

30th September 2026

FORM-3

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: **Announcement - Financial Results for the Year Ended 30th June 2026**

Dear Sir

We have to inform you that Board of Directors of our company, Arif Habib Corporation Limited (AHCL), in their meeting held today, i.e. on Wednesday, 30th September 2026 at 11:00 a.m. at Arif Habib Centre, M. T. Khan Road, Karachi, recommended the following:

i) **CASH DIVIDEND**

A final Cash Dividend for the year ended 30th June 2026 at **125%** of the face value of Re.1/- per share i.e. **Rs.1.25** This is in addition to Interim Dividend already paid at NIL % i.e. Rs. Nil per share.

(ii) **BONUS SHARES**

NIL

(iii) **RIGHT SHARES**

NIL

(iv) **ANY OTHER ENTITLEMENT/CORPORATE ACTION**

NIL

(v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

NIL

The financial results for the year ended 30th June 2026, along with the required additional statements, are attached herewith as follows :

- Unconsolidated Statement of Profit or Loss (Annexure-A-1)
- Unconsolidated Statement of Comprehensive Income (Annexure-A-2)
- Unconsolidated Statement of Financial Position (Annexure-A-3)
- Unconsolidated Statement of Changes in Equity (Annexure-A-4)
- Unconsolidated Statement of Cash Flows (Annexure-A-5)

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Arif Habib Corporation Limited

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- Consolidated Statement of Profit or Loss (Annexure-B-1)
- Consolidated Statement of Comprehensive Income (Annexure-B-2)
- Consolidated Statement of Financial Position (Annexure-B-3)
- Consolidated Statement of Changes in Equity (Annexure-B-4)
- Consolidated Statement of Cash Flows (Annexure-B-5)
- Directors' Report (Annexure-C)

The Annual General Meeting of the Company will be held on **Wednesday, 28th October 2026** at **12:00 p.m.** at **Karachi.**

The Share Transfer Books of the Company will be closed from **21st October 2026** to **28th October 2026** (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi at the close of the business on **Tuesday, 20th October 2026** will be considered in time for the determination of entitlement of shareholders to cash dividend and to attend and vote at the Annual General Meeting.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before holding of Annual General Meeting.

Yours' faithfully


Manzoor Raza
Company Secretary



ARIF HABIB CORPORATION LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	(Restated) 2025 Rupees
Dividend income	24	4,836,864,242	4,811,614,378
Other revenue	25	159,963,085	141,379,559
Gross revenue		4,996,827,327	4,952,993,937
Gain on sale of securities - net	26	4,142,445,373	671,654,035
Administrative expenses	27	(335,562,835)	(452,296,357)
Net finance cost	28	(60,368,349)	(529,728,159)
Gain / (loss) on real estate portfolio - net	29	544,936,426	(5,189,439)
Gain on remeasurement of investments - net	30	36,938,544,980	23,413,711,869
Operating profit		46,226,822,922	28,051,145,886
Other income	31	200,020,000	225,493
Other charges	32	(47,150,632)	(38,337,707)
Profit before levy and income tax		46,379,692,290	28,013,033,672
Levy	33	(3,917,006)	(19,230,152)
Profit before income tax		46,375,775,284	27,993,803,520
Income tax expense	34	(1,895,144,556)	(4,321,368,586)
Profit for the year		44,480,630,728	23,672,434,934
Earnings per share - basic and diluted	35	10.55	5.61

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

CHIEF EXECUTIVE OFFICER

DIRECTOR


 CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026 Rupees	(Restated) 2025 Rupees
Profit for the year	44,480,630,728	23,672,434,934
Other comprehensive income	-	-
Total comprehensive income for the year	<u>44,480,630,728</u>	<u>23,672,434,934</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR


CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 Rupees	(Restated) 2025 Rupees	(Restated) 2024 Rupees
ASSETS				
NON-CURRENT ASSETS				
Property and equipment	4	91,029,844	33,512,000	49,532,593
Intangible assets	5	-	-	141,875
Investment property	6	-	1,753,000,000	169,000,000
Long term investments	7	112,184,178,188	70,940,112,746	38,200,189,709
Long term loan to related party	8	280,000,000	140,000,000	149,670,165
Long term deposits and other receivable	9	5,053,180	4,893,280	5,880,378
		<u>112,560,261,212</u>	<u>72,871,518,026</u>	<u>38,574,414,720</u>
CURRENT ASSETS				
Loans and advances	10	146,512,466	1,526,727,252	4,056,863,482
Mark-up receivable	11	70,759,112	48,282,736	77,280,288
Prepayments and other receivables	12	821,467,297	661,394,716	660,748,917
Short term investments	13	4,998,355,366	2,522,429,927	6,794,188,359
Cash and bank balances	14	65,379,956	102,976,469	45,975,441
		<u>6,102,474,197</u>	<u>4,861,811,100</u>	<u>11,635,056,487</u>
TOTAL ASSETS		<u>118,662,735,409</u>	<u>77,733,329,126</u>	<u>50,209,471,207</u>
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Share capital				
Issued, subscribed and paid up share capital	15	4,216,967,470	4,216,967,470	4,083,750,000
Capital reserves				
Shares to be issued under scheme of arrangement		-	-	133,217,470
Revenue reserves				
General reserve		4,000,000,000	4,000,000,000	4,000,000,000
Unappropriated profit		93,991,907,166	53,728,243,908	33,007,686,203
		<u>97,991,907,166</u>	<u>57,728,243,908</u>	<u>37,007,686,203</u>
TOTAL EQUITY		<u>102,208,874,636</u>	<u>61,945,211,378</u>	<u>41,224,653,673</u>
LIABILITIES				
NON-CURRENT LIABILITIES				
Deferred taxation - net	16	9,370,192,394	9,308,611,072	5,999,527,865
Contributions from musharaka participants	17	-	529,770,710	-
Loan from sponsor	18	-	3,301,707,946	-
Lease liability against right of use assets		-	-	17,904,171
		<u>9,370,192,394</u>	<u>13,140,089,728</u>	<u>6,017,432,036</u>
CURRENT LIABILITIES				
Running finance under mark-up arrangement	19	1,242,785,728	534,837,635	501,329,430
Loan from sponsor		-	-	800,000,000
Other payables	20	4,954,724,330	973,925,751	1,039,208,977
Current portion of lease liability	21	51,903,336	17,904,174	12,823,623
Taxation - provision less payments	22	798,530,975	1,092,903,050	591,841,742
Unclaimed dividend		35,724,010	28,457,410	22,181,726
		<u>7,083,668,379</u>	<u>2,648,028,020</u>	<u>2,967,385,498</u>
TOTAL LIABILITIES		<u>16,453,860,773</u>	<u>15,788,117,748</u>	<u>8,984,817,534</u>
Contingencies and commitments	23			
TOTAL EQUITY AND LIABILITIES		<u>118,662,735,409</u>	<u>77,733,329,126</u>	<u>50,209,471,207</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Reserves				Sub total	Total
	Issued, subscribed and paid up share capital	Capital Reserves	Revenue Reserves			
		Shares to be issued under scheme of arrangement	General reserve	Unappropriated profit		
(Rupees)						
Balance as at July 1, 2024 as previously reported	4,083,750,000	133,217,470	4,000,000,000	25,852,471,316	29,985,688,786	34,069,438,786
Effect of change in accounting policy - note 3.3.1	-	-	-	7,155,214,887	7,155,214,887	7,155,214,887
Balance as on July 01, 2024 - restated	4,083,750,000	133,217,470	4,000,000,000	33,007,686,203	37,140,903,673	41,224,653,673
Transactions with owners of the Company recorded directly in equity - distributions						
Final cash dividend at the rate of Rs. 7 per share for the year ended June 30, 2024	-	-	-	(2,951,877,229)	(2,951,877,229)	(2,951,877,229)
Effect of scheme of arrangement / merger	133,217,470	(133,217,470)	-	-	(133,217,470)	-
Total comprehensive income for the year ended June 30, 2025 - restated						
Profit for the year - restated	-	-	-	23,672,434,934	23,672,434,934	23,672,434,934
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	23,672,434,934	23,672,434,934	23,672,434,934
Balance as at June 30, 2025 - restated	4,216,967,470	-	4,000,000,000	53,728,243,908	57,728,243,908	61,945,211,378
Transactions with owners of the Company recorded directly in equity - distributions						
Final cash dividend at the rate of Rs. 1 per share for the year ended June 30, 2025	-	-	-	(4,216,967,470)	(4,216,967,470)	(4,216,967,470)
Total comprehensive income for the year ended June 30, 2026						
Profit for the year	-	-	-	44,480,630,728	44,480,630,728	44,480,630,728
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	44,480,630,728	44,480,630,728	44,480,630,728
Balance as at June 30, 2026	4,216,967,470	-	4,000,000,000	93,991,907,166	97,991,907,166	102,208,874,636

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	(Restated) 2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash generated from operations	37	4,880,308,088	2,389,555,408
Long term loan to related party - net		(140,000,000)	9,670,165
Income tax paid	22	(2,127,935,309)	(511,224,071)
Levies paid	22 & 33	(3,917,006)	(19,230,152)
Interest received		27,571,831	165,382,722
Finance cost paid		(64,828,743)	(765,025,601)
Net cash generated from operating activities		2,571,198,861	1,269,128,471
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4.1	(5,075,848)	(2,536,746)
Dividend received		4,836,864,242	4,811,614,378
Proceeds from disposal of property and equipment		247,811	110,145
Acquisition of long term investments		(8,922,867,376)	(4,939,243,437)
Proceeds from disposal of long term investments		5,723,488,171	403,711,063
Acquisition of investment property	6.1	-	(1,710,020,000)
Proceeds from disposal of investment property		1,337,491,312	128,063,321
Realisation of loans and advances	10.3 & 10.4	1,294,961,844	-
Long term deposits and other receivable - net		(159,900)	987,098
Net cash generated from / (used in) investing activities		4,264,950,256	(1,307,314,178)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(4,209,700,870)	(2,945,601,545)
Loan (repaid to) / received from sponsor - net	18	(3,301,707,946)	2,501,707,946
Contributions received from musharaka participants		-	522,537,950
Payment of lease liability	21	(70,048,775)	(17,191,314)
Net cash (used in) / generated from financing activities		(7,581,457,591)	61,453,037
Net (decrease) / increase in cash and cash equivalents		(745,308,474)	23,267,330
Cash and cash equivalents at beginning of the year		(431,861,166)	(455,353,989)
Effect of exchange rate fluctuations on cash held		(236,132)	225,493
Cash and cash equivalents at end of the year	38	(1,177,405,772)	(431,861,166)

