



SINCE 1980

**AL-KHAIR GADOON LTD.**

# Annual Report 2026

[www.alkhaimgadoon.com](http://www.alkhaimgadoon.com)



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# COMPANY PROFILE

**Better Sleep Brighter Stays  
For A Stronger Future**

Al-Khair Gadoon Limited (AKGL), established in 1980, is an ISO: 9001:2015 certified company. AKGL, innovating through an industrial partnership with Shell (Singapore) & BASF (Korea), has now become a household name of trust in the production of high-quality polyurethane foam and related products. The factory is located at Industrial Estate Gadoon Amazai, District Swabi, which is considered as a very suitable area with reference to sea level and humidity, for production. The principal activities of the company are purchase, manufacture and sale of foam mattresses, spring mattresses, sofa beds, furniture, pillows, bedsheets and technical polyurethane products. AKGL is listed with Pakistan Stock Exchange Limited.

## Management Profile

**Mr. Muhammed Afzal Sheikh**  
(Chairman)

**Mr. Muhammed Amin Sheikh**  
(C E O)

**Mr. Muhammed Saeed Sheikh**  
(Non-Executive Director)

**Mrs. Parveen Afzal**  
(Non-Executive Director)

**Mrs. Farnaz Saeed**  
(Non-Executive Director)

**Mrs. Nafisa Amin**  
(Non-Executive Director)

**Mr. Asif Sajjad**  
(Independent Director)

**Mr. Kamal Subhani**  
(Independent Director)



**Registered  
Number**

P-00599



**Company's  
NTN Number**

0000094-9



**Company's  
Symbol**

AKGL



**ST Registration  
Number**

05-06-9404-004-46



**AL-KHAIR GADOON LTD.**

**BETTER SLEEP  
BRIGHTER STAYS  
FOR A STRONGER  
FUTURE**

# Our VISION

To be the preferred choice of customers by creating innovative, comfortable and affordable brands in their everyday lives for the greater good.

# Our MISSION

To provide a wide range of affordable, well-designed and functional home furnishing products in Pakistan, with an outstanding quality and service, that ensures the satisfaction of all our stakeholders, improving every life associated with 'AKGL'.



**160+**

Employees



**418+**

Share Holders



**45%**

Approximate Country's  
Rated Capacity



**25%**

Approximate  
Market Share



**30+**

Years of Experience



**1'100+**

Dealers Nationwide



Code of  
Conduct

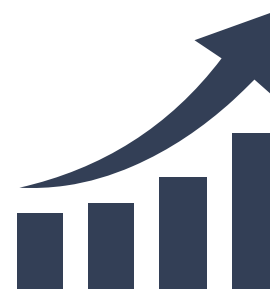
# Code of Conduct

The practices of AKGL are compliant and in accordance with applicable laws which are clearly defined in the code of conduct. Our Human Resource department plays an integral role in educating and training employees regarding the code of conduct and its implementation.

Compliance with Laws, Rules and Regulations  
Safety and Security  
Conflict of Interest  
External Activities  
Recruitment Decisions  
Regulatory Compliance

Confidentiality  
Work Place Harassment and Discrimination  
Corporate Governance  
Fair Dealing  
Protection and Proper Use of Company Assets  
Corporate Social Responsibility

# Financial Overview



Gross Sale 2026

PKR 1,698 M

Gross Sale 2025

PKR 1,834 M

Profit/(Loss) After Tax 2026

PKR 7.82 M

Profit/(Loss) After Tax 2025

PKR 17.14 M

Total Assets 2026

PKR 771.14M

Total Assets 2025

PKR 799.48M

Earning Per Share 2026

PKR 0.78

Earning Per Share 2025

PKR 1.71

**YEAR WISE STATISTICAL SUMMARY**

|                                          | 2026   | 2025   | 2024   | 2023   | 2022   | 2021   |
|------------------------------------------|--------|--------|--------|--------|--------|--------|
| <b>Investment Measures</b>               |        |        |        |        |        |        |
| Share Capital                            | 100    | 100    | 100    | 100    | 100    | 100    |
| Shareholders' Equity                     | 348.92 | 342.09 | 322.39 | 295.54 | 280.51 | 252.93 |
| Profit / (loss) before taxation          | 24.84  | 30.74  | 40.19  | 25.19  | 45.93  | 39.68  |
| Profit after taxation                    | 7.82   | 17.15  | 27.25  | 13.02  | 30.57  | 22.81  |
| Dividend Per share                       | -      | -      | -      | -      | -      | -      |
| Earnings / (Loss) per share - Rs.        | 0.78   | 1.71   | 2.73   | 1.30   | 3.06   | 2.28   |
| Break-up value per share - Rs.           | 34.89  | 34.21  | 32.24  | 29.55  | 28.05  | 25.29  |
| <b>Measures of Financial Status</b>      |        |        |        |        |        |        |
| Current Ratio                            | 1.57:1 | 1.56:1 | 1.56:1 | 1.60:1 | 1.45:1 | 1.44:1 |
| No of days – Stock                       | 142    | 108    | 108    | 120    | 107    | 133    |
| No of days - Debtors                     | 3.31   | 10.54  | 10.54  | 18.10  | 17.29  | 23.76  |
| <b>Measures of Financial Performance</b> |        |        |        |        |        |        |
| Return on Capital Employed               | 15.63% | 16.69% | 7.65%  | 3.93%  | 9.52%  | 7.84%  |
| Gross Profit Ratio                       | 12.23% | 12.41% | 12.97% | 12.80% | 12.84% | 14.41% |
| Profit before tax to sales               | 1.90%  | 2.20%  | 3.14%  | 2.37%  | 3.97%  | 4.94%  |
| Profit after tax to sales                | 0.60%  | 1.23%  | 2.13%  | 1.22%  | 2.65%  | 2.84%  |
| Debt Equity Ratio / Gearing ratio        | 49.46% | 52.02% | 45.43% | 24.85% | 40.39% | 39.68% |

## COMPANY INFORMATION

### BOARD OF DIRECTORS:

|                       |                        |
|-----------------------|------------------------|
| Mohammad Afzal Sheikh | Chairman               |
| Mohammad Amin Sheikh  | Chief Executive        |
| Mohammad Saeed Sheikh | Non-Executive Director |
| Mrs. Parveen Afzal    | Non-Executive Director |
| Mrs. Farnaz Saeed     | Non-Executive Director |
| Mrs. Nafisa Amin      | Non-Executive Director |
| Mr. Asif Sajjad       | Independent Director   |
| Mr. Kamal Subhani     | Independent Director   |

### AUDIT COMMITTEE:

|                      |           |
|----------------------|-----------|
| Mr. Kamal Subhani    | Chairman  |
| Mrs. Farnaz Saeed    | Member    |
| Mr. Asif Sajjad      | Member    |
| Mr. Khurram Iftikhar | Secretary |

### HUMAN RESOURCE & REMUNERATION COMMITTEE:

|                    |           |
|--------------------|-----------|
| Mr. Kamal Subhani  | Chairman  |
| Mrs. Farnaz Saeed  | Member    |
| Mrs. Parveen Afzal | Member    |
| Miss Samina Kokab  | Secretary |

### CFO / CHIEF ACCOUNTANT:

Muhammad Tariq Amin

### COMPANY SECRETARY:

Miss Samina Kokab

### AUDITORS:

M/s. Tahir Siddiqi & Co., Chartered Accountants.

### LEGAL ADVISOR:

Mr. Umer Jamil (Advocate High Court)

### SHARES REGISTRAR:

Corplink (Private) Limited  
Wings Arcade, I-K Commercial,  
Model Town, Lahore

### BANKERS:

Meezan Bank Limited  
Bank Alfalah Limited.  
Habib Metropolitan Bank Limited  
Allied Bank Limited  
United Bank Limited  
Soneri Bank Limited  
Bank Al-Habib Limited.

### REGISTERED OFFICE & FACTORY SITE:

92/3, 94A & 94B Phase III, Industrial  
Estate, Gadoon Amazai,  
District Swabi, (K.P.K)  
Tel: (0938) 270260  
Fax: (0938) 270270

### CORPORATE OFFICE:

Al-Khair House,  
43-T, Gulberg II, Lahore.  
Tel: (0342)-111111605  
Fax: (042) 35716588, 35753719  
Email: [info@alkhairgadoon.com](mailto:info@alkhairgadoon.com)  
Website: [www.alkhairgadoon.com](http://www.alkhairgadoon.com)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of Al-Khair Gadoon Ltd., will be held on Friday the October 23, 2026 at 8:00 A.M. at the Registered Office of the Company at 92/3, Phase III, Industrial Estate, Gadoon Amazai, District Swabi, Khyber Pakhtunkhwa., to transact the following business:

- 1- To confirm the minutes of the 35th Annual General Meeting held on October 24, 2025.
- 2- To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2026, together with the Directors' and Auditors' Reports thereon.
- 3- To appoint Auditors of the Company and fix their remuneration.
- 4- To transact any other business with the permission of the Chairman.

### BY ORDER OF THE BOARD

**Miss Samina Kokab**  
Company Secretary

**Dated: October 01, 2026**

### NOTES:

- 1- Share Transfer Books of the Company will remain closed from October 17, 2026 to October 23, 2026 (both days inclusive). Transfers received in order upto the close of business on October 16, 2026 at the Company's Share Registrar, Corplink (Pvt) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore will be entitled to voting rights at the Annual General Meeting.
- 2- A member of the Company entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote. Votes may be given personally or by proxy or by Attorney or in case of a Corporation by representative. The instrument of proxy duly executed should be lodged at the Corporate Office of the company at Al-Khair House, 43 – T, Gulberg II, Lahore not later than 48 hours before the time of meeting.
- 3- Any individual Beneficial Owner of the Central Depository Company (CDC), entitled to vote at this meeting must bring his / her Computerized National Identity Card (CNIC) or passport (in case of foreigner) along with CDC account number to prove his / her identity and in case of proxy must enclose an attested copy of his / her CNIC or passport. Representatives of corporate members should bring the usual documents required for such purpose.
- 4- Members are requested to immediately inform the Company's Share Registrar of any change in their mailing address.
- 5- Members are requested to provide by mail, photocopy of their CNIC or passport (in case of foreigner), unless it has been provided earlier, enabling the Company to comply with relevant laws.
- 6- The Company has made arrangement that participants, including shareholders, can also now participate in the AGM proceedings via video link. Those members who are willing to attend and participate in the AGM through video link are requested to register themselves by providing their Names, Folio Number, Number of Shares, Cell Number, email address and valid copy of both sides of Computerized National Identity Card (CNIC) at "corporate@alkhairegadoon.com" with subject of Registration and attend the AGM at least 7 days before the meeting.  
Members who will be registered, after necessary verification as per the above requirements, will be provided a password protected video link by the Company via email. The said link will remain open from 8:00 AM on the date of AGM till the end of the meeting.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the email address "corporate@alkhairegadoon.com".

- 7- The Securities & Exchange Commission of Pakistan vide SRO 470(1)/2016 dated May 31, 2016 has allowed companies to circulate Annual Audited Accounts to its members through CD/DVD/USB at their registered addresses. In view of this, the Company is being sent its 2026 Annual Report to the shareholders in form of DVD. Annual Report including Notice of Meeting and Proxy can also be downloaded from Company's and Pakistan Stock Exchange websites. Any member requiring printed copy of 2026 annual report may send a request with identification details, the Company will send the hard copy of printed accounts 2026 free of cost within one week.
- 8- In accordance with Section 132 (2) of the Companies Act, 2017 if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 7 days prior to the date of Annual General Meeting, the Company will arrange video conference facility in that place subject to availability of such facility in that place. To avail this facility a request is to be submitted to the Company Secretary of the Company on given address:

**The Company Secretary, Al-Khair Gadoon Ltd, 43-T, Gulberg II, Lahore.**

- 9- As per Section 72(2) of the Companies Act, 2017, every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four (4) years from the commencement of the Act, i.e., May 30, 2017. Those Shareholders having physical shareholding are encouraged to open a CDC Sub – Account with any Broker or Investor Account directly with CDC to place their physical shares into scrip less form. This will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.

## سالانہ جنرل اجلاس کا نوٹس

اس امر کا بذریعہ ہذا اعلان کیا جاتا ہے کہ الخیر گدون لمیٹڈ کا 36واں سالانہ جنرل اجلاس بروز جمعہ، 23 اکتوبر 2026ء، صبح 8:00 بجے کمپنی کے رجسٹرڈ دفتر واقع 92/3، فیز III، انڈسٹریل اسٹیٹ، گدون اماڑی، ضلع صوابی، خیبر پختونخوا میں منعقد ہوگا، جس میں درج ذیل امور زیر غور لائے جائیں گے:

- 1- 24 اکتوبر 2025ء کو منعقد ہونے والے کمپنی کے 35ویں سالانہ جنرل اجلاس کی کارروائی کی توثیق کرنا۔
- 2- 30 جون 2026ء کو اختتام پذیر ہونے والے مالی سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے، ڈائریکٹرز کی رپورٹ اور آڈیٹرز کی رپورٹ وصول کرنا، غور کرنا اور منظور کرنا۔
- 3- کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کا تعین کرنا۔
- 4- چیئرمین کی اجازت سے کوئی دیگر کاروباری معاملہ زیر غور لانا۔

حسب الحکم بورڈ  
شمینہ کوکب  
کمپنی سیکرٹری

تاریخ: 01 اکتوبر 2026ء

### نوٹس

- 1- کمپنی کی شیئر ٹرانسفر بکس مورخہ 17 اکتوبر 2026ء سے 23 اکتوبر 2026ء تک، دونوں دنوں سمیت، بند رہیں گی۔ وہ تمام منتقلیاں جو 16 اکتوبر 2026ء کو کاروباری اوقات کے اختتام تک کمپنی کے شیئر رجسٹرار: کارپ لنک (پرائیویٹ) لمیٹڈ - ونگز آرکیڈ، K-1، کمرشل ماڈل ٹاؤن، لاہور کے پاس باقاعدہ طور پر موصول ہو جائیں گی، ان کے حاملین سالانہ جنرل اجلاس میں ووٹ دینے کے حق دار ہوں گے۔
- 2- کمپنی کا کوئی بھی رکن جو اجلاس میں شرکت اور ووٹ دینے کا اہل ہو، وہ اپنی جگہ اجلاس میں شرکت اور ووٹ دینے کے لیے کمپنی کے کسی دوسرے رکن کو اپنا پراکسی مقرر کر سکتا ہے۔ ووٹ ذاتی طور پر، پراکسی کے ذریعے یا مختار عام کے ذریعے دیا جا سکتا ہے، جبکہ کارپوریشن کی صورت میں اس کے نمائندے کے ذریعے ووٹ دیا جا سکتا ہے۔ مناسب طور پر مکمل اور دستخط شدہ پراکسی فارم کمپنی کے کارپوریٹ آفس، الخیر ہاؤس، T-43، گلبرگ II، لاہور میں اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل جمع کرانا ضروری ہے۔
- 3- مرکزی ڈیپازٹری کمپنی کا کوئی بھی انفرادی حقیقی مالک جو اس اجلاس میں ووٹ دینے کا اہل ہو، اپنی شناخت ثابت کرنے کے لیے اپنا کمپیوٹرائزڈ قومی شناختی کارڈ یا (غیر ملکی ہونے کی صورت میں) پاسپورٹ بمعہ CDC اکاؤنٹ نمبر اپنے ہمراہ لائے۔ پراکسی کی صورت میں پراکسی فارم کے ساتھ اپنے CNIC یا پاسپورٹ کی تصدیق شدہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ ممبران کے نمائندگان اس مقصد کے لیے مطلوبہ معمول کے دستاویزات اپنے ہمراہ لائیں۔
- 4- ممبران سے درخواست ہے کہ اپنے ڈاک کے پتے میں کسی بھی تبدیلی کی صورت میں فوری طور پر کمپنی کے شیئر رجسٹرار کو مطلع کریں۔
- 5- ممبران سے درخواست ہے کہ متعلقہ قوانین کی تعمیل میں کمپنی کو معاونت فراہم کرنے کے لیے اپنے CNIC یا پاسپورٹ (غیر ملکی ہونے کی صورت میں) کی فوٹو کاپی بذریعہ ڈاک فراہم کریں، بشرطیکہ یہ پہلے فراہم نہ کی گئی ہو۔

- 6 کمپنی نے ایسا انتظام کیا ہے کہ شرکاء، بشمول شیئر ہولڈرز، اب ویڈیو لنک کے ذریعے بھی سالانہ عام اجلاس کی کارروائی میں شرکت کر سکتے ہیں۔ وہ ممبران جو ویڈیو لنک کے ذریعے اجلاس میں شرکت اور حصہ لینا چاہتے ہیں، ان سے درخواست ہے کہ وہ اجلاس سے کم از کم 7 دن قبل درج ذیل معلومات فراہم کر کے اپنا اندراج کروائیں: نام، فولیو نمبر، حصص کی تعداد، موبائل نمبر، ای میل ایڈریس، کمپیوٹرائزڈ قومی شناختی کارڈ کے دونوں اطراف کی درست نقل، یہ معلومات [corporate@alkhairgadoon.com](mailto:corporate@alkhairgadoon.com) پر بھیجی جائیں اور ای میل کے Subject میں Registration درج کیا جائے۔ ضروری تصدیق کے بعد رجسٹرڈ ممبران کو کمپنی کی جانب سے ای میل کے ذریعے پاس ورڈ سے محفوظ ویڈیو لنک فراہم کیا جائے گا۔ مذکورہ لنک AGM کے دن صبح 8:00 بجے سے اجلاس کے اختتام تک فعال رہے گا۔ شیئر ہولڈرز AGM کے ایجنڈا آئٹمز سے متعلق اپنے تبصرے اور سوالات بھی [corporate@alkhairgadoon.com](mailto:corporate@alkhairgadoon.com) پر بھیج سکتے ہیں۔
- 7 سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے SRO 470(1)/2016 مورخہ 31 مئی 2016ء کے ذریعے کمپنیوں کو اجازت دی ہے کہ وہ سالانہ آڈٹ شدہ حسابات اپنے ممبران کو ان کے رجسٹرڈ پتوں پر CD/DVD/USB کے ذریعے فراہم کر سکتی ہیں۔ اس کے پیش نظر کمپنی کی جانب سے 2026ء کی سالانہ رپورٹ DVD کی صورت میں شیئر ہولڈرز کو بھیجی جا رہی ہے۔ سالانہ رپورٹ، بشمول اجلاس کا نوٹس اور پراکسی فارم، کمپنی کی ویب سائٹ اور پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کی ویب سائٹ سے بھی ڈاؤن لوڈ کی جا سکتی ہے۔ کوئی بھی رکن اگر 2026ء کی سالانہ رپورٹ کی مطبوعہ نقل حاصل کرنا چاہتا ہو تو وہ اپنی شناختی تفصیلات کے ساتھ کمپنی کو درخواست بھیج سکتا ہے۔ کمپنی ایک ہفتے کے اندر 2026ء کے مطبوعہ حسابات کی ہارڈ کاپی بلا معاوضہ فراہم کرے گی۔
- 8 Section 132(2) Companies Act, 2017 کے مطابق، اگر کمپنی کو ایسے ممبران سے، جو مجموعی طور پر 10% یا اس سے زیادہ کی تاریخ سے AGM حصص رکھتے ہوں اور کسی جغرافیائی مقام پر مقیم ہوں، سالانہ عام اجلاس میں ویڈیو کانفرنس کے ذریعے شرکت کے لیے کم از کم 7 دن قبل رضامندی موصول ہو، تو کمپنی اس مقام پر ویڈیو کانفرنس کی سہولت دستیاب ہونے سے مشروط، ویڈیو کانفرنس کی سہولت فراہم کرنے کا انتظام کرے گی۔ اس سہولت سے استفادہ کرنے کے لیے درخواست کمپنی کے کمپنی سیکریٹری کو درج ذیل پتے پر جمع کرائی جائے 43 گلیبرگ-2، لاہور۔
- 9 Section 72(2) Companies Act, 2017 کے مطابق، ہر موجودہ کمپنی کے لیے لازم ہوگا کہ وہ اپنے فزیکل حصص کو بک انٹری فارم میں مقررہ طریقہ کار کے مطابق، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے مقرر کردہ تاریخ سے (Book-Entry Form) ایکٹ کے نفاذ یعنی 30 مئی 2017ء سے زیادہ سے زیادہ چار (4) سال کی مدت کے اندر تبدیل کرے وہ شیئر ہولڈرز جن کے پاس فزیکل حصص یا براہ راست (CDC Sub-Account) سب اکاؤنٹ CDC موجود ہیں، ان کی حوصلہ افزائی کی جاتی ہے کہ وہ کسی بھی بروکر کے پاس کھولیں تاکہ اپنے فزیکل حصص کو اسکرپ لیس فارم میں منتقل کر سکیں۔ اس سے شیئر (Investor Account) میں انویسٹر اکاؤنٹ CDC، اور جب چاہیں حصص کی فروخت شامل ہے (Safe Custody) ہولڈرز کو متعدد سہولیات حاصل ہوں گی، جن میں حصص کی محفوظ تحویل کیونکہ پاکستان اسٹاک ایکسچینج لمیٹڈ کے موجودہ قواعد و ضوابط کے مطابق فزیکل حصص کی تجارت کی اجازت نہیں ہے۔

## CHAIRMAN'S REVIEW REPORT

It is my pleasure to welcome you on the 36th Annual General Meeting of your Company. I present before you on behalf of the Board of Directors, the Audited Accounts of the Company for the financial year ended June 30, 2026 along-with my review on the performance of the Company.

