		14,845,295	10,635,336

26.1 This includes an amount of Rs. 20.10 million (2025: Rs. 15.89 million) in respect of staff retirement benefits.

27 DISTRIBUTION AND MARKETING EXPENSES

	Note	2026	2025
		-----(Rupees in '000)-----	
Salaries, wages and benefits		65,281	49,197
Advertisement and sales promotion		75,407	60,825
Carriage and forwarding		109,684	74,429
Travelling and conveyance		10,928	7,783
Depreciation on operating fixed assets	4.2	4,829	3,383
Depreciation on right-of-use assets	5.2	793	793
Amortisation of intangible assets	6.1	241	241
Charge for warranty claims	21.1	32,395	12,042
Communications		247	461
Insurance		4,661	3,913
Repairs and maintenance		4,585	2,699
Others		1,725	2,527
		310,776	218,293

27.1 This includes an amount of Rs. 2.35 million (2025: Rs. 1.93 million) in respect of staff retirement benefits.

28 ADMINISTRATIVE EXPENSES

	Note	2026	2025
		-----(Rupees in '000)-----	
Salaries, wages and benefits	28.1	231,235	176,993
Legal and professional charges		153,312	118,910
Travelling and conveyance		46,930	39,238
Repairs and maintenance		43,900	39,007
Depreciation on operating fixed assets	4.2	28,391	22,762
Depreciation on right-of-use assets	5.2	2,993	2,993
Amortisation of intangible assets	6.1	1,594	1,446
Security services		17,461	14,915
Communications and professional fee		1,353	3,413
Printing and stationery		3,960	3,471
Rates and taxes		197	134
Utilities		1,839	2,142
Auditor's remuneration	28.2	10,474	5,830
Insurance		2,041	2,784
Others		11,700	8,300
		557,380	442,338

28.1 This includes an amount of Rs. 5.41 million (2025: Rs. 4.24 million) in respect of staff retirement benefits.

28.2 Auditor's remuneration

	2026	2025
	-----(Rupees in '000)-----	
Audit fee for unconsolidated financial statements	3,200	2,600
Audit fee for consolidated financial statements	640	520
Fee for review of half yearly financial statements	640	520
Fee for other certifications	1,680	1,267
Fee for other consultancy services	2,438	-
Out of pocket expenses	603	491
Sindh sales tax	1,273	432
	10,474	5,830

29 OTHER EXPENSES

	Note	2026	2025
		-----(Rupees in '000)-----	
Exchange loss on foreign currency transactions - net		27,930	39,162
Workers' Profit Participation Fund	20.6	88,473	32,356
Workers' Welfare Fund	20.6	34,989	15,018
Donations	29.1 & 29.2	9,127	3,803
Sales tax receivable written off		647	-
Miscellaneous expense		9,009	840
		170,175	91,179

29.1 Donation to following parties exceeds 10% of the Group's total donations or Rs. 1 million, whichever is higher:

	2026	2025
	-----(Rupees in '000)-----	
Indus Hospital & Health Network	2,000	2,000
Patients' Aid Foundation	4,000	-

29.2 None of the donations were made to any donee in which a director or their spouse had any interest at any time during the year.

30 OTHER INCOME

	Note	2026	2025
		-----(Rupees in '000)-----	
Income from financial assets			
Interest on:			
- short-term investments - term deposit receipts		3,949	7,770
- deposit accounts	30.1	9,286	24,315
		13,235	32,085
Income from non-financial assets			
Gain on disposal of operating fixed assets	4.4	19,778	3,971
Liabilities no longer payable - written back		-	38,029
Scrap sales		20,194	9,020
Rebate on export sales		1,574	676
Insurance claim		7,886	4,053
Miscellaneous income		775	13
		50,207	55,762
		63,442	87,847

30.1 This represents interest earned from Habib Metropolitan Bank Limited - associated company, under conventional banking relationships.

31 FINANCE COSTS

	Note	2026	2025
		-----(Rupees in '000)-----	
Interest on:			
- long-term financings	17.5	42,922	75,328
- short-term finances		136,045	129,103
- lease liabilities	16.1	897	1,516
Bank charges and commission		4,664	9,173
Unwinding of interest on SIDC payable	18	8,168	-
Amortisation of deferred income	19.1	(4,645)	(4,902)
		188,051	210,218

	Note	2026	2025
		-----(Rupees in '000)-----	
32 LEVY (MINIMUM TAX)			
Minimum tax u/s 113	32.1	-	147,682

32.1 This represents minimum tax paid under section 113 of the Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21 / IAS 37.

	Note	2026	2025
33 TAXATION		-----(Rupees in '000)-----	
Current tax - expense			
For current year	33.3	430,576	38,841
For prior year		37,152	3,195
		467,728	42,036
Deferred tax - expense / (income)	8	14,788	(74,124)
		482,516	(32,088)

33.1 Reconciliation of tax charge as per tax laws for the year with tax expense recognised in the consolidated statement of profit or loss, is as follows:

	2026	2025
	-----(Rupees in '000)-----	
Profit before income tax	1,685,924	206,236
Normal tax charge at the rate of 29%	488,918	59,808
Effect of super tax u/s 4C of the Ordinance	160,364	38,841
Effect of Alternative Corporate Tax	(148,870)	-
Effect of prior year charge	37,152	3,195
Effect of Minimum Tax	(146,325)	(140,439)
Effect of permanent differences	498	-
Effect of group tax adjustment	164,659	-
Effect of change in tax rate	(4,504)	-
Others	(69,376)	6,507
	482,516	(32,088)

33.2 The Holding Company and the Subsidiary Company have opted for Group taxation for tax year 2026 under section 59AA of the Income Tax Ordinance, 2001. During the year, provision for current taxation is based on Alternative Corporate Tax (2025: minimum tax) being higher than normal tax and minimum tax.