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
Revenue	33	9,262,892,458	9,204,577,411
Gain on remeasurement of investments - net	34	1,687,171,231	2,091,904,255
Gain / (loss) on real estate portfolio - net	35	544,936,426	(5,189,439)
Gain on sale of securities - net	36	3,030,034,711	1,724,345,185
Operating and investing income		14,525,034,826	13,015,637,412
Cost of energy sales	37	(1,975,339,938)	(1,960,003,974)
Administrative expenses	38	(2,793,683,053)	(2,464,748,661)
Other income	39	2,291,076,919	90,510,544
Finance costs	40	(697,791,735)	(1,461,622,687)
Other charges	41	(75,695,021)	(107,888,528)
Profit before share of profit of equity-accounted investees		11,273,601,998	7,111,884,106
Share of profit of equity accounted investees - net of tax	9.3	9,563,614,393	6,843,256,104
Profit before levies and income tax		20,837,216,391	13,955,140,210
Levies	42	(22,218,843)	(21,987,963)
Profit before income tax		20,814,997,548	13,933,152,247
Income tax expense	43	(4,518,953,782)	(2,795,452,293)
Profit for the period		16,296,043,766	11,137,699,954
Profit attributable to:			
Equity holders of the Parent Company		15,528,605,980	10,389,294,052
Non-controlling interests	22.2	767,437,786	748,405,902
		16,296,043,766	11,137,699,954
Earnings per share - basic & diluted	44	3.68	2.46

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.



CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
Profit for the period		16,296,043,766	11,137,699,954
Other comprehensive income			
Items that may not be reclassified subsequently to consolidated statement of profit or loss			
Share of other comprehensive income / (loss) of equity accounted investees - net of tax	9.3	1,146,421,041	(19,441,179)
Total comprehensive income for the period		17,442,464,807	11,118,258,775
Total comprehensive income attributable to:			
Equity holders of the Parent Company		16,675,027,021	10,369,852,873
Non-controlling interests		767,437,786	748,405,902
		17,442,464,807	11,118,258,775

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	14,436,107,384	15,680,551,145
Intangible assets	5	668,301	685,389
Goodwill	6	910,206,117	910,206,117
Trading right entitlement certificate, membership cards and offices	7	5,600,000	5,600,000
Investment properties	8	2,500,000	1,791,900,000
Equity accounted investees	9	49,800,152,164	31,315,641,617
Other long term investments	10	3,593,633,997	8,349,314,000
Long term loan to related party	11	280,000,000	140,000,000
Long term deposits and other receivables	12	34,218,553	32,240,987
		<u>69,063,086,516</u>	<u>58,226,139,255</u>
CURRENT ASSETS			
Trade debts	13	5,182,540,775	6,275,922,933
Contract asset	14	223,140,166	180,870,639
Loans and advances	15	149,462,353	1,528,340,074
Deposits and prepayments	16	783,485,147	405,221,564
Receivable under margin trading system		2,416,579	2,675,008
Receivable against trading of securities - net		17,817,813	683,091,537
Accrued mark-up and other receivables	17	1,864,126,232	1,488,824,124
Short term investments	18	7,657,692,888	3,624,012,681
Cash and bank balances	19	7,539,901,338	4,208,883,734
		<u>23,420,583,291</u>	<u>18,397,842,294</u>
TOTAL ASSETS		<u><u>92,483,669,807</u></u>	<u><u>76,623,981,549</u></u>

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ARIF HABIB CORPORATION LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up share capital	20	4,216,967,470	4,216,967,470
Capital reserves			
Surplus on revaluation	21	-	7,835,000
Revenue reserves			
General reserve		4,019,567,665	4,019,567,665
Unappropriated profit		54,636,575,138	42,170,680,587
Equity attributable to owners of the Parent Company		62,873,110,273	50,415,050,722
Non-controlling interest	22	3,173,412,705	2,800,556,060
TOTAL EQUITY		66,046,522,978	53,215,606,782
NON-CURRENT LIABILITIES			
Long term loans	23	-	2,781,327,837
Land lease liability	24	12,637,600	12,253,057
Lease liability	25	39,019,534	43,178,606
Staff retirement benefits	26	50,147,800	53,988,903
Loan from sponsor	27	-	3,301,707,946
Contributions from Musharaka participants	28	-	529,770,710
Deferred taxation - net	29	7,606,578,671	5,431,544,964
		7,708,383,605	12,153,772,023
CURRENT LIABILITIES			
Trade and other payables	30	11,772,490,399	5,375,877,752
Accrued mark-up		159,427,230	118,058,516
Sales tax payable		131,832,150	74,577,621
Short term borrowings	31	2,789,696,044	1,396,611,538
Current portion of long term loans	23	2,768,646,165	2,841,000,000
Current portion of land lease liability	24	1,360,000	1,360,000
Current portion of lease liability	25	87,780,753	62,713,014
Taxation - provision less payments		956,320,999	1,333,117,330
Unclaimed dividend		61,209,484	51,286,973
		18,728,763,224	11,254,602,744
TOTAL LIABILITIES		26,437,146,829	23,408,374,767
Contingencies and commitments	32		
TOTAL EQUITY AND LIABILITIES		92,483,669,807	76,623,981,549