The year under review remained challenging for businesses due to continued cost pressures, competitive market conditions and constraints affecting consumer demand. In this environment, the Company focused on maintaining its market position, managing operating costs and ensuring efficient utilization of its available resources. The Board of Directors has performed its duties diligently in upholding the best interest of shareholders of the Company and in managing the affairs of the Company. A review of the Board's own performance and effectiveness on a self-assessment basis in accordance with the requirements of Companies Act, 2017 and Listed Companies Regulations, 2017 and Code of Corporate Governance Regulations, 2019, has been conducted and appreciated, during the year under review, to ensure Best Practices.

The Company recorded net sales of Rs. 1,304.312 million during the year compared with Rs. 1,399.036 million in the previous year. Gross profit stood at Rs. 159.466 million, compared with Rs. 173.646 million in 2025. Profit before taxation amounted to Rs. 24.838 million, while profit after taxation was Rs. 7.820 million, compared with Rs. 30.738 million and Rs. 17.145 million respectively in the previous year.

The decline in profitability reflects the combined impact of lower sales, pressure on gross margins and finance costs. The Board recognizes these challenges and has emphasized greater cost discipline, improved operational efficiency and effective working capital management.

The Company's financial position remains under close management. Shareholders' equity increased to Rs. 348.915 million, while short-term borrowings decreased to Rs. 341.509 million during the year.

Looking ahead, the Board remains cautiously optimistic about the Company's prospects. Management will continue to focus on strengthening sales, improving margins, controlling costs, enhancing productivity and optimizing the use of financial resources. The Board remains committed to maintaining high standards of corporate governance, transparency, accountability and regulatory compliance. We believe that continued focus on these principles will strengthen stakeholder confidence and support the Company's long-term sustainability.

Being a socially responsible organization, the Company remains committed to providing a safe and healthy working environment for its employees and to minimizing risks to the health and safety of the public at large. The Company continues to promote responsible workplace practices and maintain appropriate safety measures. I place on record my sincere appreciation to our employees and business partners for their continued dedication, trust and valuable support.



**MOHAMMAD AFZAL SHEIKH**  
**CHAIRMAN**

**Lahore: September 25, 2026**

## جیئرمین کی جائزہ رپورٹ

آپ کی کمپنی کے 36 ویں سالانہ اجلاس عام میں آپ کو خوش آمدید کہنا میرے لیے باعث مسرت ہے۔ میں بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے 30 جون 2026 کو اختتام پذیر ہونے والے مالی سال کے آڈٹ شدہ حسابات، نیز کمپنی کی کارکردگی کے حوالے سے اپنی جائزہ رپورٹ آپ کے سامنے پیش کرتا ہوں۔

زیر جائزہ سال کاروباری اداروں کے لیے مسلسل لاگت کے دباؤ، مسابقتی مارکیٹ کے حالات اور صارفین کی طلب کو متاثر کرنے والی پابندیوں کے باعث چیلنجنگ رہا۔ اس ماحول میں کمپنی نے اپنی مارکیٹ پوزیشن برقرار رکھنے، آپریٹنگ اخراجات کو مؤثر انداز میں منظم کرنے اور دستیاب وسائل کے مؤثر استعمال کو یقینی بنانے پر توجہ مرکوز رکھی۔

بورڈ آف ڈائریکٹرز نے کمپنی کے حصص یافتگان کے بہترین مفاد کے تحفظ اور کمپنی کے امور کی مؤثر نگرانی و انتظام کے لیے اپنی ذمہ داریاں پوری دیانت داری اور تنہی سے انجام دیں۔ کمپنیز ایکٹ، 2017، لسٹڈ کمپنیز ریگولیشنز، 2017 اور کارپوریٹ گورننس کوڈ ریگولیشنز، 2019 کے تقاضوں کے مطابق، زیر جائزہ سال کے دوران بورڈ کی اپنی کارکردگی اور مؤثریت کا خود تشخیص جائزہ لیا گیا، جسے بہترین انتظامی طریقہ کار کو یقینی بنانے کے لیے سراہا گیا۔

کمپنی نے زیر جائزہ سال کے دوران 1,304.312 ملین روپے کی خالص فروخت ریکارڈ کی، جبکہ گزشتہ سال یہ 1,399.036 ملین روپے تھی۔ مجموعی منافع 159.466 ملین روپے رہا، جبکہ 2025 میں یہ 173.646 ملین روپے تھا۔ ٹیکس سے قبل منافع 24.838 ملین روپے رہا، جبکہ ٹیکس کے بعد منافع 7.820 ملین روپے رہا۔ گزشتہ سال یہ منافع بالترتیب 30.738 ملین روپے اور 17.145 ملین روپے تھا۔

منافع میں کمی کی بنیادی وجوہات میں فروخت میں کمی، مجموعی منافع کے مارجن پر دباؤ اور مالیاتی اخراجات کے اثرات شامل ہیں۔ بورڈ ان چیلنجز سے بخوبی آگاہ ہے اور اس نے اخراجات پر زیادہ مؤثر کنٹرول، آپریشنل کارکردگی میں بہتری اور ورکنگ کپیٹل کے مؤثر انتظام پر خصوصی توجہ دینے پر زور دیا ہے۔

کمپنی کی مالی پوزیشن کا مسلسل قریبی جائزہ اور مؤثر انتظام کیا جا رہا ہے۔ حصص یافتگان کی ایکویٹی بڑھ کر 348.915 ملین روپے ہو گئی، جبکہ سال کے دوران قلیل مدتی قرضہ جات کم ہو کر 341.509 ملین روپے رہ گئے۔

مستقبل کے حوالے سے بورڈ کمپنی کے امکانات کے بارے میں محتاط طور پر پُر امید ہے۔ انتظامیہ فروخت میں استحکام اور بہتری، منافع کے مارجن میں اضافہ، اخراجات پر قابو پانے، پیداواری صلاحیت بہتر بنانے اور مالی وسائل کے مؤثر استعمال پر مسلسل توجہ مرکوز رکھے گی۔

بورڈ اعلیٰ معیار کے کارپوریٹ گورننس، شفافیت، جوابدہی اور قانونی و ضابطہ جاتی تقاضوں کی تعمیل کو برقرار رکھنے کے لیے پُر عزم ہے۔ ہمارا یقین ہے کہ ان اصولوں پر مسلسل توجہ تمام متعلقہ فریقین کے اعتماد کو مزید مضبوط بنائے اور کمپنی کی طویل مدتی پائیداری میں معاون ثابت ہوگی۔

ایک سماجی طور پر ذمہ دار ادارے کی حیثیت سے کمپنی اپنے ملازمین کے لیے محفوظ اور صحت مند کام کا ماحول فراہم کرنے اور عوام الناس کی صحت و سلامتی کو لاحق خطرات کو کم سے کم کرنے کے لیے پُر عزم ہے۔ کمپنی ذمہ دارانہ پیشہ ورانہ طریقہ کار کو فروغ دینے اور مناسب حفاظتی اقدامات برقرار رکھنے کا سلسلہ جاری رکھے ہوئے ہے۔

میں اپنے ملازمین اور کاروباری شراکت داروں کی مسلسل محنت، وابستگی، اعتماد اور قیمتی تعاون کو خراج تحسین پیش کرتا ہوں۔

  
محمد افضل شیخ  
جیئرمین

لاہور: 25 ستمبر 2026

## DIRECTORS' REPORT TO THE MEMBERS

The Directors of your Company are pleased to present the 36th Annual Report with the audited financial statements of the Company for the year ended June 30, 2026.

### Financial Performance

|                                                       | 2026          | 2025          |
|-------------------------------------------------------|---------------|---------------|
|                                                       | Rupees        |               |
| Sales from Operations - net                           | 1,304,312,284 | 1,399,036,050 |
| Gross Profit                                          | 159,466,304   | 173,645,717   |
| Profit before Taxation                                | 24,838,714    | 30,737,575    |
| Taxation                                              | (17,018,178)  | (13,592,204)  |
| Profit after Taxation                                 | 7,820,536     | 17,145,371    |
| <b>Earning per Share - Basic and Diluted (Rupees)</b> | 0.78          | 1.71          |

Net sales during the year amounted to Rs. 1,304.312 million compared with Rs. 1,399.036 million in the previous year, representing a decrease of approximately 6.77%. Gross profit was Rs. 159.466 million as compared with Rs. 173.646 million in 2025. The gross profit margin stood at 12.23%, compared with 12.41% in the previous year. Profit before taxation was Rs. 24.838 million, compared with Rs. 30.738 million in 2025. After provision for taxation of Rs. 17.018 million, profit after tax amounted to Rs. 7.820 million, compared with Rs. 17.145 million in the previous year. Earnings per share after tax declined to Rs. 0.78 compared with Rs. 1.71 in the previous year.

### Future Outlook

The business environment remains challenging due to cost pressures, competitive market conditions, fluctuations in raw material prices, energy and conversion costs, and pressure on consumer purchasing power. Management remains focused on improving production efficiency, controlling operating costs, optimizing working capital, strengthening market presence and improving margins. The Company will continue to explore opportunities for enhancing sales volumes and operational performance while maintaining prudent financial management. The Company continues to monitor its working capital requirements and liquidity position closely and remains focused on efficient utilization of available financial resources.

The management of the Company is fully cognizant of the situation and will overcome through the strategies of improved operational efficiencies, synergies, best product mix management, effective cost control measures and better trade partnering with customers. The Company has been exhibiting strong performance against challenges over the years, be it vulnerability of increased competition, fluctuation in raw material prices or exchange rate. Operational excellence and management skills have positioned the Company for sustainable growth to meet challenges ahead. Being socially responsible, financially viable and operationally smart will remain the key objectives of the Company.

### Principal Activity

The principal activity of the Company is manufacturing and sale of foam and allied products.

### Risks and Uncertainties

The Board of Directors continued to provide oversight and strategic direction to the Company. The Board reviewed the Company's operational performance, financial position, business strategy, risk management and compliance matters during the year.

The Company's activities may expose it to a variety of financial risks, market risks (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Company's principle financial liabilities comprise of trade and other payables and short term borrowings. The Company's principal financial assets comprise of trade debts, advances, short term deposits, other receivable and cash and bank balances that arise directly from its operation.

The Company's overall risk management program focuses on the unpredictability of financial and market activities and seek to minimize potential adverse effects on the financial performance. The Company has adequately disclosed all the risk related outcomes in the financial statements.

### Internal Financial Control

A sound internal control system is established and implemented at all levels of the Company by the Board of Directors. The Company maintains internal controls designed to safeguard its assets, ensure reliability of financial reporting, promote operational efficiency and support compliance with applicable laws and regulations. Management continues to identify and monitor significant business and financial risks and takes appropriate measures to mitigate such risks.

### Related Party Transactions

The Company has executed all transactions with its related parties on arm's length prices except where it has been disclosed in the financial statements. All related party transactions during the financial year ended June 30, 2026 were put before the Audit Committee and upon its recommendations the same approved by the Board of Directors.

### Environment, Health and Safety

The Company maintains safe working conditions avoiding the risk to health of employees and public at large. The management has maintained clean environment in all its operations and consistently upgrading their safety.

### Corporate Social Responsibility

The Company strongly believes in the integration of Corporate Social Responsibility into its business and consistently endeavours to uplift the people that are influenced directly or indirectly by our business.

### Reporting

The Board has ensured completeness, true and fair presentation and timely issuance of its financial statements in accordance with the requirements of third and fourth schedules to the Companies Act, 2017, the Listing Regulations of Pakistan Stock Exchange and International Financial Reporting Standards.

### Corporate and Financial Reporting

The Company is committed to gain highest standards of corporate governance. The Board is pleased to give the following specific statements to comply with the requirements of the Code of Corporate Governance Regulations, 2019.

- The financial statements prepared by the management of Al-Khair Gadoon Limited present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of Al-Khair Gadoon Limited have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of financial statements.
- The system of internal controls is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Code of Corporate Governance Regulations, 2019 issued by SECP.
- Key operating and financial data for last six years in summarized form is annexed to the report.
- No trades in shares of Al-Khair Gadoon Limited were carried out by the Directors, CEO, CFO, Head of Internal Audit & Company secretary and their spouses and minor children except those notified to the regulatory authorities.

- Reasons for significant deviations from last year's operating results have been explained in the relevant section of the Directors' report.
- Information about outstanding taxes, duties, levies and charges is given in the notes to the Financial Statements.
- The Company has no significant plans and decisions regarding corporate restructuring, business operations and discontinuing of operations.
- Details of number of Board and committees' meetings held during the year and attendance by each director has been disclosed below.
- The Board has been provided with detailed in-house briefings and information package to acquaint them with the code of conduct, applicable laws, their duties and responsibilities to enable them to effectively manage the affairs of the Company for and on behalf of shareholders.

### Compliance with the Code of Corporate Governance & Transfer Pricing

The Code of Corporate Governance Regulations, 2019 as formulated by the SECP & ICAP regulations have been complied with and the statement to that effect is annexed. The requirements of transfer pricing as set out in the listing rules of Pakistan Stock Exchange relevant to the year 2026 have also been complied.

### Significant Features of Directors' Remuneration

The Board of Directors has approved Directors Remuneration. The Board has formulated a policy for remuneration of executive directors depending upon their responsibility in affairs of the Company. However, in accordance with the Code of Corporate Governance, it is ensured that no Director takes part in deciding his own remuneration. The Company does not pay remuneration to non-executive directors except fee for attending the meetings on demand. In order to retain the best talent, the Company's remuneration policies are structured in line with prevailing industry trends and business practices. Please refer note 30 to the Financial Statements.

### Directors' Training

Majority of the Directors of the Company are exempted from the requirement of Directors' Training Program in view of 14 years of education and 15 years of experience as director on listed company.

### Staff Retirement Benefits

The Company operates an un-funded gratuity scheme for all employees with qualifying services period of six months.

### Dividend

Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration to those Members whose names appear on the Register of Members in respect of shares held in the name. Based on capitalizing assets, the board has declared nil dividend for the year ended June, 30 2026.

### Chairman's Review

The Chairman's review included in the Annual Report deals with the nature of business, challenges faced and performance of the Company during the year ended June 30, 2026, as well as future prospects and uncertainties.

### Attendance of Board and Committee Meetings

During the year five Board meetings, four Audit Committee, and two Human Resource and Remuneration Committee meetings were held. The attendance is as follows:

| Sr. No. | Directors / Members of Committees | Number of attendance |                 |                  |
|---------|-----------------------------------|----------------------|-----------------|------------------|
|         |                                   | Board of Directors   | Audit Committee | HR & R Committee |
| 1       | Mohammad Afzal Sheikh             | 4                    | -               | -                |
| 2       | Mohammad Saeed Sheikh             | 4                    | -               | -                |
| 3       | Mohammad Amin Sheikh              | 5                    | -               | -                |
| 4       | Mrs. Parveen Afzal                | 5                    | 4               | 1                |
| 5       | Mrs. Farnaz Saeed                 | 4                    | 2               | 2                |
| 6       | Mrs. Nafeesa Amin                 | 5                    | -               | 2                |
| 7       | Mr. Kamal Subhani                 | 5                    | 4               | 2                |
| 8       | Mrs. Asif Sajjad                  | 4                    | 4               |                  |

### External Auditors

The auditors Messer's Tahir Siddiqi & Co. Chartered Accountants are the retiring auditors of the Company and offer their services for re-appointment. They confirmed that they have been given satisfactory rating under the Quality Control Review program of The Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) guidelines on code of ethics, as adopted by the ICAP. The audit committee and the Board recommended their re-appointment by the shareholders at the Annual General Meeting of the Company as auditors of the Company for the year ending June 30, 2026.

### Pattern of Shareholding

The pattern of shareholding of the Company is annexed to the report.

### Material Changes

There have been no material changes since June 30, 2026 to date of the report and the Company has not entered into any commitment during this period, which would have an adverse impact on the financial position of the Company.

### Appreciation

The Board appreciates the commitment and contribution of the Company's employees and acknowledges the continued support of customers, suppliers, financial institutions and other stakeholders. The Directors also appreciate the confidence and support extended by the shareholders and remain committed to creating sustainable value for all stakeholders.



