

ANNUAL REPORT 2026



CITI PHARMA LIMITED

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COMPANY INFORMATION

Board of Directors

Mr. Nadeem Amjad

Chairman

Mr. Rizwan Ahmad

Chief Executive Officer

Zameer Ul Hassan Shah

Executive Director

Ms. Saira Aslam

Non-Executive Director

Mr. Muhammad Naeem

Non-Executive Director

Mr. Abdul Jaleel Shaikh

Independent Director

Ms. Saima Shafi Rana

Independent Director

Audit Committee

Mr. Abdul Jaleel Shaikh

(Independent Director)

Mr. Nadeem Amjad

(Non-Executive Director)

Mr. Muhammad Naeem

(Non-Executive Director)

Human Resource & Remuneration Committee

Ms. Saima Shafi Rana

(Independent Director)

Mr. Zameer Ul Hassan Shah

(Executive Director)

Mr. Rizwan Ahmad

(Executive Director)

Key Management

Mr. Hanan Alam

Acting Chief Financial Officer

Mr. Muhammad Rasheed Alam

Company Secretary

Mr. Muhammad Ishaq

Head of Internal Audit

External Auditors

Aslam Malik & Co.

Chartered Accountants

Legal Advisor's

Mr. Muhammad Harron Farrukh

Share Registrar

F.D Registrar Services (Pvt) Ltd

Bankers

Habib Bank Limited – Islamic

Meezan Bank Limited

Bank Al Habib Limited

Pak Brunei Investment Company Limited

Samba Bank Limited

Soneri Bank Limited

The Bank of Punjab

National Bank of Pakistan

Standard Chartered Bank (Pakistan) Limited

United Bank Limited

Head Office

588-Q Block, M.A., Johar Town, Lahore

Tel: +92-42-35316587

Registered Office

3-KM, Head Balloki Road, Bhai Pheru, Distt
Kasur

Tel: +92-49-4510189, 4513392

Fax: +92-49-4510191

E-Mail: corporate@citipharma.com.pk

Website: www.citipharma.com.pk

CHAIRMAN'S REVIEW

ON THE BOARD'S OVERALL PERFORMANCE UNDER SECTION 192 OF THE COMPANIES ACT, 2017

I am pleased to present the Chairman's Review Report to the shareholders on the overall performance and effectiveness of the Board of Directors of Citi Pharma Limited for the financial year ended June 30, 2026.

REVIEW OF OVERALL PERFORMANCE AND EFFECTIVENESS OF THE BOARD

The Board of Directors continued to provide strategic direction, oversight and guidance to the Company during the year. The Board remained focused on the Company's strategic objectives, business performance, risk management, regulatory compliance and long-term sustainability.

The Board regularly reviewed the Company's business plans, financial performance, major investments and other significant matters requiring its consideration. The Board also remained engaged in monitoring the Company's operational and financial position and in providing appropriate guidance to management.

The Board continued to emphasize sound corporate governance, regulatory compliance and prudent risk management. The Board and its committees remained engaged in matters relating to internal controls, financial reporting, human resources, remuneration and other matters falling within their respective terms of reference.

The Board also provided oversight of the Company's ongoing business development and expansion initiatives, including research and development, new therapeutic areas, strategic collaborations and other opportunities aimed at supporting the Company's long-term growth.

FUTURE OUTLOOK

The Board remains focused on sustainable growth and strengthening the Company's position in the pharmaceutical sector. The Company will continue to focus on operational efficiency, product development,

regulatory compliance, strategic collaborations and expansion into promising therapeutic and business areas.

The Board remains committed to providing effective oversight and strategic guidance to management while safeguarding the interests of the Company and its stakeholders.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to express my appreciation to our shareholders, customers, employees, business partners and other stakeholders for their continued trust and support. I also acknowledge the valuable contribution of my fellow Directors and the dedication of the management and employees of Citi Pharma Limited.



Nadeem Amjad
Chairman

Date: October 03, 2026

CEO'S MESSAGE

I am pleased to address our valued shareholders, partners and employees as we reflect on the financial year ended June 30, 2026.

The year under review continued to present a challenging operating environment for the pharmaceutical industry, with evolving economic conditions, cost pressures, regulatory requirements and volatility in the prices and availability of raw materials. Despite these challenges, Citi Pharma remained focused on maintaining operational continuity, product quality and disciplined execution of its business strategy.

Our strategy continues to focus on strengthening our core pharmaceutical business while building capabilities for sustainable long-term growth. We remain committed to improving manufacturing efficiencies, enhancing our product portfolio, developing local capabilities and reducing reliance on external sources through appropriate backward and forward integration.

Innovation and research remain important pillars of our growth strategy. The Company continues to strengthen its research and development capabilities and is progressing towards the development of a Bioequivalence Center to support clinical studies, regulatory requirements and product development. We are also exploring opportunities in areas including biosimilars, biotechnology, vaccines and other critical therapies, with the objective of expanding local healthcare capabilities and improving access to quality medicines.

The global pharmaceutical industry continues to evolve rapidly, with innovation increasingly concentrated in high-impact therapeutic areas and growing opportunities arising from biosimilars, biotechnology and new treatment modalities. IQVIA's recent industry outlook also highlights the importance of innovation, agility and resilience as pharmaceutical companies navigate changing market and regulatory dynamics.

In Pakistan, the pharmaceutical sector continues to face challenges relating to economic conditions, input costs, regulatory requirements and access to

foreign exchange. At the same time, the need for locally manufactured medicines and critical therapies presents opportunities for companies with appropriate manufacturing capabilities, technical expertise and a long-term approach to investment.

Citi Pharma remains committed to responsible growth, sound corporate governance and prudent risk management. We continue to invest in our people, systems and capabilities while maintaining a strong focus on quality, regulatory compliance and operational excellence. Our objective is to build a resilient organization capable of responding effectively to changing healthcare needs and market conditions.

Looking ahead, we remain focused on strengthening our core operations, expanding our product and therapeutic portfolio, advancing our research and development initiatives and pursuing carefully evaluated opportunities for business growth. We believe that a disciplined approach to investment, innovation and execution will enable us to create sustainable value for our stakeholders.

I would like to express my sincere appreciation to our shareholders, customers, business partners and other stakeholders for their continued confidence and support. I also acknowledge the dedication and contribution of our management team and employees, whose commitment remains central to the Company's continued progress.



Rizwan Ahmad
Chief Executive

Date: October 03, 2026

VISION STATEMENT

We aim to be among the top pharmaceutical companies in Pakistan by constantly evolving and bringing home innovative products in healthcare segment.

MISSION STATEMENT

Citi Pharma's mission is to dedicate itself exceptional value through creation of innovative & cost-effective pharma products and develop a corporate culture that rewards initiative, enthusiasm and ethical practices.



DIRECTOR'S PROFILE



Mr. Nadeem Amjad

Chairman

Mr. Amjad is also an early age entrepreneur with over 3 decades of profession business experience. Early on in his career, he has remained involved with trading businesses, dealing in Jewelry, Computer Micro-chips & Hardware, Telecommunications business.

He is a well-organized entrepreneur with an impeccable reputation of successful business ventures across the far east, middle east and Pakistan. He was the person behind the growth of the family businesses into various fields as well as geographies. He expanded the family business into the Hong Kong Real Estate business as well as hospitality.

He holds an MBA from University of London.



Mr. Rizwan Ahmad

CEO

Mr. Rizwan Sheikh is the Chief Executive Officer of the Company. He is widely recognized as one of the leading thought leaders, entrepreneurs and Chief Executives in Pakistan's pharma sector.

Mr. Sheikh entered into the world of business at an early age, when he joined the family telecommunications business under the name of Citi Phones (Pvt.) Limited. He gained considerable success as he graduated the business from a retailer to an importer. Later on, he joined the family business in Hong Kong and ventured into telecommunications, real estate, hospitality (restaurants) and pharma (API) trading. In 2007, Mr. Sheikh established a mobile phone manufacturing plant in Chinese province of Shenzhen and set up a trading company, "Discover Wireless" in Dubai, UAE. Since 2012, he has been spearheading CPHL successfully, transforming the Company from a loss-making entity to a profitable one.

Mr. Rizwan holds an LLB (Bachelors of Law) from University of Punjab. After completing his bachelors, he studied law further from the University Law College.

Until recently, he was a Member Board of Management, Pakistan Drugs Testing and Research Center (a Government of Punjab undertaking), which is an independent contract research organization carrying out drugs' testing and bioavailability/bioequivalence (BA/BE) studies and providing clinical, analytical and bio analytical chemistry services. He was also a member of the Expert Panel (Ministry of Health, Pakistan) for inspection of bioequivalence centers.

DIRECTOR'S PROFILE



Saima Shafi Rana

Independent Director

Saima Shafi Rana is a seasoned professional with more than a decade of experience in capital markets regulation, compliance, corporate governance, and business development across sectors including financial markets, technology, and fashion. She brings strong expertise in regulatory frameworks, international growth strategies, and strategic leadership at the board level.

Ms. Rana began her career at the Securities and Exchange Commission of Pakistan (SECP), where she dedicated nearly 12 years to advancing the regulatory framework for the demutualization of stock exchanges in Pakistan. Her work involved overhauling legal structures for intermediaries, conducting inspections and investigations to enforce compliance with securities laws, and contributing to initiatives that enhanced market governance. Additionally, she played a key role in the Financial Market Governance Program (FMGP) and collaborated with the Asian Development Bank (ADB) on the Second Tranche Conditions of ADB's Financial Market (Non-Bank) Governance Program.

She has held the position of Director of International and Local Business Development & Event Management at Urban Silhouette, an apparel and fashion brand. Additionally, she is a certified board director with extensive experience serving on the boards of listed companies.



Mr. Abdul Jaleel Sheikh

Independent Director

Abdul Jaleel Shaikh is a civil engineer and development finance executive with 50 years of experience spanning construction and project management, corporate finance, credit administration, risk management, human resources and general administration. A Certified Director, he has more than four decades of experience with Development Financial Institutions. Since the inception of Pak Brunei Investment Company in 2007, he served for more than 17 years as Group Head, Chief Operating Officer and Chief Risk Officer—the company's senior-most executive position after the Managing Director. During his tenure, he established and led key functions, including Operations, Corporate Banking, Special Asset Management, Project Monitoring, Structured Commodity Finance, Credit and Operational Risk, Cyber Security, Legal, Trustee and Agency Services, Information Technology and Administration. Before joining Pak Brunei, Mr. Shaikh spent more than two decades with Saudi Pak Industrial and Agricultural Investment Company, where he rose to Senior Executive Vice President, the second-most senior position after the Chief Executive Officer. He led the planning and implementation of the company's 20-storey Saudi Pak Tower in Islamabad and subsequently headed Personnel and Administration, Corporate Finance and Credit Administration. In the latter role, he administered

and monitored advances and investments exceeding Rs. 12.5 billion across more than 200 accounts nationwide.

During his association with both Development Financial Institutions, Mr. Shaikh contributed to the establishment of several subsidiaries, including Saudi Pak Commercial Bank, Saudi Pak Leasing, Saudi Pak Real Estate, Saudi Pak Insurance, Primus Investment, Primus Leasing, Awwal Modaraba Management Company and Awwal Corporate Restructuring Company. Earlier in his career, he spent more than ten years in civil engineering roles in Pakistan and Saudi Arabia. His experience included major infrastructure projects for the Royal Saudi Air Force and King Khalid Military City, as well as the Saline Water Conversion Corporation headquarters in Riyadh, the National Commercial Bank building in Dammam, aerodrome facilities for coastal areas of Pakistan and the Left Bank Outfall Drain (LBOD) project in Sindh, which involved the drainage and disposal of saline water.

Mr. Shaikh holds a B.E. in Civil Engineering from NED University of Engineering and Technology, Karachi. Throughout his career, he has served as a Non-Executive and Independent Director on the boards of listed and non-listed companies across multiple sectors. He has also served on and chaired key Board committees, including Audit, Credit, ESG, Risk and HR Committees.

DIRECTOR'S PROFILE



Mrs. Saira Aslam

Non-Executive Director

Mrs. Saira Aslam is an Bsc from Lahore Garrison College and is associated with CPHL as a Director. She actively participates in the philanthropy in the city of Lahore and is considered to be one of the active philanthropists in the city.



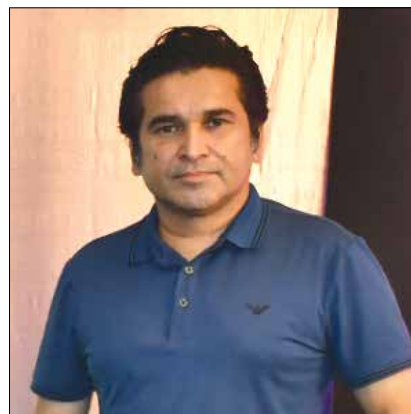
Dr. Zameer UI Hassan

Director

Dr. Shah is an experienced pharmaceutical sector professional with over 2 decades of experience in leading local and MNC companies. He is currently working as Director Operations of CPHL and is in charge of all production related matters. Prior to joining CPHL in 2002, Dr. Shah was involved with leading pharma sector players such as Global Pharmaceuticals (Pvt.) Limited, Caraway Pharmaceuticals, Cirin Pharmaceuticals Pvt. Limited, Merck Marker in Pakistan. He has also worked internationally with Tabuk Pharmaceutical Manufacturing Company "Riyadh, Saudi Arabia and Shifa Jeddah Polyclinics.

Throughout his career, he has been involved with the production of various penicillin, cephalosporin and psychotropic medicines.

He has completed his Master of Philosophy in Pharmaceutics from Gomal University (D.I. Khan). During his M. Phil, his thesis was on Bioequivalence Study of 400mg dispersible tablets (deferasirox) in comparison to Asuma 400 mg dispersible tablets by a leading MNC.



