

Ferozsons Laboratories Limited

Unconsolidated Statement of Financial Position

As at 30 June 2026

EQUITY AND LIABILITIES		Note	2026 Rupees	2025 Rupees	ASSETS		Note	2026 Rupees	2025 Rupees
<u>Share capital and reserves</u>					<u>Non current assets</u>				
Authorized share capital					Property, plant and equipment		17	6,220,666,959	6,322,793,986
150,000,000 (2025: 150,000,000) ordinary					Intangible assets		18	7,584,586	23,644,069
shares of Rs. 10 each			<u>1,500,000,000</u>	<u>1,500,000,000</u>	Long term investments - related parties		19	467,642,219	428,536,102
					Long term deposits			<u>79,424,695</u>	<u>30,987,166</u>
								<u>6,775,318,459</u>	<u>6,805,961,323</u>
Issued, subscribed and paid up capital	5		434,690,520	434,690,520	<u>Current assets</u>				
Capital reserve	6		321,843	321,843	Stores, spare parts and loose tools		20	308,227,126	110,979,476
Revaluation surplus on property,					Stock in trade		21	5,720,530,458	4,925,439,120
plant and equipment	7		2,917,104,790	3,043,578,504	Trade debts		22	2,206,607,637	2,097,262,852
Accumulated profit			<u>6,538,966,843</u>	<u>5,886,718,190</u>	Loans and advances		23	161,848,720	158,050,821
			<u>9,891,083,996</u>	<u>9,365,309,057</u>	Deposits and prepayments		24	97,843,011	194,490,091
					Other receivables		25	79,267,105	238,552,201
<u>Non current liabilities</u>					Advance income tax - net			340,519,929	398,675,869
Long term loans - secured	8		90,440,194	113,085,333	Short term investments		26	-	402,631,388
Long term musharaka - secured	9		112,670,085	167,505,671	Cash and bank balances		27	361,118,010	345,584,088
Deferred grant	10		20,795,560	33,181,577				<u>9,275,961,996</u>	<u>8,871,665,906</u>
Deferred taxation	11		812,670,935	978,568,188					
			<u>1,036,576,774</u>	<u>1,292,340,769</u>					
<u>Current liabilities</u>									
Current portion of:									
- Long term loans - secured	8		22,682,618	20,649,201					
- Long term musharaka - secured	9		52,942,068	47,046,072					
- Deferred grant	10		12,348,541	14,381,958					
Trade and other payables	12		2,280,583,557	2,224,133,875					
Contract liabilities	13		205,967,874	319,467,819					
Short term borrowings - secured	14		2,359,497,936	2,218,996,474					
Unclaimed dividend			105,054,541	99,116,101					
Accrued mark-up	15		84,542,550	76,185,903					
			<u>5,123,619,685</u>	<u>5,019,977,403</u>					
			<u>16,051,280,455</u>	<u>15,677,627,229</u>				<u>16,051,280,455</u>	<u>15,677,627,229</u>
Contingencies and commitments	16								

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited
Unconsolidated Statement of Profit or Loss
For the year ended 30 June 2026

	Note	2026 Rupees	2025 Rupees
Revenue - net	28	15,757,023,896	13,857,966,939
Cost of sales	29	<u>(9,130,694,142)</u>	<u>(8,138,776,842)</u>
Gross profit		6,626,329,754	5,719,190,097
Administrative expenses	30	(930,397,137)	(807,657,382)
Selling and distribution expenses	31	(4,261,066,227)	(3,477,954,211)
Other expenses	32	(115,262,724)	(124,681,258)
Other income	33	136,514,035	150,674,134
Allowance for credit loss	22.1 & 24.2	<u>(65,075,063)</u>	<u>(83,184,976)</u>
Profit from operations		1,391,042,638	1,376,386,404
Finance cost	34	<u>(318,509,273)</u>	<u>(452,817,730)</u>
Profit before minimum tax and income tax		1,072,533,365	923,568,674
Minimum tax	35	<u>(30,135,605)</u>	<u>(27,068,982)</u>
Profit before income tax		1,042,397,760	896,499,692
Income tax	36	<u>(391,495,783)</u>	<u>(368,256,855)</u>
Profit after taxation		<u>650,901,977</u>	<u>528,242,837</u>
Earnings per share - basic and diluted	37	<u>14.97</u>	<u>12.15</u>