**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN



**MOHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE

Lahore: September 25, 2026

## ڈائریکٹرز کی اراکین کو رپورٹ

آپ کی کمپنی کے ڈائریکٹرز کو یہ پیش کرتے ہوئے مسرت ہے کہ وہ 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کی آڈٹ شدہ مالیاتی گوشواروں کے ساتھ 36 ویں سالانہ رپورٹ پیش کر رہے ہیں۔

### مالیاتی کارکردگی

| 2026<br>ملین روپے | 2025<br>ملین روپے | تفصیل                      |
|-------------------|-------------------|----------------------------|
| 1,304.31          | 1,399.04          | آپریشنز سے خالص فروخت      |
| 159.466           | 173.646           | مجموعی منافع               |
| 24.822            | 30.738            | ٹیکس سے قبل منافع          |
| (15.022)          | (13.592)          | ٹیکس                       |
| 7.82              | 17.145            | ٹیکس کے بعد منافع          |
| 0.78              | 1.71              | فی حصص بنیادی و مخفف آمدنی |

سال کے دوران خالص فروخت 1,304.312 ملین روپے رہی جبکہ گزشتہ سال یہ 1,399.036 ملین روپے تھی، جو تقریباً 6.77 فیصد کمی کو ظاہر کرتی ہے۔ مجموعی منافع 159.466 ملین روپے رہا جبکہ سال 2025 میں یہ 173.646 ملین روپے تھا۔ مجموعی منافع کا مارجن 12.23 فیصد رہا، جبکہ گزشتہ سال یہ 12.41 فیصد تھا۔ ٹیکس سے قبل منافع 24.838 ملین روپے رہا جبکہ سال 2025 میں یہ 30.738 ملین روپے تھا۔ 15.022 ملین روپے کے ٹیکس کی فراہمی کے بعد ٹیکس کے بعد منافع 7.820 ملین روپے رہا، جبکہ گزشتہ سال یہ 17.145 ملین روپے تھا۔ فی حصص آمدنی بھی کم ہو کر 0.78 روپے رہی جبکہ گزشتہ سال یہ 1.71 روپے تھی۔

### مستقبل کے امکانات

کاروباری ماحول لاگت میں اضافے کے دباؤ، مارکیٹ میں مسابقت کی صورتحال، خام مال کی قیمتوں میں اتار چڑھاؤ، توانائی اور پیداواری لاگت میں اضافے اور صارفین کی قوت خرید پر دباؤ کے باعث بدستور مشکل ہے۔ انتظامیہ پیداواری کارکردگی بہتر بنانے، آپریٹنگ اخراجات کو کنٹرول کرنے، ورکنگ کیپیٹل کو بہتر طور پر منظم کرنے، مارکیٹ میں کمپنی کی موجودگی کو مضبوط بنانے اور منافع کے مارجن میں بہتری لانے پر توجہ مرکوز کیے ہوئے ہے۔ کمپنی فروخت کے حجم اور آپریشنل کارکردگی میں بہتری کے مواقع تلاش کرنے کا سلسلہ جاری رکھے گی، جبکہ محتاط مالیاتی نظم و نسق کو برقرار رکھا جائے گا۔ کمپنی اپنی ورکنگ کیپیٹل کی ضروریات اور لیکویڈٹی کی صورتحال کی مسلسل نگرانی کر رہی ہے اور دستیاب مالی وسائل کے مؤثر استعمال پر توجہ مرکوز رکھے ہوئے ہے۔

کمپنی کی انتظامیہ موجودہ صورتحال سے مکمل طور پر آگاہ ہے اور بہتر آپریشنل کارکردگی، ہم آہنگی، موزوں مصنوعات کے امتزاج، مؤثر لاگت کنٹرول کے اقدامات اور صارفین کے ساتھ بہتر تجارتی شراکت داری کے ذریعے موجودہ چیلنجز پر قابو پانے کے لیے حکمت عملی پر عمل پیرا ہے۔ کمپنی گزشتہ کئی سالوں سے بڑھتی ہوئی مسابقت، خام مال کی قیمتوں میں اتار چڑھاؤ اور شرح مبادلہ میں تبدیلی جیسے چیلنجز کے باوجود اپنی کارکردگی برقرار رکھتی آئی ہے۔ آپریشنل عمدگی اور انتظامی صلاحیتوں نے کمپنی کو پائیدار ترقی کی راہ پر گامزن رکھا ہے تاکہ مستقبل کے چیلنجز کا مؤثر طور پر سامنا کیا جا سکے۔ سماجی طور پر ذمہ دار، مالی طور پر مستحکم اور آپریشنل طور پر مؤثر رہنا کمپنی کے بنیادی مقاصد میں شامل رہے گا۔

### بنیادی کاروباری سرگرمی

کمپنی کی بنیادی کاروباری سرگرمی فوم اور متعلقہ مصنوعات کی تیاری اور فروخت ہے۔

## خطرات اور غیر یقینی صورتحال

بورڈ آف ڈائریکٹرز نے سال کے دوران کمپنی کو مسلسل نگرانی اور اسٹریٹجک رہنمائی فراہم کی۔ بورڈ نے کمپنی کی آپریشنل کارکردگی، مالیاتی صورتحال، کاروباری حکمت عملی، رسک مینجمنٹ اور تعمیری امور کا جائزہ لیا۔ کمپنی کی سرگرمیوں کو مختلف مالیاتی اور مارکیٹ کے خطرات لاحق ہو سکتے ہیں، جن میں کرنسی رسک، شرح سود کا خطرہ، قیمت کا خطرہ، کریڈٹ رسک اور لیکویڈیٹی رسک شامل ہیں۔

کمپنی کی بنیادی مالیاتی واجبات میں تجارتی اور دیگر قابل ادائیگی رقوم اور قلیل مدتی قرضے شامل ہیں۔ کمپنی کے بنیادی مالیاتی اثاثوں میں تجارتی واجبات، ایڈوانسز، قلیل مدتی ڈپازٹس، دیگر قابل وصول رقوم اور نقد و بینک بیلنس شامل ہیں، جو کمپنی کے معمول کے کاروباری آپریشنز سے براہ راست پیدا ہوتے ہیں۔ کمپنی کا مجموعی رسک مینجمنٹ پروگرام مالیاتی اور مارکیٹ کی سرگرمیوں میں موجود غیر یقینی صورتحال پر توجہ مرکوز کرتا ہے اور مالیاتی کارکردگی پر ممکنہ منفی اثرات کو کم سے کم کرنے کی کوشش کرتا ہے۔ مالیاتی خطرات سے متعلق تمام اہم معلومات اور نتائج مالیاتی گوشواروں میں مناسب طور پر ظاہر کیے گئے ہیں۔

## اندرونی مالیاتی کنٹرول

بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کی تمام سطحوں پر ایک مؤثر اندرونی کنٹرول نظام قائم اور نافذ کیا گیا ہے۔ کمپنی ایسے اندرونی کنٹرولز برقرار رکھتی ہے جن کا مقصد کمپنی کے اثاثوں کا تحفظ، مالیاتی رپورٹنگ کی درستگی اور قابل اعتماد ہونے کو یقینی بنانا، آپریشنل کارکردگی کو فروغ دینا اور قابل اطلاق قوانین و ضوابط کی پابندی میں معاونت فراہم کرنا ہے۔ انتظامیہ اہم کاروباری اور مالیاتی خطرات کی مسلسل نشاندہی اور نگرانی کرتی ہے اور ان خطرات کو کم کرنے کے لیے مناسب اقدامات کرتی ہے۔

## متعلقہ فریقوں کے ساتھ لین دین

کمپنی نے اپنے متعلقہ فریقوں کے ساتھ تمام لین دین بازاری اور آزادانہ شرائط پر کیے ہیں، سوائے ان معاملات کے جو مالیاتی گوشواروں میں ظاہر کیے گئے ہیں۔ 30 جون 2026 کو ختم ہونے والے مالی سال کے دوران متعلقہ فریقوں کے ساتھ ہونے والے تمام لین دین آڈٹ کمیٹی کے سامنے پیش کیے گئے اور آڈٹ کمیٹی کی سفارشات پر بورڈ آف ڈائریکٹرز نے ان کی منظوری دی۔

## ماحولیات، صحت اور تحفظ

کمپنی ملازمین اور عام عوام کی صحت کو لاحق خطرات سے بچنے کے لیے محفوظ کام کرنے کے حالات برقرار رکھتی ہے۔ انتظامیہ نے کمپنی کی تمام سرگرمیوں اور آپریشنز میں صاف ستھرے اور صحت مند ماحول کو برقرار رکھا ہے اور حفاظتی انتظامات میں مسلسل بہتری لانے کے لیے اقدامات کیے ہیں۔

## کارپوریٹ سماجی ذمہ داری

کمپنی کاروباری سرگرمیوں میں کارپوریٹ سماجی ذمہ داری کو شامل کرنے پر بھرپور یقین رکھتی ہے اور ان افراد اور طبقات کی فلاح و بہبود اور بہتری کے لیے مسلسل کوشش کرتی ہے جو براہ راست یا بالواسطہ طور پر کمپنی کی کاروباری سرگرمیوں سے متاثر ہوتے ہیں۔

## ریورٹنگ

بورڈ آف ڈائریکٹرز نے مالیاتی گوشواروں کی مکملیت، درست اور منصفانہ پیشکش اور بروقت اجراء کو یقینی بنایا ہے۔ مالیاتی گوشوارے کمپنیز ایکٹ، 2017 کے تیسرے اور چوتھے شیڈول، پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز اور بین الاقوامی مالیاتی رپورٹنگ کے معیارات (آئی ایف آر ایس) کے تقاضوں کے مطابق تیار کیے گئے ہیں۔

## کارپوریٹ اور مالیاتی ریورٹنگ

کمپنی کارپوریٹ گورننس کے اعلیٰ ترین معیارات کے حصول کے لیے پُر عزم ہے۔ بورڈ آف ڈائریکٹرز کو یہ بیان کرتے ہوئے خوشی محسوس ہوتی ہے کہ کوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 کے تقاضوں کی تعمیل کے لیے درج ذیل مخصوص بیانات پیش کیے جاتے ہیں:

الخبر گڈون لمیٹڈ کی انتظامیہ کی جانب سے تیار کردہ مالیاتی بیانات کمپنی کی مالی حالت، کاروباری سرگرمیوں کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

الخبر گڈون لمیٹڈ کی حسابات کی مناسب اور درست کتابیں برقرار رکھی گئی ہیں۔ مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط فیصلوں کی بنیاد پر کیے گئے ہیں۔

مالیاتی بیانات کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRS) کی پیروی کی گئی ہے۔ اندرونی کنٹرولز کا نظام مؤثر انداز میں وضع کیا گیا ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔

کمپنی کی بطور جاری کاروباری ادارہ اپنا کاروبار جاری رکھنے کی صلاحیت کے بارے میں کوئی اہم شک و شبہ موجود نہیں ہے۔

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ کوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقہ ہائے کار سے کوئی اہم انحراف نہیں ہوا۔

گزشتہ چھ سالوں کے اہم آپریشنل اور مالیاتی اعداد و شمار کا خلاصہ رپورٹ کے ساتھ منسلک کیا گیا ہے۔ الخبر گڈون لمیٹڈ کے حصص میں ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، چیف انٹرپرائز آڈٹ، کمپنی سیکریٹری، اور ان کے شریک حیات یا نابالغ بچوں کی جانب سے کوئی خرید و فروخت نہیں کی گئی، سوائے ان لین دین کے جن کی اطلاع متعلقہ ریگولیٹری اتھارٹیز کو دی گئی۔

گزشتہ سال کے آپریشنل نتائج میں نمایاں تبدیلیوں کی وجوہات کی وضاحت ڈائریکٹرز کی رپورٹ کے متعلقہ حصے میں کر دی گئی ہے۔

واجب الادا ٹیکسوں، ڈیویڈنڈ، لیویز اور دیگر واجبات سے متعلق معلومات مالیاتی بیانات کے نوٹسز میں فراہم کی گئی ہیں۔ کمپنی کے پاس کارپوریٹ تنظیم نو، کاروباری سرگرمیوں میں بنیادی تبدیلی یا کاروباری سرگرمیوں کو بند کرنے سے متعلق کوئی اہم منصوبہ یا فیصلہ موجود نہیں ہے۔

سال کے دوران بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کے منعقدہ اجلاسوں کی تعداد اور ہر ڈائریکٹر کی اجلاسوں میں شرکت کی تفصیلات ذیل میں ظاہر کی گئی ہیں۔

بورڈ آف ڈائریکٹرز کو کمپنی کے ضابطہ اخلاق، قابل اطلاق قوانین، فرائض اور ذمہ داریوں سے آگاہ کرنے کے لیے تفصیلی اندرون خانہ بریفنگز اور معلوماتی پیکج فراہم کیے گئے ہیں، تاکہ وہ شیئر ہولڈرز کی جانب سے کمپنی کے معاملات کو مؤثر انداز میں چلانے اور منظم کرنے کے قابل ہوں۔

### **ضابطہ کارپوریٹ گورننس اور ٹرانسفر پرائسنگ سے مطابقت**

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور ICAP کی جانب سے وضع کردہ کارپوریٹ گورننس ریگولیشنز، 2019 کی دفعات پر عمل درآمد کیا گیا ہے اور اس حوالے سے بیان تعمیل سالانہ رپورٹ کے ساتھ منسلک ہے۔ علاوہ ازیں، پاکستان اسٹاک ایکسچینج کے لسٹنگ قواعد میں سال 2026 کے لیے مقرر کردہ ٹرانسفر پرائسنگ سے متعلق تقاضوں پر بھی عمل درآمد کیا گیا ہے۔

### **ڈائریکٹرز کے معاوضے کی اہم خصوصیات**

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضے کی منظوری دی ہے۔ بورڈ نے ایگزیکٹو ڈائریکٹرز کے لیے کمپنی کے امور میں ان کی ذمہ داریوں اور فرائض کو مدنظر رکھتے ہوئے معاوضے کی پالیسی وضع کی ہے۔ تاہم، ضابطہ کارپوریٹ گورننس کے مطابق یہ امر یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے ذاتی معاوضے کے تعین کے فیصلے میں حصہ نہ لے۔

کمپنی نان ایگزیکٹو ڈائریکٹرز کو کسی قسم کا معاوضہ ادا نہیں کرتی، سوائے اجلاس میں شرکت کی فیس کے، جو ضرورت کے مطابق ادا کی جاتی ہے۔ بہترین افرادی قوت کو برقرار رکھنے کے لیے کمپنی کی معاوضے سے متعلق پالیسیاں مروجہ صنعتی رجحانات اور کاروباری طریقہ کار سے ہم آہنگ رکھی گئی ہیں۔ مزید تفصیلات کے لیے مالیاتی گوشواروں کے نوٹ نمبر 30 ملاحظہ کریں۔

## ڈائریکٹرز کی تربیت

کمپنی کے اکثریتی ڈائریکٹرز کو ڈائریکٹرز ٹریننگ پروگرام کی شرط سے استثنیٰ حاصل ہے، کیونکہ ان کے پاس 14 سالہ تعلیمی قابلیت اور لسٹڈ کمپنی میں بطور ڈائریکٹر 15 سال کا تجربہ موجود ہے۔

## ملازمین کے بعد از ملازمت فوائد

کمپنی تمام ایسے ملازمین کے لیے غیر فنڈ شدہ گریجویٹی اسکیم چلاتی ہے جن کی قابل شمار ملازمت کی مدت چھ ماہ ہو چکی ہو۔

## منافع حصص

بورڈ آف ڈائریکٹرز کی جانب سے تجویز کردہ منافع حصص، اگر سالانہ جنرل میٹنگ میں منظور اور اعلان کیا جائے، تو اعلان کی تاریخ سے 30 دن کے اندر ان اراکین کو ادا کیا جائے گا جن کے نام متعلقہ حصص کے حوالے سے رجسٹر آف ممبرز میں درج ہوں گے۔ 30 جون 2026 کو اختتام پذیر ہونے والے سال کے لیے بورڈ آف ڈائریکٹرز نے اثاثہ جات کی سرمایہ کاری کو مدنظر رکھتے ہوئے منافع حصص کی شرح صفر قرار دی ہے۔

## چیئرمین کا جائزہ

سالانہ رپورٹ میں شامل چیئرمین کا جائزہ 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران کمپنی کے کاروبار کی نوعیت، درپیش چیلنجز، کمپنی کی کارکردگی، نیز مستقبل کے امکانات اور غیر یقینی عوامل کا احاطہ کرتا ہے۔

## بورڈ اور کمیٹیوں کے اجلاسوں میں حاضری

سال کے دوران بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس، آڈٹ کمیٹی کے چار (4) اجلاس، جبکہ ہیومن ریسورس اینڈ ریمیونریشن کمیٹی کے دو (2) اجلاس منعقد ہوئے۔ اراکین کی حاضری کی تفصیل درج ذیل ہے:

| نمبر شمار | ڈائریکٹرز / کمیٹی کے اراکین | بورڈ آف ڈائریکٹرز | آڈٹ کمیٹی | ہیومن ریسورس اینڈ ریمیونریشن کمیٹی |
|-----------|-----------------------------|-------------------|-----------|------------------------------------|
| 1         | محمد افضل شیخ               | 4                 | —         | —                                  |
| 2         | محمد سعید شیخ               | 4                 | —         | —                                  |
| 3         | محمد امین شیخ               | 5                 | —         | —                                  |
| 4         | مسز پروین افضل              | 5                 | 4         | 1                                  |
| 5         | مسز فرناز سعید              | 4                 | 2         | 2                                  |
| 6         | مسز نفیسہ امین              | 5                 | —         | 2                                  |
| 7         | مسٹر کمال سبحانی            | 5                 | 4         | 2                                  |
| 8         | مسز عاصف سجاد               | 4                 | 4         | 2                                  |

## بیرونی آڈیٹرز

کمپنی کے موجودہ آڈیٹرز میسرز طاہر صدیقی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہونے والے آڈیٹرز ہیں اور انہوں نے دوبارہ تقرری کے لیے اپنی خدمات پیش کی ہیں۔ آڈیٹرز نے تصدیق کی ہے کہ انہیں انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت تسلی بخش درجہ بندی حاصل ہے اور فرم، ICAP کی جانب سے اختیار کردہ انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) کے ضابطہ اخلاق سے متعلق رہنما اصولوں کی مکمل پابندی کرتی ہے۔

آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے سفارش کی ہے کہ کمپنی کے شیئر ہولڈرز، کمپنی کے سال 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے، مذکورہ آڈیٹرز کو کمپنی کے آڈیٹرز کے طور پر دوبارہ مقرر کریں۔

## حصص کی ملکیت کا خاکہ

کمپنی میں حصص کی ملکیت کا تفصیلی خاکہ اس رپورٹ کے ساتھ منسلک ہے۔

## اہم تبدیلیاں

30 جون 2026 سے لے کر اس رپورٹ کی تاریخ تک کمپنی کے مالی معاملات سے متعلق کوئی اہم تبدیلی واقع نہیں ہوئی اور نہ ہی کمپنی نے اس عرصے کے دوران کوئی ایسی ذمہ داری یا عہد کیا ہے جو کمپنی کی مالی حیثیت پر منفی اثر ڈال سکتا ہو۔

## اظہار تشکر

بورڈ آف ڈائریکٹرز کمپنی کے ملازمین کی وابستگی، محنت اور خدمات کو سراہتا ہے اور صارفین، سپلائرز، مالیاتی اداروں اور دیگر متعلقہ اسٹیک ہولڈرز کی مسلسل معاونت کا اعتراف کرتا ہے۔ ڈائریکٹرز اپنے شیئر ہولڈرز کی جانب سے کمپنی پر کیے گئے اعتماد اور مسلسل تعاون کو بھی قدر کی نگاہ سے دیکھتے ہیں اور تمام متعلقہ اسٹیک ہولڈرز کے لیے پائیدار قدر پیدا کرنے کے عزم کا اعادہ کرتے ہیں۔

Muhammad Amr

محمد امین شیخ  
چیف ایگزیکٹو

MUHAMMAD AFZUL SHAIKH

محمد افضل شیخ  
چیرمین

لاہور: 25 ستمبر 2026

## Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of company: **Al-Khair Gadoon Limited**

Year Ending: **30-06-2026**

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

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

a) Male: Five

b) Female: Three

2 The composition of board is as follows:

i) Independent Director: Mr. Kamal Subhani

Mr. Asif Sajjad

ii) Non-executive Directors: Mohammad Saeed Sheikh

Mohammad Afzal Sheikh

Mrs. Nafeesa Amin

Mrs. Parveen Afzal

Mrs. Farnaz Saeed

iii) Executive Directors Mohammad Amin Sheikh

iv) The board consists of three female directors as narrated above.