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Equity attributable to owners of the Parent Company					Total	Non-controlling interests	Total equity
	Issued, subscribed and paid-up share capital	Shares to be issued under scheme of arrangement	Capital reserve	Revenue reserves				
			Surplus on revaluation	General reserve	Unappropriated profit			
Balance as at 1 July 2024	4,083,750,000	133,217,470	7,835,000	4,019,567,665	34,805,458,414	43,049,828,549	2,364,303,954	45,414,132,503
Total comprehensive income for the year ended 30 June 2025								
Profit for the year	-	-	-	-	10,389,294,052	10,389,294,052	748,405,902	11,137,699,954
Other comprehensive loss for the year	-	-	-	-	(19,441,179)	(19,441,179)	-	(19,441,179)
	-	-	-	-	10,369,852,873	10,369,852,873	748,405,902	11,118,258,775
Transactions with owners recorded directly in equity								
Final cash dividend at the rate of Rs. 7 per share for the year ended 30 June 2024	-	-	-	-	(2,951,877,229)	(2,951,877,229)	-	(2,951,877,229)
Distribution by subsidiaries	-	-	-	-	-	-	(303,567,580)	(303,567,580)
Acquisition of equity interest in subsidiary without change in control - net	-	-	-	-	(52,753,471)	(52,753,471)	(8,586,216)	(61,339,687)
Effects of scheme of arrangement - note 1.1.1	133,217,470	(133,217,470)	-	-	-	-	-	-
Balance as at 30 June 2025	4,216,967,470	-	7,835,000	4,019,567,665	42,170,680,587	50,415,050,722	2,800,556,060	53,215,606,782
Total comprehensive income for the year ended 30 June 2026								
Profit for the year	-	-	-	-	15,528,605,980	15,528,605,980	767,437,786	16,296,043,766
Other comprehensive income for the year	-	-	-	-	1,146,421,041	1,146,421,041	-	1,146,421,041
	-	-	-	-	16,675,027,021	16,675,027,021	767,437,786	17,442,464,807
Transactions with owners recorded directly in equity								
Final cash dividend at the rate of Re. 1 per share for the year ended 30 June 2025	-	-	-	-	(4,216,967,470)	(4,216,967,470)	-	(4,216,967,470)
Distribution by subsidiaries	-	-	-	-	-	-	(394,581,141)	(394,581,141)
Transferred to unappropriated profit	-	-	(7,835,000)	-	7,835,000	-	-	-
Balance as at 30 June 2026	4,216,967,470	-	-	4,019,567,665	54,636,575,138	62,873,110,273	3,173,412,705	66,046,522,978

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

ARIF HABIB CORPORATION LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	46	13,746,849,855	8,097,397,472
Long term loan to related party - net		(140,000,000)	9,670,165
Income tax paid		(2,720,716,406)	(756,042,086)
Levies paid	42	(22,218,843)	(21,987,963)
Mark-up received		526,182,206	542,211,131
Finance cost paid		(586,340,066)	(1,245,038,490)
Staff retirement benefits paid	26	(12,417,313)	(2,634,746)
Net cash generated from operating activities		10,791,339,433	6,623,575,483
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4.1	(88,622,816)	(61,087,355)
Proceeds from sale of property, plant and equipment		315,520	1,007,837
Long term deposit and other receivable - net		(1,977,566)	24,133,724
Acquisition of investment properties	8.1	-	(1,710,020,000)
Proceeds from sale of investment property		1,337,491,312	128,063,321
Realisation of loans and advances	15.3 & 15.4	1,294,961,844	-
Proceeds from sale of other long term investments		2,709,382,833	-
Acquisition of other long term investments		(1,507,599)	(265,529,695)
Acquisition of equity interest in subsidiary		-	(143,060,389)
Acquisition of equity accounted investees	9.1	(8,922,704,188)	(4,507,198,517)
Proceeds from sale of equity accounted investees		3,014,105,337	365,837,210
Dividend received from equity accounted investee	9.1	2,683,936,816	2,848,949,905
Net cash generated from / (used in) investing activities		2,025,381,493	(3,318,903,959)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan received from sponsor	27.1	3,622,000,000	7,826,200,000
Loan repaid to sponsor	27.1	(6,923,707,946)	(5,324,492,054)
Contributions received from Musharaka participants	28	-	522,537,950
Lease rentals paid	24 & 25	(127,706,646)	(63,721,062)
Repayment of long term loan	23	(2,847,500,000)	(2,807,750,000)
Short term loans obtained		-	-
Dividend paid		(4,207,044,959)	(2,944,431,825)
Distribution by subsidiary to non-controlling interest		(394,581,141)	(303,567,580)
Net cash used in financing activities		(10,878,540,692)	(3,095,224,571)
Net increase in cash and cash equivalents		1,938,180,234	209,446,953
Cash and cash equivalents at beginning of the year		2,812,272,196	2,602,825,243
Effect of exchange rate fluctuations on cash held		(247,136)	-
Cash and cash equivalents at end of the year	47	4,750,205,294	2,812,272,196

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

DIRECTORS' REPORT

ARIF HABIB CORPORATION LIMITED – 2026

Dear Fellow Shareholders,

The Board of Directors is pleased to present the Annual Report of Arif Habib Corporation Limited (AHCL) along with the audited financial statements and the auditors' report for the financial year ended 30th June 2026.

PRINCIPAL ACTIVITIES

Arif Habib Corporation Limited (AHCL) is the holding company of the Arif Habib Group, with investments in a diversified portfolio spanning fertilizers, financial services, energy, cement, steel, real estate, listed securities, and aviation.

THE ECONOMY

Pakistan's economic performance during FY26 remained broadly encouraging, supported by steady external inflows, currency stability and strengthening industrial activity. Real GDP grew by 3.7%, extending the recovery witnessed in FY25, while remittances increased by 9% to USD 41.6 billion, continuing to support the external account. The rupee closed on June 30, 2026, at PKR 278.16 per USD, strengthening compared to the same period last year when it stood at PKR 283.76.