33.3 Income tax returns of the Group have been submitted up to tax year 2025 on self-assessment basis under section 120 of the Income Tax Ordinance, 2001.

33.4 Description of income tax proceedings:

(a) The Deputy Commissioner Inland Revenue (DCIR) passed an order under section 4B of the Income Tax Ordinance, 2001 ('the Ordinance') for the Tax Year 2017 raising a demand of Rs. 34.45 million taking into consideration the Group income without appreciating that the Subsidiary Company was allowed a tax credit under section 65D of the Ordinance. The Holding Company preferred an appeal before the CIR(A) against the order of DCIR who confirmed the action of DCIR. The Holding Company, has challenged the order of CIR(A) before ATIR which is yet to be fixed for hearing. The management, based on the advice of its tax advisor, has not recorded any provision in respect of this matter in these consolidated financial statements as they believe that the matter will be decided in their favour.

(b) The Holding Company has received a notice dated February 4, 2026 from the taxation authorities demanding an amount of Rs. 126.86 million on account of super tax at the rate of 10% of the taxable income for the Tax Year 2022 filed under group taxation under section 59AA of the Income Tax Ordinance, 2001 (ITO). The Holding Company has submitted its response to the taxation authorities on the aforesaid demand notice stating that the Holding Company has already discharged and paid Rs 50.29 million as full and final discharge of the Group's liability for super tax under section 4C of the ITO, 2001 for the Tax Year 2022 and no further amount of super tax (i.e.: Rs. 76.57 million) is payable by the Group.

The management based on the advise of the tax advisor believes that the Group has correctly paid super tax chargeable at the rate of 4% amounting to Rs 50.29 million against the tax liability of the Group for the Tax year 2022 and therefore no provision of the additional super tax amounting to Rs. 76.57 million (Rs. 43.66 million pertaining to the Subsidiary Company and Rs. 32.91 million pertaining to the Holding Company) as demanded in above notice has been recorded in these consolidated financial statements for the year ended June 30, 2026.

34 EARNINGS PER SHARE – basic and diluted

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

	2026	2025
Profit after taxation for the year (Rs. in '000)	1,203,408	238,324
Weighted average number of ordinary shares outstanding during the year (shares in '000)	36,000	36,000
Earnings per share (Rs.)	33.43	6.62

35 CASH GENERATED FROM OPERATIONS

	Note	2026	2025
		-----(Rupees in ‘000)-----	
Profit before taxation		1,685,924	206,236
Adjustments for:			
Depreciation and amortisation	4.2, 5.2 & 6.1	499,487	608,346
Levy (minimum tax)	32	-	147,682
Finance costs		186,039	201,045
Workers' Profit Participation Fund	20.6	88,473	32,356
Workers' Welfare Fund	20.6	34,989	15,018
Charge against SIDC payable	18	150,563	122,832
Remeasurement gain on SIDC payable	18	(311,010)	-
Sales tax receivable written off	29	647	-
Liabilities no longer payable - written back	30	-	(38,029)
Interest on deposit accounts	30	(9,286)	(24,315)
Interest on short-term investments - term deposit receipts	30	(3,949)	(7,770)
Charge for warranty claims	21.1	32,395	12,042
Provision for royalty	20.2	103,767	63,174
Reversal against provision for obsolescence		(46,956)	(163,663)
Gain on disposal of operating fixed assets	30	(19,778)	(3,971)
		705,381	964,747
		2,391,305	1,170,983
Decrease / (increase) in current assets			
Stores, spares and loose tools		(20,774)	1,260
Stock-in-trade		(287,453)	(942,442)
Trade debts		(499,767)	(140,854)
Sales tax receivable		-	(9,905)
Advances, deposits, prepayments and other receivables		56,258	(16,615)
		(751,736)	(1,108,556)
Increase in current liabilities			
Trade and other payables		294,473	452,276
Sales tax payable		55,683	-
		350,156	452,276
		1,989,725	514,703

36 CASH AND CASH EQUIVALENTS

	Note	2026	2025
		-----(Rupees in '000)-----	
Cash and bank balances	14	361,042	178,071
Short-term running finances	23	(80,175)	(547,155)
		280,867	(369,084)

37 CHANGES IN LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Note	2026		
		Long-term financings - secured (including deferred income)	Unclaimed and unpaid dividend	Lease liabilities
		-------- (Rupees in '000) --------		
As at July 1		497,818	33,701	8,412
Changes from financing cash flows				
Dividends declared during the year		-	63,000	-
Dividends paid during the year		-	(63,589)	-
Payments made during the year	16.1	-	-	(4,373)
Long-term financing repaid during the year (including interest thereon)	17.5	(185,581)	-	-
		(185,581)	(589)	(4,373)
Other changes				
Addition of lease during the year	16.1	-	-	-
Amortisation of deferred income during the year	19.1	(4,645)	-	-
Accretion of interest during the year	16.1 & 17.5	42,922	-	897
		38,277	-	897
As at June 30		350,514	33,112	4,936