3 The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Al-Khair Gadoon Limited;

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 the 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 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 and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

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

9 Majority of the Directors of the Company are exempted from the requirement of Directors' Training Program;

- 10 There is no new appointment of Chief Financial Officer during the year. No change in Company Secretary and Head of Internal Audit has been made during the year. However, any change to their remuneration and terms and conditions of employment have been 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:

**Audit Committee:**

|                      |           |
|----------------------|-----------|
| Mr. Kamal Subhani    | Chairman  |
| Mrs. Farnaz Saeed    | Member    |
| Mr. Asif Sajjad      | Member    |
| Mr. Khurram Iftikhar | Secretary |

**Nomination Committee:**

|                           |           |
|---------------------------|-----------|
| Mr. Muhammad Saeed Sheikh | Chairman  |
| Mr. Kamal Subhani         | Member    |
| Mrs. Parveen Afzal        | Member    |
| Miss. Samina Kokab        | Secretary |

**HR and Remuneration Committee**

|                    |           |
|--------------------|-----------|
| Mr. Kamal Subhani  | Chairman  |
| Mrs. Farnaz Saeed  | Member    |
| Mrs. Parveen Afzal | Member    |
| Miss. Samina Kokab | Secretary |

**Risk Management Committee**

|                           |           |
|---------------------------|-----------|
| Mr. Muhammad Afzal Sheikh | Chairman  |
| Mrs. Nafisa Amin          | Member    |
| Mr. Asif Sajjad           | Member    |
| Mr. Khurram Iftikhar      | Secretary |

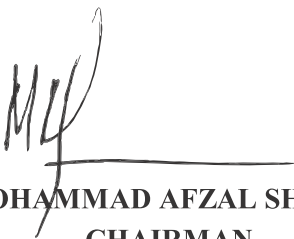
- 13 The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
- 14 The frequency of meetings (quarterly/half yearly/ yearly) of the committees were as per following:
- |    |                               |      |
|----|-------------------------------|------|
| a) | Audit Committee:              | Four |
| b) | HR and Remuneration Committee | Two  |
| c) | Nomination Committee:         | Two  |
| d) | Risk Management Committee     | Two  |
- 15 The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.
- 16 The statutory auditors of the Company M/S Tahir Siddiqi & Co., Chartered Accountants 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 their 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;



**AL-KHAIR GADOON LTD.**

**BETTER SLEEP  
BRIGHTER STAYS  
FOR A STRONGER  
FUTURE**

- 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 other requirements of the regulations, 2019 have been complied with.



**MOHAMMAD AFZAL SHEIKH**  
**CHAIRMAN**



**MOHAMMAD AMIN SHEIKH**  
**CHIEF EXECUTIVE**

**Lahore: September 25, 2026**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
AL-KHAIR GADOON LIMITED**

**Review Report on the Statement of Compliance Contained in Listed Companies  
(Code of Corporate Governance) Regulations, 2019**

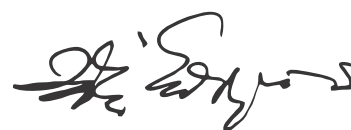
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Al-Khair Gadoon Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 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 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 Regulations as applicable to the Company for the year ended June 30, 2026.



**Tahir Siddiqi & Co.**

Chartered Accountants

Engagement Partner: Muhammad Tahir Siddiqi, FCA

Date: September 25, 2026

UDIN : CR2026101760d4UtkVFi

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
AL-KHAIR GADOON LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of AL-KHAIR GADOON LIMITED ("the Company"), which comprise the statement of financial position as at June 30, 2026 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies 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 our audit.

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

**Basis for Opinion**

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

**Key Audit matters**

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

Following are the Key Audit Matters:

| S. No. | Key Audit Matters                                                                                                                                                                                                                                                                                                                                                               | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)    | <p><b>Revenue</b></p> <p>(Refer to Note 21 of the annexed financial statements)</p> <p>The Company recognized a net revenue of Rs. 1,304,312,284/- for the year ended June 30, 2026.</p> <p>We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company and 6.77% decrease in revenue from last year.</p> | <p>Our audit procedures in relation to the matter, amongst others, included:</p> <p>Reviewed the adequacy of the disclosures made by the Company under the applicable financial reporting framework.</p> <p>Obtaining an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of the key internal controls over recording of revenue;</p> <p>Comparing a sample of revenue transactions recorded during the year with sales orders, sales invoices and other relevant underlying documents;</p> <p>Comparing a sample of revenue transactions recorded around the year end with the sales orders, sales invoices and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period.</p> <p>Comparing the details of journal entries posted to revenue accounts during the year, which met some specific risk-based criteria, with the relevant underlying documentation;</p> <p>Assessing the appropriateness of accounting policy for revenue recognition and comparing with the applicable accounting and reporting standards; and</p> <p>Assessing the adequacy of disclosures related to revenue as required under the accounting and reporting standards as applicable in Pakistan.</p> |
| (ii)   | <p><b>Short Term Borrowings</b></p> <p>(Refer to Note 17 of the annexed financial statements)</p> <p>During the financial year, the company's short term borrowings have decreased as compared to last year.</p>                                                                                                                                                                | <p>Our audit procedures in relation to the matter, amongst others, included:</p> <p>Reviewed the terms of new borrowing arrangements, including interest rates, repayment terms, and covenants.</p> <p>Evaluated the company's liquidity position and ability to repay short term debt, including the assessment of cash flow forecasts.</p> <p>Examined the adequacy of the company's disclosures regarding short-term borrowings, and assessed whether they are complete and transparent.</p> <p>Considered whether the short-term borrowing raised any going concern issues, and assessed the appropriateness of management's assessment of the going concern assumption.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

**Information Other than the Financial Statements and Auditor's Report Thereon**

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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

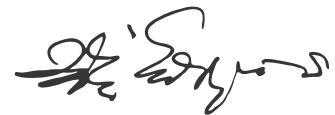
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

## Report on Other Legal and Regulatory Requirements

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

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and no zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Tahir Siddiqi.



**Tahir Siddiqi & Co.**  
Chartered Accountants  
Lahore  
September 25, 2026  
UDIN : AR2026101760Pw1aYdnf

## STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2026

|                                           | Note | 2026<br>Rupees     | 2025<br>Rupees     |
|-------------------------------------------|------|--------------------|--------------------|
| <b>ASSETS</b>                             |      |                    |                    |
| <b>NON CURRENT ASSETS</b>                 |      |                    |                    |
| Property, Plant and Equipment             | 5    | 143,243,161        | 156,667,775        |
|                                           |      | 143,243,161        | 156,667,775        |
| <b>CURRENT ASSETS</b>                     |      |                    |                    |
| Stores and Spares                         |      | 3,558,114          | 4,603,877          |
| Stock in Trade                            | 6    | 470,428,653        | 411,554,165        |
| Trade Debts                               | 7    | 11,215,590         | 12,415,183         |
| Advances, Deposits and Prepayments        | 8    | 42,155,632         | 94,561,315         |
| Advance Taxes - Net                       | 9    | 86,240,538         | 87,581,006         |
| Cash and Bank Balances                    | 10   | 14,306,184         | 32,106,299         |
|                                           |      | 627,904,711        | 642,821,845        |
| <b>TOTAL ASSETS</b>                       |      | <b>771,147,872</b> | <b>799,489,621</b> |
| <b>EQUITY AND LIABILITIES</b>             |      |                    |                    |
| <b>Authorized Capital</b>                 |      |                    |                    |
| 30,000,000 Ordinary shares of Rs. 10 each | 11   | 300,000,000        | 300,000,000        |
| Issued, Subscribed and Paid up Capital    | 11   | 100,000,000        | 100,000,000        |
| Capital Reserves - Share Premium          | 12   | 25,000,000         | 25,000,000         |
| Unappropriated Profit                     | 12   | 223,915,559        | 217,086,171        |
| <b>Shareholders' Equity</b>               |      | <b>348,915,559</b> | <b>342,086,171</b> |
| <b>NON CURRENT LIABILITIES</b>            |      |                    |                    |
| Long Term Loan                            | 13   | -                  | -                  |
| Deferred Liabilities                      | 14   | 22,843,080         | 27,737,054         |
|                                           |      | 22,843,080         | 27,737,054         |
| <b>CURRENT LIABILITIES</b>                |      |                    |                    |
| Current portion of Long Term Loan         | 13   | -                  | 3,703,699          |
| Trade and Other Payables                  | 15   | 47,805,749         | 47,974,312         |
| Taxes Payable                             | 16   | 8,296,854          | 9,061,719          |
| Short Term Borrowings                     | 17   | 341,508,929        | 367,148,965        |
| Un-Claimed Dividend                       | 18   | 1,777,700          | 1,777,700          |
|                                           |      | 399,389,232        | 429,666,395        |
| <b>CONTINGENCIES AND COMMITMENTS</b>      | 20   | -                  | -                  |
| <b>TOTAL EQUITY AND LIABILITIES</b>       |      | <b>771,147,872</b> | <b>799,489,621</b> |

The annexed notes from 1 to 39 form an integral part of these financial statements.

  
**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN

  
**MUHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE

  
**MUHAMMAD TARIQ AMIN**  
CHIEF FINANCIAL OFFICER

Lahore: September 25, 2026

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2026**

|                                                              | Note | 2026<br>Rupees       | 2025<br>Rupees       |
|--------------------------------------------------------------|------|----------------------|----------------------|
| Sales - net                                                  | 21   | 1,304,312,284        | 1,399,036,050        |
| Cost of sales                                                | 22   | (1,144,845,980)      | (1,225,390,333)      |
| <b>Gross profit</b>                                          |      | <b>159,466,304</b>   | <b>173,645,717</b>   |
| Administrative expenses                                      | 23   | (61,410,517)         | (60,711,443)         |
| Distribution expenses                                        | 24   | (50,144,584)         | (53,189,052)         |
|                                                              |      | <b>(111,555,101)</b> | <b>(113,900,495)</b> |
| <b>Operating profit</b>                                      |      | <b>47,911,202</b>    | <b>59,745,222</b>    |
| Finance cost                                                 | 25   | (33,257,813)         | (30,982,980)         |
| Other operating expenses                                     | 26   | (1,793,244)          | (2,487,732)          |
| Other operating income                                       | 27   | 11,978,569           | 4,463,065            |
|                                                              |      | <b>(23,072,488)</b>  | <b>(29,007,647)</b>  |
| <b>Profit before levies and Income tax</b>                   |      | <b>24,838,714</b>    | <b>30,737,575</b>    |
| Levy                                                         | 28   | (9,610,040)          | (5,504,183)          |
| <b>Profit before income tax</b>                              |      | <b>15,228,674</b>    | <b>25,233,392</b>    |
| Taxation                                                     |      | (7,408,138)          | (8,088,021)          |
| <b>Profit After Income Tax</b>                               |      | <b>7,820,536</b>     | <b>17,145,371</b>    |
| <b>Other comprehensive income / (loss):</b>                  |      |                      |                      |
| Items that will not be re-classified to profit or loss       |      |                      |                      |
| Re-measurements of defined benefits                          |      | (1,395,983)          | 3,599,452            |
| Deferred tax on remeasurements of defined benefit plan       |      | 404,835              | (1,043,841)          |
|                                                              |      | <b>(991,148)</b>     | <b>2,555,611</b>     |
| <b>Total comprehensive income for the year</b>               |      | <b>6,829,388</b>     | <b>19,700,981</b>    |
| Earnings per share - before tax (basic and diluted - Rupees) | 29   | 2.48                 | 3.07                 |
| Earnings per share - after tax (basic and diluted - Rupees)  | 29   | 0.78                 | 1.71                 |

The annexed notes from 1 to 39 form an integral part of these financial statements.

  
MUHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MUHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE

  
MUHAMMAD TARIQ AMIN  
CHIEF FINANCIAL OFFICER

Lahore: September 25, 2026

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026**

|                                                               | Note | 2026<br>Rupees      | 2025<br>Rupees       |
|---------------------------------------------------------------|------|---------------------|----------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                    |      |                     |                      |
| <b>Cash (used in) / generated from operations</b>             | 34   | <b>78,739,810</b>   | <b>(43,588,135)</b>  |
| Finance cost paid                                             |      | (33,878,802)        | (31,513,984)         |
| WPPF paid                                                     |      | (1,661,265)         | (2,157,445)          |
| Income tax (paid) / refunds received                          |      | (14,499,223)        | (33,387,375)         |
| Sales tax (paid) / refunds received                           |      | (2,501,285)         | (2,070,067)          |
| Warranty and claims paid                                      |      | (559,614)           | (475,123)            |
| Gratuity paid                                                 |      | (12,163,409)        | (3,306,539)          |
|                                                               |      | <b>(65,263,598)</b> | <b>(72,910,533)</b>  |
| <b>Net cash (used in) generated from operating activities</b> |      | <b>13,476,212</b>   | <b>(116,498,668)</b> |
| <b>Cash flows from investing activities</b>                   |      |                     |                      |
| Fixed capital expenditure                                     |      | (1,932,594)         | (7,068,000)          |
| Proceed from disposal of fixed assets                         |      | -                   | 11,000,000           |
| <b>Net cash (used in) investing activities</b>                |      | <b>(1,932,594)</b>  | <b>3,932,000</b>     |
| <b>Cash flows from financing activities</b>                   |      |                     |                      |
| Short term borrowings                                         |      | (29,343,735)        | 106,141,823          |
| Long Term Loans                                               |      | -                   | (3,703,699)          |
| <b>Net cash generated / (used in) financing activities</b>    |      | <b>(29,343,735)</b> | <b>102,438,124</b>   |
| <b>Net (decrease)/increase in cash and cash equivalents</b>   |      | <b>(17,800,117)</b> | <b>(10,128,543)</b>  |
| <b>Cash and cash equivalents at the beginning of the year</b> |      | <b>32,106,299</b>   | <b>42,234,842</b>    |
| <b>Cash and cash equivalents at the end of the year</b>       | 10   | <b>14,306,184</b>   | <b>32,106,299</b>    |

The annexed notes from 1 to 39 form an integral part of these financial statements.

  
**MUHAMMAD AFZAL SHEIKH**  
 CHAIRMAN

  
**MUHAMMAD AMIN SHEIKH**  
 CHIEF EXECUTIVE

  
**MUHAMMAD TARIQ AMIN**  
 CHIEF FINANCIAL OFFICER

**Lahore: September 25, 2026**

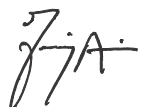
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2026**

|                                                 | Issued, Subscribed<br>and Paid up<br>Share Capital | Share<br>Premium  | Unappropriated<br>Profit | Total              |
|-------------------------------------------------|----------------------------------------------------|-------------------|--------------------------|--------------------|
|                                                 | (-----Rupees-----)                                 |                   |                          |                    |
| <b>Balance as at 1 July 2024</b>                | <b>100,000,000</b>                                 | <b>25,000,000</b> | <b>197,385,190</b>       | <b>322,385,190</b> |
| <b>Comprehensive income for the year</b>        |                                                    |                   |                          |                    |
| Profit for the year                             | -                                                  | -                 | 17,145,371               | 17,145,371         |
| Other comprehensive income /(loss) for the year | -                                                  | -                 | 2,555,611                | 2,555,611          |
|                                                 | -                                                  | -                 | 19,700,981               | 19,700,981         |
| <b>Balance as at 30 June 2025</b>               | <b>100,000,000</b>                                 | <b>25,000,000</b> | <b>217,086,171</b>       | <b>342,086,171</b> |
| <b>Balance as at 1 July 2025</b>                | <b>100,000,000</b>                                 | <b>25,000,000</b> | <b>217,086,171</b>       | <b>342,086,171</b> |
| <b>Comprehensive income for the year</b>        |                                                    |                   |                          |                    |
| Profit for the year                             | -                                                  | -                 | 7,820,536                | 7,820,536          |
| Other comprehensive income /(loss) for the year | -                                                  | -                 | (991,148)                | (991,148)          |
|                                                 | -                                                  | -                 | 6,829,388                | 6,829,388          |
| <b>Balance as at 30 June 2026</b>               | <b>100,000,000</b>                                 | <b>25,000,000</b> | <b>223,915,559</b>       | <b>348,915,559</b> |

The annexed notes from 1 to 39 form an integral part of these financial statements.

  
MUHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MUHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE

  
MUHAMMAD TARIQ AMIN  
CHIEF FINANCIAL OFFICER

**Lahore: September 25, 2026**

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

### 1 Legal Status and Operations

The Company was incorporated as a private limited company on August 27, 1990 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act 2017), and converted into Public Limited Company on August 31, 1995. The shares of the company are listed on Pakistan Stock Exchange Limited.