Inflation averaged 7.1% during the year, compared to 4.5% in FY25, reflecting geopolitical developments and higher oil prices that intensified pressures towards year-end. In response, the State Bank maintained a calibrated policy stance, reducing the policy rate in December 2025 before raising it in April 2026, closing the year at 11.5%. Pakistan's engagement with the IMF also remained on track, with the completion of the third review under the Extended Fund Facility and the second review under the Resilience and Sustainability Facility, unlocking disbursements of approximately USD 1.1 billion and USD 220 million, respectively. Reflecting the broader improvement in macroeconomic stability, Fitch Ratings affirmed Pakistan's Long-Term Foreign-Currency Issuer Default Rating at 'B-' with a Stable Outlook.

FINANCIAL RESULTS

For the financial year 2025-26, AHCL reported a consolidated profit-after-tax attributable to equity holders of the Parent Company of PKR 15,528.61 million, compared to PKR 10,389.30 million in the previous year. This translates into earnings per share of PKR 3.68, compared with PKR 2.46 per share last year, reflecting the significantly improved performance of our investee companies. On an unconsolidated basis, AHCL posted a profit-after-tax of PKR 44,480.63 million, equating

to earnings of PKR 10.55 per share against a face value of Re. 1 per share representing 10.55 times of the face value, a notable improvement compared to the profit-after-tax of PKR 23,672.43 million (restated) equating to earnings of PKR 5.61 per share (restated) recorded last year. The enhanced profitability is primarily driven by dividends and realized and unrealized gains on investments. The Company's equity has surpassed PKR 100 billion.

The Board has recommended declaration of a final Cash Dividend for the year ended 30th June 2026 at **125 %** of the face value of Re.1/- per share i.e. **Rs.1.25**. This entitlement shall be available to those shareholders whose names appear on the shareholders' register at the close of business on **20th October 2026**.

PRIVATISATION OF PAKISTAN INTERNATIONAL AIRLINES

The Company, as part of a consortium led by Arif Habib Corporation Limited (AHCL), participated in the Government of Pakistan's privatisation process for Pakistan International Airlines Corporation Limited (PIACL) and achieved a significant milestone in the acquisition process during the year under review.

The Consortium was declared the successful bidder for the acquisition of a 75% controlling equity stake in PIACL for a consideration of PKR 135 billion. Pursuant to the successful bid, the Consortium incorporated PIA Equity Limited (PIAEL) as a special purpose vehicle for undertaking the acquisition, and the relevant transaction agreements were executed with the Privatisation Commission and other stakeholders.

Following fulfilment of the agreed conditions precedent under the Share Purchase and Subscription Agreement (SPSA), the First Completion of the transaction was achieved and management control of PIACL was transferred to PIAEL on 29th June 2026.

In accordance with the terms of the transaction documents, the Consortium exercised its option, within the stipulated timeline, to acquire the remaining 25% equity stake in PIACL held by the Government of Pakistan. PIAEL is progressing towards completion of the remaining steps required for acquisition of the additional stake, which will further consolidate the Consortium's ownership and control of PIACL.

The transaction represents a strategic investment opportunity for the Company and is aligned with its objective of participating in initiatives that have the potential to generate long-term value for shareholders. The Consortium remains focused on supporting PIACL's transformation through strengthened governance, operational improvements, financial discipline and strategic initiatives aimed at enhancing the airline's performance and competitiveness.

PERFORMANCE OF INVESTEE COMPANIES

A brief review of our investee companies is as follows:

FERTILISERS

Fatima Fertilizer Company Limited (FATIMA), maintained strong operational and financial performance during the year. Fertilizer offtake increased by 12% to 2,927 kMT for the twelve months ended June 2026, compared to 2,611 kMT in the corresponding period last year. This supported a 10% increase in sales revenue to PKR 290,887.50 million, from PKR 264,443.19 million in the previous year. Profit after tax rose by 15% to PKR 45,562.44 million, compared to PKR 39,746.35 million last year.

The plants met their production targets, except the Sheikhpura plant, which remained shut for nearly two and a half months due to gas supply disruptions arising from the US-Iran conflict. Management utilised the outage to undertake in-house improvements, modifications and machinery overhauls to enhance operating efficiency.

AHCL received dividends of PKR 1,914 million from FATIMA during the year.

FINANCIAL SERVICES

Supported by continued economic reforms, macroeconomic stability and growing investor participation, FY26 marked another strong year for Pakistan's capital markets, with the KSE-100 Index rising 43.5% to close at a record 180,302 points. Arif Habib Limited (AHL), AHCL's corporate brokerage house, delivered robust results, recording its highest-ever revenue from core operations. Unconsolidated profit after tax increased 20% year-on-year to PKR 1,177.03 million, while operating revenue from brokerage, investment banking and advisory services rose 46% to PKR 2,084.99 million. Brokerage revenue reached PKR 1,634.65 million and investment banking revenue stood at approximately PKR 450.34 million, supported by the continued expansion of AHL's digital and retail client base, significant block transactions and a growing portfolio of advisory mandates across IPOs, mergers and acquisitions, and debt capital markets. Earnings per share increased to PKR 18.01, while the Company continued to receive recognition from leading local and international institutions for excellence in brokerage, investment banking and research. The Board proposed a final cash dividend of PKR 12.50 per share i.e, 125% amounting to PKR 816.75.million.

AHCL earned a dividend of PKR 485.59 million from AHL during the year.