	Note	2025		
		Long-term financings - secured (including deferred income)	Unclaimed and unpaid dividend	Lease liabilities
		-------- (Rupees in '000) --------		
As at July 1		622,493	33,932	2,480
Changes from financing cash flows				
Unclaimed dividends paid during the year		-	(231)	-
Payments made during the year	16.1	-	-	(4,564)
Long-term financing repaid during the year (including interest thereon)	17.5	(195,101)	-	-
		(195,101)	(231)	(4,564)
Other changes				
Addition of lease during the year	16.1	-	-	8,980
Amortisation of deferred income during the year	19.1	(4,902)	-	-
Accretion of interest during the year	16.1 & 17.5	75,328	-	1,516
		70,426	-	10,496
As at June 30		497,818	33,701	8,412

		Note	2026	2025
38	**FINANCIAL RISK MANAGEMENT**		----(Rupees in '000)----	
38.1	**FINANCIAL INSTRUMENTS BY CATEGORY**			
	Financial assets at amortised cost			
	Long-term deposits	7	20,068	19,918
	Trade debts	11	1,783,853	1,289,047
	Deposits and other receivables	12	81,577	79,953
	Short-term investment	13	-	75,347
	Cash and bank balances	14	361,042	178,071
			2,246,540	1,642,336
	Financial liabilities at amortised cost			
	Lease liabilities	16	4,936	8,412
	Long-term financings and deferred income	17 & 19	350,514	497,818
	Trade and other payables	20	1,234,755	1,099,932
	Unpaid dividend	22	654	-
	Unclaimed dividend	22	32,458	33,701
	Short-term finances	23	510,720	806,932
			2,134,037	2,446,795

38.2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group's financial instruments are market risks, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

38.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk. The Group manages its market risk by monitoring exposure on financial instruments and by following internal risk management policies.

(i) Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of change in market interest rate relates primarily to the Group's liability against long-term financings and short-term finances and assets in respect of short-term investment and bank balances with floating interest rates.

Interest rate profile of financial instruments

At the reporting date, the interest rate profile of the Group's interest bearing financial instruments were as follows:

	Note	2026	2025
		----(Rupees in '000)----	
Financial assets at amortised cost			
Short-term investment	13	-	75,347
Bank balances	14	343,409	148,295
		343,409	223,642
Financial liabilities at amortised cost			
Lease liabilities	16	4,936	8,412
Long-term financings	17	262,434	396,073
Short-term finances	23	510,720	806,932
		778,090	1,211,417

Sensitivity analysis of variable rate instruments

A change of 100 basis points (1%) in interest rate at the reporting date would have changed the Group's profit before tax for the year by the amounts shown below, with all other variables held constant.

	2026	2025
	-----(Rupees in '000)----	
	(Decrease) / Increase	
Effect of 1% increase in interest rate on profit before taxation	(4,347)	(9,878)
Effect of 1% decrease in interest rate on profit before taxation	4,347	9,878

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Group manages its foreign currency risk through taking adequate cover, if required, in accordance with its approved risk management policy. The Group's exposure to foreign currency risk at the reporting date is as follows:

	2026	2025
	----- (FCY in '000) -----	
USD		
Trade and other payables	1,180	1,522
JPY		
Trade and other payables	116,238	41,716
CNY		
Trade and other payables	358	956

The following significant exchange rates were applied during the year:

	Statement of financial position date rate		Average rate	
	2026	2025	2026	2025
USD	278.16	283.76	280.41	279.36
JPY	1.71	1.97	1.82	1.87
EUR	316.92	332.66	326.19	304.01
CNY	41.00	39.60	40.19	38.72
AED	75.74	77.27	76.35	76.06

Sensitivity analysis

A ten percent strengthening / weakening of the Pakistani Rupee against the above foreign currencies at the reporting date would increase / (decrease) profit before tax for the year by Rs. 54.20 million (2025: Rs. 55.19 million). This analysis assumes that all other variables, in particular interest rates, remain constant.

(iii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from foreign currency risk and interest risk), whether those changes are caused by factors specific to the individual financial instruments, or its issuer or factors affecting all similar financial instruments traded in the market. As at June 30, 2026, the Group is not exposed to the price risk.

38.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Group is exposed to credit risk mainly on trade debts, short-term investment, long-term deposits, short-term deposits, other receivables and bank balances.

	2026	2025
	-----(Rupees in '000)-----	
The maximum exposure to credit risk at reporting date is as follows:		
Long-term deposits	20,068	19,918
Trade debts	1,783,853	1,289,047
Deposits and other receivables	378,492	378,479
Short-term investment	-	75,347
Bank balances (including accrued interest thereon)	365,231	180,645
	2,547,644	1,943,436

The credit quality of financial assets other than bank balances and short-term investment can be assessed with reference to their historical performance. The ageing analysis of trade debts is given in note 11.1.