The principal activities of the Company are to manufacture and sale foam and allied products. The geographical location and addresses of the Company's business units including plants are as follows:

| Business Unit          | Geographical location and address                                                                                                                        |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| - Registered office    | 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK.                                                                                  |
| - Manufacturing Plant; | 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK.<br>94-A, 94-B, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK. |
| - Corporate Office     | Al-Khair House, 43-T, Gulberg II, Lahore.                                                                                                                |

### 2 Basis of Preparation

#### 2.1 Statement of compliance

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

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

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

#### 2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention, except for certain items, as disclosed in the relevant accounting policies below. These Financial Statements have been prepared on going concern basis.

#### 2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

#### 2.4 Key Judgments and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan, requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Estimated useful lives, residual values and depreciation method of property, plant and equipment [Refer Note of PPE note 5 and note 5.1].
- Estimation of provisions for loss allowance [Refer Note-7]
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses) [Refer Note-9]
- Obligation of defined benefit obligation [ Refer Note-14]
- Estimation of contingent liabilities [Refer Note-20]
- Revenue from Contracts with Customers [Refer Note-21]

### 3 New and Amended Standards and Interpretations

#### 3.1 Standards, amendments to approved accounting standards effective in current year

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 01, 2025. However, these do not have any significant impact on the Company's financial statements.

### 3.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

The standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company are as under:

|                          |                                                     | Effective date (annual periods beginning on after) |
|--------------------------|-----------------------------------------------------|----------------------------------------------------|
| Amendment or Improvement |                                                     |                                                    |
| IFRS 7                   | Financial Instruments: Disclosures (Amendments)     | January 1, 2026                                    |
| IFRS 9                   | Financial Instruments (Amendments)                  | January 1, 2026                                    |
| IFRS 18                  | Presentation and Disclosure in Financial Statements | January 1, 2027                                    |

The management anticipates that, the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures. Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2026;

## 4 Significant Accounting Policies

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

### 4.1 Owned Assets

Company has adopted cost model for its property, Plant and equipment. Property, Plant and equipment except for leasehold and freehold land and capital work in progress are stated at cost less accumulated depreciation and impairment loss if any. Freehold land is stated at cost less impairment loss if any.

Depreciation charged on all depreciable fixed assets is charged to profit and loss account on the reducing balance method over its estimated useful life at annual rates mentioned in note to the fixed assets. Depreciation on additions is charged from the month in which asset is available for use. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognised. Therefore,

depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. Depreciation methods, useful lives and residual values of items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly. Any change or adjustment in depreciation method, useful lives and residual values is accounted for as a change in accounting estimate under IAS-8, 'Accounting policies, changes in accounting estimates and errors' and is applied prospectively in the financial statements by adjusting the depreciation charge for the period in which the amendment or change has been made and for future periods.

Subsequent costs including major renewals and improvements are included in the carrying amount of the assets or are recognized as a separate asset, only when it is probable that the future economic benefits associated with the asset will flow to the company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognized at the time of replacement. Normal repair and maintenance and day to day servicing are charged to the statement of profit or loss as incurred.

Disposal of an item of property, plant and equipment is recognized when significant risks and rewards, incidental to the ownership of that asset, have been transferred to the buyer. Gains and losses on disposals are determined by comparing the carrying amount of that asset with sale proceeds and are recognized within other income/ other operating expenses, in the statement of profit or loss.

### 4.2 Leased assets

At the inception of a contract, the company assesses whether a contract is or contains a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The extension and termination options are incorporated in determination of lease term only when the company is reasonably certain to exercise these options. Leases are recognized as right of use assets and corresponding liabilities at the date at which the leased assets are available for use by the company.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the company's incremental borrowing rate. Lease liabilities are subsequently measured at amortized cost using the effective interest rate. Right of use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentive received. The depreciable right of use assets are depreciated over the useful life of assets on reducing balance method. The carrying amount of the right of use assets is deducted by impairment losses if any. At transition, the company recognizes right to use assets equal to the present value of lease payments. Payments associated with the short term leases and leases of low value assets are recognized on a straight line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less.

#### 4.3 Capital work in progress

Capital work in progress is stated at cost less expected impairment loss if any. These are transferred to specific assets as and when these are available for use.

#### 4.4 Stock in Trade

These are valued at lower of cost and net realizable value. Cost of raw materials and components are represent invoice values plus other charges incurred thereon. Cost of inventory is based on weighted average cost. Cost in relation to work in process and finished goods, represent direct cost of raw materials, wages and appropriated manufacturing overheads. Goods in transit are valued at cost accumulated upto the reporting date.

The company reviews the carrying amount of stock in trade on an ongoing basis and as appropriate, inventory is written down to its net realizable value or provision is made for obsolescence if there is any change in usage pattern and physical form of related inventory. Net realizable value is the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make sale.

#### 4.5 Stores, Spares and Loose Tools

These are valued at lower of cost and net realizable value. The cost of inventory is based on weighted average cost. Items in transit at cost accumulated up to the reporting date. The company reviews the carrying amounts of stores, spares and loose tools on an ongoing basis and provision is made for obsolescence if there is any change in usage

#### 4.6 Taxation - levy and income tax

##### Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements. Any excess over the amount designated as levy is then recognized as current tax expense falling under the scope of IAS 12.

##### Income Tax

The tax expense for the year comprises of current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity. In which case, the tax is also recognized in OCI or directly in equity. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

##### Current

Provision for current taxation is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has the legally enforceable right to offset and intends either to settle on net basis or to realize the asset and settle the liability simultaneously.

##### Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilize those temporary differences and unused tax losses and credits. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

#### 4.7 Trade debts and other receivables

Trade debts and other receivables are classified as financial assets at amortized cost according to IFRS-9. Under, IAS-39, trade and other receivables were previously classified as loans and receivables. Trade debts are initially recognized at original invoice value which is the fair value of the consideration to be received in future and subsequently measured at cost less provisions for loss Allowance. The company uses simplified approach for measuring expected credit losses. The company estimates the credit losses using a provision matrix, where trade receivables are grouped based on different customer attributes along with historical, current and forward looking assumptions. Bad debts are written off with the approval of board of Directors when identified.

#### 4.8 Cash and cash equivalents

These are stated at the cost in the statement of financial position. For the purposes of cash flow statement cash and cash equivalents comprise of cash in hand and balances held with banks.

#### **4.9 Trade and other payables**

Trade and other payables are initially measured 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.

#### **4.10 Financial Liabilities**

Financial liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value less directly attributable transaction costs, if any and subsequently measured at amortized cost using effective interest rate method. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of original liability and recognition of a new liability and the difference in respective carrying amounts is recognized in the statement of profit or loss.

#### **4.11 Financial assets**

The detail of new accounting policies after the application of IFRS-9 are as follows. The new IFRS effectively eliminated loans and receivables category of the previous IAS-39.

##### **4.11.1 Classification**

Financial assets are classified into financial assets at amortized cost, financial assets at fair value through or loss and financial assets fair value through other comprehensive income as per the requirements of IFRS-9. The financial assets are classified at initial recognition based on the business model used for managing the financial assets and contractual terms of the cash flows.

##### **a Financial assets at amortized cost**

A financial asset shall be classified as financial asset at amortized cost if both of the following conditions are met

- (i) The assets held within a business model whose objective is to hold assets in order to collect contractual cash flows. Contractual terms of the financial assets give
- (ii) rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **b Financial assets at fair value through other comprehensive income**

Debt instruments where contractual cash flows are solely payments of principal and interest and the objective of the company is achieved by collecting cash flows and selling the financial assets.

Equity investments that are not held for trading and the company made an irrevocable action at initial recognition to measure it at fair value to measure it at fair value with only dividend income recognized in profit or loss.

##### **c Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. A debt instrument is classified as financial asset at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different basis.

##### **4.11.2 Recognition and measurement**

Regular purchase and sales of the financial assets are recognized on the trade date, the date on which the company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

After initial recognition, financial assets are measured at amortized cost. Gains or losses arising from changes in fair value of the financial assets at 'fair value through profit or loss' category are presented in the statement of profit or loss within other income/ other operating expenses, in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the statement of profit or loss as part of other income, when the company's right to receive payments is established. Gains or losses arising from changes in fair value through other income category are recognized in other comprehensive income with only dividend income recognized in profit or loss.

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available for sale financial assets, the cumulative loss-measured as difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss- is removed from equity and recognized in the statement of profit or loss. Impairment losses recognized in the statement of profit or loss on equity instruments are not reversed through the statement of profit or loss.

#### **4.12 Offsetting of financial instruments**

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

#### **4.13 Derivative financial instruments and hedging categories**

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values. The method of recognizing the resulting gain or loss depends on whether the derivative is designed as a hedging instrument, if so, the nature of the item being hedged. The company designates certain derivatives as either fair value hedge or cash flow hedge.

##### **a Fair value hedge**

A hedge of the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment or a component of any such item that is attributable to a particular risk and could affect profit or loss.

##### **b Cash flow hedge**

A hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all or a component of a recognized asset or liability or a highly probable forecast transaction and could affect profit or loss.

#### **4.14 Borrowings**

Loans and borrowings are recorded at the proceeds received. Financial charges are accounted for on the accrual basis. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

#### **4.15 Borrowing costs**

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalized as part of the cost of the asset.

#### **4.16 Provisions and Contingencies**

Provisions are recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of past events and it is probable that outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate. Where the outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote

#### **4.17 Foreign currency transactions**

Transactions in foreign currencies are accounted for in Pakistan rupees at monthly average rates. Monetary assets and liabilities in foreign currencies are translated into rupees at the rate of exchange prevailing at the reporting date. Exchange gain or losses if any are charged to profit or loss account.

#### **4.18 Impairment of Non-financial assets**

Non-financial assets are reviewed at each reporting date to identify circumstances indicating occurrences of impairment loss or reversal of previous impairment losses if any. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less cost to sell and value in use. The reversal of impairment loss is restricted only to the original cost of the asset.

#### **4.19 Impairment of Financial assets**

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cashflows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset. The Company uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

#### **4.20 Revenue Recognition**

According to the core principles of IFRS-15, the company recognizes the revenue to depict the transfer of promised goods and services to customers in an amount that reflects the considerations to which the company expects to be entitled in exchange for those goods and services. The company recognizes the revenue in accordance with that core principle by applying the following steps.

- Identify the contract with customers.
- Identify the performance obligations in the contract.
- Determine the transaction price.
- Allocate the transaction price to the performance obligation in the contract.
- Recognize revenue when the entity satisfies a performance obligation.

The company is involved in the sale of foam and allied products. Revenue from sale of goods is recognized when the company satisfies a performance obligation (at a point of time) by transferring promised goods to customers being when the goods are dispatched to customers. Revenue is measured at fair value of the consideration received or receivable and is reduced for allowances such as taxes, duties, commissions, sales returns and discounts if any. Income from different sources other than above is recognized on the following basis.

- Interest income is recognized on accrual basis.
- Dividend income is recognized when the right to receive payment is established.

#### **4.21 Related Party Transactions**

The company enters into transactions with related parties on arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods, except in extremely rare circumstances where, subject to approval of the Board of Directors it is in the interest of the company to do so.

#### **4.22 Long term investment in associates**

Investment in associated companies is accounted for using the equity method of accounting. Under this method investment is initially recognized at cost plus the company's equity in undistributed earnings and losses after acquisition less any impairment in the value of individual investments.

#### **4.23 Staff Retirement benefits**

The company operates a defined benefit plan i.e gratuity scheme for all its permanent employees subject to attainment of retirement age and minimum service of prescribed period. Contributions are made to fund on the basis of actuarial recommendations. Actuarial valuation is carried out using the project unit credit method. All actuarial gains and losses are recognized in other comprehensive income.

#### **4.24 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.

#### **4.25 Dividend and appropriations**

Dividend is recognized as liability in period in which it is declared. Appropriations of profit are reflected in the statement of changes in equity in the period in which appropriations are approved.

#### **4.26 Warranty**

The Company has made a policy to provide warranty to replace the damaged products for an average period of ten years. The Company has a history of very low claims over the years, hence the same has been accounted for in the financial statements and this has no material impact on statement of profit or loss and other comprehensive income and statement of cash flows.

#### **4.27 Share Capital**

Ordinary shares are classified as equity and recognized at face value.

## 5 PROPERTY, PLANT & EQUIPMENT

Operating Fixed Assets  
Capital Work in Progress

Note  
5.1

|  | 2026<br>Rupees | 2025<br>Rupees |
|--|----------------|----------------|
|  | 143,243,161    | 156,667,775    |
|  | 143,243,161    | 156,667,775    |

### 5.1 Operating Fixed Assets

|                                            | Land              |                  | Building          |                   | Plant & Machinery | Tools & Equipment | Office Equipment | Furniture & Fixture | Computers        | Vehicles          | Total Amount in Rupees |
|--------------------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|---------------------|------------------|-------------------|------------------------|
|                                            | Lease Hold        | Free Hold        | Lease Hold        | Free Hold         |                   |                   |                  |                     |                  |                   |                        |
| <b>As at July 1, 2024</b>                  |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
| Cost                                       | 22,414,019        | 3,000,000        | 47,880,696        | 56,015,981        | 108,654,762       | 4,772,624         | 6,272,240        | 2,206,042           | 3,503,810        | 91,758,810        | 346,478,984            |
| Accumulated Depreciation                   | -                 | -                | 23,401,609        | 36,935,900        | 37,642,951        | 2,846,693         | 4,044,666        | 1,547,624           | 1,499,413        | 61,311,969        | 169,230,525            |
| Net Book Value                             | <b>22,414,019</b> | <b>3,000,000</b> | <b>24,479,087</b> | <b>19,080,081</b> | <b>71,011,811</b> | <b>1,925,931</b>  | <b>2,227,574</b> | <b>658,418</b>      | <b>2,004,397</b> | <b>30,446,841</b> | <b>177,248,459</b>     |
| <b>Year ended June 30, 2025</b>            |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
| Opening Net Book Value                     | 22,414,019        | 3,000,000        | 24,479,087        | 19,080,081        | 71,011,811        | 1,925,931         | 2,227,574        | 658,418             | 2,004,397        | 30,446,841        | 177,248,459            |
| Addition (Cost)                            | -                 | -                | -                 | -                 | 249,000           | -                 | -                | 129,700             | 464,900          | 6,224,400         | 7,068,000              |
| Transfer / Adjustment                      | -                 | -                | -                 | -                 | -                 | -                 | -                | -                   | -                | -                 | -                      |
|                                            | 22,414,019        | 3,000,000        | 24,479,087        | 19,080,081        | 71,260,811        | 1,925,931         | 2,227,574        | 788,118             | 2,469,297        | 36,671,241        | 184,316,459            |
| <b>Disposal - Net Book Value</b>           |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
| Cost                                       | -                 | -                | -                 | -                 | 10,710,328        | -                 | -                | -                   | -                | -                 | 10,710,328             |
| Accumulated Depreciation                   | -                 | -                | -                 | -                 | (177,762)         | -                 | -                | -                   | -                | -                 | (177,762)              |
|                                            | -                 | -                | -                 | -                 | 10,532,566        | -                 | -                | -                   | -                | -                 | 10,532,566             |
| <b>Depreciation Charge</b>                 |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
|                                            | -                 | -                | 2,447,909         | 954,004           | 6,144,324         | 192,593           | 222,757          | 70,979              | 220,881          | 6,862,369         | 17,115,816             |
| Closing Net Book Value                     | 22,414,019        | 3,000,000        | 22,031,178        | 18,126,077        | 54,583,921        | 1,733,338         | 2,004,817        | 717,139             | 2,248,416        | 29,808,872        | 156,667,775            |
| <b>As at July 1, 2025</b>                  |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
| Cost                                       | 22,414,019        | 3,000,000        | 47,880,696        | 56,015,981        | 98,193,434        | 4,772,624         | 6,272,240        | 2,335,742           | 3,968,710        | 97,983,210        | 342,836,656            |
| Accumulated Depreciation                   | -                 | -                | 25,849,517        | 37,889,904        | 43,609,513        | 3,039,286         | 4,267,423        | 1,618,604           | 1,720,294        | 68,174,338        | 186,168,878            |
| Closing Net Book Value                     | <b>22,414,019</b> | <b>3,000,000</b> | <b>22,031,179</b> | <b>18,126,077</b> | <b>54,583,921</b> | <b>1,733,338</b>  | <b>2,004,818</b> | <b>717,138</b>      | <b>2,248,416</b> | <b>29,808,872</b> | <b>156,667,775</b>     |
| <b>Year ended June 30, 2025</b>            |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
| Opening Net Book Value                     | 22,414,019        | 3,000,000        | 22,031,179        | 18,126,077        | 54,583,921        | 1,733,338         | 2,004,818        | 717,138             | 2,248,416        | 29,808,872        | 156,667,775            |
| Addition (Cost)                            | -                 | -                | -                 | -                 | 1,237,200         | -                 | 547,394          | 31,000              | 117,000          | -                 | 1,932,594              |
| Transfer / Adjustment                      | -                 | -                | -                 | -                 | -                 | -                 | -                | -                   | -                | -                 | -                      |
|                                            | 22,414,019        | 3,000,000        | 22,031,179        | 18,126,077        | 55,821,121        | 1,733,338         | 2,552,212        | 748,138             | 2,365,416        | 29,808,872        | 158,600,368            |
| <b>Disposal - Net Book Value</b>           |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
| Cost                                       | -                 | -                | -                 | -                 | -                 | -                 | -                | -                   | -                | -                 | -                      |
| Accumulated Depreciation                   | -                 | -                | -                 | -                 | -                 | -                 | -                | -                   | -                | -                 | -                      |
|                                            | -                 | -                | -                 | -                 | -                 | -                 | -                | -                   | -                | -                 | -                      |
| <b>Depreciation Charge</b>                 |                   |                  |                   |                   |                   |                   |                  |                     |                  |                   |                        |
|                                            | -                 | -                | 2,203,118         | 906,304           | 5,571,396         | 173,334           | 233,850          | 73,264              | 234,167          | 5,961,774         | 15,357,207             |
| Closing Net Book Value as at June 30, 2026 | <b>22,414,019</b> | <b>3,000,000</b> | <b>19,828,061</b> | <b>17,219,773</b> | <b>50,249,725</b> | <b>1,560,004</b>  | <b>2,318,361</b> | <b>674,875</b>      | <b>2,131,250</b> | <b>23,847,097</b> | <b>143,243,161</b>     |
| Annual Rate of Depreciation                | -                 | -                | 10%               | 5%                | 10%               | 10%               | 10%              | 10%                 | 10%              | 20%               |                        |

5.4

Allocation

|                         | 2026              | 2025              |
|-------------------------|-------------------|-------------------|
| Cost of goods sold      | 7,947,848         | 8,784,826         |
| Administrative Expenses | 1,447,585         | 1,468,623         |
| Distribution Expenses   | 5,961,774         | 6,862,369         |
|                         | <b>15,357,207</b> | <b>17,115,818</b> |