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited

Unconsolidated Statement of Comprehensive Income

For the year ended 30 June 2026

	2026 Rupees	2025 Rupees
Profit after taxation	650,901,977	528,242,837

Items that will not be subsequently reclassified to profit or loss

Effect on deferred tax on revaluation surplus due
to change in effective tax rate

48,749,170	-
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Other comprehensive income

48,749,170 -

Total comprehensive income for the year

699,651,147 528,242,837

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited
Unconsolidated Statement of Changes in Equity
For the year ended 30 June 2026

Balance as at 01 July 2024

Total comprehensive income for the year

Profit after taxation

Other comprehensive income

Surplus transferred to accumulated profit

- on account of incremental depreciation on property, plant and equipment charged during the year - net of tax
- transfer from surplus on revaluation of fixed assets on disposal

Transactions with owners of the Company, recognized directly in Equity - Distributions

- final dividend for the year ended 30 June 2024 at Rs. 3 per share

Balance as at 30 June 2025

Total comprehensive income for the year

Profit after taxation

Other comprehensive income

Surplus transferred to accumulated profit

- on account of incremental depreciation on property, plant and equipment charged during the year - net of tax
- transfer from surplus on revaluation of fixed assets on disposal - net of tax

Transactions with owners of the Company, recognized directly in Equity - Distributions

- final dividend for the year ended 30 June 2025 at Rs. 4 per share

Balance as at 30 June 2026

Share capital (Note 5)	Capital Reserve		Revenue Reserve		Total
	Capital reserve (Note 6)	Revaluation surplus on property, plant and equipment (Note 7)	Accumulated profit		
-----Rupees-----					
434,690,520	321,843	3,212,263,581	5,320,197,432	8,967,473,376	
-	-	-	528,242,837	528,242,837	
-	-	-	-	-	
-	-	-	528,242,837	528,242,837	
-	-	(165,205,522)	165,205,522	-	
-	-	(3,479,555)	3,479,555	-	
-	-	(168,685,077)	168,685,077	-	
-	-	-	(130,407,156)	(130,407,156)	
434,690,520	321,843	3,043,578,504	5,886,718,190	9,365,309,057	
-	-	-	650,901,977	650,901,977	
-	-	48,749,170	-	48,749,170	
-	-	48,749,170	650,901,977	699,651,147	
-	-	(170,622,096)	170,622,096	-	
-	-	(4,600,788)	4,600,788	-	
-	-	(175,222,884)	175,222,884	-	
-	-	-	(173,876,208)	(173,876,208)	
434,690,520	321,843	2,917,104,790	6,538,966,843	9,891,083,996	