Mr. Muhammad Naeem

Non-Executive Director

He has more than 25 years of experience in retail sector, covering mostly electronic items and mobile phones. He serves as the Director of Citi Pharma Limited.

PROFILE OF KEY MANAGEMENT



Mr. Hanan Alam
Acting Chief Financial Officer

Mr. Hanan Alam serves as Acting Chief Financial Officer of Citi Pharma Limited. He oversees the Group's Accounts and Finance functions and leads Group Taxation, with responsibility for financial reporting, fiscal governance and the effective management of the Group's financial resources.

During his professional career, Mr. Alam has contributed to several significant corporate and financial initiatives. While associated with a leading chartered accountancy firm, he was involved in the professional assignment relating to the listing of Citi Pharma Limited. He subsequently played a key role in securing major Sukuk financing, supporting the Company's capital requirements and growth initiatives. He has also contributed to the Company's REIT Scheme of Arrangement. In addition, he led the implementation of SAP across Citi Pharma and its associated and subsidiary companies, establishing an integrated financial management platform across the Group.

Mr. Alam is committed to financial discipline, transparency and prudent stewardship of the Group's resources, with a focus on strengthening financial management and creating sustainable value for the Company's stakeholders.



Mr. Muhammad Rasheed Alam
Company Secretary

Mr. Muhammad Rasheed Alam joined Citi Pharma Limited in March 2026 as Company Secretary. He is a seasoned professional with over two decades of experience spanning corporate governance, company secretarial affairs, financial management, regulatory compliance and stakeholder relations.

He holds a Master of Business Administration (MBA) with specializations in Banking & Finance and Financial Management and has completed four years of professional training with a leading chartered accountancy firm. Over the course of his career, he has held senior management and leadership positions with reputable financial services and investment institutions, gaining broad experience in corporate governance, financial reporting, regulatory affairs and strategic financial management.

His professional expertise includes Board and Committee affairs, corporate governance, company secretarial matters, SECP and PSX compliance, regulatory filings, financial reporting, shareholder matters and stakeholder engagement. He has extensive experience in facilitating Board and Committee proceedings, General Meetings, corporate documentation and governance reporting, and in coordinating with regulators, auditors and other key stakeholders.

At Citi Pharma Limited, he supports the Board of Directors and its Committees in the effective discharge of their statutory and governance responsibilities, while ensuring timely compliance with applicable legal and regulatory requirements. His broad experience across finance, governance and regulatory affairs strengthens the Company's focus on sound corporate governance, transparency, accountability and sustainable institutional growth.

DIRECTOR'S REPORT

The Directors of Citi Pharma Limited (the "Company") are pleased to present the Annual Report together with the audited standalone and consolidated financial statements of the Company for the year ended June 30, 2026.

1. PRINCIPAL ACTIVITIES

Citi Pharma Limited is principally engaged in the manufacturing and sale of pharmaceutical products, medical chemicals, botanical products, Active Pharmaceutical Ingredients (APIs), formulations and related healthcare products.

The Company continues to focus on strengthening its manufacturing capabilities, developing higher-value products and expanding its research and development capabilities in therapeutic areas having sustainable market potential.

2. REVIEW OF ECONOMY AND BUSINESS ENVIRONMENT

During the year under review, the pharmaceutical sector continued to operate in a challenging environment

characterized by inflationary pressures, fluctuations in exchange rates, financing costs, energy and input costs, regulatory requirements and supply-chain considerations.

Demand for pharmaceutical and healthcare products remained supported by essential healthcare requirements. However, the industry continued to face challenges relating to pricing, availability and cost of imported APIs and other inputs, regulatory compliance and working-capital requirements.

The Company continued to focus on operational efficiency, cost management, product availability and prudent financial management in response to these conditions.

3. BUSINESS PERFORMANCE AND FINANCIAL REVIEW

The Company maintained growth in revenue and achieved an improvement in gross and operating profitability during the year.

Business Performance and Financial Review

(Rupees in million, except EPS and percentages)

Particulars	2026	2025	Change / %
Revenue / Sales	14,004.6	13,153.5	6.5%
Gross Profit	2,449.6	2,017.6	21.4%
Gross Profit Margin	17.5%	15.3%	2.2 pp
Operating Profit	1,925.4	1,604.2	20.0%
Profit Before Tax	1,331.3	1,354.5	(1.7%)
Profit After Tax	782.6	892.0	(12.3%)
Earnings Per Share (EPS)	3.43	3.90	(12.1%)
Net Profit Margin	5.6%	6.8%	(1.2 pp)

Revenue increased by 6.5% to Rs. 14,004.6 million, supported by local sales and exports.

Gross profit increased by 21.4% to Rs. 2,449.6 million, with the gross margin improving from 15.3% to 17.5%. The improvement was supported by a reduction in raw-material consumption costs and continued focus on operational efficiency.

Operating profit increased by 20.0% to Rs. 1,925.4 million despite higher administrative, marketing and distribution expenses.

Financial charges increased to Rs. 387.9 million, while

other income declined during the year. These factors, together with the overall cost structure and tax charge, resulted in profit before tax of Rs. 1,331.3 million and profit after tax of Rs. 782.6 million.

The resulting earnings per share for the year amounted to Rs. 3.43 as compared with Rs. 3.90 in the preceding year.

Management remains focused on improving margins, strengthening cost controls, optimizing working capital and enhancing utilization of the Company's manufacturing capacity.

DIRECTOR'S REPORT

4. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Citi Pharma Limited and its subsidiary, Citi Veterinary Limited, have been prepared in accordance with the applicable financial reporting framework and present the Group as a single economic entity. Citi Pharma Limited holds 2,999,998 of the 3,000,000 issued ordinary shares of Citi Veterinary Limited, with the remaining shares held by its nominees, one share each. The affairs and performance of the subsidiary are reflected in the consolidated financial statements and accompanying notes, which form part of this Annual Report together with the Auditors' Report.

Citi Veterinary Limited is principally engaged in the import, development, manufacturing and marketing of veterinary drugs and related healthcare products. Its financial position and results are incorporated in the Group's consolidated financial statements.

5. DIVIDEND AND APPROPRIATION OF PROFIT

The Board has decided not to recommend any dividend for the year ended June 30, 2026. The Board has considered the Company's profitability, cash generation, working-capital requirements, planned capital expenditure and future funding requirements in making its recommendation.

6. BOARD OF DIRECTORS

The Board of Directors comprises the following:

Category	Name
Non-Executive Director	Mr. Nadeem Amjad (Designation: Chairman / Non-Executive Director)
Executive Director	Mr. Rizwan Ahmad (Designation: Chief Executive Officer / Executive Director)
Independent Director	Mr. Abdul Jaleel Shaikh (Designation: Independent Director)
Independent Director	Ms. Saima Shafi Rana (Designation: Independent Director)
Executive Director	Mr. Zameer Ul Hassan Shah (Designation: Executive Director)
Non-Executive Director	Mr. Muhammad Naeem (Designation: Non-Executive Director)
Non-Executive Director	Ms. Saira Aslam (Designation: Non-Executive Director)

The Board composition provides representation of Executive, Non-Executive and Independent Directors in accordance with the applicable regulatory framework.

7. BOARD COMPOSITION, DIVERSITY AND GOVERNANCE

The Board comprises seven Directors, including five male and two female Directors.

The Board comprises two Independent Directors, three Non-Executive Directors and two Executive Directors.

The Company recognises the importance of an appropriately constituted Board with an appropriate mix of skills, experience, independence and diversity to support effective oversight and decision-making.

8. BOARD COMMITTEES

The Board has constituted the following committees:

a. Audit Committee

Name	Designation
Mr. Abdul Jaleel Shaikh	Independent Director (Role: Chairman)
Mr. Nadeem Amjad	Non-Executive Director (Role: Member)
Mr. Muhammad Naeem	Non-Executive Director (Role: Member)

b. Human Resource & Remuneration & ESG Committee

Name	Designation
Ms. Saima Shafi Rana	Independent Director (Role: Chairperson)
Mr. Rizwan Ahmad	Executive Director (Role: Member)
Mr. Zameer Ul Hassan Shah	Executive Director (Role: Member)

The committees assist the Board in discharging its responsibilities in accordance with their respective terms of reference and applicable regulatory requirements.

DIRECTOR'S REPORT

9. MEETINGS OF THE BOARD AND COMMITTEES

During the year, the Board held five meetings, the Audit Committee held four meetings and the Human

Resource, Remuneration & ESG Committee held one meeting.

Attendance of Directors was as follows

S. No.	Name of Director	Board Meetings	Audit Committee	HR, Remuneration & ESG Committee
1	Mr. Nadeem Amjad	5/5	4/4	—
2	Mr. Rizwan Ahmad	5/5	—	1/1
3	Mr. Zameer Ul Hassan Shah	5/5	—	1/1
4	Ms. Saira Aslam	3/5	—	—
5	Mr. Muhammad Naeem	5/5	4/4	—
6	Mr. Abdul Jaleel Shaikh	5/5	4/4	—
7	Ms. Saima Shafi Rana	5/5	—	1/1

The two absences of Ms. Saira Aslam were duly covered by leave.

10. DIRECTOR'S TRAINING PROGRAM

All seven Directors of the Company are trained for the prescribed Directors' Training Program in accordance with the applicable requirements.

The Directors have also been appropriately oriented regarding their statutory duties, corporate governance responsibilities and the regulatory framework applicable to the Company.

11. COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The Company has complied with the applicable requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, except for such matters, if any, as may be disclosed in the Statement of Compliance forming part of the annual report.

The Board remains committed to maintaining appropriate standards of corporate governance, transparency and accountability.

12. CORPORATE AND FINANCIAL REPORTING FRAMEWORK / DIRECTORS' RESPONSIBILITY

The Directors confirm that:

- the financial statements present fairly the state of affairs of the Company, the results of its operations, cash flows and changes in equity.
- proper books of account have been maintained;
- appropriate accounting policies have been consistently applied in preparation of the financial statements;
- accounting estimates and judgements have been made on a reasonable and prudent basis;
- the financial statements have been prepared in accordance with the applicable financial reporting framework and requirements of the Companies Act, 2017;
- the system of internal financial controls has been appropriately designed and implemented and is subject to regular review;
- appropriate steps have been taken to maintain an effective control environment;
- there are no significant doubts regarding the Company's ability to continue as a going concern, based on information available to the Board;
- there has been no material departure from the applicable financial reporting requirements except as disclosed in the financial statements; and
- the Company has maintained appropriate corporate records and reporting processes.

13. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board recognises its responsibility for maintaining an appropriate system of internal financial controls. The Company's internal control framework is designed to provide reasonable assurance regarding the

DIRECTOR'S REPORT

reliability of financial reporting, safeguarding of assets, compliance with applicable laws and regulations, and effectiveness and efficiency of operations.

The Audit Committee periodically reviews matters relating to internal controls, financial reporting and the internal and external audit processes.

14. PRINCIPAL RISKS AND UNCERTAINTIES / RISK MANAGEMENT

The Company's principal risks and uncertainties include, among others, pharmaceutical pricing and regulatory risk, regulatory and licensing requirements, foreign exchange and imported-input risk, supply-chain disruption, interest-rate and financing risk, energy and utility costs, product quality and compliance risk, market and competitive risk, information and cyber-security risk, human resource risk, litigation and reputational risk, and risks associated with new projects and expansion initiatives.

Management continues to monitor these risks and take appropriate measures through operational controls, regulatory compliance, financial planning, supply-chain management and business continuity arrangements.

15. RELATED PARTY TRANSACTIONS

The Company has entered into transactions with related parties in the ordinary course of business and in accordance with applicable laws, regulations and approved policies.

The details of related party transactions are disclosed in the notes to the financial statements. Such transactions are reviewed in accordance with the Company's applicable governance procedures.

16. REMUNERATION POLICY OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS

The Company has adopted an appropriate policy for remuneration of Non-Executive and Independent Directors in accordance with applicable laws and regulatory requirements.

The remuneration policy takes into consideration the responsibilities associated with Board and committee

membership, the Company's scale of operations and prevailing market practices.

17. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The remuneration of the Chief Executive, Executive Director and other executives is determined in accordance with the Company's approved policies and applicable legal and regulatory requirements.

The remuneration structure is intended to attract, retain and motivate personnel with the skills and experience required for the Company's business.

Details of remuneration are disclosed in the financial statements as required under the applicable reporting framework.

18. RESEARCH & DEVELOPMENT, INNOVATION AND BUSINESS DEVELOPMENT

The Company continues to develop its research and development capabilities with the objective of strengthening its product portfolio and supporting higher-value pharmaceutical opportunities.

The Company has a dedicated R&D facility and is developing a Bioequivalence Center to support product development and regulatory requirements.

The Company is also evaluating opportunities in areas including biosimilars, biotechnology, vaccines and critical therapies, subject to technical feasibility, regulatory requirements, commercial viability and appropriate financial assessment.

19. BUSINESS EXPANSION, STRATEGIC INITIATIVES AND LOCALIZATION

The Company continues to evaluate opportunities to strengthen its API and formulation manufacturing capabilities, expand into selected therapeutic areas and enhance its research infrastructure.

Management is also evaluating opportunities for backward and forward integration, technology partnerships, product diversification and expansion into international markets, subject to appropriate

DIRECTOR'S REPORT

feasibility studies, regulatory approvals and commercial and financial considerations.

The Company will continue to focus on increasing local manufacturing capabilities where commercially and technically feasible, with the objective of improving supply security and reducing reliance on imported inputs.

20. ENVIRONMENT, HEALTH, SAFETY AND SUSTAINABILITY

The Company is committed to responsible environmental management, occupational health and safety and sustainable business practices.

The Company continues to strengthen its sustainability governance, data collection, risk management and reporting practices.

The Company is working towards reducing its carbon emissions by 2030 and is developing appropriate baselines and measurable indicators to support monitoring of its sustainability performance.