## 5.2 Particulars of immovable fixed assets in the name of Company are as follows:

| Sr.No | Location                                                                           | Usage of Property  | Total Area                     | Covered Area |
|-------|------------------------------------------------------------------------------------|--------------------|--------------------------------|--------------|
| 1)    | 43-T, Gulberg II, Lahore                                                           | Head Office        | 2 Kanals 9 Marlas<br>220 Sq.ft | 17100 Sq.ft  |
| 2)    | 92/3, Phase III, Industrial Estate,<br>Gadoon Amazai, District<br>Swabi - KPK      | Manufacturing Unit | 2 Acres                        | 18940 Sq.ft  |
| 3)    | 94A / 94B, Phase III, Industrial<br>Estate, Gadoon Amazai, District<br>Swabi - KPK | Manufacturing Unit | 4 Acres                        | 69984 Sq.ft  |

## 5.3 Depreciation is allocated as under:

|                         | Note | 2026<br>Rupees    | 2025<br>Rupees    |
|-------------------------|------|-------------------|-------------------|
| Cost of Goods Sold      | 22   | 7,947,848         | 8,784,826         |
| Administrative Expenses | 23   | 1,447,585         | 1,468,623         |
| Distribution Expenses   | 24   | 5,961,774         | 6,862,369         |
|                         |      | <b>15,357,207</b> | <b>17,115,818</b> |

## 6 STOCK IN TRADE

|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| Raw and Packing Material | 393,637,077        | 352,947,437        |
| Work-in-Process          | 44,534,409         | 19,789,787         |
| Finished Goods           | 32,257,167         | 38,816,941         |
|                          | <b>470,428,653</b> | <b>411,554,165</b> |

## 7 TRADE DEBTS

|                               |     |                   |                   |
|-------------------------------|-----|-------------------|-------------------|
| Considered Good - unsecured   | 7.1 | 11,682,906        | 12,932,482        |
| Provision for loss Allowances | 7.2 | (467,316)         | (517,299)         |
|                               |     | <b>11,215,590</b> | <b>12,415,183</b> |

7.1 Trade debtors of Rs. 11,682,906/- (2025: Rs.12,932,482/-) were past due but not impaired. These relate to routine customers from there no recent history of default is found. The aging analysis of the trade debtors is as follows:

|                 |                   |                   |
|-----------------|-------------------|-------------------|
| Upto 30 days    | 2,126,289         | 6,852,788         |
| 31 to 90 days   | 6,811,134         | 3,286,249         |
| 91 to 120 days  | 2,745,483         | 2,379,697         |
| 121 to 180 days | -                 | 413,749           |
|                 | <b>11,682,906</b> | <b>12,932,482</b> |

## 7.2 Movement in provision in loss Allowances:

|                                             |                |                |
|---------------------------------------------|----------------|----------------|
| Balance as of July 01                       | 517,299        | 902,629        |
| Provision made / (reversed) during the year | (49,983)       | (385,330)      |
|                                             | <b>467,316</b> | <b>517,299</b> |

## 8 ADVANCES, DEPOSITS & PREPAYMENTS

|                       |     |                   |                   |
|-----------------------|-----|-------------------|-------------------|
| Advances to Employees | 8.1 | 3,683,059         | 4,817,206         |
| LC/ LC in transit     | 8.2 | 22,057,826        | 55,617,905        |
| Other receivables     |     | 2,780,000         | 3,607,925         |
| Advances to Vendors   |     | 13,634,747        | 30,518,279        |
|                       |     | <b>42,155,632</b> | <b>94,561,315</b> |

8.1 Advances are provided in view of their personal needs and adjusted from their salaries for respective month.

8.2 This represents amount deposited against various letters of credit established with banks for import of raw materials and will be adjusted on maturity dates of respective letters of credit.

|                                                                                                                                                                                                                                                                                                                                                                              | Note                                                                                                                                                                                                | 2026<br>Rupees     | 2025<br>Rupees     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| <b>9 ADVANCE TAXES - NET</b>                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                     |                    |                    |
| Advance income tax                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                     | 66,024,169         | 69,012,897         |
| Current taxation - for the year                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | (18,340,976)       | (17,487,951)       |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>47,683,193</u>  | <u>51,524,946</u>  |
| Sales tax                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                     | 38,557,345         | 36,056,060         |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>86,240,538</u>  | <u>87,581,006</u>  |
| <b>9.1</b>                                                                                                                                                                                                                                                                                                                                                                   | Advance taxes represent the amount of income tax refunds determined / retained by FBR on account of tax withheld on import stage and other sources as well as amounts of sales tax carried forward. |                    |                    |
| <b>10 CASH AND BANK BALANCES</b>                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                     |                    |                    |
| Cash in hand                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                     | 6,387,286          | 6,856,094          |
| Cash at banks - in current accounts                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                     | 2,291,178          | 12,982,410         |
| - in Profit bearing accounts                                                                                                                                                                                                                                                                                                                                                 | 10.1                                                                                                                                                                                                | 5,627,720          | 12,267,795         |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>14,306,184</u>  | <u>32,106,299</u>  |
| <b>10.1</b>                                                                                                                                                                                                                                                                                                                                                                  | Surplus funds available (if any) point of time are deposited in profit bearing bank accounts attracting profits ranging from 08% to 14% as available in the financial institutions.                 |                    |                    |
| <b>11 SHARE CAPITAL</b>                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                     |                    |                    |
| <b>AUTHORIZED</b>                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                     |                    |                    |
| 30,000,000 Ordinary shares of Rs. 10 each                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                     | 300,000,000        | 300,000,000        |
| <b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                     |                    |                    |
| 7,000,000 Ordinary shares of Rs.10 each fully paid in cash                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                     | 70,000,000         | 70,000,000         |
| 3,000,000 Ordinary shares of Rs.10 each issued as bonus shares                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                     | 30,000,000         | 30,000,000         |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>100,000,000</u> | <u>100,000,000</u> |
| <b>11.1</b>                                                                                                                                                                                                                                                                                                                                                                  | There is no agreement with any shareholder for voting rights, board selection, rights of first refusal, and block voting.                                                                           |                    |                    |
| <b>12 RESERVES</b>                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                     |                    |                    |
| <b>Capital Reserves</b>                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                     |                    |                    |
| Share Premium                                                                                                                                                                                                                                                                                                                                                                | 12.1                                                                                                                                                                                                | 25,000,000         | 25,000,000         |
| <b>Revenue Reserves</b>                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                     |                    |                    |
| Un-appropriated Profit                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                     | 223,915,559        | 217,086,171        |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>248,915,559</u> | <u>242,086,171</u> |
| <b>12.1</b>                                                                                                                                                                                                                                                                                                                                                                  | This reserve can be utilized by the Company only for the purposes specified in Section 81(3) of the Companies Act, 2017.                                                                            |                    |                    |
| <b>13 Long Term Loan</b>                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                     |                    |                    |
|                                                                                                                                                                                                                                                                                                                                                                              | Note                                                                                                                                                                                                | 2026<br>Rupees     | 2025<br>Rupees     |
| <b>13.1</b>                                                                                                                                                                                                                                                                                                                                                                  | Sindh Bank Term Finance                                                                                                                                                                             | -                  | 3,703,699          |
| Less: Current portion of Term Finance                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                     | -                  | (3,703,699)        |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>-</u>           | <u>-</u>           |
| The Company has obtained a long-term finance lease facility from Sindh bank amounting to PKR 14.814 million, in order to lease Plant & Machinery. The amount is repayable in monthly installments, commencing from July 28, 2022 over a term of 5 years ending June 28, 2026. The facility carries mark-up at 6 months kibor plus 3% per annum. The facility has been ended. |                                                                                                                                                                                                     |                    |                    |
| <b>13.2</b>                                                                                                                                                                                                                                                                                                                                                                  | Movement of Long Term Loan                                                                                                                                                                          |                    |                    |
| As at beginning of the year                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                     | 3,703,699          | 7,407,391          |
| Repaid during the year                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                     | (3,703,699)        | (3,703,692)        |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>-</u>           | <u>3,703,699</u>   |
| <b>14 DEFERRED LIABILITIES</b>                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                     |                    |                    |
| Deferred Taxation                                                                                                                                                                                                                                                                                                                                                            | 14.1                                                                                                                                                                                                | (2,787,872)        | (1,060,239)        |
| Gratuity                                                                                                                                                                                                                                                                                                                                                                     | 14.2                                                                                                                                                                                                | 25,630,952         | 28,797,293         |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>22,843,080</u>  | <u>27,737,054</u>  |
| <b>14.1</b>                                                                                                                                                                                                                                                                                                                                                                  | Deferred tax credits / (debits) arising in respect of                                                                                                                                               |                    |                    |
| Accelerated tax depreciation                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                     | (11,863,261)       | (12,664,182)       |
| Provision for loss Allowances                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                     | 135,522            | 150,016            |
| Provision for Gratuity                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                     | 7,432,976          | 8,351,215          |
|                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                     | <u>(4,294,763)</u> | <u>(4,162,951)</u> |

**14.2** The Company provides defined benefit plan under unfunded gratuity scheme for all its permanent employees who attain the minimum qualifying period. Annual charge is made using the actuarial techniques of Projected Unit Credit Method.

**14.2.1 Movement in Net liability recognized**

|                                                          |                   |                   |
|----------------------------------------------------------|-------------------|-------------------|
| Net Liability at the beginning of the year               | 28,797,293        | 28,548,318        |
| Amount Recognised in profit in loss                      | 7,601,085         | 7,154,966         |
| Re-Measurements chargeable in Other Comprehensive Income | 1,395,983         | (3,599,452)       |
| Benefits paid during the year                            | (12,163,409)      | (3,306,539)       |
|                                                          | <u>25,630,952</u> | <u>28,797,293</u> |

**14.2.2 Movement in Present value of defined benefit plan**

|                                             |                   |                   |
|---------------------------------------------|-------------------|-------------------|
| Present value of defined benefit obligation | 28,797,293        | 28,548,318        |
| Current service cost                        | 5,111,943         | 3,799,156         |
| Interest costs                              | 2,489,142         | 3,355,810         |
| Benefits Paid                               | (12,163,409)      | (3,306,539)       |
| Re-Measurements                             | 1,395,983         | (3,599,452)       |
|                                             | <u>25,630,952</u> | <u>28,797,293</u> |

**14.2.3 Expense recognized in Profit & loss account**

|                      |                  |                  |
|----------------------|------------------|------------------|
| Current service cost | 5,111,943        | 3,799,156        |
| Interest costs       | 2,489,142        | 3,355,810        |
|                      | <u>7,601,085</u> | <u>7,154,966</u> |

**14.2.4 Principal actuarial assumptions**

|                                                    |         |         |
|----------------------------------------------------|---------|---------|
| Discount rate used for Interest cost in P&L charge | 11.75%  | 11.75%  |
| Discount rate used for year-end obligation         | 11.75%  | 11.75%  |
| Expected rate of increase in salaries per annum    | 10.75%  | 10.75%  |
| Average expected remaining life time of employees  | 5 years | 5 years |

Expected charge to Profit & Loss Account for the year ended June 30, 2027 amounts to Rs.8,403,439/- in respect of Gratuity.

**14.2.5 Sensitivity Analysis as at 30.06.2026**

A sensitivity analysis for the above principal actuarial assumptions as of the statement of financial position date showing how the defined benefit obligation would have been affected by changes in the said assumptions is as follows:

| Present Value of Defined Benefit Obligations | Discount Rate<br>+1% | Discount Rate<br>-1% | Salary Increase<br>+1% | Salary Increase<br>-1% |
|----------------------------------------------|----------------------|----------------------|------------------------|------------------------|
|                                              | 24,385,746           | 26,938,057           | 26,939,773             | 24,386,845             |

**15 TRADE AND OTHER PAYABLES**

|                                                |  | Note |                   |                   |
|------------------------------------------------|--|------|-------------------|-------------------|
| Trade creditors and other payables - unsecured |  |      | 21,357,144        | 5,329,311         |
| Advances from Customers - unsecured            |  | 15.1 | 4,858,685         | 4,254,514         |
| Mark up Payable                                |  |      | 3,605,530         | 4,226,519         |
| Accrued Expenses                               |  |      | 12,541,449        | 28,815,117        |
| Others                                         |  |      | 4,921,216         | 4,789,237         |
| Provision for Warranty Claims                  |  |      | 521,725           | 559,614           |
|                                                |  |      | <u>47,805,749</u> | <u>47,974,312</u> |

**15.1** These represent amounts deposited in advance by the customers against sales orders.

**16 TAXES PAYABLE**

|                           |      |                  |                  |
|---------------------------|------|------------------|------------------|
| Withholding Taxes Payable | 16.1 | <u>8,296,854</u> | <u>9,061,719</u> |
|---------------------------|------|------------------|------------------|

**16.1** This represents withholding tax withheld from vendors and employees.

**17 SHORT TERM BORROWINGS**

|                                            |      |                    |                    |  |
|--------------------------------------------|------|--------------------|--------------------|--|
| Banking Companies - Secured                |      |                    |                    |  |
| Finance against Imported material          | 17.1 | 196,403,588        | 297,043,624        |  |
| Loan from Directors/Executives - Unsecured | 17.2 | 145,105,341        | 70,105,341         |  |
|                                            |      | <u>341,508,929</u> | <u>367,148,965</u> |  |

**17.1** The Company has obtained the facility of finance against imported material from Bank Al-Falah Limited amounting to Rs.415 million (2025: 415 million). The facility attracts mark-up at flexible rate linked with 1 months KIBOR plus 180 (2025: 180) basis points per annum. The facility is secured against lien over imported documents, pledge of imported material and personal guarantees of Directors of the Company. The Company has also been provided the facility for sight letter of credit (SLC) of Rs 400 million (2025: Rs 400 million) to import raw material. The facility is secured against import documents of import letters of credit.

The Company has obtained the letter of credit facility from Habib Metropolitan Bank Limited amounting to Rs.170 million (2025: Rs.170 million). The facility attracts commission at the rate of 0.1% per quarter. The facility is secured against lien over import documents. The Company has also been provided the facility for Murabaha Import (Pledge/Spot/Deferred) amounting to Rs.150 million (2025: Rs.150 million) which carries profit at 3MK + 1.80% per annum and is secured against pledge of imported goods and specific charge on pledged goods and ranking charge over current assets of the Company. Further, the Company has also obtained Al-Bai / Istisna Finance facility of Rs.30 million (2025: Rs.30 million) which carries profit at 3MK + 1.80% per annum and is secured against ranking charge over current assets of the Company with 25% margin. In addition, a collateral security in shape of an equitable mortgage charge of Rs 313 million was also created against the company's fixed assets along with Token Registered Mortgage of 500k.

The Company has obtained the letter of credit facility from Soneri Bank Limited amounting to Rs.100 million. The facility attracts commission at the rate of 0.20% per quarter and is secured against lien over import documents. The Company has also been provided the Finance Against Imported Merchandise (FIM) facility amounting to Rs.100 million which carries mark-up at 3 Month KIBOR + 2.00% per annum and is secured against 5% cash margin and pledge of imported merchandise, with a sub-limit of Rs.100 million available for FIM-in-Transit for the intermediary clearance of imported goods from the port to the pledge site, provided that the total exposure under FIM/FIM-in-Transit does not exceed Rs.100 million at any point in time. In addition, a collateral security in the shape of a 1st exclusive charge of Rs.133.33 million over the Company's fixed assets (land, building and machinery), backed by a Token Registered Mortgage of Rs.0.100 million and an Equitable Mortgage over the industrial property (factory) measuring 1 acre situated at Gadoon Amazai, District Swabi, KPK, was also created, along with a specific charge of Rs.125 million over pledged imported raw materials/chemicals, a corporate guarantee of M/s Noble Foam (Pvt.) Limited, and personal guarantees of all directors of the Company.

**17.2** This represents the interest free loan of 70 million(2025:70 million) received from directors to meet working capital requirement of the Company. It is unsecured and interest free loan which is repayable on demand. Moreover additional loans received from directors amounting to Rs. 75 million to meet the working capital requirements of the Company. The loans are unsecured and carry markup at the rate of KIBOR + 2% per annum, calculated on a simple interest basis, and are repayable within a maximum period of one year from the date of disbursement, along with accrued markup, not later than June 2027. The transactions with the directors are related party transactions.

## 18 UNCLAIMED DIVIDENDS

This represents amount of unclaimed dividends pertaining to various past years and are still unclaimed. This amount is being transferred to a profit bearing account and profit will be utilized for corporate social responsibilities and other specific purposes.

## 19 Disclosure Relating to Shariah Compliance

### 19.1 Disclosures in relation to the statement of financial position - Liabilities

|                                                        | Note | 2026<br>Rupees | 2025<br>Rupees |
|--------------------------------------------------------|------|----------------|----------------|
| Current portion of long term loan as per islamic mode  |      | -              | 3,703,699      |
| Short term financing obtained as per islamic mode      |      | -              | 6,697,954      |
| Short term financing obtained as per conventional mode |      | 341,508,929    | 290,345,670    |
| Markup accrued on conventional loan or advance         |      | 3,605,530      | 3,840,409      |
| Markup accrued on islamic loan or advance              |      | -              | 386,110        |

### 19.2 Disclosures in relation to the statement of financial position - Assets

|                        |           |            |
|------------------------|-----------|------------|
| Long term investments  | -         | -          |
| Short term investments | -         | -          |
| Bank Balances          | 7,918,898 | 25,250,205 |

### 19.3 Disclosures in relation to the statement of profit or loss and other comprehensive income

|                                                        |               |               |
|--------------------------------------------------------|---------------|---------------|
| Revenue earned from shariah compliant business segment | 1,304,312,284 | 1,399,036,050 |
| Other income - (conventional)                          | 597,897       | 737,970       |
| Finance Cost as per Conventional Mode                  | 33,027,306    | 30,420,036    |
| Finance Cost as per Islamic Mode                       | 230,507       | 562,944       |

### 19.4 Relationship with Shariah Compliant Financial Institutions

#### Islamic Bank

The company has facility with Sindh Modaraba Limited for diminishing musharaka amounting to Rs. 14.841 million the facility has been ended

## 20 CONTINGENCIES & COMMITMENTS

### 20.1 Contingencies

The commercial banks have issued guarantees on behalf of the Company amounted to Rs.Nill million (2025 : Rs.Nill million).