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited
Unconsolidated Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 Rupees	2025 Rupees
<u>Cash flow from operating activities</u>			
Profit before income tax		1,042,397,760	896,499,692
Adjustments for non - cash and other items			
Depreciation on property, plant and equipment	17.4	646,796,655	623,031,903
Amortisation of intangible assets	18.1	24,114,313	16,841,157
Provision of loss allowance	22.1 & 24.2	65,075,063	83,184,976
Net realisable value adjustment for the year	21.1	1,965,246	106,488,568
(Reversal)/provision for slow moving stock in trade	21.3	(7,340,954)	1,955,157
Gain on disposal of property, plant and equipment	17.5	(23,985,988)	(21,243,854)
Finance costs	34	318,509,273	452,817,730
Gain on re-measurement of short term investments to fair value	26.1	-	(54,241)
Gain on sale of short term investments	26.1	(33,646,619)	(29,022,760)
Dividend income	33.1	(62,720)	(50,437,326)
Profit on bank deposits	33.1	(3,012,654)	(3,860,877)
Share in profit of Farmacia	33.2	(39,106,117)	(27,472,547)
Workers' Profit Participation Fund	12.2	57,787,698	49,957,951
Central Research Fund	12.3	11,674,282	10,092,515
Workers' Welfare Fund	12.4	25,432,890	25,632,400
Minimum tax	35	30,135,605	27,068,982
		<u>1,074,335,973</u>	<u>1,264,979,734</u>
Cash generated from operations before working capital changes		2,116,733,733	2,161,479,426
<u>Effect on cash flow due to working capital changes</u>			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(197,247,650)	(29,267,881)
Stock in trade		(789,715,630)	(1,061,067,691)
Trade debts - considered good		(167,662,428)	30,166,132
Loans and advances - considered good		(3,797,899)	10,819,473
Deposits and prepayments		89,889,660	(26,039,796)
Other receivables		159,285,096	(4,713,899)
		<u>(909,248,851)</u>	<u>(1,080,103,662)</u>
(Decrease) / Increase in current liabilities			
Trade and other payables		25,793,534	609,482,055
Contract liability		(113,499,945)	12,850,585
		<u>1,119,778,471</u>	<u>1,703,708,404</u>
Cash generated from operations			
Income tax paid		(450,487,926)	(452,506,651)
Minimum tax paid		(30,135,605)	(27,068,982)
Workers' Profit Participation Fund paid	12.2	(54,146,207)	(35,251,527)
Central Research Fund paid	12.3	(10,092,515)	(6,626,135)
Workers' Welfare Fund paid	12.4	-	(28,326,215)
Net cash generated from operating activities		574,916,218	1,153,928,894
<u>Cash flow from investing activities</u>			
Fixed capital expenditure incurred		(574,639,370)	(332,290,023)
Acquisition of intangibles		(8,054,830)	-
Dividend income received		62,720	50,437,326
Proceeds from sale of property, plant and equipment	17.5	53,955,730	39,710,609
Profit on bank deposits received	33.1	3,012,654	3,860,877
Short term investments - net	26.1	436,278,007	1,987,592
Increase in long term deposits		(48,437,529)	(21,209,841)
Net cash used in investing activities		(137,822,618)	(257,503,460)
<u>Cash flow from financing activities</u>			
Long term loan and musharaka received		-	122,376,620
Short term borrowings - net		(54,946,907)	386,085,160
Long term loan and musharaka repaid		(83,970,746)	(76,708,880)
Finance cost paid		(310,152,626)	(548,947,175)
Dividend paid		(167,937,768)	(127,798,418)
Net cash used in financing activities		(617,008,047)	(244,992,693)
Net (decrease) / increase in cash and cash equivalents		(179,914,447)	651,432,741
Cash and cash equivalents at the beginning of the year		(187,529,437)	(838,962,178)
Cash and cash equivalents at the end of the year		(367,443,884)	(187,529,437)
Cash and cash equivalents comprise of the following			
Cash and bank balances	27	361,118,010	345,584,088
Short term borrowings - secured	14	(728,561,894)	(533,113,525)
		<u>(367,443,884)</u>	<u>(187,529,437)</u>

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited
Consolidated Statement of Financial Position
As at 30 June 2026

EQUITY AND LIABILITIES	Note	2026 Rupees	2025 Rupees
<u>Share capital and reserves</u>			
Authorized share capital			
150,000,000 (2025: 150,000,000) ordinary shares of Rs. 10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid up capital	5	434,690,520	434,690,520
Capital reserve	6	321,843	321,843
Revaluation surplus on property, plant and equipment	7	3,404,206,035	3,543,841,204
Accumulated profits		<u>9,399,799,749</u>	<u>8,396,342,572</u>
Equity attributable to owners of the Company		<u>13,239,018,147</u>	<u>12,375,196,139</u>
Non-controlling interests		<u>2,346,760,603</u>	<u>2,091,492,320</u>
		<u>15,585,778,750</u>	<u>14,466,688,459</u>
<u>Non current liabilities</u>			
Long term loans - secured	8	1,090,689,604	1,418,820,425
Long term musharaka - secured	9	157,972,146	229,111,824
Deferred grant	10	237,645,928	351,552,962
Deferred taxation	11	1,407,448,208	1,486,659,972
		<u>2,893,755,886</u>	<u>3,486,145,183</u>
<u>Current liabilities</u>			
Trade and other payables	12	3,868,182,978	3,346,868,600
Current portion of:			
- Long term loans - secured	8	348,719,483	334,669,603
- Long term musharaka - secured	9	68,974,178	61,075,146
- Deferred grant	10	114,440,499	128,490,379
Contract liabilities	13	252,293,371	340,839,485
Short term borrowings - secured	14	2,585,394,483	2,248,359,022
Unclaimed dividend		105,054,541	99,116,101
Accrued mark-up	15	99,257,270	92,695,474
		<u>7,442,316,803</u>	<u>6,652,113,810</u>
Contingencies and commitments	16		
		<u>25,921,851,439</u>	<u>24,604,947,452</u>