21. DIVERSITY, EQUITY AND INCLUSION (DE&I)

The Company is committed to providing equal employment opportunities and maintaining a respectful, inclusive and merit-based workplace.

The Company seeks to promote diversity and inclusion in recruitment, professional development, retention and career progression while maintaining equal opportunity principles.

22. GENDER PAY GAP

The Company recognises the importance of pay equity and continues to review remuneration practices to support fairness and equal opportunity. The gender pay gap for the reporting period is disclosed in accordance with the applicable reporting requirements.

Gender Pay Gap Indicator	FY2026
Mean Gender Pay Gap	23.0%
Median Gender Pay Gap	14.8%

23. CORPORATE SOCIAL RESPONSIBILITY (CSR) AND COMMUNITY ENGAGEMENT

As part of its commitment to corporate social responsibility, Citi Pharma Limited continues to contribute towards community upliftment and social well-being, with a particular focus on the communities surrounding its plant site. Its CSR initiatives include education, livelihood opportunities, healthcare, vocational training and support for underprivileged individuals, including access to medical services for those in need.

24. HUMAN RESOURCES, EMPLOYEE DEVELOPMENT AND WELFARE

The Company considers its employees a key component of its long-term success. During the year, management continued to focus on employee capability, training and development, workplace safety, performance management, employee engagement and welfare.

25. CAPITAL EXPENDITURE / CAPITAL INVESTMENT

During FY2026, the Company incurred capital expenditure of approximately Rs. 703.5 million compared with Rs. 150.1 million in the preceding year.

Additions to operating fixed assets amounted to approximately Rs. 593.7 million, while additions to capital work-in-progress amounted to approximately Rs. 109.8 million.

Major additions included plant and machinery of approximately Rs. 562.5 million. Building-related additions amounted to approximately Rs. 103.0 million, including approximately Rs. 91.0 million transferred from capital work-in-progress.

The carrying value of property, plant and equipment, including right-of-use assets and capital work-in-progress, increased to approximately Rs. 9,214.5 million from Rs. 8,687.9 million.

The Board expects management to continue monitoring the utilisation and economic returns from the Company's expanded asset base.

DIRECTOR'S REPORT

26. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed in these financial statements and elsewhere in the Annual Report, there have been no material changes and commitments affecting the financial position of the Company between June 30, 2026 and the date of this report.

27. SUBSEQUENT EVENTS

Except as disclosed in the financial statements and elsewhere in this Annual Report, no material events have occurred subsequent to June 30, 2026 that require adjustment to the financial statements.

28. FUTURE OUTLOOK AND CHALLENGES

The Company is progressing strategic initiatives aimed at enhancing shareholder value and expanding its business opportunities, including the proposed Scheme of Arrangement and Demerger involving Citi Core Holdings (Private) Limited, as well as initiatives relating to cannabis, industrial hemp and allied activities. These initiatives are subject to applicable legal, regulatory, licensing and other required approvals and will be pursued in accordance with the applicable regulatory framework.

The Company's expanded manufacturing capabilities provide opportunities for increasing capacity utilization and improving production efficiency.

The Company's principal priorities include:

- improving utilisation of manufacturing capacity;
- increasing API and formulation production;
- strengthening domestic market presence;
- expanding exports through product registrations and international partnerships;
- evaluating backward integration in APIs to reduce dependence on imported inputs and improve supply and margin stability;
- strengthening R&D and the Bioequivalence Center;
- evaluating opportunities in biosimilars, biotechnology and locally manufactured critical therapies; and
- maintaining prudent financial management,

cost discipline and effective working-capital management.

The Company will continue to monitor pharmaceutical pricing and regulatory developments, foreign exchange movements, imported raw-material costs, energy costs, taxation, competition and technological developments.

The Company also has land earmarked for potential future development, including a corporate office and facilities for medical, educational, research and related purposes. Any such development will be undertaken in phases and will remain subject to feasibility, funding availability, regulatory approvals and the Company's overall strategic priorities.

29. AUDITORS

The present auditors, M/s. Aslam Malik & Co., Chartered Accountants, retire and, being eligible, have offered themselves for re-appointment for the financial year ending June 30, 2027. The Board, on the recommendation of the Audit Committee, recommends their re-appointment at a remuneration to be mutually agreed / approved in accordance with applicable requirements.

30. PATTERN OF SHAREHOLDING

The pattern of shareholding of the Company as at June 30, 2026 is annexed to the Annual Report. The report also includes the required details of shareholding in the prescribed form.

31. OPERATING AND FINANCIAL DATA

The key operating and financial data of the Company for the last six years is annexed.

32. ACKNOWLEDGMENT

The Board places on record its appreciation for the continued support and confidence of the Company's shareholders, customers, business partners, suppliers, financial institutions, regulators and other stakeholders. The Directors also acknowledge the dedication, commitment and contribution of the

DIRECTOR'S REPORT

Company's management and employees in supporting the Company's operations and strategic objectives during the year.

For and on behalf of the of Board



Rizwan Ahmed
Chief Executive Officer



Nadeem Amjad
Director

Lahore
Dated: October 03, 2026

ڈائریکٹرز رپورٹ

30 جون 2026 کو ختم ہونے والے سال کے لیے ڈائریکٹرز کی رپورٹ

سٹی فارمالیٹیڈ کے بورڈ آف ڈائریکٹرز کو 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ واحد اور مجموعی مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

1۔ پرنسپل سرگرمیاں

سٹی فارمالیٹیڈ بنیادی طور پر دواسازی کی مصنوعات، طبی کیمیکلز، نباتاتی مصنوعات، ایکٹو فارماسیوٹیکل انگریڈینٹس (APIs)، فارمولیشنز اور صحت عامہ سے متعلق دیگر مصنوعات کی تیاری اور فروخت کے کاروبار سے وابستہ ہے۔

کمپنی اپنی پیداواری صلاحیتوں کو مضبوط بنانے، زیادہ قدر رکھنے والی مصنوعات تیار کرنے اور ایسے علاج معالجہ کے شعبوں میں اپنی تحقیق و ترقی کی صلاحیتوں کو وسعت دینے پر مسلسل توجہ مرکوز کیے ہوئے ہے جہاں مارکیٹ میں پائیدار امکانات موجود ہیں۔

2۔ معیشت اور کاروباری ماحول کا جائزہ

زیر جائزہ سال کے دوران، دواسازی کے شعبے نے ایک مشکل کاروباری ماحول میں کام جاری رکھا، جس کی نمایاں خصوصیات میں افراط زر کا دباؤ، شرح مبادلہ میں اتار چڑھاؤ، فنانشنگ کے اخراجات، توانائی اور خام مال کی لاگت، ریگولیٹری تقاضے اور سپلائی چین سے متعلق عوامل شامل تھے۔

صحت عامہ کی ضروریات کے باعث دواسازی اور صحت سے متعلق مصنوعات کی طلب برقرار رہی۔ تاہم، صنعت کو قیمتوں کے تعین، درآمد شدہ APIs اور دیگر خام مال کی دستیابی اور لاگت، ریگولیٹری تقاضوں کی تعمیل اور ورکنگ کپٹیل کی ضروریات سے متعلق چیلنجز کا سامنا رہا۔

کمپنی نے ان حالات کے پیش نظر آپریشنل کارکردگی، لاگت کے انتظام، مصنوعات کی دستیابی اور مقناطی مالیاتی نظم و نسق پر اپنی توجہ برقرار رکھی۔

3۔ کاروباری کارکردگی اور مالیاتی جائزہ

کمپنی نے سال کے دوران آمدنی میں نمو برقرار رکھی اور مجموعی منافع اور آپریٹنگ منافع میں بہتری حاصل کی۔

(ای بی ایس اور فیصد کے علاوہ، رقوم ملین روپے میں)

تفصیلات	2026	2025	تبدیلی / فیصد
آمدنی / فروخت	14,004.6	13,153.5	6.5%
مجموعی منافع	2,449.6	2,017.6	21.4%
مجموعی منافع کا مارجن	17.5%	15.3%	2.2 فیصد پوائنٹس
آپریٹنگ منافع	1,925.4	1,604.2	20.0%
ٹیکس سے قبل منافع	1,331.3	1,354.5	(1.7%)
ٹیکس کے بعد منافع	782.6	892.0	(12.3%)
فی شخص آمدنی (EPS)	3.43	3.90	(12.1%)
خالص منافع کا مارجن	5.6%	6.8%	(1.2 فیصد پوائنٹس)

آمدنی میں 6.5 فیصد اضافہ ہوا اور یہ 14,004.6 ملین روپے ہو گئی، جس میں مقامی فروخت اور برآمدات نے اہم کردار ادا کیا۔

مجموعی منافع میں 21.4 فیصد اضافہ ہوا اور یہ 2,449.6 ملین روپے ہو گیا، جبکہ مجموعی منافع کا مارجن 15.3 فیصد سے بڑھ کر 17.5 فیصد ہو گیا۔ اس بہتری میں خام مال کے استعمال کی لاگت میں کمی اور آپریشنل کارکردگی پر مسلسل توجہ نے اہم کردار ادا کیا۔

آپریٹنگ منافع میں 20.0 فیصد اضافہ ہوا اور یہ 1,925.4 ملین روپے ہو گیا، حالانکہ انتظامی، مارکیٹنگ اور تقسیم کے اخراجات میں اضافہ ہوا۔

مالیاتی اخراجات بڑھ کر 387.9 ملین روپے ہو گئے، جبکہ سال کے دوران دیگر آمدنی میں کمی واقع ہوئی۔ ان عوامل کے ساتھ مجموعی لاگت کے ڈھانچے اور ٹیکس کے چارج کے نتیجے میں ٹیکس سے قبل منافع 1,331.3 ملین روپے اور ٹیکس کے بعد منافع 782.6 ملین روپے رہا۔

چنانچہ، سال کے دوران فی شیئر آمدنی 3.43 روپے رہی، جبکہ گزشتہ سال یہ 3.90 روپے تھی۔

ڈائریکٹرز رپورٹ

انتظامیہ منافع کے مارجن میں بہتری، لاگت پر کنٹرول مزید مضبوط بنانے، ورکنگ کپینل کے مؤثر انتظام اور کمپنی کی پیداواری صلاحیت کے استعمال کو بہتر بنانے پر مسلسل توجہ مرکوز کیے ہوئے ہے۔

4۔ مجموعی مالیاتی گوشوارے

سٹی فار مالینڈ اور اس کی ذیلی کمپنی سٹی وینزری لمیٹڈ کے مجموعی مالیاتی گوشوارے قابل اطلاق مالیاتی رپورٹنگ فریم ورک کے مطابق تیار کیے گئے ہیں اور گروپ کو ایک واحد معاشی اکائی کے طور پر پیش کرتے ہیں۔ سٹی فار مالینڈ کے پاس سٹی وینزری لمیٹڈ کے جاری کردہ 3,000,000 عام حصص میں سے 2,999,998 حصص موجود ہیں، جبکہ باقی حصص اس کے نامزد کردہ افراد کے پاس ہیں، جن میں سے ہر ایک کے پاس ایک ایک شیئر ہے۔ ذیلی کمپنی کے امور اور کارکردگی مجموعی مالیاتی گوشواروں اور ان سے متعلقہ نوٹس میں شامل ہیں، جو آڈیٹرز کی رپورٹ کے ساتھ اس سالانہ رپورٹ کا حصہ ہیں۔ سٹی وینزری لمیٹڈ بنیادی طور پر وینزری ادویات اور صحت سے متعلق مصنوعات کی درآمد، تیاری، ترقی اور مارکیٹنگ کے کاروبار سے وابستہ ہے۔ اس کی مالیاتی پوزیشن اور مالیاتی نتائج گروپ کے مجموعی مالیاتی گوشواروں میں شامل کیے گئے ہیں۔

5۔ ڈیویڈنڈ اور منافع کی تخصیص

بورڈ نے 30 جون 2026 کو ختم ہونے والے سال کے لیے کسی بھی ڈیویڈنڈ کی سفارش نہ کرنے کا فیصلہ کیا ہے۔ بورڈ نے یہ سفارش کرتے ہوئے کمپنی کے منافع، نقد رقم پیدا کرنے کی صلاحیت، ورکنگ کپینل کی ضروریات، منصوبہ بند کپینل اخراجات اور مستقبل میں مالی وسائل کی ضروریات کو مد نظر رکھا ہے۔

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز میں مندرجہ ذیل شامل ہیں:

کیٹگری	نام	عہدہ
نان ایگزیکٹو ڈائریکٹر	جناب ندیم امجد	چیرمین / نان ایگزیکٹو ڈائریکٹر
ایگزیکٹو ڈائریکٹر	جناب رضوان احمد	چیف ایگزیکٹو آفیسر / ایگزیکٹو ڈائریکٹر
غیر جانبدار ڈائریکٹر	جناب عبدالجلیل شیخ	غیر جانبدار ڈائریکٹر
غیر جانبدار ڈائریکٹر	محترمہ صائمہ شفیق رانا	غیر جانبدار ڈائریکٹر
ایگزیکٹو ڈائریکٹر	جناب ضمیر الحسن شاہ	ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر	جناب محمد نعیم	نان ایگزیکٹو ڈائریکٹر
نان ایگزیکٹو ڈائریکٹر	محترمہ سائرہ اسلم	نان ایگزیکٹو ڈائریکٹر

بورڈ کی تشکیل قابل اطلاق ریگولیٹری فریم ورک کے مطابق ایگزیکٹو، نان ایگزیکٹو اور غیر جانبدار ڈائریکٹرز کی نمائندگی پر مشتمل ہے۔

7۔ بورڈ کی تشکیل، تنوع اور گورننس

بورڈ سات ڈائریکٹرز پر مشتمل ہے، جن میں پانچ مرد اور دو خواتین ڈائریکٹرز شامل ہیں۔