The credit quality of the Group's bank balances and accrued interest thereon and short-term investment can be assessed with reference to external credit ratings as follows:

Ratings	2026	2025
	-----(Rupees in '000)-----	
AAA	361,898	162,241
AA+	3,315	92,305
AA	18	1,446
	365,231	255,992

For trade debts, long-term deposits, short-term deposits and other receivables, the internal risk assessment process determines the credit quality of each counter party, 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 management. The utilisation of credit limits is regularly monitored. Accordingly, the management believes that the credit risk is minimal and in the opinion of the management, the Group is not exposed to major concentration of credit risk.

38.2.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in raising funds to meet commitments associated with financial instruments. Management of the Group believes that it is not exposed to any significant level of liquidity risk.

Management forecasts the liquidity of the Group on the basis of expected cashflow considering the level of liquid assets necessary to mitigate the liquidity risk. The table below summarises the maturity profile of the Group's financial liabilities at the financial reporting date:

2026	Carrying amount	Contractual cashflows			
		On demand	Not later than one year	Later than one year	Total
	------ Rupees in '000 ------				
Non-interest bearing financial liabilities					
Trade and other payables	1,234,755	-	1,234,755	-	1,234,755
Unpaid dividend	654	654	-	-	654
Unclaimed dividend	32,458	32,458	-	-	32,458
Interest bearing financial liabilities					
Lease liabilitie	4,936	-	5,017	-	5,017
Long-term financings	350,514	-	170,692	208,243	378,935
Short-term finances	510,720	80,175	431,908	-	512,083
	2,134,037	113,287	1,842,372	208,243	2,163,902

2025	Carrying amount	Contractual cashflows			
		On demand	Not later than one year	Later than one year	Total
	------ Rupees in '000 ------				
Non-interest bearing financial liabilities					
Trade and other payables	1,099,932	-	1,099,932	-	1,099,932
Unclaimed dividend	33,701	33,701	-	-	33,701
Interest bearing financial liabilities					
Lease liabilitie	8,412	-	4,374	5,017	9,391
Long-term financings	497,818	-	189,437	379,431	568,868
Short-term finances	806,932	547,155	268,638	-	815,793
	2,446,795	580,856	1,562,381	384,448	2,527,685

39 CAPITAL RISK MANAGEMENT

The primary objective of the Group's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital. The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. As of the consolidated statement of financial position date, the debt to equity ratio is as follows:

	2026	2025
	-----(Rupees in '000)-----	
Debt	861,234	1,304,750
Equity	7,192,975	6,052,567
Gearing ratio	11.97%	21.56%

40 FAIR VALUE MEASUREMENT

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

As of the reporting date, the Group does not have any financial assets carried at fair value that required categorisation in Level 1, Level 2 and Level 3.

41 SHARIAH COMPLIANCE DISCLOSURE

41.1 In accordance with the requirements of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 1278(I) / 2024 dated August 15, 2024. The Group has disclosed its assets, liabilities, income and expenditure related to financing, investments and other income/expenses etc. between shariah and conventional elements as follows:

	Note	2026			2025		
		Conventional	Shariah compliant	Total	Conventional	Shariah compliant	Total
		Rupees in '000			Rupees in '000		
Statement of Financial Position - Asset							
Short-term investment	13	-	-	-	75,347	-	75,347
Bank balances	14	354,787	6,167	360,954	155,996	21,983	177,979
Long-term investment			Not applicable			Not applicable	
Accrued profit / interest on bank balances	12	4,277	-	4,277	2,666	-	2,666
Statement of Financial Position - Liability							
Lease liability	16	-	4,936	4,936	-	8,412	8,412
Long-term financings		322,028	-	322,028	462,199	-	462,199
Accrued interest / profit on long-term financings		8,204	-	8,204	10,692	-	10,692
Short-term finances	23	80,175	405,712	485,887	547,155	233,323	780,478
Accrued interest / profit on short-term finances	23	11,363	13,470	24,833	24,205	2,249	26,454
Statement of Profit or Loss							
Turnover - net	25	-	17,383,149	17,383,149	-	11,863,435	11,863,435
Late payments on liquidated damages			Not applicable			Not applicable	
Gain or loss or dividend earned on Shariah compliant investments or share of profit fro Shariah-compliant associates			Not applicable			Not applicable	
Profit / interest on:							
- short-term investments - term deposit receipts	30	3,949	-	3,949	7,770	-	7,770
- deposit accounts	30	9,286	-	9,286	24,315	-	24,315
Gain on disposal of operating fixed assets	30	-	19,778	19,778	-	3,971	3,971
Scrap sales	30	-	20,194	20,194	-	9,020	9,020
Exchange gains earned using conventional derivative financial instruments			Not applicable			Not applicable	
Liabilities no longer payable - written back	30	-	-	-	-	38,029	38,029
Rebate on export sales	30	-	1,574	1,574	-	676	676
Insurance claim	30	7,886	-	7,886	4,053	-	4,053
Miscellaneous income	30	-	775	775	-	13	13
Exchange loss on foreign currency transactions - net	29	-	(27,930)	(27,930)	-	(39,162)	(39,162)
Profit / interest:							
- expense		138,671	44,716	183,387	177,465	23,580	201,045
- paid		92,735	33,024	125,759	74,175	27,011	101,186

41.2 Other disclosure requirements

41.2.1 The Group has facilities with Islamic banks for short-term finances (i.e., Istisna / Musawamah / Tijarah / Murabaha / Musharakah), letter of guarantee and letter of credit amounting to Rs. 1,600 million (2025: Rs. 1,450 million), Rs. 670 million (2025: Rs. 650 million) and Rs. 1,600 million (2025: Rs. 900 million) respectively.