WIND POWER

Sachal Energy Development (Private) Limited (SEDPL), AHCL's wind power project, maintained strong operational reliability during FY26, with a plant availability factor exceeding 99%. Despite wind speeds remaining below benchmark levels, the project generated cumulative energy of

122.06 GWh, compared to the benchmark of 136.50 GWh. SEDPL continued to meet its financial obligations and debt-servicing requirements in a timely manner, having successfully repaid eighteen loan instalments, together with the applicable mark-up, since COD. SEDPL posted an after-tax profit of PKR 3,281.25 million compared to PKR 3,526.87 million in the previous year.

AHCL earned a dividend of PKR 1,373.23 million from SEDPL during the year.

REAL ESTATE

Javedan Corporation Limited (JCL) sustained strong momentum at Naya Nazimabad during the year. Upholding the Arif Habib Group's commitment to transparency and documentation, projects continued to progress through REIT structures with construction on schedule. Key milestones included the launch of the Business Enclave, handover of commercial shops in Rahat Residency Phase II, and steady advancement of apartment developments, reinforcing Naya Nazimabad's position as Karachi's leading master-planned community. JCL posted a consolidated profit after tax of PKR 3,910.73 million, translating into earnings per share of PKR 10.27.

AHCL has earned PKR 752.67 million in dividends from its real estate investments.

STEEL

Aisha Steel Mills Limited (ASML) closed FY26 with sales of 257,144 tonnes, including exports of 61,583 tonnes, representing an increase of 73% over the previous year. Production rose by 64% to 266,476 tonnes, while revenue increased by 61% to PKR 54,235.22 million.

Higher sales volumes supported an improvement in gross profit margin to 10.89%, from 4.94% last year. Consequently, ASML recorded a profit before tax of PKR 1,755.66 million, compared to a loss before tax of PKR 1,666.30 million in the previous year, reflecting a significant turnaround in operational and financial performance.

CEMENT AND CONSTRUCTION ALLIED

Power Cement Limited delivered strong growth in FY26, with profit after tax rising to PKR 3,784.47 million from PKR 815 million last year. Net sales increased by 15% to PKR 33,978.97 million, while gross profit rose by 44% to PKR 12,085.96 million, supported by higher dispatches, improved price realisation, operational efficiencies and an optimised fuel and power mix. Finance costs declined by 40% due to lower policy rates, sponsor support and partial repayment of borrowings. During the year, the Company also commenced operations of its 7.5 MW wind power project, further strengthening its energy efficiency and cost-management initiatives. These measures have strengthened margins and positioned Power Cement for sustainable growth.

Safe Mix Concrete Limited performed steadily, reporting a reasonable profit for the year.

FUTURE OUTLOOK

Policy support is expected to remain broadly intact in FY27, supporting prospects for stronger economic growth. The SBP projects real GDP growth of 3.5% to 4.5%, while the current account deficit is expected to remain within 0% to 1% of GDP, supported by remittances projected to exceed USD 44 billion. The FY27 budget has introduced some tax relief for the export and construction sectors. While this is a welcome step, further measures will be needed to encourage investment, support growth and strengthen these sectors' contribution to the economy. External debt-servicing requirements are also expected to ease from USD 26.5 billion in FY26 to USD 21.5 billion in FY27. A broadly supportive fiscal stance, together with continued engagement under the IMF programme, should further reinforce this trajectory. However, the outlook remains sensitive to geopolitical developments and global energy prices, with the SBP's projections based on an oil-price assumption of USD 80 per barrel.

The Company's investee businesses enter the year on a steady footing, supported by continued strength in fertilizer and brokerage, stable performance in real estate and power, and improving prospects for cement and steel.

The Group continues to explore strategic opportunities across sectors that complement its existing portfolio and offer long-term growth potential. With its continued focus on growth and value creation, the Company remains confident in delivering steady and sustainable improvement in performance.

RISK MANAGEMENT

A comprehensive risk management system, devised by the Board, is in place to integrate organizational and procedural controls that identify, assess, and manage risks that could impact the Company's going-concern status. This framework promotes a balanced approach to risk-taking across all levels, ensuring that opportunities and risks are recognized at an early stage, measured effectively, and addressed through suitable instruments and controls.

As an investment-focused company, AHCL has evolved its risk management practices in line with its investment strategy. An annual review of business risks is conducted to ensure robust systems of risk identification, monitoring, and internal control are in place to safeguard the Company's assets, resources, reputation, and shareholder interests. Since inception, the Company has followed a disciplined policy of diversification across sectors and companies, underpinned by fundamental analysis and value investing principles. Risks are managed by applying prudence in security selection, avoiding concentration risk, ensuring adequate collateral and cash flow potential, and evaluating counterparty capacity. The Company has also contributed to strengthening capital market infrastructure through the active role of its representatives.

For strategic investments, risk management processes are tailored to the nature of each project. Decisions are taken after comprehensive analysis of risks and opportunities, with focus areas

including strong governance, clear policies and procedures, continuous monitoring, robust management information systems, and effective internal controls. Management undertakes systematic reviews of risk and compliance, covering financial reporting, CSR, integrity, code of conduct, and regulatory requirements. Operational risks are mitigated through detailed pre-investment assessments, active representation on investee boards by experienced professionals, application of budgetary and internal controls, and continuous performance reviews, with divestment pursued where necessary. Oversight is further strengthened through the Board's Investment Committee, which vets and monitors all strategic investments with support from timely management reporting. Detailed qualitative and quantitative disclosures on risk management are presented in Note # 40 to the financial statements.

As an investment holding company, AHCL also promotes responsible business practices across its investee companies. While not directly engaged in manufacturing, we actively encourage our portfolio companies to integrate environmental, social, and governance (ESG) principles into their operations, including climate risk mitigation, community engagement, and sustainable practices. We further advocate for diversity, equity, and inclusion (DE&I), promoting policies that enhance gender equality and foster greater female participation in leadership roles.