بورڈ میں دو غیر جانبدار ڈائریکٹرز، تین نان ایگزیکٹو ڈائریکٹرز اور دو ایگزیکٹو ڈائریکٹرز شامل ہیں۔

کمپنی ایک مناسب طور پر تشکیل دیے گئے بورڈ کی اہمیت کو تسلیم کرتی ہے، جس میں مہارت، تجربے، آزادی اور تنوع کا موزوں امتزاج موجود ہو، تاکہ مؤثر نگرانی اور فیصلہ سازی میں معاونت حاصل ہو۔

ڈائریکٹرز رپورٹ

8۔ بورڈ کی کمیٹیاں

بورڈ نے مندرجہ ذیل کمیٹیاں تشکیل دی ہیں:

a۔ آڈٹ کمیٹی

نام	کننگری/عہدہ	کردار
جناب عبدالخلیل شیخ	غیر جانبدار ڈائریکٹر	چیئر مین
جناب ندیم امجد	نان ایگزیکٹو ڈائریکٹر	رکن
جناب محمد نعیم	نان ایگزیکٹو ڈائریکٹر	رکن

b۔ انسانی وسائل اور معاوضہ کمیٹی اینڈ ESG کمیٹی

نام	کننگری/عہدہ	کردار
محترمہ مصائمہ شفیع رانا	غیر جانبدار ڈائریکٹر	چیئر پرسن
جناب رضوان احمد	ایگزیکٹو ڈائریکٹر	رکن
جناب ضمیر الحسن شاہ	ایگزیکٹو ڈائریکٹر	رکن

کمیٹیاں اپنی متعلقہ شرائط کار (Terms of Reference) اور قابل اطلاق ریگولیٹری تقاضوں کے مطابق بورڈ کو اپنی ذمہ داریاں ادا کرنے میں معاونت فراہم کرتی ہیں۔

9۔ بورڈ آف ڈائریکٹرز اور کمیٹیوں کے اجلاس

سال کے دوران، بورڈ کے پانچ اجلاس، آڈٹ کمیٹی کے چار اجلاس اور ہیومن ریسورس، ریونیویشن اینڈ ای ایس جی (HR, Remuneration & ESG) کمیٹی کا ایک اجلاس منعقد ہوا۔

ڈائریکٹرز کی حاضری کی تفصیل درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	بورڈ کے اجلاس	آڈٹ کمیٹی	HR، ریونیویشن اور ESG کمیٹی
1	جناب ندیم امجد	5/5	4/4	-
2	جناب رضوان احمد	5/5	-	1/1
3	جناب ضمیر الحسن شاہ	5/5	-	1/1
4	محترمہ سائرہ اسلم	3/5	-	-
5	جناب محمد نعیم	5/5	4/4	-
6	جناب عبدالخلیل شیخ	5/5	4/4	-
7	محترمہ مصائمہ شفیع رانا	5/5	-	1/1

ڈائریکٹرز رپورٹ

محترمہ سائرہ اسلم کی دوبارہ غیر حاضری باقاعدہ رخصت کے ذریعے کور (cover) کی گئی تھی۔

10۔ ڈائریکٹر کا تربیتی پروگرام

کمپنی کے تمام سات ڈائریکٹرز نے قابل اطلاق تقاضوں کے مطابق مقررہ ڈائریکٹر ٹریننگ پروگرام کی تربیت حاصل کر رکھی ہے۔
ڈائریکٹر کو ان کی قانونی ذمہ داریوں، کارپوریٹ گورننس سے متعلق ذمہ داریوں اور کمپنی پر لاگو ریگولیٹری فریم ورک کے حوالے سے بھی مناسب طور پر آگاہی اور رہنمائی فراہم کی گئی ہے۔

11۔ کارپوریٹ گورننس کے ضابطہ کی تعمیل

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے قابل اطلاق تقاضوں کی تعمیل کی ہے، سوائے ان امور کے، اگر کوئی ہوں، جن کی تفصیلات سالانہ رپورٹ کا حصہ بننے والے تعمیل کے بیان (Statement of Compliance) میں بیان کی گئی ہیں۔

بورڈ کا رپورٹ گورننس، شفافیت اور جوابدہی کے مناسب معیارات برقرار رکھنے کے لیے پُر عزم ہے۔

12۔ کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک/ڈائریکٹرز کی ذمہ داری

ڈائریکٹرز تصدیق کرتے ہیں کہ:

- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- مالیاتی گوشوارے کمپنی کے معاملات کی صورت حال، اس کے آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں
- اکاؤنٹس کی کتابیں صحیح طور پر برقرار رکھی گئی ہیں؛
- مالیاتی گوشوارے تیار کرتے وقت مناسب اکاؤنٹنگ پالیسیوں کا مستقل بنیادوں پر اطلاق کیا گیا ہے؛
- اکاؤنٹنگ تخمینے اور فیصلے معقول اور محتاط بنیادوں پر کیے گئے ہیں؛
- مالیاتی گوشوارے قابل اطلاق مالیاتی رپورٹنگ فریم ورک اور کمپنیز ایکٹ، 2017 کے تقاضوں کے مطابق تیار کیے گئے ہیں؛
- اندرونی مالیاتی کنٹرولز کے نظام کو مناسب طور پر وضع اور نافذ کیا گیا ہے اور اس کا باقاعدگی سے جائزہ لیا جاتا ہے؛
- مؤثر کنٹرول ماحول برقرار رکھنے کے لیے مناسب اقدامات کیے گئے ہیں؛
- بورڈ کو دستیاب معلومات کی بنیاد پر کمپنی کی کاروبار جاری رکھنے کی صلاحیت کے حوالے سے کوئی اہم تشویش موجود نہیں ہے؛
- قابل اطلاق مالیاتی رپورٹنگ کے تقاضوں سے کوئی اہم انحراف نہیں کیا گیا، سوائے ان امور کے جو مالیاتی گوشواروں میں ظاہر کیے گئے ہیں؛ اور
- کمپنی نے مناسب کارپوریٹ ریکارڈز اور رپورٹنگ کے طریقہ کار برقرار رکھے ہیں۔

13۔ اندرونی مالیاتی کنٹرولز کی موزونیت

بورڈ اندرونی مالیاتی کنٹرولز کے ایک مناسب نظام کو برقرار رکھنے کی اپنی ذمہ داری کو تسلیم کرتا ہے۔
کمپنی کا اندرونی کنٹرول فریم ورک مالیاتی رپورٹنگ کی قابل اعتماد ہونے، اثاثوں کے تحفظ، قابل اطلاق قوانین اور ضوابط کی تعمیل، اور آپریشنز کی مؤثریت اور کارکردگی کے حوالے سے معقول یقین دہانی فراہم کرنے کے لیے وضع کیا گیا ہے۔

ڈائریکٹرز رپورٹ

آڈٹ کمیٹی اندرونی کنٹرولز، مالیاتی رپورٹنگ اور اندرونی بیرونی آڈٹ کے عمل سے متعلق امور کا باقاعدگی سے جائزہ لیتی ہے۔

14۔ اہم خطرات اور غیر یقینی صورتحال / رسک مینجمنٹ

کمپنی کو درپیش اہم خطرات اور غیر یقینی صورتحال میں، دیگر کے علاوہ، دوا سازی کی مصنوعات کی قیمتوں اور ریگولیٹری خطرات، ریگولیٹری اور لائسنسنگ تقاضے، زرمبادلہ اور درآمد شدہ خام مال سے متعلق خطرات، سپلائی چین میں رکاوٹ، شرح سود اور فنانسنگ کے خطرات، توانائی اور ٹیلیفونی کی لاگت، مصنوعات کے معیار اور تعمیل سے متعلق خطرات، مارکیٹ اور مسابقتی خطرات، معلومات اور سائبر سیکیورٹی کے خطرات، انسانی وسائل سے متعلق خطرات، قانونی چارہ جوئی اور ساکھ سے متعلق خطرات، اور نئے منصوبوں اور توسیعی اقدامات سے وابستہ خطرات شامل ہیں۔

انتظامیہ ان خطرات کی مسلسل نگرانی کر رہی ہے اور آپریشنل کنٹرولز، ریگولیٹری تقاضوں کی تعمیل، مالیاتی منصوبہ بندی، سپلائی چین مینجمنٹ اور کاروباری تسلسل کے انتظامات کے ذریعے مناسب اقدامات کر رہی ہے۔

15۔ متعلقہ فریقوں کے ساتھ لین دین

کمپنی نے معمول کے کاروباری امور کے دوران متعلقہ فریقوں کے ساتھ لین دین کیے ہیں، جو قابل اطلاق قوانین، ضوابط اور منظور شدہ پالیسیوں کے مطابق ہیں۔

متعلقہ فریقوں کے ساتھ کیے گئے لین دین کی تفصیلات مالیاتی گوشواروں کے نوٹس میں ظاہر کی گئی ہیں۔ ایسے لین دین کمپنی کے قابل اطلاق گورننس کے طریقہ کار کے مطابق جائزہ لیا جاتا ہے۔

16۔ نان ایگزیکٹو اور آڈٹائریٹرز کے معاوضے کی پالیسی

کمپنی نے قابل اطلاق قوانین اور ریگولیٹری تقاضوں کے مطابق نان ایگزیکٹو اور آڈٹائریٹرز کے معاوضے کے لیے ایک مناسب پالیسی اختیار کر رکھی ہے۔

معاوضے کی پالیسی میں بورڈ اور اس کی کمیٹیوں کی رکنیت سے وابستہ ذمہ داریوں، کمپنی کے آپریشنز کے حجم اور مروجہ مارکیٹ طریقہ کار کو مد نظر رکھا جاتا ہے۔

17۔ چیف ایگزیکٹو، ڈائریکٹرز اور ایگزیکٹوز کا معاوضہ

چیف ایگزیکٹو، ایگزیکٹو اور دیگر ایگزیکٹوز کا معاوضہ کمپنی کی منظور شدہ پالیسیوں اور قابل اطلاق قانونی اور ریگولیٹری تقاضوں کے مطابق مقرر کیا جاتا ہے۔

معاوضے کا ڈھانچہ کمپنی کے کاروبار کے لیے درکار مہارت اور تجربہ رکھنے والے افراد کو راغب کرنے، انہیں برقرار رکھنے اور ان کی حوصلہ افزائی کے لیے وضع کیا گیا ہے۔

قابل اطلاق رپورٹنگ فریم ورک کے تحت مطلوبہ معاوضے کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔

18۔ تحقیق و ترقی، جدت اور کاروباری ترقی

کمپنی اپنے تحقیق و ترقی (R&D) کے شعبے کی صلاحیتوں کو مسلسل فروغ دے رہی ہے، جس کا مقصد اپنی مصنوعات کے پورٹ فولیو کو مزید مضبوط بنانا اور زیادہ قدر رکھنے والے دوا سازی کے مواقع سے استفادہ کرنا ہے۔

کمپنی کے پاس ایک مخصوص R&D سہولت موجود ہے اور وہ مصنوعات کی تیاری اور ریگولیٹری تقاضوں کی تکمیل میں معاونت کے لیے ایک بائیو ایکویولنس سینٹر (Bioequivalence Center) قائم کر رہی ہے۔

کمپنی بائیوسیمی لرز (Biosimilars)، بائیو ٹیکنالوجی، ویکسینز اور اہم علاج معالجہ کے شعبوں سمیت مختلف شعبوں میں مواقع کا بھی جائزہ لے رہی ہے، تاہم یہ جائزہ ٹیکنیکی موزونیت، ریگولیٹری تقاضوں، تجارتی قابل عمل ہونے اور مناسب مالیاتی تجزیے سے مشروط ہے۔

19۔ کاروباری توسیع، اسٹرٹجک اقدامات اور مقامی پیداوار

کمپنی اپنی API اور فارموشن مینوفیکچرنگ کی صلاحیتوں کو مضبوط بنانے، منتخب علاج معالجہ کے شعبوں میں توسیع اور اپنے تحقیقی بنیادی ڈھانچے کو مزید بہتر بنانے کے مواقع کا مسلسل جائزہ لے رہی ہے۔

انتظامیہ بیک ورڈ اور فارورڈ انٹیکریشن، ٹیکنالوجی پارٹنرشپس، مصنوعات میں تنوع اور بین الاقوامی مارکیٹوں میں توسیع کے مواقع کا بھی جائزہ لے رہی ہے، جو مناسب فزیکلٹی اسٹڈیز، ریگولیٹری منظور یوں اور تجارتی و مالیاتی عوامل سے مشروط ہوں گے۔

کمپنی جہاں تجارتی اور ٹیکنیکی طور پر قابل عمل ہو، وہاں مقامی مینوفیکچرنگ کی صلاحیتوں میں اضافے پر اپنی توجہ برقرار رکھے گی، جس کا مقصد سپلائی کے تحفظ کو بہتر بنانا اور درآمد شدہ خام مال پر انحصار کم کرنا ہے۔

20۔ ماحول، صحت، تحفظ اور پائیداری

کمپنی ذمہ دارانہ ماحولیاتی نظم و نسق، پیشہ ورانہ صحت و تحفظ اور پائیدار کاروباری طریقہ کار کے لیے پُر عزم ہے۔

کمپنی اپنی پائیداری سے متعلق گورننس، ڈیٹا اکٹھا کرنے، رسک مینجمنٹ اور پورٹنگ کے طریقہ کار کو مسلسل مضبوط بنا رہی ہے۔

کمپنی 2030 تک کاربن کے اخراج میں کمی لانے کے لیے اقدامات کر رہی ہے اور اپنی پائیداری سے متعلق کارکردگی کی نگرانی میں معاونت کے لیے مناسب بنیادی پیمانے اور قابل پیش کش اشاریے وضع کر رہی ہے۔

ڈائریکٹرز رپورٹ

21۔ تنوع، مساوات اور شمولیت (DE&I)