ASSETS	Note	2026 Rupees	2025 Rupees
<u>Non current assets</u>			
Property, plant and equipment	17	11,704,502,496	11,556,822,174
Intangible assets	18	14,814,296	27,627,559
Investment property	19	79,371,992	79,371,992
Long term deposits		<u>174,110,693</u>	<u>42,835,216</u>
		<u>11,972,799,477</u>	<u>11,706,656,941</u>
<u>Current assets</u>			
Stores, spare parts and loose tools	20	422,573,402	205,910,578
Stock in trade	21	8,679,913,062	6,600,503,373
Trade debts	22	2,589,356,784	2,301,227,364
Loans and advances - considered good	23	393,170,755	255,608,821
Deposits and prepayments	24	116,742,432	284,042,284
Other receivables - considered good	25	127,408,091	285,309,001
Advance income tax - net		566,818,857	612,129,972
Short term investments	26	410,955,733	1,661,032,001
Cash and bank balances	27	642,112,846	692,527,117
		<u>13,949,051,962</u>	<u>12,898,290,511</u>
		<u>25,921,851,439</u>	<u>24,604,947,452</u>

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited
Consolidated Statement of Profit or Loss
For the year ended 30 June 2026

	Note	2026 Rupees	2025 Rupees
Revenue - net	28	23,957,685,745	18,856,899,587
Cost of sales	29	(13,253,003,298)	(10,860,268,990)
Gross profit		10,704,682,447	7,996,630,597
Administrative expenses	30	(1,169,140,919)	(901,827,710)
Selling and distribution expenses	31	(6,970,081,604)	(4,952,536,675)
Other expenses	32	(227,515,946)	(195,257,074)
Other income	33	207,510,398	254,938,732
Allowance for credit loss	22.1 & 24.2	(69,989,789)	(72,205,119)
Profit from operations		2,475,464,587	2,129,742,751
Finance cost	34	(418,064,158)	(574,280,181)
Profit before income tax, final tax and minimum tax differential		2,057,400,429	1,555,462,570
Minimum tax differential	35	(40,777,199)	(30,267,815)
Profit before income tax		2,016,623,230	1,525,194,755
Income tax	36	(788,893,875)	(603,481,606)
Profit after taxation		1,227,729,355	921,713,149
Attributable to:			
Owners of the Group		978,579,797	776,541,200
Non-controlling interests		249,149,558	145,171,949
Profit after taxation		1,227,729,355	921,713,149
Earnings per share - basic and diluted	37	22.51	17.86

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited**Consolidated Statement of Comprehensive Income**

For the year ended 30 June 2026

	2026 Rupees	2025 Rupees
Profit after taxation	1,227,729,355	921,713,149
<u>Items that will not be subsequently reclassified to profit or loss</u>		
Effect on deferred tax on revaluation surplus due to change in effective tax rate	65,237,144	-
Other comprehensive income	65,237,144	-
Total comprehensive income for the year	1,292,966,499	921,713,149
Attributable to:		
Owners of the Group	1,037,698,216	776,541,200
Non-controlling interests	255,268,283	145,171,949
	1,292,966,499	921,713,149

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2026

Attributable to Owners of the Company						
Share capital	Capital reserve		Revenue reserve	Total	Non-controlling interests	Total
	Capital reserve	Revaluation surplus on property, plant and equipment	Accumulated profits			
----- Rupees -----						
434,690,520	321,843	3,753,246,119	7,040,048,601	11,228,307,083	591,877,248	11,820,184,331
-	-	-	776,541,200	776,541,200	145,171,949	921,713,149
-	-	-	776,541,200	776,541,200	145,171,949	921,713,149
-	-	(205,925,360)	205,925,360	-	-	-
-	-	(3,479,555)	3,479,555	-	-	-
-	-	(209,404,915)	209,404,915	-	-	-
-	-	-	(130,407,156)	(130,407,156)	-	(130,407,156)
-	-	-	500,755,012	500,755,012	1,354,443,123	1,855,198,135
-	-	-	370,347,856	370,347,856	1,354,443,123	1,724,790,979
434,690,520	321,843	3,543,841,204	8,396,342,572	12,375,196,139	2,091,492,320	14,466,688,459
-	-	-	978,579,797	978,579,797	249,149,558	1,227,729,355
-	-	59,118,419	-	59,118,419	6,118,725	65,237,144
-	-	59,118,419	978,579,797	1,037,698,216	255,268,283	1,292,966,499
-	-	(194,152,800)	194,152,800	-	-	-
-	-	(4,600,788)	4,600,788	-	-	-
-	-	(198,753,588)	198,753,588	-	-	-
-	-	-	(173,876,208)	(173,876,208)	-	(173,876,208)
434,690,520	321,843	3,404,206,035	9,399,799,749	13,239,018,147	2,346,760,603	15,585,778,750