CAPITAL MANAGEMENT AND LIQUIDITY

The Company follows a policy of maintaining a strong capital base to ensure investor, creditor, and market confidence, support future business growth, and sustain its ability to continue as a going concern. The objective is to provide returns to shareholders and benefits to other stakeholders while maintaining an optimal capital structure to reduce the cost of capital.

The Board of Directors monitors return on capital, defined as net profit after tax divided by total shareholders' equity. While the Company undertook certain capital restructuring initiatives in recent years, including the allotment of shares pursuant to a Scheme of Arrangement and a share subdivision, there has been no change in its overall approach to capital management. The Company is not subject to any externally imposed capital requirements.

OUR PEOPLE AND CULTURE

At AHCL, our people remain the foundation of sustained growth and long-term value creation. We take pride in their commitment and competence and continue to invest in their development through training, recognition and transparent performance management. We firmly believe that the strength of our business rests on an adaptable, accountable and continuously evolving workforce.

We are committed to fostering a diverse, equitable and inclusive workplace where every individual has the opportunity to thrive. Our recruitment practices continue to evolve to attract talent from diverse backgrounds, with particular emphasis on increasing female participation, while career development is assessed against transparent benchmarks. During the year, plans were developed

for Diversity, Equity and Inclusion (DEI) workshops to promote inclusive thinking, while existing whistleblowing and grievance mechanisms were reviewed and found to be adequate.

Employee well-being remains central to our people philosophy. Employees across the Group participated in a range of development programmes during the year, while enhanced health insurance, mental wellness initiatives and awareness campaigns further reinforced our people-first approach. Succession planning and leadership development efforts remain focused on identifying high-potential talent and preparing them for future executive responsibilities.

Gender equality and pay transparency remain important priorities. Women currently represent 12.5% of our Board, and we continue to work towards building a strong leadership pipeline for women and establishing a formal pay equity framework. The Company is also taking proactive steps to comply with the SECP's circular on gender pay gap reporting.

The gender pay gap is a global challenge arising from a range of factors, including occupational segregation, differences in experience and systemic biases. Addressing these disparities is essential to ensuring fair compensation, strengthening inclusion and supporting sustainable growth. By aligning with regulatory requirements and international best practices, AHCL seeks to enhance transparency, advance pay equity and reinforce its broader commitment to diversity and inclusion.

Through these efforts, AHCL continues to strengthen its most valuable asset—its people—and remains determined to become an employer of choice and a benchmark for human capital development in Pakistan.

A snapshot of the Company's gender pay gap is provided below:

Mean gender pay gap	-6.71%
Median gender pay gap	-38.19%

MATERIALITY APPROACH ADOPTED

The Board of Directors closely monitors all material matters of the Company. In general, matters are considered to be material if, individually or in aggregate, they are expected to significantly affect the performance and profitability of the Company in accordance with the policy.

CORPORATE SOCIAL RESPONSIBILITY (CSR) & ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

Since inception, the Arif Habib Group has believed that business must serve a purpose beyond profit. Responsible and sustainable development has remained central to our philosophy, guiding us to act with care, responsibility, and sensitivity towards the communities and environments we touch.

Our CSR programs extend meaningful support across education, healthcare, environment, community welfare, sports, and relief work—areas where we can create real, lasting impact. We also place the well-being of our employees and stakeholders at the core, ensuring their safety, growth, and prosperity.

Aligned with our values, we have embedded ESG principles across our businesses to ensure that sustainability and governance go hand in hand with growth. Energy efficiency, conservation, and responsible power use are integral to our daily operations, while we actively pursue opportunities in renewable energy and research that reduce resource consumption and climate impact.

Transparency and accountability remain the foundation of our governance practices, as we consistently fulfill our obligations to the national economy and uphold the highest standards of corporate conduct.

Looking forward, we remain committed to strengthening Pakistan’s growth story by reinvesting in its people, economy, and environment - anchored in the belief that true progress balances profitability with sustainability. Contributions by Group companies are detailed on **Page # 77**.

CORPORATE GOVERNANCE

AHCL, a listed company on the Pakistan Stock Exchange, remains committed to the highest standards of corporate governance. The Board and management diligently observe the Code of Corporate Governance prescribed for listed companies, ensuring their responsibilities are discharged with transparency, accountability, and fairness.

The Board affirms that proper books of accounts have been maintained, with appropriate accounting policies consistently applied, except where new or amended standards require otherwise (as disclosed in Note # 2.5 of the audited financial statements). The financial statements have been prepared in line with International Financial Reporting Standards (as applicable in Pakistan), using prudent judgment and reasonable estimates, and present a true and fair view of the Company’s financial position, performance, cash flows, and changes in equity. Internal controls, including financial controls, are well-designed, effectively implemented, and regularly monitored. The Company has no outstanding liabilities in respect of taxes, duties, levies, or employee retirement benefits.

AHCL nominates directors to the boards of its strategic investments based on its stake. Where applicable, nominees and representatives actively engage with the management of investee companies on business plans and budgets, with performance measured against agreed targets. Progress is periodically reviewed to ensure alignment with the Group’s strategic objectives.

The Board reaffirms its full confidence in the Company’s ability to continue as a going concern. No material departure has occurred from the best practices of corporate governance. AHCL has consistently sought to set benchmarks of excellence in governance, many of which were adopted voluntarily even before they became regulatory requirements.