کمپنی ملازمت کے مساوی مواقع فراہم کرنے اور ایک باعزت، جامع اور میرٹ پر مبنی کام کا ماحول برقرار رکھنے کے لیے پُر عزم ہے۔ کمپنی مساوی مواقع کے اصولوں کو برقرار رکھتے ہوئے بھرتی، پیشہ ورانہ ترقی، ملازمین کو برقرار رکھنے اور کیریئر میں ترقی کے عمل میں تنوع اور شمولیت کو فروغ دینے کی کوشش کرتی ہے۔

22۔ صنفی اجرت کا فرق

کمپنی اجرت میں مساوات کی اہمیت کو تسلیم کرتی ہے اور منصفانہ طریقہ عمل اور مساوی مواقع کو فروغ دینے کے لیے معاوضے سے متعلق طریقہ کار کا مسلسل جائزہ لیتی ہے۔ رپورٹنگ کی مدت تک صنفی اجرت کے فرق کو قابل اطلاق رپورٹنگ تقاضوں کے مطابق ظاہر کیا گیا ہے۔

صنفی اجرت کے فرق کا اشاریہ	مالی سال 2026
اوسط صنفی اجرت کا فرق	23%
وسطی صنفی اجرت کا فرق	14.8%

23۔ کارپوریٹ سماجی ذمہ داری (CSR) اور کمیونٹی سے روابط

کارپوریٹ سماجی ذمہ داری کے حوالے سے اپنے عزم کے تحت، سٹی فارمالیٹڈ کمیونٹی کی ترقی اور سماجی بہبود میں مسلسل اپنا کردار ادا کر رہی ہے، بالخصوص کمپنی کے پلانٹ کے گرد و نواح میں رہنے والی آبادیوں پر خصوصی توجہ مرکوز کی جاتی ہے۔ کمپنی کے CSR اقدامات میں تعلیم، روزگار کے مواقع، صحت کی سہولیات، پیشہ ورانہ تربیت اور مستحق افراد کی معاونت شامل ہیں، جس میں ضرورت مند افراد کے لیے طبی سہولیات تک رسائی بھی شامل ہے۔

24۔ انسانی وسائل، ملازمین کی ترقی اور فلاح و بہبود

کمپنی اپنے ملازمین کو اپنی طویل مدتی کامیابی کا ایک اہم جز سمجھتی ہے۔ سال کے دوران انتظامیہ نے ملازمین کی صلاحیتوں، تربیت اور ترقی، کام کی جگہ پر تحفظ، کارکردگی کے انتظام، ملازمین کی شمولیت اور فلاح و بہبود پر اپنی توجہ برقرار رکھی۔

25۔ کمپیٹل اخراجات/کمپیٹل سرمایہ کاری

مالی سال 2026 کے دوران کمپنی نے تقریباً 703.5 ملین روپے کے کمپیٹل اخراجات کیے، جبکہ گزشتہ سال یہ 150.1 ملین روپے تھے۔ آپریشنل فلسفہ اثاثوں میں تقریباً 593.7 ملین روپے کے اضافے ہوئے، جبکہ زیر تکمیل کمپیٹل کام میں تقریباً 109.8 ملین روپے کا اضافہ ہوا۔ اہم اضافوں میں تقریباً 562.5 ملین روپے کی پلانٹ اور مشینری شامل تھی۔ عمارت سے متعلق اضافے تقریباً 103.0 ملین روپے رہے، جن میں زیر تکمیل کمپیٹل کام سے منتقل کیے گئے تقریباً 91.0 ملین روپے بھی شامل ہیں۔

پراپرٹی، پلانٹ اور آلات کی کیریٹنگ ویلیو، جس میں رائٹ آف یوز ایسیٹس اور زیر تکمیل کمپیٹل کام بھی شامل ہیں، بڑھ کر تقریباً 9,214.5 ملین روپے ہو گئی، جبکہ گزشتہ سال یہ 8,687.9 ملین روپے تھی۔

بورڈ کو توقع ہے کہ انتظامیہ کمپنی کے توسیع شدہ اثاثہ جاتی بیس کے استعمال اور اس سے حاصل ہونے والے معاشی منافع کی مسلسل نگرانی جاری رکھے گی۔

26۔ اہم تبدیلیاں اور وعدے

30 جون 2026 اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالیاتی پوزیشن کو متاثر کرنے والی کوئی اہم تبدیلی یا وعدہ سامنے نہیں آیا، سوائے ان امور کے جنہیں ان مالیاتی گوشواروں اور سالانہ رپورٹ کے دیگر حصوں میں ظاہر کیا گیا ہے۔

27۔ بعد ازاں رونما ہونے والے واقعات

30 جون 2026 کے بعد کوئی ایسا اہم واقعہ رونما نہیں ہوا جس کے باعث مالیاتی گوشواروں میں کسی ترمیم کی ضرورت ہو، سوائے ان امور کے جنہیں مالیاتی گوشواروں اور اس سالانہ رپورٹ کے دیگر حصوں میں ظاہر کیا گیا ہے۔

28۔ مستقبل کے امکانات اور چیلنجز

کمپنی شیئر ہولڈرز کے لیے قدر میں اضافے اور کاروباری مواقع کو وسعت دینے کے مقصد سے اسٹریٹجک اقدامات پر پیش رفت کر رہی ہے، جن میں سٹی کور ہولڈنگ (پرائیویٹ) لمیٹڈ سے متعلق مجوزہ اسکیم آف انرجنٹ اورڈی مرجر کے ساتھ ساتھ کینا بس، صنعتی بھنگ اور متعلقہ سرگرمیوں سے متعلق اقدامات بھی شامل ہیں۔ یہ اقدامات قابل اطلاق قانونی، ریگولیٹری، لائسنسنگ اور دیگر مطلوبہ منظور یوں سے

ڈائریکٹرز رپورٹ

مشروط ہیں اور قابل اطلاق ریگولیٹری فریم ورک کے مطابق آگے بڑھانے جائیں گے۔
کمپنی کی توسیع شدہ مینوفیکچرنگ صلاحیتیں کیپچرنگ کے استعمال میں اضافے اور پیداواری کارکردگی میں بہتری کے مواقع فراہم کرتی ہیں۔
کمپنی کی بنیادی ترجیحات میں شامل ہیں:

- مینوفیکچرنگ کی صلاحیت کے استعمال کو بہتر بنانا؛
- API اور فارمولیشن کی پیداوار میں اضافہ کرنا؛
- ملکی مارکیٹ میں اپنی موجودگی کو مزید مضبوط بنانا؛
- مصنوعات کی رجسٹریشن اور بین الاقوامی شراکت داریوں کے ذریعے برآمدات میں توسیع کرنا؛
- درآمد شدہ خام مال پر انحصار کم کرنے اور سپلائی اور منافع کے استحکام کو بہتر بنانے کے لیے APIs میں بیک ورڈ انٹیگریشن کے امکانات کا جائزہ لینا؛
- R&D اور بائیو ایکوپلینس سینٹر کو مزید مضبوط بنانا؛
- بائیوسیمیلرز، بائیوٹیکنالوجی اور مقامی طور پر تیار کی جانے والی اہم علاج معالجہ کی مصنوعات میں مواقع کا جائزہ لینا؛ اور
- محاط مالیاتی نظم و نسق، لاگت پر مضبوط کنٹرول اور ورکنگ کیپٹل کے مؤثر انتظام کو برقرار رکھنا۔

کمپنی دواسازی کی مصنوعات کی قیمتوں اور ریگولیٹری پیش رفت، زرمبادلہ کی نقل و حرکت، درآمد شدہ خام مال کی لاگت، توانائی کی لاگت، ٹیکس، مسابقت اور تکنیکی ترقی کی مسلسل نگرانی کرتی رہے گی۔
کمپنی کے پاس مستقبل میں کمزور ترقی کے لیے مختص اراضی بھی موجود ہے، جس میں کارپوریٹ دفنہ اور طبی، تعلیمی، تحقیقی اور متعلقہ مقاصد کے لیے سہولیات کی تعمیر شامل ہے۔ ایسی کسی بھی ترقی کو مرحلہ وار انجام دیا جائے گا اور یہ فرہیتائی، مالی وسائل کی دستیابی، ریگولیٹری منظوریوں اور کمپنی کی مجموعی اسٹریٹجک ترجیحات سے مشروط ہوگی۔

29- آڈیٹرز

موجودہ آڈیٹرز، میسرز اسلم ملک اینڈ کو، چارٹرڈ اکاؤنٹنٹس، سکدوش ہو رہے ہیں اور اہل ہونے کی بناء پر انہوں نے 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے دوبارہ تقرری کی پیشکش کی ہے۔
بورڈ، آڈٹ کمیٹی کی سفارش پر، قابل اطلاق تقاضوں کے مطابق باہمی طور پر طے/منظور کیے جانے والے معاوضے پر ان کی دوبارہ تقرری کی سفارش کرتا ہے۔

30- نمونہ حصص داری

30 جون 2026 کو کمپنی کی حصص داری کا نمونہ سالانہ رپورٹ کے ساتھ منسلک ہے۔ رپورٹ میں مقررہ فارم میں حصص داری کی مطلوبہ تفصیلات بھی شامل ہیں۔

31- آپریشنل اور مالیاتی اعداد و شمار

کمپنی کے گزشتہ چھ سال کے اہم آپریشنل اور مالیاتی اعداد و شمار منسلک ہیں۔

32- اظہار تشکر

بورڈ کمپنی کے میئر ہولڈرز، صارفین، کاروباری شراکت داروں، سپلائرز، مالیاتی اداروں، ریگولیٹرز اور دیگر اسٹیک ہولڈرز کی جانب سے مسلسل تعاون اور اعتماد کو قدر و تحسین کی نگاہ سے دیکھتا ہے۔ ڈائریکٹرز کمپنی کے آپریشنز اور اسٹریٹجک مقاصد کے حصول میں سال کے دوران کمپنی کی انتظامیہ اور ملازمین کی لگن، عزم اور خدمات کو بھی سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

M N

ندیم احمد

ڈائریکٹر

سید

رضوان احمد

چیف ایگزیکٹو آفیسر

لاہور

مورخہ: 03 اکتوبر 2026

SUSTAINABILITY AND ENVIRONMENTAL SOCIAL GOVERNANCE REPORT



Citi Pharma Limited remains committed to conducting its business in a responsible, sustainable and ethical manner, while creating long-term value for its stakeholders and minimizing the environmental and social impacts associated with its operations. During FY2026, the Company continued to strengthen its environmental stewardship, occupational health and safety practices, employee welfare initiatives, community engagement, product responsibility and governance framework.

Basis of Sustainability and ESG Disclosure

The Company has considered the Securities and Exchange Commission of Pakistan (SECP) ESG Disclosure Guidelines for Listed Companies, updated in December 2025, together with the sustainability-related responsibilities prescribed under the Listed Companies (Code of Corporate Governance) Regulations, 2019, as amended. The Company is also progressing towards readiness for the phased application of IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate-related Disclosures.

Based on the Company's FY2026 position, including total assets exceeding PKR 18.44 billion and a workforce exceeding 600 employees, the Company meets two of the applicable Phase II criteria under the SECP-notified framework. Accordingly, the Company is preparing for the application of IFRS S1 and IFRS S2 for annual reporting periods beginning on or after July 1, 2026. During FY2026, the Company continued to strengthen its governance, systems, controls and data-collection processes to support the quality and consistency of sustainability-related information in future reporting periods.

1. GOVERNANCE & BOARD OVERSIGHT

1.1. Sustainability Governance and Framework

The Board recognizes that environmental, social and governance considerations are increasingly relevant to the Company's long-term value creation. The Company is therefore continuing to strengthen its sustainability governance, data collection, risk assessment and disclosure practices. The Company has set a target to substantially reduce carbon emissions by 2030 and to integrate greener practices into its operations.

1.2. Corporate Ethics, Compliance and Patient Safety

CitiPharma continues to emphasize ethical conduct, regulatory compliance and patient safety as integral components of its business operations. The Company maintains strong emphasis on compliance with applicable SECP requirements and the Code of Corporate Governance, supported by an independent whistleblowing hotline designed to facilitate the reporting of concerns through an appropriate channel.



SUSTAINABILITY AND ENVIRONMENTAL SOCIAL GOVERNANCE REPORT

The Company's product-responsibility framework is further supported by an active pharmacovigilance network and automated batch-tracking systems, strengthening its ability to monitor product quality, traceability and patient-safety considerations throughout the relevant stages of the product lifecycle.

2. ENVIRONMENTAL STEWARDSHIP

2.1. Environment, Health, Safety and Sustainability Commitments

The Company is committed to maintaining appropriate standards of environmental protection, occupational health and safety and responsible business practices. The Company continues to identify and manage operational hazards, promote safe working practices and monitor compliance with applicable environmental and health-and-safety requirements.

2.2. Clean Energy and Climate Action

The Company continued to utilize its on-site 4.5 MW solar power plant at the Bhai Pheru facility as an important component of its energy and sustainability strategy. The solar facility contributes towards reducing reliance on grid electricity and associated Scope 2 emissions, while also providing greater resilience against increases in grid electricity tariffs.

In parallel, the Company continued to deploy energy-efficiency measures, including variable frequency drives (VFDs) and high-efficiency chillers, as part of its broader efforts to improve energy efficiency and progress towards its 2030 target of reducing carbon emissions by 90%.

The Company is also strengthening the measurement of Scope 1 and Scope 2 greenhouse gas emissions, including the development of an appropriate baseline, methodology and annual progress measurement framework to support its long-term decarbonization objectives.

2.3. Water Resource Conservation

Water conservation remains an important component of the Company's environmental management approach. Industrial and domestic wastewater generated at the facility is treated through an on-site three-stage Effluent Treatment Plant (ETP) comprising primary, secondary and tertiary treatment processes. The treatment system operates in accordance with applicable provincial National Environmental Quality Standards (NEQS). The Company also utilizes closed-loop cooling towers to reduce water consumption and minimize dependence on groundwater resources.