### 20.2 Commitments

Commitments in respect of letters of credit for raw materials at the terminal date were Rs. 120 million (2025: Rs.155 million).

|                                                                                                                                                                                                                                                                                                                                                                                                   | Note | 2026<br>Rupees       | 2025<br>Rupees       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------------------|----------------------|
| <b>21 SALES</b>                                                                                                                                                                                                                                                                                                                                                                                   |      |                      |                      |
| Local sales                                                                                                                                                                                                                                                                                                                                                                                       |      | 1,698,404,256        | 1,834,962,224        |
| Less: Sales tax                                                                                                                                                                                                                                                                                                                                                                                   |      | (270,501,119)        | (288,216,403)        |
| Trade Discount                                                                                                                                                                                                                                                                                                                                                                                    | 21.1 | (123,590,853)        | (147,709,771)        |
|                                                                                                                                                                                                                                                                                                                                                                                                   |      | <u>1,304,312,284</u> | <u>1,399,036,050</u> |
| <p><b>21.1</b> In Finance Act 2019, the foam and spring mattresses are included in 3rd schedule to the Sales Tax Act, 1990, where sales tax is charged at retail price. Sales tax and trade discount / retailers margin is subtracted from gross sales and disclosed in accordance with the requirements of fourth schedule to the Companies Act, 2017 to arrive at net sales of the Company.</p> |      |                      |                      |
| <b>22 COST OF GOODS SOLD</b>                                                                                                                                                                                                                                                                                                                                                                      |      |                      |                      |
| Opening stock of raw material and store & spares                                                                                                                                                                                                                                                                                                                                                  |      | 357,551,314          | 299,393,248          |
| Purchases                                                                                                                                                                                                                                                                                                                                                                                         |      | 1,149,987,648        | 1,243,642,731        |
| Closing stock of raw material and store & spares                                                                                                                                                                                                                                                                                                                                                  |      | (397,195,191)        | (357,551,314)        |
| Raw material and Store & Spares consumed                                                                                                                                                                                                                                                                                                                                                          |      | <u>1,110,343,771</u> | <u>1,185,484,665</u> |
| Salaries, wages and other benefits                                                                                                                                                                                                                                                                                                                                                                | 22.1 | 31,753,241           | 30,231,979           |
| Power & Fuel and Lubricants                                                                                                                                                                                                                                                                                                                                                                       |      | 10,497,151           | 10,971,079           |
| Repair & Maintenance                                                                                                                                                                                                                                                                                                                                                                              |      | 316,600              | 298,626              |
| Depreciation                                                                                                                                                                                                                                                                                                                                                                                      | 5.3  | 7,947,848            | 8,784,826            |
| Warranty and Claims                                                                                                                                                                                                                                                                                                                                                                               |      | 521,725              | 559,614              |
| Insurance                                                                                                                                                                                                                                                                                                                                                                                         |      | 1,650,493            | 4,017,283            |
| <b>Cost of goods Manufacturing</b>                                                                                                                                                                                                                                                                                                                                                                |      | <u>1,163,030,828</u> | <u>1,240,348,072</u> |
| Opening stock of work in process                                                                                                                                                                                                                                                                                                                                                                  |      | 19,789,787           | 11,494,844           |
| Closing stock of work in process                                                                                                                                                                                                                                                                                                                                                                  |      | (44,534,409)         | (19,789,787)         |
| Cost of goods manufactured                                                                                                                                                                                                                                                                                                                                                                        |      | <u>1,138,286,206</u> | <u>1,232,053,129</u> |
| Opening stock of finished goods                                                                                                                                                                                                                                                                                                                                                                   |      | 38,816,941           | 32,154,145           |
| Closing stock of finished goods                                                                                                                                                                                                                                                                                                                                                                   |      | (32,257,167)         | (38,816,941)         |
| Cost of Goods Sold                                                                                                                                                                                                                                                                                                                                                                                |      | <u>1,144,845,980</u> | <u>1,225,390,333</u> |
| <p><b>22.1</b> Salaries, wages and other benefits include Rs.4,166,568/- (2025: Rs.3,179,985/-) in respect of defined benefit plan under non-funded gratuity scheme.</p>                                                                                                                                                                                                                          |      |                      |                      |
| <b>23 ADMINISTRATIVE EXPENSES</b>                                                                                                                                                                                                                                                                                                                                                                 |      |                      |                      |
| Directors' remuneration                                                                                                                                                                                                                                                                                                                                                                           |      | 5,980,572            | 5,297,076            |
| Salaries & benefits                                                                                                                                                                                                                                                                                                                                                                               | 23.1 | 23,920,956           | 23,706,374           |
| Postage, telephone & telefaxes                                                                                                                                                                                                                                                                                                                                                                    |      | 1,226,432            | 1,165,415            |
| Vehicle maintenance                                                                                                                                                                                                                                                                                                                                                                               |      | 476,603              | 617,220              |
| Legal & professional charges                                                                                                                                                                                                                                                                                                                                                                      |      | 807,678              | 759,571              |
| Auditors' remuneration                                                                                                                                                                                                                                                                                                                                                                            | 23.2 | 1,178,127            | 1,170,127            |
| Printing & stationery                                                                                                                                                                                                                                                                                                                                                                             |      | 602,977              | 912,641              |
| Staff Welfare                                                                                                                                                                                                                                                                                                                                                                                     |      | 1,799,183            | 1,505,240            |
| Entertainment                                                                                                                                                                                                                                                                                                                                                                                     |      | 2,217,894            | 2,497,333            |
| Utility charges                                                                                                                                                                                                                                                                                                                                                                                   |      | 18,613,867           | 16,895,869           |
| Fee & subscription                                                                                                                                                                                                                                                                                                                                                                                |      | 724,080              | 663,836              |
| Depreciation                                                                                                                                                                                                                                                                                                                                                                                      | 5.3  | 1,447,585            | 1,468,623            |
| Medical Expenses                                                                                                                                                                                                                                                                                                                                                                                  |      | 477,912              | 342,028              |
| Internet charges                                                                                                                                                                                                                                                                                                                                                                                  |      | 665,513              | 700,000              |
| Provision for bad debts                                                                                                                                                                                                                                                                                                                                                                           | 7.2  | (49,983)             | (385,330)            |
| Repair and maintenance                                                                                                                                                                                                                                                                                                                                                                            |      | 514,161              | 418,392              |
| Insurance                                                                                                                                                                                                                                                                                                                                                                                         |      | 607,835              | 1,818,969            |
| Advertisements                                                                                                                                                                                                                                                                                                                                                                                    |      | 199,125              | 102,060              |
| Rent, Rates and Taxes                                                                                                                                                                                                                                                                                                                                                                             |      | -                    | 1,056,000            |
|                                                                                                                                                                                                                                                                                                                                                                                                   |      | <u>61,410,517</u>    | <u>60,711,443</u>    |
| <p><b>23.1</b> Salaries and other benefits include Rs.1,519,286/- (2025: Rs.1,589,992/-) in respect of defined benefit plan under non-funded gratuity scheme.</p>                                                                                                                                                                                                                                 |      |                      |                      |
| <b>23.2 Auditors' remuneration</b>                                                                                                                                                                                                                                                                                                                                                                |      |                      |                      |
| Audit fee                                                                                                                                                                                                                                                                                                                                                                                         |      | 715,000              | 715,000              |
| Fee for limited review of half yearly financial statements                                                                                                                                                                                                                                                                                                                                        |      | 385,000              | 385,000              |
| Out of pocket expenses                                                                                                                                                                                                                                                                                                                                                                            |      | 78,000               | 70,127               |
|                                                                                                                                                                                                                                                                                                                                                                                                   |      | <u>1,178,000</u>     | <u>1,170,127</u>     |

**24 DISTRIBUTION EXPENSES**

|                                          |      |                   |                   |
|------------------------------------------|------|-------------------|-------------------|
| Salaries & benefits                      | 24.1 | 35,657,148        | 36,397,133        |
| Staff welfare                            |      | 442,642           | 315,214           |
| Entertainment                            |      | 299,265           | 545,236           |
| Printing and stationery                  |      | 57,755            | 179,010           |
| Telephone and postage                    |      | 612,619           | 439,572           |
| Travelling and conveyance/Running        |      | 6,537,913         | 6,738,175         |
| Vehicle repair and maintenance           |      | 80,770            | 61,030            |
| Advertisement/business promotion charges |      | 494,698           | 1,651,313         |
| Depreciation                             | 5.3  | 5,961,774         | 6,862,369         |
|                                          |      | <b>50,144,584</b> | <b>53,189,052</b> |

**24.1** Salaries and other benefits include Rs.1,915,231/- (2025: Rs.2,384,989/-) in respect of defined benefit plan under non-funded gratuity scheme.

**25 FINANCE COST**

|                                 |  |                   |                   |
|---------------------------------|--|-------------------|-------------------|
| Mark up on short term financing |  | 32,292,230        | 30,262,134        |
| Bank & muddadam charges         |  | 965,583           | 720,846           |
|                                 |  | <b>33,257,813</b> | <b>30,982,980</b> |

**26 OTHER OPERATING EXPENSES**

|                                           |      |                  |                  |
|-------------------------------------------|------|------------------|------------------|
| Workers' Profit Participation Fund - WPPF | 26.1 | 1,331,598        | 1,661,265        |
| Workers' Welfare Fund - WWF               |      | 461,646          | 826,467          |
|                                           |      | <b>1,793,244</b> | <b>2,487,732</b> |

**26.1** Workers' Profit Participation Fund - WPPF (Movement)

|                         |                  |                  |
|-------------------------|------------------|------------------|
| Balance as July,01      | 1,661,265        | 2,157,445        |
| Provision for the year  | 1,331,598        | 1,661,265        |
| Payment during the year | (1,661,265)      | (2,157,445)      |
| Balance as June, 30     | <b>1,331,598</b> | <b>1,661,265</b> |

**27 OTHER OPERATING INCOME**

|                                   |  |                   |                  |
|-----------------------------------|--|-------------------|------------------|
| Income From Bank Deposits         |  | 597,897           | 737,970          |
| Insurance Claim - Others          |  | 795,172           | 3,257,661        |
| Income /(Loss) Disposal of Assets |  | -                 | 467,434          |
| Misc. Income                      |  | 10,585,500        | -                |
|                                   |  | <b>11,978,569</b> | <b>4,463,065</b> |

**28 LEVY AND INCOME TAX EXPENSE**

|                             |      |                   |                   |
|-----------------------------|------|-------------------|-------------------|
| Levy                        | 28.1 | 9,610,040         | 5,504,183         |
| <b>Income Tax</b>           |      |                   |                   |
| Current Taxation            |      |                   |                   |
| - For the year              |      | 6,693,864         | 11,983,768        |
| - For prior year            |      | 2,037,072         | -                 |
|                             |      | 8,730,936         | 11,983,768        |
| Deferred Taxation           |      | (1,322,798)       | (3,895,747)       |
|                             |      | <b>7,408,138</b>  | <b>8,088,021</b>  |
| Levy and Income Tax Expense |      | <b>17,018,178</b> | <b>13,592,204</b> |

**28.1** This represents minimum and final taxes paid under relevant sections of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37

## 28.2 Relationship between income tax expenses and accounting profit:

|                                                                                      |             |             |
|--------------------------------------------------------------------------------------|-------------|-------------|
| Profit before taxation                                                               | 24,838,714  | 30,737,575  |
| Tax at the applicable tax rate of 29% (2025: 29%)                                    | 7,203,227   | 8,913,897   |
| Tax effect of:                                                                       |             |             |
| -amounts not deductible for tax purpose                                              | 520,041     | 721,442     |
| -amounts deductible for tax purpose but not taken to the statement of profit or loss | (1,029,404) | 2,348,429   |
| - Additional provision to reach at minimum tax                                       | 9,610,040   | 5,504,183   |
| Adjustment for current tax of prior years                                            | 2,037,072   | -           |
| Tax effect of deferred taxation                                                      | (1,322,798) | (3,895,747) |
| Income tax expense                                                                   | 17,018,178  | 13,592,204  |
| Effective rate of tax                                                                | 68.51%      | 44.22%      |

## 29 EARNINGS PER SHARE - basic and diluted

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

|                                     |          |            |            |
|-------------------------------------|----------|------------|------------|
| Profit for the year before taxation | (Rupees) | 24,838,714 | 30,737,575 |
| Profit for the year after taxation  | (Rupees) | 7,820,536  | 17,145,371 |
| Number of shares outstanding        | (Shares) | 10,000,000 | 10,000,000 |
| Earnings per share before taxation  | (Rupees) | 2.48       | 3.07       |
| Earnings per share after taxation   | (Rupees) | 0.78       | 1.71       |

## 30 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVE

|                         | CEO       |           | Directors |      | Executives |           | Total      |           |
|-------------------------|-----------|-----------|-----------|------|------------|-----------|------------|-----------|
|                         | 2026      | 2025      | 2026      | 2025 | 2026       | 2025      | 2026       | 2025      |
| Managerial Remuneration | 5,980,572 | 5,297,076 | -         | -    | 3,404,106  | 3,015,066 | 9,384,678  | 8,312,142 |
| Utilities               | 1,291,176 | 1,241,515 | -         | -    | -          | -         | 1,291,176  | 1,241,515 |
| Gratuity                | -         | -         | -         | -    | -          | -         | -          | -         |
| Total                   | 7,271,748 | 6,538,591 | -         | -    | 3,404,106  | 3,015,066 | 10,675,854 | 9,553,657 |
| Number of Persons       | 1         | 1         | -         | -    | 1          | 1         | 2          | 2         |

Remuneration and other facilities to Chief Executive and Directors is paid in accordance with the policy formulated by the Board of Directors of the Company. No remuneration is paid to Non-Executive Directors and Independent Directors of the Company. Two Company maintained cars have been given to directors as conveyance facility by the approval of the board.

## 31 FINANCIAL RISK MANAGEMENT

### 31.1 Credit Risk

The Company's credit risk exposures are categorized under the following heads:-

#### Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at reporting date was:-

|                   |            |            |
|-------------------|------------|------------|
| Trade debtors     | 11,682,906 | 12,932,482 |
| Advances to staff | 3,683,059  | 4,817,206  |
| Other receivables | 2,780,000  | 3,607,925  |
| Cash at banks     | 2,291,178  | 12,982,410 |
|                   | 20,437,143 | 34,340,023 |

The trade debts as at the reporting date are all domestic debts. The aging of trade receivables at the reporting dates is as under:-

|                 |            |            |
|-----------------|------------|------------|
| Up to 30 days   | 2,126,289  | 6,852,788  |
| 31 to 90 days   | 6,811,134  | 3,286,249  |
| 91 to 120 days  | 2,745,483  | 2,379,697  |
| 121 to 180 days | -          | 413,749    |
|                 | 11,682,906 | 12,932,482 |

Based on the historic records, the company believes that no impairment allowance in respect of financial assets and liabilities is required except for the provisions provided for impairment amounting to **Rs.467,316/-** (2025: Rs.517,299/-).

### 31.2 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the company's reputation. Following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements, if any.

| 2026                      | Carrying amount    | Contractual Cashflows | Six Months or Less | Six to twelve months | One to two Years | Two to five Years |
|---------------------------|--------------------|-----------------------|--------------------|----------------------|------------------|-------------------|
| Trade and Other Payables  | 33,898,593         | 33,898,593            | 25,297,281         | 8,601,312            | -                | -                 |
| Taxes Payable             | 8,296,854          | 8,296,854             | -                  | -                    | -                | -                 |
| Unclaimed Dividend        | 1,777,700          | 1,777,700             | 1,777,700          | -                    | -                | -                 |
| Financial Charges payable | 3,605,530          | 3,605,530             | 2,141,662          | -                    | -                | -                 |
| Short term Borrowings     | 341,508,929        | 341,508,929           | 239,056,251        | 102,452,678          | -                | -                 |
| <b>Total</b>              | <b>389,087,606</b> | <b>389,087,606</b>    | <b>268,272,894</b> | <b>111,053,990</b>   |                  |                   |

| 2025                      | Carrying amount    | Contractual Cashflows | Six Months or Less | Six to twelve months | One to two Years | Two to five Years |
|---------------------------|--------------------|-----------------------|--------------------|----------------------|------------------|-------------------|
| Trade and Other Payables  | 34,144,428         | 34,144,428            | 25,480,739         | 8,663,689            | -                | -                 |
| Taxes Payable             | 9,061,719          | 9,061,719             | -                  | -                    | -                | -                 |
| Unclaimed Dividend        | 1,777,700          | 1,777,700             | 1,777,700          | -                    | -                | -                 |
| Financial Charges payable | 4,226,519          | 4,226,519             | 2,141,662          | -                    | -                | -                 |
| Short term Borrowings     | 367,148,965        | 367,148,965           | 257,004,276        | 110,144,689          | -                | -                 |
| <b>Total</b>              | <b>416,359,331</b> | <b>416,359,331</b>    | <b>286,404,377</b> | <b>118,808,378</b>   |                  |                   |

### 31.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate, foreign currency, commodity price and equity price that will affect the Company's income or the value of its holdings of financial instruments.

#### 31.3.1 Interest Rate Risk

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

| Particulars                 | 2026<br>Effective rate in % | 2025          | 2026<br>Carrying amount (Rs.) | 2025        |
|-----------------------------|-----------------------------|---------------|-------------------------------|-------------|
| Financial Liabilities       |                             |               |                               |             |
| Variable Rate instruments:- |                             |               |                               |             |
| Short Term Borrowings       | 13.35 to 13.90              | 9.25 to 16.96 | <b>196,403,588</b>            | 297,043,624 |

#### Fair value of sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rate at the reporting date would not affect profit and loss account.

#### Cash flow sensitivity analysis for various rate instruments

A change of 100 basis points in interest rate at the reporting date would have increased/ (decreased) profit or loss by amounts shown below. This analysis assumes that all other variables, in a particular foreign currency rate (if any), remains constant. The analysis is performed on the same basis as for the previous year:-

|                     | Increase Profit         | Decrease Profit |
|---------------------|-------------------------|-----------------|
| As at June 30, 2026 | Rupees <b>1,964,036</b> | (1,964,036)     |
| As at June 30, 2025 | Rupees <b>2,970,436</b> | (2,970,436)     |

The sensitivity analysis prepared is not necessarily indicative of the effect on Profit for the year and assets / liabilities of the company.

#### 31.3.2 Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

### 31.3.3 Currency Risk

The company is exposed to currency risk on import of raw materials mainly dominated in US dollars. The Company's exposure to foreign currency risk for US Dollars is as follows:-

|                               | 2026<br>Rupees | 2025<br>Rupees |
|-------------------------------|----------------|----------------|
| Outstanding Letter of Credits | 120,690,666    | 155,473,032    |
| Average Rate                  | 287.00         | 286.00         |
| Reporting date rate           | 276.23         | 283.50         |

### 31.3.4 Sensitivity analysis

At reporting date, if the PKR had strengthened by 10% against the foreign currencies with all other variables held constant, post-tax Profit for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on translation of outstanding letter of credits.

|                                           | 2026<br>Rupees | 2025<br>Rupees |
|-------------------------------------------|----------------|----------------|
| The effect on Profit and loss Account is: | 12,069,067     | 15,547,303     |

The weakening of PKR against foreign currencies would have an equal but opposite impact on the post tax profit. The sensitivity analysis prepared is not necessarily indicative of the effects on (loss)/profit for the year and assets / liabilities of the Company.

### 31.4 Fair value of financial instruments

The carrying values of the financial assets and financial liabilities approximate their fair values. 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 measurement date.