41.2.2 The Group has no insurance relationships with takaful operators and their windows.

41.2.3 Relationship with Shariah-compliant financial institutions, including banks (have been disclosed in respective notes to the financial statements) is as follows:

Name of bank	**Relationship**
Dubai Islamic Bank Pakistan Limited	Funded / Non-funded facility and bank balance
Faysal Bank Limited	Funded / Non-funded facility and bank balance
Meezan Bank Limited	Funded / Non-funded facility and bank balance

42 REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

42.1 The aggregate amount charged in the consolidated financial statements for remuneration including certain benefits to the Chief Executive, Directors and Executives of the Group are as follows: v

	2026		2025	
	Chief Executive	**Executives**	Chief Executive	Executives
	(Rupees in '000)			
Managerial remuneration	41,783	321,911	41,380	234,983
Bonus	20,298	73,899	10,086	38,577
Retirement benefits	3,480	15,674	3,026	10,074
Utilities	675	1,953	654	1,741
Medical expenses	18	3,288	16	4,197
	66,254	416,725	55,162	289,572
Number of persons	1	63	1	52

42.2 The Chief Executive and certain executives of the Group have been provided with Group maintained vehicles in accordance with the Group's policy.

42.3 Five (2025: Five) non-executive directors of the Group have been paid fees of Rs. 5.15 million (2025: Rs. 3.27 million) for attending Board and other committee meetings.

43 TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS AND RELATED PARTIES

43.1 The associated undertakings and related parties of the Group comprises of the companies with common directorship, retirement funds, directors and key management personnel. The Group considers its Chief Executive, Chief Financial Officer, Company Secretary and directors as key management personnels. All the transactions with associated undertakings and related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Group.

43.2 Detail of transactions with associated undertakings and related parties during the year, other than disclosed elsewhere in the consolidated financial statements, are as follows:

Name of related party and relationship with the Group	Nature of transactions	Percentage of share holding in the Holding Company	2026	2025
		%	----- (Rupees in '000) -----	
Associated companies (Common directorship)				
Habib Metropolitan Bank Limited	Interest expense	Nil	20,529	23,705
	Interest earned on deposit accounts		9,288	2,499
	Bank charges		14,563	10,918
	Guarantees (released) / issued		(59,640)	128,000
Auvitronics Limited	Reimbursement of expenses	Nil	436	-
	Expenses charged		303	-
Shabbir Tiles and Ceramics Limited	Purchase of goods	Nil	733	-
Thal Boshoku Pakistan (Private) Limited	Sale of goods	Nil	136,923	81,503
Retirement benefit funds				
Employees' Provident Funds	Contributions made during the year	Nil	27,871	25,802

43.3 The outstanding balances with related parties as at reporting date have been disclosed in the respective notes to the consolidated financial statements.

43.4 Details of compensation to the key management personnel have been disclosed in the note 42 to the consolidated financial statements.

44 PRODUCTION CAPACITY

The production capacity of the Group cannot be determined as this depends on the relative proportions of various types of vehicles produced by Original Equipment Manufacturers (OEMs).

45 NUMBER OF EMPLOYEES

	2026	2025
Total number of employees as at June 30	1,028	941
Average number of employees during the year	985	941

47 UNUTILISED CREDIT FACILITIES

As of reporting date, the Group has unutilised facilities for letter of credit, bonds and guarantees and terms of loan available from various banks amounted to Rs. 7,547.73 million (2025: Rs. 6,024.23 million). The facilities are secured by way of lien on import documents and pari passu ranking hypothecation charge on the Group's specific fixed assets, stock-in-trade, stores, spares, loose tools and trade debts.

48 NON ADJUSTING EVENTS AFTER THE REPORTING DATE

The Board of Directors of the Holding Company in their meeting held on September 1, 2026 proposed annual cash dividend of Rs. 5 per share (2025: Rs. 1.75 per share) for the year ended June 30, 2026 amounting to Rs. 180 million (2025: Rs. 63 million) for the approval of the members at the Annual General Meeting of the Holding Company to be held on October 22, 2026.

49 GENERAL

49.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

49.2 Corresponding figures (including the following) have been re-arranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purposes of comparison.

Description of item	Nature	Rupees in '000	From	To
Sindh Infrastructure Development Cess (SIDC) payable	Liability	596,112	Trade and other payables	Sindh Infrastructure Development Cess (SIDC) payable

50 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue on September 1, 2026 by the Board of Directors of the Holding Company.