2.4. Waste Management and Environmental Compliance

The Company maintains structured waste-management practices designed to ensure the appropriate handling and disposal of waste generated through its pharmaceutical operations. Hazardous pharmaceutical residues and packaging materials are segregated at source and disposed of through certified third-party incineration facilities, while non-hazardous materials are directed towards appropriate recycling channels.



SUSTAINABILITY AND ENVIRONMENTAL SOCIAL GOVERNANCE REPORT

During FY2026, the Company recorded zero environmental incidents and zero Environmental Protection Agency (EPA) non-compliance notices, based on Company records. The Company is further strengthening its sustainability data systems to support the progressive quantification and reporting of hazardous and non-hazardous waste generated, recycled, incinerated and otherwise disposed of, together with material environmental compliance matters and related actions.

3. SOCIAL RESPONSIBILITY, COMMUNITY & HUMAN CAPITAL

3.1. Occupational Health and Safety

The health and safety of employees remains a fundamental priority across the Company's manufacturing and operational facilities. During FY2026, the Company maintained a record of zero industrial fatalities and zero Lost-Time Injuries (LTIs) across its synthesis, formulation and solvent-storage operations. This performance was supported through routine emergency preparedness drills, regular auditing of fire-suppression systems and mandatory use of specialized personal protective equipment (PPE) appropriate to the nature of the work performed.

The Company is also strengthening its systems for the progressive collection and reporting of standardized safety indicators, including Lost-Time Injury Frequency Rate (LTIFR), total recordable injury rates, near-miss reporting, occupational illnesses, safety training hours and material corrective actions, with the objective of improving comparability and monitoring performance against defined targets.



SUSTAINABILITY AND ENVIRONMENTAL SOCIAL GOVERNANCE REPORT

3.2. Human Resource, Employee Welfare, Training and Development

The Company considers its employees a key component of its long-term success. During the year, management continued to focus on employee capability, training and development, workplace safety, performance management, employee engagement and welfare.

The Company continued to invest in employee development and workplace welfare through structured training and employee-support initiatives. Training programmes covered areas including current Good Manufacturing Practices (cGMP), chemical spill response and industrial hygiene, helping employees maintain the technical knowledge and safety awareness required in a pharmaceutical manufacturing environment.



The Company also continued to provide a range of employee welfare facilities, including subsidized meals, clean and dedicated dining facilities, secure commuting transportation and access to an on-site medical dispensary, supporting employee well-being and a safe and supportive working environment.

3.3. Diversity, Equity and Inclusion

The Company is committed to providing equal opportunities and maintaining a respectful, inclusive and merit-based workplace. The Company continues to support diversity, equity and inclusion across recruitment, development, retention and career progression, consistent with applicable law and the Company's policies. Citi Pharma maintains merit-based recruitment and retention practices aimed at providing equal opportunities to employees and fostering an inclusive workplace. During FY2026, female representation continued to be supported across key functions, including analytical research and development, quality control, administration and regulatory affairs.

These practices are complemented by a formal anti-harassment policy and grievance mechanism, providing employees with established channels for raising concerns and supporting a respectful and professional workplace culture.

The Board continues to review the Company's progress in relation to gender diversity and broader DE&I considerations and will continue to strengthen relevant policies and practices.

3.4. Gender Pay Gap

The Company's gender pay gap for the year ended June 30, 2026, is presented below in accordance with the applicable SECP requirements:

Gender Pay Gap Indicator	FY2026
Mean Gender Pay Gap	23%
Median Gender Pay Gap	14.8%

SUSTAINABILITY AND ENVIRONMENTAL SOCIAL GOVERNANCE REPORT

3.5. Corporate Social Responsibility and Community Impact

As part of its commitment to corporate social responsibility, Citi Pharma Limited continues to contribute towards community upliftment and social well-being, with a particular focus on the communities surrounding its plant site. Its CSR initiatives include education, livelihood opportunities, healthcare, vocational training and support for underprivileged individuals, including access to medical services for those in need.

- **Public Health and Access to Potable Water:** The Company continued to support surrounding communities through initiatives focused on basic healthcare and access to safe drinking water. A community water filtration plant operated by the Company provides free, laboratory-tested drinking water to neighboring villages in Kasur on a daily basis.

In addition, the Company's on-site dispensary contributes to community welfare by providing free medical consultations, clinical triage and essential medicines, thereby supporting access to basic healthcare services for members of the surrounding community.

- **Institutional Philanthropy:** Citi Pharma continued its philanthropic support for institutions serving vulnerable members of society. The Company sustained operational funding for an orphanage providing food, housing and schooling for children in need and continued its patronage of specialized institutions providing services in the fields of psychiatric care, sleep-related healthcare and addiction rehabilitation.
- **Local Economic Empowerment:** As part of its contribution to local economic development, the Company continued to prioritize qualified candidates from the Kasur and Bhai Pheru districts for employment and development opportunities, particularly in technical apprenticeships and roles associated with packaging and warehousing operations. This approach supports local employment while strengthening the Company's connection with the communities in which it operates.

4. SUSTAINABLE FUTURE & STRATEGY

4.1. Manufacturing Standards and Research & Development

Maintaining high standards of manufacturing quality and regulatory compliance remains central to the Company's operations. During FY2026, Citi Pharma continued to maintain DRAP cGMP compliance across its production lines, supported by its dedicated pharmaceutical research and development infrastructure.

The Company's 25,000 sq. ft. pharmaceutical R&D facility, together with the continued expansion of its Bioequivalence Center, supports the Company's efforts in pharmaceutical research, therapeutic testing and the development of products for potential export registrations.

4.2. Strategic Import Substitution

The Company continued to advance its strategic objective of supporting local pharmaceutical manufacturing and reducing dependence on imported products. During FY2026, Citi Pharma accelerated the commercial scale-up of localized biosimilar insulin manufacturing, with the objective of expanding access to affordable diabetes treatment within Pakistan while contributing towards the reduction of foreign exchange expenditure associated with imported pharmaceuticals.

4.3. Pakistan Green Taxonomy and ESG Data Readiness

The revised SECP ESG Disclosure Guidelines incorporate the Pakistan Green Taxonomy (PGT). The Company is evaluating the applicability of the PGT to its relevant economic activities and sustainability initiatives and is

SUSTAINABILITY AND ENVIRONMENTAL SOCIAL GOVERNANCE REPORT

strengthening the underlying data and documentation required to support future taxonomy-related disclosures. Any taxonomy eligibility or alignment disclosures will be made only where the relevant criteria are met and supported by appropriate evidence.

4.4. Regulatory Framework and Phased Readiness Roadmap

This disclosure has been prepared with reference to the Securities and Exchange Commission of Pakistan (SECP) ESG Disclosure Guidelines for Listed Companies, updated in December 2025, and aligns with the sustainability-related oversight responsibilities of the Board of Directors under the amended Listed Companies (Code of Corporate Governance) Regulations, 2019.

Based on the Company's audited FY2026 financial and operational metrics, comprising total assets exceeding PKR 18.44 billion and a workforce of over 600 employees, the Company meets two of the applicable Phase II criteria under the SECP-notified framework. The Company is therefore preparing for the application of IFRS S1 and IFRS S2 for annual reporting periods beginning on or after July 1, 2026.

During FY2026, the Company continued to strengthen its internal data architecture, governance structures, internal controls and quantitative data-collection mechanisms to support the quality and consistency of sustainability-related information in future reporting periods.

Based on the SECP-notified transition provisions, the Company's reporting is expected to follow a structured phase-in approach, with the first reporting year focusing on the climate-related transition approach and Scope 1 and Scope 2 information under IFRS S2, followed by broader sustainability-related disclosures under IFRS S1 in subsequent reporting periods, including the progressive integration of Scope 3 value-chain emissions and applicable sustainability assurance requirements.

4.5. Product Responsibility and Patient Safety

The Company's product-responsibility framework is supported by an active pharmacovigilance network and automated batch-tracking systems, strengthening its ability to monitor product quality, traceability and patient-safety considerations throughout the relevant stages of the product lifecycle.

4.6. Looking Ahead

Citi Pharma remains focused on integrating sustainability, responsible business practices and long-term value creation into its operating and strategic priorities. The Company will continue to pursue improvements in energy efficiency and environmental management, maintain high standards of occupational health and safety, strengthen employee development and community initiatives, and uphold robust standards of governance, product quality and regulatory compliance.

As the Company progresses towards the phased application of IFRS S1 and IFRS S2, it will continue to enhance the governance, processes, controls and data capabilities required to support reliable, consistent and decision-useful sustainability-related disclosures. Through these initiatives, the Company seeks to support sustainable business growth while contributing positively to its employees, customers, shareholders, communities and the wider healthcare ecosystem.

COMPANY KEY PRODUCTS

I. PRODUCTS PORTFOLIO

API segment

1. **Paracetamol**, Paracetamol, also known as acetaminophen, is a medication used to treat pain and fever. Paracetamol was first developed in 1877 and is the most commonly used medication for pain and fever across the world. It is on the World Health Organization's List of Essential Medicines. Paracetamol is available as a generic medication, with brand names including Tylenol and Panadol among others.



2. **Penicillin/Amoxicillin** is an antibiotic used to treat a number of bacterial infections. These include middle ear infection, strep throat, pneumonia, skin infections, and urinary tract infections, among others. It is taken orally, or less commonly by injection. Amoxicillin was discovered in 1958 and came into medical use in 1972. It is on the World Health Organization's List of Essential Medicines. It is one of the most commonly prescribed antibiotics in children. Amoxicillin is available as a generic medication.

3. **Levofloxacin** is used to treat a variety of bacterial infections. This medication belongs to a class of drugs known as quinolone antibiotics. It works by stopping the bacterial growth and is used to treat bacterial infections. It will not work for viral infections (such as common cold, flu). Levofloxacin was first approved by the FDA in 1996, and was approved in Canada and several South American countries soon after.

4. **Cefixime/Cephalosporin**, is an antibiotic medication used to treat a number of bacterial infections. Cefixime was patented in 1979 and approved for medical use in the United States in 1989. It is on the World Health Organization's List of Essential Medicines. It is available as a generic medication.

5. **Ciprofloxacin** is an antibiotic used to treat a number of bacterial infections. This includes bone and joint infections, intra-abdominal infections, certain type of infectious diarrhea, respiratory tract infections, skin infections, typhoid fever, and urinary tract infections, among others. Ciprofloxacin was patented in 1980 and introduced in 1987. It is on the World Health Organization's List of Essential Medicines and is classified as critically important for human medicine. It is available as a generic medication.

6. **Cephradine** is in a group of drugs called cephalosporin antibiotics. Cephradine fights bacteria in the body. Cephradine is used to

treat infections caused by bacteria, including upper respiratory infections, ear infections, skin infections, and urinary tract infections.

7. **Norfloxacin** is a synthetic chemotherapeutic antibacterial agent occasionally used to treat common as well as complicated urinary tract infections. Norfloxacin is a broad-spectrum antibiotic that is active against both Gram-positive and Gram-negative bacteria. It functions by inhibiting DNA gyrase, a type II topoisomerase, and topoisomerase IV, enzymes necessary to separate bacterial DNA, thereby inhibiting cell division.

COMPANY KEY PRODUCTS

8. **Aspirin** is used to reduce fever and relieve mild to moderate pain from conditions such as muscle aches, toothaches, common cold, and headaches. It may also be used to reduce pain and swelling in conditions such as arthritis. Aspirin is known as a salicylate and a nonsteroidal anti-inflammatory drug (NSAID). It works by blocking a certain natural substance in your body to reduce pain and swelling. This effect reduces the risk of stroke and heart attack.
9. **Ibuprofen** is a nonsteroidal, anti-inflammatory drug (NSAID) class that is used for treating pain, fever, and inflammation. Ibuprofen was discovered in 1961 by Stewart Adams at Boots UK Limited and initially marketed as Brufen. It is available under a number of trade names, including Nurofen, Advil and Motrin. It was first marketed in 1969 in the United Kingdom and in the United States in 1974. It is on the World Health Organization's List of Essential Medicines. It is available as a generic medication.



COMPANY KEY PRODUCTS



Formulation segment

General formulation facility plays a crucial role in the development and production of a wide range of pharmaceutical products. This facility is equipped to create various dosage forms, including tablets, capsules, syrups, and injectable solutions, ensuring that medications are delivered effectively and safely to patients. The formulation process involves multiple stages, beginning with the selection of active pharmaceutical ingredients (APIs) and excipients. Highly trained scientists and pharmacists work collaboratively to optimize the formulation for stability, bioavailability, and patient compliance. Rigorous quality control measures are implemented throughout the process, adhering to Good Manufacturing Practices (GMP) to ensure that all products meet regulatory standards. In addition to manufacturing, your facility may also focus on research and development, continually seeking innovative formulations that address unmet medical needs. This can involve customizing products to meet specific therapeutic requirements or developing new delivery systems to enhance the efficacy of existing medications. By staying at the forefront of pharmaceutical technology and regulatory compliance, your general formulation facility contributes to improved health outcomes and patient satisfaction.

Cephalosporin formulation

Cephalosporins are a class of antibiotics originally derived from the fungus *Cephalosporium acremonium*. The first cephalosporin, cephalosporin C, was discovered in the 1940s and later led to the development of various derivatives that are effective against a broad range of bacterial infections. Our Cephalosporin Formulation facility focuses on the formulation of these antibiotics, which involves developing and producing various dosage forms, such as tablets, capsules, suspensions and injectables. This process requires stringent adherence to quality control and regulatory standards to ensure efficacy and safety. Our Cephalosporin Formulation facility was inaugurated on 29 June 2021 by the Governor of Namangan, Uzbekistan.