### 31.5 Capital Risk Management

The Company's prime objective when managing capital is to safeguard its ability to continue as going concern in order to provide adequate returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total capital employed. Total capital employed is calculated as equity as shown in the statement of financial position plus debt.

|                        | 2026<br>Rupees | 2025<br>Rupees |
|------------------------|----------------|----------------|
| Total Debt             | 341,508,929    | 370,852,664    |
| Total Equity           | 348,915,559    | 342,086,171    |
| Total Capital Employed | 690,424,488    | 712,938,835    |
| Gearing Ratio          | 49.46%         | 52.02%         |

## 32 TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include associated companies, entities over which directors are able to exercise influence, subsidiaries, staff retirement fund, directors and key management personnel. Detail of transactions with related parties during the year other than those which have been disclosed elsewhere in the financial statements are as follows:-

32.1 The company has entered into a transaction with Directors and key management which is a related party Transaction. The loan was carried at arm's length basis:

| Nature of transaction         | Amount     | Outstanding |
|-------------------------------|------------|-------------|
| Loan from Director/Executives | 75,000,000 | 75,000,000  |

**33 FINANCIAL INSTRUMENTS BY CATEGORIES**

**IFRS 9 Financial Instrument**

**Financial Assets**

Trade debts  
Advances, deposits and prepayments  
Cash and bank balances  
**As at June 30, 2026**

| IFRS 9 Measurement Category             |                                   |                   |                        |
|-----------------------------------------|-----------------------------------|-------------------|------------------------|
| Carrying amount before reclassification | Fair value through profit or loss | Amortized cost    | Fair value through OCI |
| 11,215,590                              | -                                 | 11,215,590        | -                      |
| 42,155,632                              | -                                 | 42,155,632        | -                      |
| 14,306,184                              | -                                 | 14,306,184        | -                      |
| <b>67,677,406</b>                       | <b>-</b>                          | <b>67,677,406</b> | <b>-</b>               |

Trade debts  
Advances, deposits and prepayments  
Cash and bank balances  
**As at June 30, 2025**

|                    |          |                    |          |
|--------------------|----------|--------------------|----------|
| 12,415,183         | -        | 12,415,183         | -        |
| 94,561,315         | -        | 94,561,315         | -        |
| 32,106,299         | -        | 32,106,299         | -        |
| <b>139,082,797</b> | <b>-</b> | <b>139,082,797</b> | <b>-</b> |

**Financial Liabilities**

Trade and other payables  
Short term borrowings  
Un-claimed dividend  
**As at June 30, 2026**

|                    |          |                    |          |
|--------------------|----------|--------------------|----------|
| 47,805,749         | -        | 47,805,749         | -        |
| 196,403,588        | -        | 196,403,588        | -        |
| 1,777,700          | -        | 1,777,700          | -        |
| <b>245,987,037</b> | <b>-</b> | <b>245,987,037</b> | <b>-</b> |

Trade and other payables  
Short term borrowings  
Un-claimed dividend  
**As at June 30, 2025**

|                    |          |                    |          |
|--------------------|----------|--------------------|----------|
| 47,974,312         | -        | 47,974,312         | -        |
| 297,043,624        | -        | 297,043,624        | -        |
| 1,777,700          | -        | 1,777,700          | -        |
| <b>346,795,636</b> | <b>-</b> | <b>346,795,636</b> | <b>-</b> |

**2026**  
**Rupees**

**2025**  
**Rupees**

**34 CASH GENERATED FROM OPERATIONS**

Profit before taxation  
Adjustments for non cash items:  
Depreciation on property, plant and equipment  
Finance cost  
Provision for gratuity  
Provision for Warranty  
Provision for loss Allowance  
Provision for workers' profit participation fund  
Loss / (gain) on disposal of property, plant and equipment  
Provision for workers' welfare fund

**24,838,714**

**30,737,575**

|                   |            |
|-------------------|------------|
| <b>15,357,207</b> | 17,115,817 |
| <b>33,257,813</b> | 30,982,980 |
| <b>7,601,085</b>  | 7,154,966  |
| <b>521,725</b>    | 559,614    |
| <b>(49,983)</b>   | (385,330)  |
| <b>1,331,598</b>  | 1,661,265  |
| <b>-</b>          | (467,434)  |
| <b>461,646</b>    | 826,467    |
| <b>58,481,091</b> | 57,448,345 |
| <b>83,319,805</b> | 88,185,920 |

**Operating profit before working capital changes**

**Decrease/(increase) in current assets**

Stores and spares  
Stock-in-trade  
Trade debts  
Advances, deposits and prepayments

|                     |               |
|---------------------|---------------|
| <b>1,045,763</b>    | (792,625)     |
| <b>(58,874,488)</b> | (72,323,180)  |
| <b>1,249,576</b>    | 11,753,590    |
| <b>52,405,683</b>   | (68,991,428)  |
| <b>(4,173,466)</b>  | (130,353,643) |

**(Decrease)/increase in current liabilities**

Trade and other payables

|                  |             |
|------------------|-------------|
| <b>(406,529)</b> | (1,420,412) |
|------------------|-------------|

**Net cash flow from Operating Activities**

|                   |              |
|-------------------|--------------|
| <b>78,739,810</b> | (43,588,135) |
|-------------------|--------------|

**2026**  
**Rupees**

**2025**  
**Rupees**

**34.1 Cash and cash equivalents**

Cash in hand  
Cash at banks - in current accounts  
-in profit bearing accounts

|                   |            |
|-------------------|------------|
| <b>6,387,286</b>  | 6,856,094  |
| <b>2,291,178</b>  | 12,982,410 |
| <b>5,627,720</b>  | 12,267,795 |
| <b>14,306,184</b> | 32,106,299 |



# AL-KHAIR GADOON LTD.

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## 35 RECONCILIATION OF MOVEMENT OF LIABILITIES AND EQUITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

| Short Term<br>Borrowing | Equity<br>Reserve  | Total              |
|-------------------------|--------------------|--------------------|
| 367,148,965             | 217,086,171        | 584,235,136        |
| (25,640,036)            |                    | (25,640,036)       |
|                         | 6,829,388          | 6,829,388          |
| <b>341,508,929</b>      | <b>223,915,559</b> | <b>565,424,488</b> |

## 36 PLANT CAPACITY AND PRODUCTION

| 2026<br>Tons  | 2025<br>Tons |
|---------------|--------------|
| <b>13,280</b> | 13,280       |
| <b>1,720</b>  | 1,800        |

Rated capacity

Capacity utilized

It is important to disclose that the capacity of plant is utilized according to the demand of the products. The very nature of plant is such that the producing speed is so high, it can run on average flow ranging from 90 Kgs to 125 Kgs per minute, resulting it can produce one month's stock in just four days.

The plant is working as per its specifications and there is no indication of any under utilization.

## 37 NUMBER OF EMPLOYEES

| 2026       | 2025 |
|------------|------|
| <b>160</b> | 165  |
| <b>158</b> | 162  |

Number of employees as at June 30

Average number of employees during the year

## 38 CORRESPONDING FIGURES AND GENERAL

- Have been rounded off to the nearest rupee
- Corresponding figures have been re-classified / restated to reflect more appropriate presentation of events and transactions for comparison purpose.

## 39 DATE OF AUTHORIZATION

These financial statements were authorized for issue on September 25, 2026 by the Board of Directors of the Company.

  
**MUHAMMAD AFZAL SHEIKH**  
CHAIRMAN

  
**MUHAMMAD AMIN SHEIKH**  
CHIEF EXECUTIVE

  
**MUHAMMAD TARIQ AMIN**  
CHIEF FINANCIAL OFFICER

**Lahore: September 25, 2026**



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## **AL-KHAIR GDAOON LIMITED**

Gender pay gap statement under circular 10 of 2024

The following is the gender pay gap calculated for the year ended June 30,2026

|                                            |         |
|--------------------------------------------|---------|
| i Mean Gender Pay Gap:                     | -16.95% |
| ii Median Gender Pay Gap:                  | 1.20%   |
| iii Any other Details as deemed relevant : | Nil     |

Al-Khair Gadoon Limited is committed to fostering a workplace where diversity, equity and inclusion are at the core of everything we do. We are putting efforts into promoting gender diversity with an enviroment where all employees can thrive, contribute , and reach their full potential.

**Muhammad Amin Sheikh**

CEO- Al-Khair Gadoon Limited

**Dated : September 25, 2026**

**THE COMPANIES ACT, 2017  
COMPANIES REGULATIONS, 2025  
[Section 227(2)(f) and Regulation 30]**

**PATTERN OF HOLDING OF THE SHARES HELD**

**1.1 Name of the Company AL-KHAIR GADOON LIMITED**

**2.1 Pattern of holding of the shares held by the shareholders as at**

**3 0 0 6 2 0 2 6**

| 2.2 No. of<br>Shareholders | SHAREHOLDINGS |         | Total Shares Held |
|----------------------------|---------------|---------|-------------------|
|                            | From          | To      |                   |
| 124                        | 1             | 100     | 2469              |
| 191                        | 101           | 500     | 90277             |
| 41                         | 501           | 1000    | 40570             |
| 32                         | 1001          | 5000    | 80336             |
| 8                          | 5001          | 10000   | 56617             |
| 2                          | 10001         | 15000   | 27000             |
| 3                          | 15001         | 20000   | 51291             |
| 1                          | 35001         | 40000   | 37500             |
| 1                          | 40001         | 45000   | 41000             |
| 1                          | 45001         | 50000   | 46406             |
| 1                          | 150001        | 155000  | 154737            |
| 1                          | 185001        | 190000  | 186000            |
| 2                          | 330001        | 335000  | 665486            |
| 1                          | 380001        | 385000  | 383000            |
| 2                          | 495001        | 500000  | 997000            |
| 3                          | 600001        | 605000  | 1805000           |
| 1                          | 685001        | 690000  | 686000            |
| 1                          | 795001        | 800000  | 800000            |
| 1                          | 880001        | 885000  | 880111            |
| 1                          | 2965001       | 2970000 | 2969200           |
| <b>418</b>                 |               |         | <b>10,000,000</b> |

| Categories of<br>Shareholders | No. of Shareholders | No. of Shares held | Percentage     |
|-------------------------------|---------------------|--------------------|----------------|
| Individuals                   | 412                 | 9,665,911          | 96.659%        |
| Investment Companies          | 1                   | 500                | 0.005%         |
| Modarabas and Mutual Fur      | 1                   | 1000               | 0.010%         |
| Joint Stock Companies         | 4                   | 332,589            | 3.326%         |
|                               | <b>418</b>          | <b>10,000,000</b>  | <b>100.00%</b> |

## PATTERN OF SHAREHOLDING

### 2.3 Categories of shareholders

**No. of Shares      Percentage**

#### 2.3.1 Directors, Chief Executive Officer

|                           |                      |                  |               |
|---------------------------|----------------------|------------------|---------------|
| Mr. Mohammad Afzal Sheikh | Chairman/Director    | 2,984,491        | 29.845%       |
| Mr. Mohammad Amin Sheikh  | Chief Executive      | 917,611          | 9.176%        |
| Mr. Mohammad Saeed Sheikh | Director             | 603,000          | 6.030%        |
| Mrs. Nafisa Amin          | Director             | 686,000          | 6.860%        |
| Mrs. Parveen Afzal        | Director             | 601,000          | 6.010%        |
| Mrs. Farnaz Saeed         | Director             | 800,000          | 8.000%        |
| Mr. Asif Sajjad           | Independent Director | 500              | 0.005%        |
| Mr. Kamal Subhani         | Independent Director | 500              | 0.005%        |
|                           |                      | <b>6,593,102</b> | <b>65.93%</b> |

**2.3.2 Associated Companies, undertakings and related parties** - **0.000%**

**2.3.3 NIT and ICP** **500** **0.005%**

**2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.**  
Public Sector companies **332,589** **3.33%**

**2.3.5 Leasing/ Insurance Companies** - **0.000%**

**2.3.6 Modarabas and Mutual Funds** **1,000** **0.01%**

**2.3.8 General Public - Individuals** **3,072,809** **30.73%**

**2.3.9 Others (to be specified)** - **0.000%**

**10,000,000      100.00%**

#### 2.3.7 Share holders holding 10% or more

|                           |           |        |
|---------------------------|-----------|--------|
| Mr. Mohammad Afzal Sheikh | 2,984,491 | 29.84% |
|---------------------------|-----------|--------|

#### Share holders holding 5% or more

|                           |           |                              |
|---------------------------|-----------|------------------------------|
| Mr. Mohammad Afzal Sheikh | 2,984,491 | 29.845%                      |
| Mr. Mohammad Amin Sheikh  | 917,611   | 9.176%                       |
| Mr. Mohammad Saeed Sheikh | 603,000   | 6.030%                       |
| Mrs. Nafisa Amin          | 686,000   | 6.860%                       |
| Mrs. Parveen Afzal        | 601,000   | 6.010%                       |
| Mrs. Farnaz Saeed         | 800,000   | 8.000%                       |
| Mr. Nadeem Afzal Sheikh   | 601,000   | 6.010%                       |
|                           |           | <b>7,193,102      71.93%</b> |

Trade in the shares of the Company by Directors, CEO, CFO, Company Secretary, Executives and their Spouses and Minor Children.

| Name | Sale | Purchase |
|------|------|----------|
| -    | -    | -        |

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## **AL-KHAIR GADOON LTD.**

### **PROXY FORM OF ANNUAL GENERAL MEETING**

I/We, \_\_\_\_\_, resident of \_\_\_\_\_, District \_\_\_\_\_ being a member of Al-Khair Gadoon Limited under Folio/Member No. \_\_\_\_\_, hereby appoint Mr./Mrs./Ms. \_\_\_\_\_, resident of \_\_\_\_\_ as my proxy, and in my absence to act on my behalf and vote for me at the Annual General Meeting of the Company to be held on October 23, 2026, or any adjournment thereof.  
Signed this \_\_\_\_ day of \_\_\_\_\_, 2026, in the presence of the witnesses below.

**1. Signature:** \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

CNIC or Passport No.: \_\_\_\_\_

**2. Signature:** \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

CNIC or Passport No.: \_\_\_\_\_

Folio / CDC Account No.: \_\_\_\_\_

Signature across Rupees ten revenue stamp

The signature must match the specimen signature registered with the Company.

#### **IMPORTANT NOTE:**

- This proxy form, duly completed and signed, must be received at the Company's Corporate Office, Al-Khair House, T-43, Gulberg II, Lahore, not less than 48 hours before the time of the meeting.
- A person who is not himself/herself a member of the Company may not be appointed as a proxy, except that a corporation may appoint a person who is not a member of the Company to act as its proxy.
- If a member appoints more than one proxy and deposits with the Company more than one such proxy instrument, all of them shall be rendered invalid.

#### **FOR CDC ACCOUNT HOLDERS / CORPORATE ENTITIES:**

In addition to the above, the following conditions must also be fulfilled:

- The proxy form must be signed by two witnesses whose names, addresses and CNIC numbers must be given on the form.
- Attested copies of the CNIC or passport of the beneficial owner and the proxy must be provided along with the proxy form.
- The proxy must produce his/her original CNIC or passport at the time of attending the meeting, unless already provided, which must be submitted to the Company.
- In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature must be submitted along with the proxy form.

## الخیر گدون لمیٹڈ پراکسی فارم برائے سالانہ عمومی اجلاس

میں/ہم، \_\_\_\_\_، ساکن \_\_\_\_\_،  
\_\_\_\_\_، ضلع \_\_\_\_\_، الخیر گدون لمیٹڈ کے  
رکن کی حیثیت سے، فولیو/ممبر نمبر \_\_\_\_\_ کے تحت، بذریعہ ہذا جناب/محترمہ  
\_\_\_\_\_، ساکن \_\_\_\_\_،  
کو اپنا پراکسی مقرر کرتا/کرتی ہوں، تاکہ وہ میری غیر موجودگی میں میری جانب سے کمپنی کے سالانہ عمومی اجلاس میں  
23 اکتوبر 2026 کو یا اس کے کسی ملتوی شدہ اجلاس میں منعقد ہوگا۔  
دستخط شدہ بروز \_\_\_\_\_ بتاریخ \_\_\_\_\_ 2026، ذیل میں درج گواہان کی موجودگی میں۔

1:- دستخط \_\_\_\_\_ نام: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
شناختی کارڈ یا پاسپورٹ نمبر: \_\_\_\_\_

2:- دستخط \_\_\_\_\_ نام: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
شناختی کارڈ یا پاسپورٹ نمبر: \_\_\_\_\_

\_\_\_\_\_ سی ڈی سی اکاؤنٹ نمبر: \_\_\_\_\_

دس روپے کے ریونیو اسٹامپ پر دستخط

دستخط کمپنی کے پاس رجسٹرڈ نمونہ دستخط سے مطابقت رکھتے ہوں۔

اہم نوٹ:

- یہ پراکسی فارم، مکمل طور پر پر کیا گیا اور دستخط شدہ، اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے کارپوریٹ آفس، الخیر ہاؤس، ٹی-43، گلبرگ II، لاہور پر موصول ہونا ضروری ہے۔
- کوئی ایسا شخص جو خود کمپنی کا رکن نہ ہو، پراکسی مقرر نہیں کیا جا سکتا، سوائے اس کے کہ کوئی کارپوریشن - کسی ایسے شخص کو پراکسی مقرر کر سکتی ہے جو کمپنی کا رکن نہ ہو۔
- اگر کوئی رکن ایک سے زیادہ پراکسی مقرر کرے اور کمپنی کے پاس ایک سے زیادہ ایسے پراکسی دستاویزات جمع - کرائے، تو وہ تمام دستاویزات غیر مؤثر قرار دی جائیں گی۔
- سی ڈی سی اکاؤنٹ ہولڈرز / کارپوریٹ اداروں کے لیے:

مندرجہ بالا کے علاوہ، درج ذیل شرائط کی بھی تکمیل ضروری ہے:

- پراکسی فارم پر دو گواہان کے دستخط ہونے چاہئیں جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج ہوں۔ -
- بینیفیشل اونر اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول فراہم کی جانی چاہئیں۔ -
- پراکسی کو اجلاس میں شرکت کے وقت اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا، الا یہ کہ پہلے ہی فراہم کر دیا گیا ہو، جو کمپنی کو جمع کرانا لازمی ہے۔
- کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بمعہ نمونہ دستخط پراکسی فارم کے ساتھ جمع کرائی جانی چاہیے۔

## Contact Information

Alkhair Gadoon Limited

📍 Al-Khair House, 43-T, GulbergII, Lahore.

📞 042-111-111-605

🛒 [www.alkhairgadoon.com](http://www.alkhairgadoon.com) ✉ [info@alkhairgadoon.com](mailto:info@alkhairgadoon.com)

🌐 /Alkhair Gadoon Limited

# AL-KHAIR GADOON LTD.



## Alkhair Foam



## آرامکو Araamco



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