DIRECTOR | CHIEF EXECUTIVE | CHIEF FINANCIAL OFFICER

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PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2026

No. of Shareholders	Size of Shareholding		Total Shares Held
	From	To	
1,838	1	100	48,191
905	101	500	223,998
348	501	1000	262,010
411	1001	5000	881,294
82	5001	10000	609,113
25	10001	15000	329,072
15	15001	20000	262,525
5	20001	25000	117,868
8	25001	30000	228,352
9	30001	35000	291,524
6	35001	40000	230,970
5	40001	45000	214,772
7	45001	50000	339,447
3	50001	55000	158,078
3	55001	60000	174,488
4	60001	65000	253,122
1	65001	70000	67,929
1	75001	80000	75,750
1	80001	85000	82,541
1	85001	90000	89,218
2	90001	95000	188,603
4	95001	100000	392,936
1	100001	105000	101,833
3	105001	110000	322,826
2	115001	120000	236,334
2	120001	125000	247,952
1	140001	145000	141,542
3	145001	150000	443,855
1	150001	155000	154,676
1	170001	175000	173,412
4	180001	185000	728,781
2	185001	190000	375,644
2	195001	200000	394,273
1	200001	205000	202,652
1	210001	215000	214,614
1	215001	220000	219,795
1	235001	240000	239,576
1	245001	250000	250,000
1	325001	330000	327,500
1	365001	370000	368,015
1	390001	395000	392,737
1	405001	410000	406,855
1	410001	415000	410,563
1	425001	430000	425,225
4	450001	455000	1,814,429
1	495001	500000	500,000
1	500001	505000	502,515
1	530001	535000	531,250
1	585001	590000	588,725
1	620001	625000	625,000
1	655001	660000	657,032
1	720001	725000	720,406
4	745001	750000	3,000,000
1	1040001	1045000	1,042,332
1	1560001	1565000	1,560,173
1	2105001	2110000	2,108,750
1	2640001	2645000	2,644,500
1	7400001	7405000	7,404,427
3,737			36,000,000

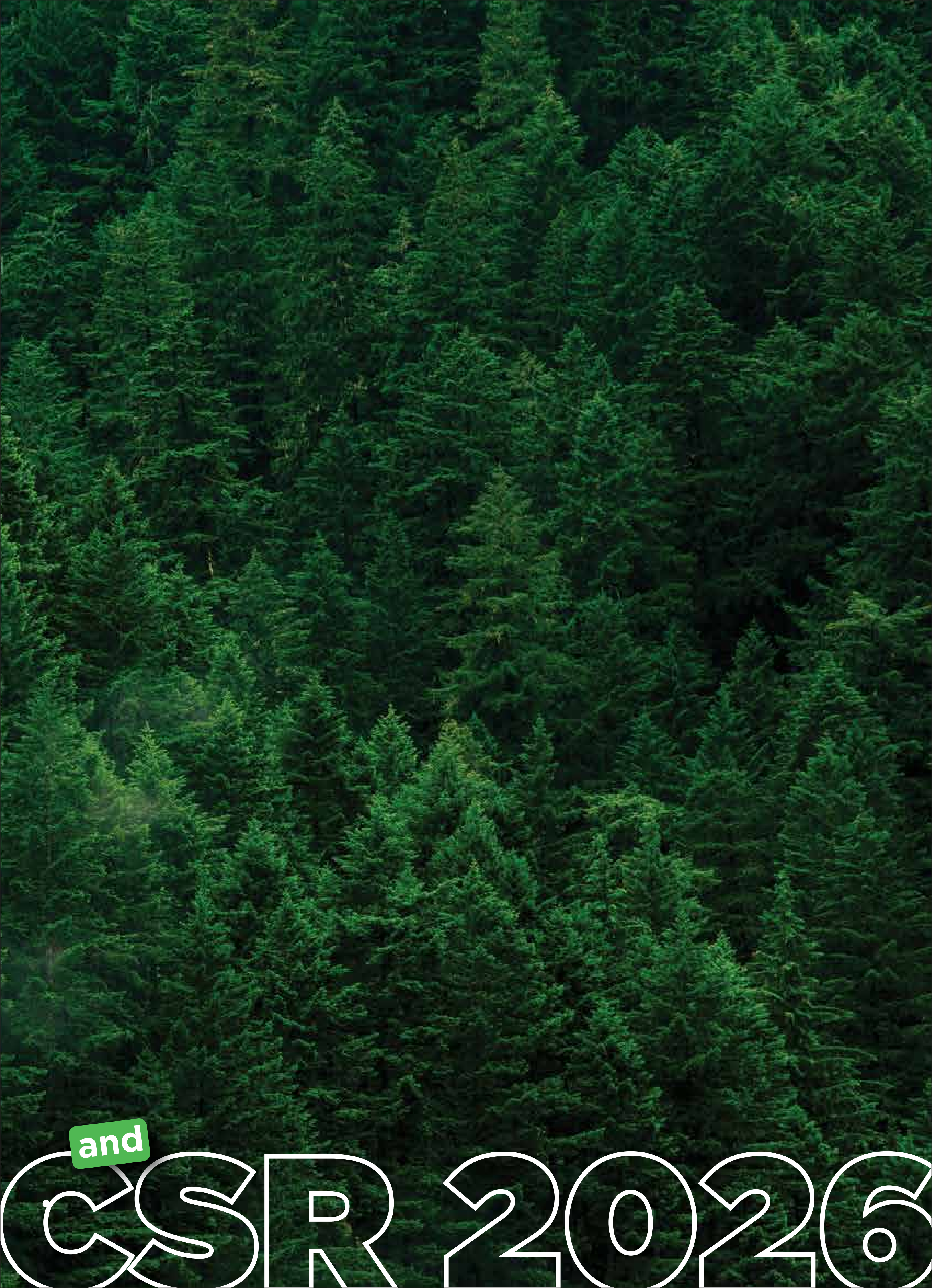
PATTERN OF SHAREHOLDING
AS AT JUNE 30, 2026