Nutraceuticals

Cephalosporins are a class of antibiotics originally derived from the fungus *Cephalosporium acremonium*. The first cephalosporin, cephalosporin C, was discovered in the 1940s and later led to the development of various derivatives that are effective against a broad range of bacterial infections. Our Cephalosporin Formulation facility focuses on the formulation of these antibiotics, which involves

COMPANY KEY PRODUCTS

developing and producing various dosage forms, such as tablets, capsules, suspensions and injectables. This process requires stringent adherence to quality control and regulatory standards to ensure efficacy and safety. Our Cephalosporin Formulation facility was inaugurated on 29 June 2021 by the Governor of Namangan, Uzbekistan.

In the formulation process, a team of skilled Herbalists and Pharmacists meticulously selects high-quality botanical ingredients, ensuring that they are sourced sustainably and processed with care. The facility emphasizes the importance of maintaining the integrity of the herbs and employing advanced extraction techniques to preserve their active compounds. This approach not only enhances the efficacy of the products but also ensures safety and quality for consumers. Quality control is paramount in herbal formulation, and your facility adheres to stringent standards and regulatory guidelines. Each batch undergoes rigorous testing to verify potency, purity, and consistency, providing confidence to consumers in the effectiveness of the herbal products. Additionally, your facility may focus on research and development to explore new formulations and innovative delivery methods, aiming to expand the range of health benefits offered by herbal remedies. By combining traditional knowledge with modern science, your herbal formulation facility contributes to the growing acceptance and appreciation of herbal medicine in contemporary healthcare. The Nutraceuticals facility was Inaugurated on 9th June 2022 by the CEO of HALEON.

ii. Demand for the products

API segment

Historically, the growth rate in API segment has remained impressive. CPL deals in 9 primary APIs, including Paracetamol, Ciprofloxacin, Cefixime (Cephalosporin), and Amoxicillin (Penicillin). Consistent growth is achieved across the board in all segments mainly due to population growth, availability of health care facilities to the masses, awareness and increasing trend of prescription of generic salts from the practitioners. CPL has developed its expertise in research and development to develop more molecules within its production facilities. Recent COVID-19 pandemic has also triggered sales growth in Paracetamol and Ciprofloxacin categories. However, margins in this segment are relatively low. Higher sales volume requires more working capital in this category, being a B2B segment where larger formulations' producers take longer credit terms. The demand for API segment is also derived from growth in the formulation segment, which is dependent upon various factors such

as healthcare awareness, introduction of new products, etc.

CPL intends to expand its presence in the formulation segment and is aggressively working towards development of its own brands in various widely used prescriptions. The margins in this segment are relatively higher but being a new segment, sales volumes are expected to grow gradually by establishing an extensive distribution channel across Pakistan. Moreover, CPL product line will include injectables, capsules, syrups etc. This will be a B2C segment and demand of this segment is related to population increase, availability of health care facilities to the masses, awareness and many other factors, as already outlined above.

iii. Future prospects, demand outlook

Citi Pharma Limited (CPL) is one of Pakistan's leading API manufacturing companies. The management is highly skilled in adopting and leveraging new technology, while remaining fully committed to complying with Good Manufacturing Practices (GMP). Continuously striving to incorporate the latest technological advancements, CPL understands the critical importance of staying ahead in technology. This gives the company a significant advantage by ensuring compliance with GMP standards while utilizing state-of-the-art production technologies. Recent agreements with international firms like Hangzhou Newsea Technology Co., Ltd. and Murli Krishna Pharma Private Ltd. are expected to fuel CPL's future growth, despite ongoing economic uncertainties. These partnerships will enhance the company's position in the API and formulation sectors, where there is a strong demand for local API products. The agreement with Murli Krishna Pharma is anticipated to introduce new APIs, providing an import substitution opportunity that will likely appeal to local formulation players due to cost savings on customs duties and favorable exchange rates, pending quality checks. The company's future plans include:

- Expanding production capacity in both the API and formulation segments, with the addition of new APIs such as Chloroquine Phosphate and Hydroxychloroquine Sulfate, and their subsequent formulations.
- Adding psychotropic and narcotic products to its formulation portfolio, while increasing production capacity for penicillin.
- Establishing a hospital facility in Lahore as part of a vertical diversification strategy.
- A committee has been formed to study and address the upcoming changes.
- Set up a hospital facility in Lahore (as part of vertical diversification)

COMPANY KEY PRODUCTS

iv. Social Welfare Activities

A dispensary in conjunction with Citi Pharma plant demonstrates a profound commitment to community welfare and health improvement. This initiative is designed to provide local residents with access to essential medical services and treatments, particularly in areas where healthcare resources may be limited. By offering a range of services, including consultations, basic health assessments, and access to medications, the dispensary plays a vital role in enhancing the overall well-being of the community.

The dispensary not only serves as a healthcare resource but also as an educational platform. Health awareness campaigns can be conducted to inform local residents about preventive measures, proper medication use, and the importance of maintaining a healthy lifestyle. This focus on education empowers individuals to take charge of their health and make informed decisions, fostering a culture of wellness within the community.

Moreover, the dispensary strengthens the bond between your organization and the local population,

promoting trust and collaboration. By actively engaging with community members and addressing their health concerns, you demonstrate a genuine commitment to their welfare. This initiative not only improves health outcomes but also enhances the quality of life for residents, reinforcing the idea that corporate responsibility extends beyond business operations to encompass social impact. Through this dispensary, you are not just providing healthcare services; you are investing in the future of the community and contributing to its sustainable development.

KEY OPERATING & FINANCE DATA FOR LAST SIX YEARS

FINANCIAL POSITION	2026	2025	2024	2023	2022	2021
Fixed assets net	9,214,525,540	8,687,898,852	3,552,249,952	3,051,888,220	2,244,062,582	1,734,765,860
Total assets	18,119,626,067	18,439,450,481	11,402,428,642	9,984,164,614	8,127,152,498	6,499,162,737
Paid - up Capital	2,284,612,000	2,284,612,000	2,284,612,000	2,284,612,000	2,284,612,000	1,350,000,000
Equity	10,826,180,087	10,867,578,681	5,633,129,441	5,373,073,310	4,713,978,328	4,366,045,109
Long term liabilities	57,237,478	-	-	8,541,062	402,853,766	297,605,788

STATEMENT OF PROFIT OR LOSS						
Net Sales	14,004,608,262	13,153,521,857	12,409,238,742	12,396,982,521	9,779,879,938	5,795,403,997
Gross Profit	2,449,584,700	2,017,608,317	1,586,195,116	1,507,112,978	1,363,082,659	780,474,326
Operating Profit/(Loss)	1,925,361,183	1,604,248,261	1,205,641,253	1,167,477,796	993,483,374	570,970,333
Profit/(Loss) before tax	1,331,337,205	1,354,509,829	1,281,201,708	957,254,344	1,060,576,110	499,746,398
Profit/(Loss) after tax	782,596,681	892,038,933	833,463,846	657,984,360	653,692,059	351,768,295

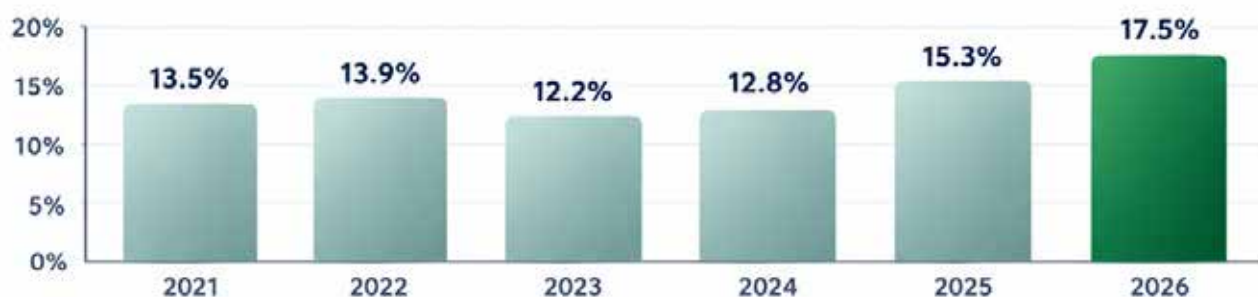
PROFITABILITY RATIOS						
Gross Profit	17.49%	15.34%	12.78%	12.16%	13.94%	13.47%
Net Profit Ratio	5.59%	6.78%	6.72%	5.31%	6.68%	6.07%

RETURN TO SHAREHOLDER						
Return on Capital Employed	15%	15%	22.55%	21.11%	19.42%	13.08%
Earning per share- Basic	3.43	3.90	3.65	2.88	2.88	3.64

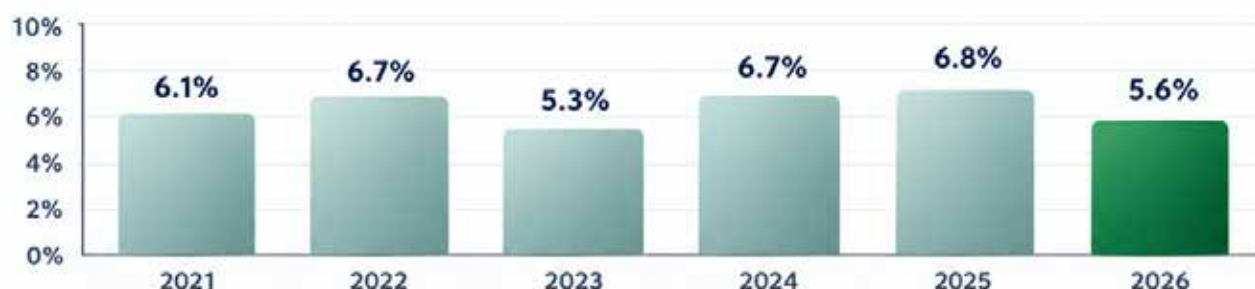
LIQUIDITY/LEVERAGE						
Current Ratio	1.26	1.30	1.36	1.48	1.859	2.453
Break up Value Per Share (With Revaluation)	47.39	47.57	24.66	23.52	20.63	32.34
Break up Value Per Share (Without Revaluation)	23.82	24.00	23.30	22.16	19.28	30.05
Debt To Equity Ratio	67%	70%	25%	29%	21%	15%

ACTIVITY						
Sales to total assets	0.77	0.88	1.09	1.24	1.20	0.89
Sales to fixed assets	1.51	2.06	3.49	4.06	4.36	3.34

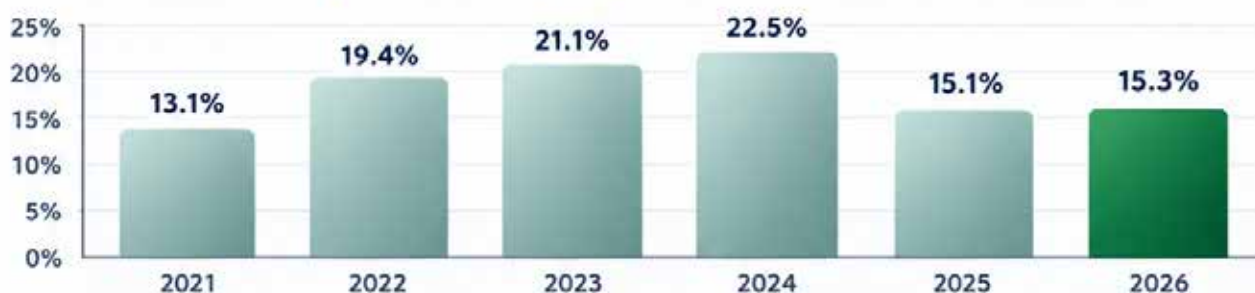
Gross Profit Margin



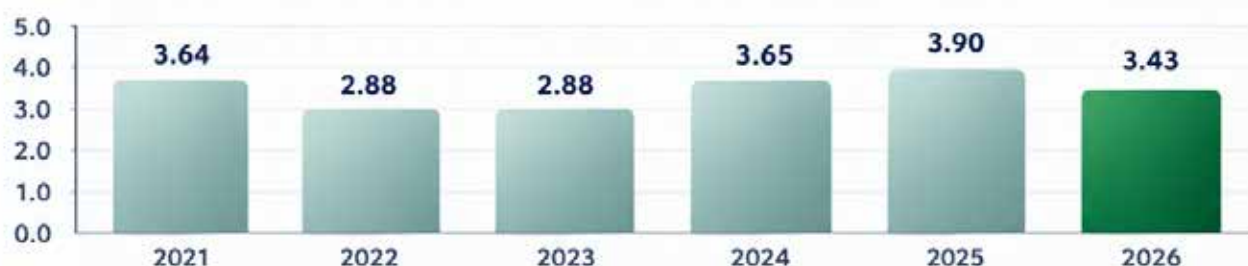
Net Profit Margin



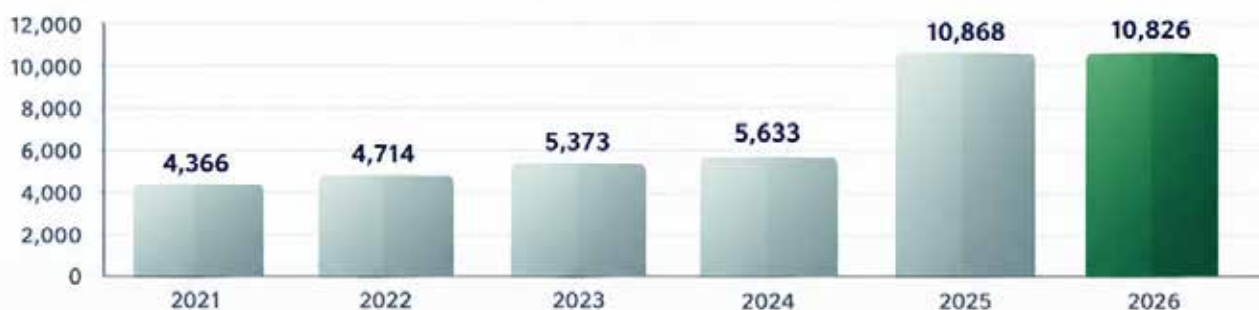
Return on Capital Employed



Earnings per Share (Rs.)