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

Chief Executive Officer

Chief Financial Officer

Director

Ferozsons Laboratories Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 Rupees	2025 Rupees
Cash flow from operating activities			
Profit before taxation		2,016,623,230	1,525,194,755
Adjustments for non - cash and other items			
Depreciation on property, plant and equipment	17.4	996,546,044	915,608,782
Amortisation of intangible assets	18	25,963,050	18,532,742
Provision of loss allowance	24 & 22	69,989,789	72,205,119
Net realisable value adjustment for the year	21.1	51,733,793	218,222,088
Reversal for slow moving stock in trade		(3,994,218)	(23,586,873)
Gain on disposal of property, plant and equipment	33.2	(26,973,407)	(24,034,734)
Finance costs	34	418,064,158	574,280,181
Gain on re-measurement of short term investments to fair value	26.1	(40,809)	(10,056,896)
Gain on sale of short term investments	26.1	(136,983,792)	(57,791,239)
Dividend income	33.1	(1,329,044)	(125,320,750)
Profit on deposits with bank	33.1	(11,147,929)	(25,350,528)
Workers' Profit Participation Fund	12.1	115,113,512	88,826,822
Central Research Fund	12.2	23,255,255	17,944,812
Workers' Welfare Fund	12.3	47,216,699	40,402,571
Minimum tax	35	40,777,199	30,267,815
		<u>1,608,190,300</u>	<u>1,710,149,912</u>
Cash generated from operations before working capital changes		3,624,813,530	3,235,344,667
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(216,662,824)	(9,597,087)
Stock in trade		(2,127,149,264)	(2,013,770,359)
Trade debts		(350,993,849)	47,288,217
Loans and advances - considered good		(137,561,934)	(44,479,933)
Deposits and prepayments		160,174,492	45,285,098
Other receivables		157,900,910	(1,501,886)
		<u>(2,514,292,469)</u>	<u>(1,976,775,950)</u>
Increase / (decrease) in current liabilities			
Trade and other payables		464,015,969	1,081,566,688
Contract liabilities		(88,546,114)	7,781,864
Cash generated from operations		1,485,990,916	2,347,917,269
Income tax paid		(757,557,380)	(739,967,803)
Minimum tax paid		(40,777,199)	(30,267,815)
Workers' Profit Participation Fund paid	12.1	(95,867,476)	(68,013,750)
Workers' Welfare Fund	12.3	(14,474,768)	(35,984,272)
Central Research Fund paid	12.2	(17,944,812)	(12,940,472)
Increase in long term deposits		(131,275,477)	(25,230,891)
Net cash generated from operating activities		428,093,804	1,435,512,266
Cash flow from investing activities			
Acquisition of property, plant and equipment		(1,177,698,356)	(663,566,034)
Acquisition of intangibles		(13,149,787)	(5,121,630)
Dividend income received		1,329,044	125,320,750
Proceeds from sale of property, plant and equipment	17.5	60,445,396	43,571,995
Profit on term deposits received	33.1	11,147,929	25,350,528
Short term investments - net	26.1	1,387,100,869	(1,096,688,571)
Net cash generated from / (used in) investing activities		269,175,095	(1,571,132,962)
Cash flow from financing activities			
Subscription money received against IPO - net of transaction cost		-	1,855,198,135
Long term loan received		-	32,374,000
Long term loan paid		(442,037,855)	(421,920,567)
Short term borrowings - net		151,264,882	147,552,931
Long term musharaka received		-	165,198,983
Long term musharaka paid		(63,240,646)	(43,729,160)
Finance cost paid		(411,502,362)	(687,564,389)
Dividend paid		(167,937,768)	(127,798,418)
Net cash (used in) / generated from financing activities		(933,453,749)	919,311,515
Net (decrease) / increase in cash and cash equivalents		(236,184,850)	783,690,819
Cash and cash equivalents at the beginning of the year		137,379,780	(646,311,039)
Cash and cash equivalents at the end of the year		(98,805,070)	137,379,780
Cash and cash equivalents comprise of the following:			
Cash and bank balances	27	642,112,846	692,527,117
Short term borrowings - secured	14	(740,917,916)	(555,147,337)
		<u>(98,805,070)</u>	<u>137,379,780</u>

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

Chief Executive Officer

Chief Financial Officer

Director