S. No.	Categories of Shareholders	No. of Shares Held	Category-wise No. of Folios /CDC Accounts	Category-wise Shares Held	Percentage (%)
1	**Individuals**		3,635	11,577,745	32.16
2	**Investment Companies**		3	10,161	0.03
3	**Joint Stock Companies**		32	1,136,519	3.16
4	**Directors, Chief Executive Officer and Their Spouses and Minor Children**		7	11,000	0.03
	Yutaka Arae	1,250			
	Fahim Kapadia	3,750			
	Hamza Habib	1,250			
	Sohail P. Ahmed	1,250			
	Muhammad Salman Burney	1,250			
	Aqueel E. Merchant	1,000			
	Ayesha T. Haq	1,250			
5	Executives	-	-	-	-
6	**Associated Companies, Undertakings and Related Parties**		1	2,644,500	7.35
	Thal Limited				-
7	Public Sector Companies and Corporations		-	-	-
8	**Banks, DFI's , NBFIs, Insurance Companies, Takaful, Modarabas and Pension Funds**		13	2,329,242	6.47
	Financial Institutions	2,165,021			
	Modaraba	125			
	Pension Funds	164,096			
9	**Mutual Funds**		15	2,852,779	7.92
	Golden Arrow Stock Fund	1,250			
	CDC - Trustee Al Meezan Mutual Fund	588,725			
	CDC - Trustee APIF - Equity Sub Fund	26,252			
	CDC - Trustee Atlas Islamic Dedicated Stock Fund	13,566			
	CDC - Trustee Atlas Islamic Stock Fund	189,381			
	CDC - Trustee Meezan Asset Allocation Fund	44,638			
	CDC - Trustee Meezan Balanced Fund	97,010			
	CDC - Trustee Meezan Dedicated Equity Fund	31,158			
	CDC - Trustee Meezan Islamic Fund	392,737			
	CDC - Trustee Meezan Tahaffuz Pension Fund - Equity Sub Fund	406,855			
	CDC - Trustee National Investment (Unit) Trust	1,042,332			
	CDC - Trustee NBP Islamic Sarmaya Izafa Fund	1,750			
	CDC - Trustee NBP Islamic Stock Fund	250			
	CDC - Trustee NBP Stock Fund	13,750			
	CDC - Trustee NIT - Equity Market Opportunity Fund	3,125			
10	**Foreign Investors**		19	15,207,958	42.24
11	**Co-Operative Societies**		3	2,427	0.01
12	**Charitable Trust**		1	31	0.00
13	**Others**		8	227,638	0.63
TOTAL			**3,737**	**36,000,000**	**100.00**

Shareholders holding Five (5) Percent or more Voting Interest in the Company

Name of Shareholder (s)	No. of Shares Held	Description	Percentage (%)
Thal Limited	2,644,500	Falls in Category # 6	7.35
National Bank of Pakistan	2,136,917	Falls in Category # 8	5.94
Robert Finance Corporation, AG.	8,964,600	Falls in Category # 10	24.90


Sustainability


and
CSR 2026

Sustainability and Community Engagement

At Agriauto, sustainability is embedded in our commitment to responsible business practices, environmental stewardship, employee well-being and community development. Throughout the year, we continued to promote initiatives that encourage environmental awareness and meaningful community engagement.

Environmental Conservation – Beach Cleaning Drive

To reinforce our commitment to environmental conservation, Agriauto organized a Beach Cleaning Drive, bringing together employees to help protect Pakistan's coastline. The initiative resulted in the collection of approximately 120 kilograms of waste, all of which was diverted for recycling.

Earth Day – Promoting Environmental Awareness

On Earth Day, awareness sessions and employee engagement campaigns were conducted to promote sustainable workplace practices and inspire environmentally responsible behaviors. These activities highlighted the importance of conserving natural resources, minimizing waste and embedding sustainability into everyday operations.

No Smoking Day – Supporting Employee Well-being

Employee health and well-being remained a key priority. In observance of No Smoking Day, awareness sessions were organized to educate employees on the health risks associated with tobacco use and to reinforce our commitment to maintaining a safe, healthy and smoke-free workplace.

World Environment Day – Tree Plantation Initiative

To commemorate World Environment Day, employees participated in tree plantation drives at our Hub and Port Qasim facilities. These activities not only enhanced environmental awareness but also encouraged employees to actively contribute towards building a greener and more sustainable future.

Reducing Carbon Footprint

As part of our ongoing efforts to reduce our environmental footprint, we introduced electric (EV) forklifts for material handling at Agriauto, replacing conventional diesel-powered equipment. This transition is expected to reduce carbon emissions by approximately 1.2 metric tons of CO_2 annually. Additionally, the replacement of conventional factory lighting with energy-efficient LED lamps has significantly improved energy efficiency, reducing heat generation, lowering electricity consumption by approximately 300 watts per lamp, and avoiding an estimated 10.5 metric tons of CO_2 emissions annually.