COMPOSITION OF BOARD / COMMITTEES

Out of the total eight Directors, seven Directors are male, whereas one Director is female. The composition of the existing Board of Directors and its Committees is as follows:

Board of Directors	Category	Audit Committee	Human Resource & Remuneration Committee	Investments & Risk Management Committee	Nomination Committee
Khawaja Najam Ud Din Roomi	Independent	Chairman	-	-	-
Ms. Zeba Bakhtiar		-	Chairperson	-	-
Mr. Asadullah Khawaja (Chairman)	Non-Executive	-	-	-	-
Mr. Nasim Beg		-	Member	Member	-
Mr. Abdus Samad Habib		-	-	Member	Member
Mr. Kashif Habib		Member	Member	Member	-
Mr. Muhammad Ejaz		Member	-	-	-
Mr. Arif Habib (Chief Executive)	Executive	-	Member	Chairman	Chairman

The Board has assigned the functions of the Sustainability Committee to the existing Human Resource & Remuneration Committee.

CHANGES IN BOARD COMPOSITION AND ELECTION OF DIRECTORS

In accordance with Section 161 of the Companies Act, 2017, the three-year term of the eight directors elected at the Extra Ordinary General Meeting held on 22nd September 2025 will complete in September 2028. No casual vacancy occurred during the financial year ended 30th June 2026.

DIRECTORS REMUNERATION POLICY

The Non-Executive and independent directors of Arif Habib Corporation Limited may claim a meeting fee for attending Board of Directors meetings or any of the Board's sub-committee meetings at the rate approved by Board of Directors from time to time.

Payment of remuneration against assignment of extra services by any director shall be determined by the Board of Directors on the basis of standards in the market and scope of the work and shall be in line as allowed by the Articles of Association of the Company. Levels of remuneration shall also be appropriate and commensurate with the level of responsibility and expertise. However, for an Independent Director, it shall not be at a level that could be perceived to compromise the independence.

The Chief Executive Officer is the only executive director on the Board. Disclosure with respect to the remuneration package of the chief executive, directors and executives is presented in Note

36 to the annexed audited unconsolidated financial statements. Disclosure relating to meeting fee paid to Non-Executive Directors is included in Note # 36.2 to the annexed audited financial statements.

ATTENDANCE AT BOARD MEETINGS

A statement showing the names of the persons who were directors of the Company during the financial year, along with their attendance at Board and Committee(s) meetings, is annexed as Annexure-I.

TRADING IN THE COMPANY'S SHARE BY DIRECTORS AND EXECUTIVES

All Directors including the Chief Executive, Chief Financial Officer and Executives of the Company were informed by the Company Secretary to immediately inform in writing, any trading in the Company's shares by themselves or by their spouses and to deliver a written record of the price, number and form of shares and nature of transaction within 7 days of such transaction to the Company Secretary.

A statement showing the Company's shares transacted by its Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor family members is annexed as Annexure-II. Except as disclosed in Annexure-II, there has been no transaction in Company's shares by any other employee whose basic salary exceeds the threshold of PKR 3,600,000 in the year, being the threshold set by the directors for disclosure in annual reports.

PATTERN OF SHAREHOLDING

The shares of the Company are listed on the Pakistan Stock Exchange. There were 16,976 shareholders of the Company as of 30th June 2026. The detailed pattern of shareholding and categories of shareholding of the Company including shares held by directors and executives, if any, are annexed as Annexure-III.

FINANCIAL AND BUSINESS HIGHLIGHTS

The key operating and financial data has been given in summarized form under the caption "Financial & Business Highlights – Six years at a glance" on **Page # 61**.

INVESTMENT IN RETIREMENT BENEFITS

The value of investment made by the staff Provident Fund operated by the Company as per their respective financial statements as of 30th June 2026 amounts to PKR 80.69 million.

AUDIT COMMITTEE

As required under the Code of Corporate Governance, the Audit Committee continued to perform as per its terms of reference duly approved by the Board. The Committee composition and salient features of its terms of reference are also attached with this report.

AUDITORS

The present external auditors M/s. A. F. Ferguson & Co., Chartered Accountants, shall retire at the conclusion of Annual General Meeting on 28th October 2026 and being eligible, have offered themselves for reappointment for the year ending on 30th June 2027. The external auditors hold satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program. As suggested by the Audit Committee, the Board recommends reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants, as auditors of the Company for the financial year ending on 30th June 2027 at a fee to be mutually agreed. Approval to this effect will be sought from the shareholders at the forthcoming Annual General Meeting scheduled on 28th October 2026.

COMPLIANCE WITH SECRETARIAL PRACTICES

During the financial year under review, the secretarial and corporate requirements of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 have been duly complied with.

RELATED PARTY TRANSACTIONS

In order to comply with the requirements of listing regulations, the Company presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in Note # 43 of the annexed audited financial statements.

ACKNOWLEDGEMENT

The Directors are grateful to the Company's stakeholders for their continuing confidence and patronage. We wish to place on record our appreciation and thanks for the faith and trust reposed by our Business Partners, Bankers & Financial Institutions. We thank the Ministry of Finance, the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan, the Competition Commission of Pakistan, Central Depository Company of Pakistan and the management of Pakistan Stock Exchange for their continued support and guidance which has gone a long way in giving present shape to the Company. We acknowledge the hard work put in by employees of the Company during the year. We also appreciate the valuable contribution and active role of the



members of the audit and other committees in supporting and guiding the management on matters of great importance.

For and on behalf of the Board

- Signed -

- Signed -

Chief Executive

Director

Karachi: 30th September 2026