Support During Ramzan

Recognizing our responsibility towards the well-being of workers and their families, the Company extended support during the holy month of Ramzan through the distribution of ration packages to employees. This initiative reflected our commitment to compassion, employee welfare and community support during a meaningful time of the year.

Enabling Girls' Education at Hub

As part of our commitment to supporting the communities around our operations, Agriauto extended educational assistance to students of Government Girls High School, Akram Colony at Hub. The initiative provided school supplies & fee support to students, as well as drinking water equipment for the school. Through this initiative, we continue to contribute towards education, community development and creating greater opportunities for the future.

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Form of Proxy

The Secretary
Agriauto Industries Limited
5th floor, House of Habib
Shahrah-e-Faisal,
Karachi-75350

I/We ____
of ______________________in the district of______________________________
being a member of Agriauto Industries Limited and holder of ______________________________
______________________________Ordinary shares as per Share Register Folio __________
(No. of Shares) ______________________________
No.____________________ and/or CDC Participant I.D. No.______________________
And Sub. Account No.______________ hereby appoint ______________________
of ______________________ in the district of ______________________
or failing him /her ______________________of ______________________
who is/are also member/s of Agriauto Industries Limited as my/our proxy to vote for me/us and on my/our behalf at the 45th Annual General Meeting of the Company to be held on October 22, 2026 and at any adjournment thereof.
Signed this __________ day of __________ 2026.

Folio No.	CDC Participant ID No.	CDC Account / Sub-Account No.	No. of Shared held

Signature

The signature should agree with specimen registered with the Company.

WITNESS 1

Signature ______________________

Name ______________________

CNIC /Passport No. ______________________

Address ______________________

WITNESS 2

Signature ______________________

Name ______________________

CNIC /Passport No. ______________________

Address ______________________

Note :

1. This proxy form duly completed and signed, must be received at the Registered Office of the Company or Share Registrar of the Company, 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) The proxy shall produce his original CNIC or original passport at the time of meeting.
iv) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

پراکسی فارم

سیکریٹری
ایگری آٹو انڈسٹریز لمیٹڈ
پانچویں منزل، ہاؤس آف حبیب
شاہراہِ فیصل، کراچی۔ 75350

میں/ہم ________________ ________________ برائے ________________ ایگری آٹو انڈسٹریز لمیٹڈ کے

ممبر (ممبران) اور ________________ عام شیئرز ہولڈر بطور شیئر رجسٹر فولیو/سی ڈی سی اکاؤنٹ نمبر ________________ تقرر کرتا ہوں ________________

فولیو/سی ڈی سی اکاؤنٹ نمبر ________________ اور ________________ کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر ________________

جس کے ذریعے ________________ فولیو/سی ڈی سی اکاؤنٹ نمبر ________________ کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر ________________

جو کمپنی کا ممبر بھی ہے میرے/ ہمارے پراکسی کے طور پر مجھے/ہمیں 45ویں سالانہ اجلاس عام جو 22 اکتوبر 2026 کو منعقد کیا جائے گا، میں ووٹ ڈالنے کا اہل ہے۔

مورخہ ________________ 2026 کو میرے/ ہمارے دستخط سے جاری ہوا۔

یہ دستخط کمپنی کے پاس رجسٹر ڈشدہ
دستخط جیسے ہونے چاہئیں

گواہان:

دستخط ________________	دستخط ________________
نام ________________	نام ________________
ایڈریس ________________	ایڈریس ________________
کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر ________________	کمپیوٹرائزڈ قومی شناختی کارڈ/ پاسپورٹ نمبر ________________

اہم نکات:

ا۔ سالانہ اجلاس عام سے 48 گھنٹے قبل پراکسی کا یہ فارم جو ہر لحاظ سے مکمل اور دستخط شدہ ہو کمپنی کے رجسٹرڈ آفس یا کمپنی کے شیئر رجسٹرار کے پاس جمع کرا دیا جائے۔

۲۔ کوئی بھی فرد خود سے ممبر کے طور پر کام نہیں کر سکتا جب تک کہ کارپوریشن کسی فرد کو ممبر مقرر نہ کرے۔

۳۔ اگر کوئی ممبر ایک سے زائد نمائندہ مقرر کرتا ہے اور ممبر کی جانب سے کمپنی کو نمائندہ کی ایک سے زائد دستاویز جمع کرواتا ہے تو نمائندہ کی اس طرح کی تمام دستاویزات غیر قانونی تصور ہوں گی۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز/ کارپوریٹ ادارے

(i) پراکسی کیلئے 2 افراد نے گواہی دی وہ جن کے نام، پتہ اور کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر فارم پر درج ہوں۔

(ii) پراکسی فارم کے ہمراہ مالکان کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول بھی دی جائیں۔

(iii) پراکسی کو اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ سالانہ اجلاس عام کے وقت دکھانا ہوگا۔

(iv) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی معہ دستخط کے نمونے پراکسی کے ہمراہ (اگر پہلے جمع نہ کرایا ہو) کمپنی میں جمع کروانی ہوگی۔

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