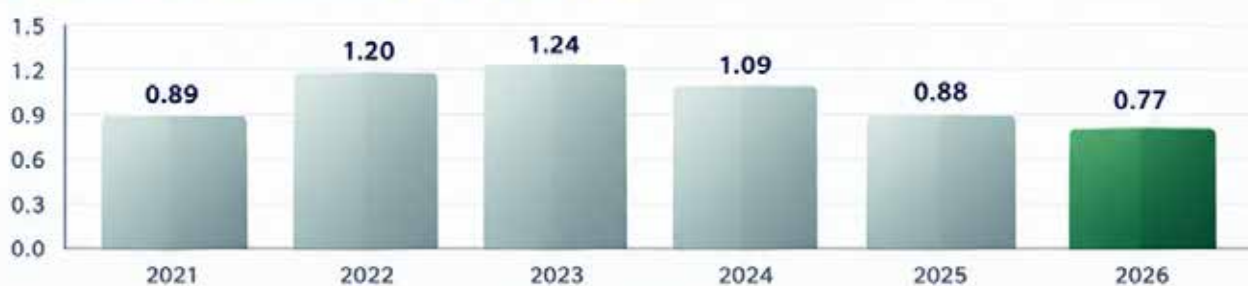
Shareholders' Equity (Rs. in million)



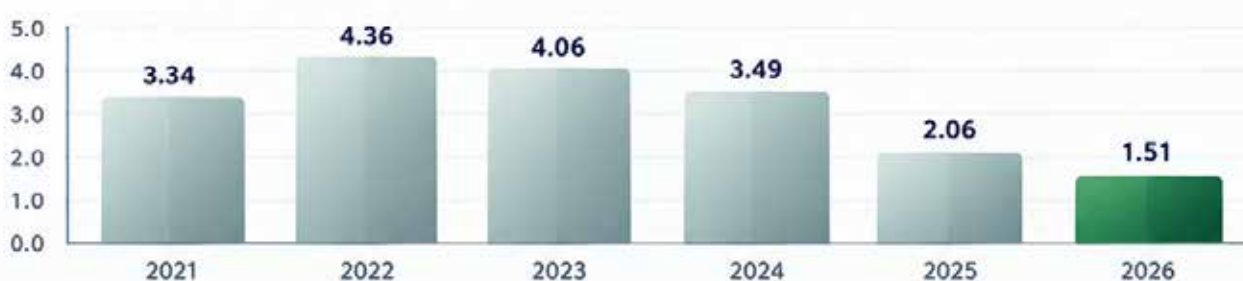
Breakup - Value per Share (Rs.)



Sales to Total Assets (times)



Sales to Fixed Assets (times)



HORIZONTAL ANALYSIS

	2026	2025	2024	2023	2022	2021
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Issued, subscribed and Paid up:	0%	0%	0%	0%	69%	200%
Share Deposit Money	0%	0%	0%	0%	-100%	100%
Share Premium	0%	0%	0%	0%	100%	0%
Unappropriated profits	-2.3%	9.7%	19%	90%	86%	-28%
Revaluation Surplus on Land	0.0%	1640.9%	0%	0%	0%	100%
NON CURRENT LIABILITIES						
Long Term Financing - Secured	100%	0%	-100%	-97%	32%	15%
Deferred Liabilities	61.2%	-2.4%	43%	27%	25%	45%
Deferred Grant	0%	-100%	-100%	-98%	247%	1525%
Lease Liabilities	-4%	100%	-100%	-30%	-19%	-44%
CURRENT LIABILITIES						
Trade and other payables	-12.3%	7.2%	65%	14%	79%	-19%
Director's Loan	-100.0%	-86.9%	-85%	2338%	0%	-29%
Short Term Borrowings-Secured	0.2%	105.5%	-5%	189%	100%	60%
Current Portion of Long Term Financing-Secured	391.0%	-16.2%	-71%	-64%	53%	57%
Unclaimed Dividend	-15.5%	192.5%	201%	-31%	100%	0%
Accrued Mark Up	-14.3%	-46.5%	16%	383%	2724%	-50%
Provision for taxation	-7.5%	10.4%	20%	-3%	207%	122%
Contingencies and Commitments	-	20%	-	-	-	-
Total Equity And Liabilities	-1.7%	61.2%	14%	23%	25%	163%
ASSETS						
NON CURRENT ASSETS						
Property, plant and equipment	6.1%	146.1%	11%	36%	29%	113%
Long term security deposits	0.0%	25.8%	-14%	35%	103%	0%
Long Term Advance	0.0%	0.0%	0%	0%	0%	100%
Long-Term Investment	100.0%	-	-	-	-	-
CURRENT ASSETS						
Stock in Trade	-7.3%	22.7%	23%	54%	117%	-13%
Trade Debts- Unsecured	11.1%	40.1%	15%	34%	215%	48%
Advances deposits and prepayments	37.8%	7.5%	56%	3%	130%	80%
Short Term Investment	-90.9%	-26.8%	-14%	-23%	100%	0%
Cash and bank balance	-66.7%	586.6%	61%	99%	-99%	3337%
Total Assets	-1.7%	61.2%	14%	23%	25%	163%

HORIZONTAL ANALYSIS

	2026	2025	2024	2023	2022	2021
Turnover -Net	6.47%	6.00%	0.10%	27%	69%	64%
Cost of sales	3.76%	2.89%	-0.61%	29%	68%	62%
Gross profit	21.41%	27.20%	5.25%	10%	73%	79%
Administrative expenses	14.31%	8.80%	8%	-29%	141%	17%
Selling expenses	41.35%	8.41%	17%	47%	4%	12%
	26.82%	8.62%	12%	-8%	76%	15%
Operating Profit	20.02%	33.06%	3%	18%	72%	125%
Financial Charges	17.67%	9.93%	-22%	444%	74%	-7%
	20.62%	40.72%	16%	-15%	72%	152%
Other income	-53.63%	-59.51%	68%	26%	4693%	-35%
	10.63%	5.55%	30%	-7%	107%	146%
Other Expenses	151.86%	3.62%	-2%	25%	23%	133%
Profit before Taxation	-1.71%	5.72%	34%	-10%	107%	147%
Taxation	18.65%	4.06%	50%	-26%	168%	150%
Profit after Taxation	-12.27%	7.03%	27%	1%	81%	145%

VERTICAL ANALYSIS

	2026	2025	2024	2023	2022	2021
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Issued, subscribed and Paid up:	12.61%	12.39%	20.04%	22.88%	28.11%	20.72%
Share Premium	7.68%	7.55%	12.20%	13.94%	17.12%	0.00%
Unappropriated profits	9.74%	9.80%	14.45%	13.90%	8.96%	6.00%
Revaluation Surplus on Land	29.72%	29.20%	2.71%	3.10%	3.81%	4.75%
	59.75%	58.94%	49.40%	53.82%	58.00%	67.17%
NON CURRENT LIABILITIES						
Long Term Financing - Secured	0.32%	0.00%	0.00%	0.09%	3.08%	2.90%
Deferred Liabilities	1.79%	1.09%	1.81%	1.45%	1.41%	1.40%
Deferred Grant	0.00%	0.00%	0.00%	0.01%	0.40%	0.14%
Lease Liabilities	0.34%	0.35%	0.00%	0.04%	0.08%	0.12%
	2.45%	1.45%	1.81%	1.58%	4.96%	4.57%
CURRENT LIABILITIES						
Trade and other payables	18.68%	20.93%	31.25%	21.69%	23.27%	16.24%
Due to Related Parties	0.00%	0.03%	0.38%	2.98%	0.15%	0.19%
Short Term Borrowings-Secured	15.84%	15.53%	12.22%	14.73%	6.27%	0.00%
Current Portion of Long Term Financing-Secured	0.43%	0.09%	0.17%	0.65%	2.21%	1.80%
Unclaimed Dividend	0.02%	0.02%	0.01%	0.00%	0.01%	0.00%
Accrued Mark Up	0.18%	0.21%	0.63%	0.62%	0.16%	0.01%
Provision for taxation	2.65%	2.82%	4.13%	3.94%	4.97%	2.02%
	37.80%	39.62%	48.78%	44.60%	37.04%	28.26%
Contingencies and Commitments	-	-	-	-	-	-
Total Equity And Liabilities	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
ASSETS						
NON CURRENT ASSETS						
Property, plant and equipment	50.85%	47.12%	29.82%	30.57%	27.61%	26.63%
Long term security deposits	0.14%	0.14%	0.18%	0.24%	0.22%	0.13%
Long Term Advance	1.40%	1.38%	2.23%	2.55%	3.13%	3.91%
Long-Term Investment	0.17%	0.00%	0.00%	0.00%	0.00%	0.00%
	52.56%	48.63%	33.56%	34.06%	31.14%	30.67%
CURRENT ASSETS						
Stock in Trade	20.11%	21.31%	28.09%	26.13%	20.81%	11.94%
Trade Debts- Unsecured	18.87%	16.69%	18.94%	18.85%	17.25%	6.82%
Advances deposits and prepayments	6.87%	4.90%	7.17%	7.94%	6.22%	3.38%
Short Term Investments	0.48%	5.19%	11.46%	15.17%	24.24%	0.00%
Cash and bank balance	1.11%	3.27%	0.77%	0.55%	0.34%	47.19%
	47.44%	51.37%	66.44%	65.94%	68.86%	69.33%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

VERTICAL ANALYSIS

	2026	2025	2024	2023	2022	2021
Turnover -Net	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of sales	-82.51%	-84.66%	-87.22%	-87.84%	-86.06%	-86.53%
Gross profit	17.49%	15.34%	12.78%	12.16%	13.94%	13.47%
Administrative expenses	1.81%	1.69%	1.65%	1.52%	2.72%	1.91%
Selling expenses	1.93%	1.45%	1.42%	1.22%	1.05%	1.71%
	-3.74%	-3.14%	3.07%	-2.74%	-3.78%	-3.62%
Operating Profit	13.75%	12.20%	9.72%	9.42%	10.16%	9.85%
Financial Charges	-2.77%	-2.51%	-2.42%	-3.12%	-0.73%	-0.70%
	10.98%	9.69%	7.30%	6.30%	9.43%	9.15%
Other income	0.66%	1.51%	3.95%	2.36%	2.36%	0.08%
	11.63%	11.20%	11.24%	6.30%	11.80%	9.23%
Other Expenses	-2.13%	-0.90%	-0.92%	-0.94%	-0.95%	-0.61%
Profit before Taxation	9.51%	10.30%	10.32%	7.72%	10.84%	8.62%
Taxation	-3.92%	-3.52%	-3.61%	-2.41%	-4.16%	-2.55%
Profit after Taxation	5.59%	6.78%	6.72%	5.31%	6.68%	6.07%

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Citi Pharma 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 Citi Pharma Limited for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks. The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, except for the below instances of non-compliance, 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.

The instances of non-compliance with the requirements of the Regulations, which are not stated in the Statement of Compliance, are as follows:

Sr. No	Reference	Description
1	Regulation 28(1) (Paragraph 13(b))	The Human Resource & Remuneration & ESG Committee comprises one independent director and two executive directors and, therefore, does not comprise a majority of non-executive directors as required under regulation 28(1) of the Regulations.
2	Regulation 22 (Paragraph 11)	We draw attention to Clause 11 of the Statement of Compliance. Following the vacancy in the position of Chief Financial Officer (CFO), the Board of Directors, in its meeting held in August 2026, approved, as an interim arrangement, the assignment of the acting charge of CFO to the Financial Controller pending the appointment of a permanent Chief Financial Officer. The qualification criteria prescribed for the position of Chief Financial Officer under the Listed Companies (Code of Corporate Governance) Regulations, 2019 are not fully met by the incumbent in the interim arrangement.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Kamran Aslam.



Chartered Accountants
Lahore

UDIN: CR202610827Mm1PQtvqk

STATEMENT OF COMPLIANCE

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

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

1. The total number of directors are seven as per the following
 - a. Male 05
 - b. Female 02
2. The composition of the board is as follows:
 - a. Independent Directors 02 (Including 01 Female)
 - b. Executive Directors 02
 - c. Non-Executive Directors 03 (Including 01 Female)

Category	Names
Independent Directors • Male • Female	1. Mr. Abdul Jaleel Shaikh 2. Ms. Saima Shafi Rana
Executive Directors	1. Mr. Rizwan Ahmad 2. Mr. Zameer Ul Hassan Shah
Non-Executive Directors	1. Mr. Nadeem Amjad 2. Mr. Muhammad Naeem 3. Mr. Saira Aslam

* In accordance with Regulation 6(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company has two independent directors on a Board of seven directors. The fraction of one-third (2.33) has not been rounded up. The Company considers that the two independent directors possess the requisite skills, knowledge and experience to effectively discharge their responsibilities and provide appropriate independent oversight.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved, updated or amended has been maintained.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board complied with requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the 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. The Directors were apprised of their duties and responsibilities from time to time. All seven Directors have successfully completed the prescribed Directors' Training Program in accordance with the applicable requirements of the Regulations.
10. All directors have successfully completed the Directors' Training Program as required under the Regulations.
11. The Board has approved the appointment of the Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, and has complied with the relevant requirements of the Regulations.
12. The Financial statements of the Company were duly endorsed by the chief executive officer and acting chief financial officer before approval of the Board;

STATEMENT OF COMPLIANCE

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

13. The Board has formed committees comprising members given below:

a. Audit Committee

Name	Designation
Mr. Abdul Jaleel Shaikh	Chairman/Independent Director
Mr. Nadeem Amjad	Non-Executive Director
Mr. Muhammad Naeem	Non-Executive Director

b. Human Resource & Remuneration & ESG Committee

Name	Designation
Mrs. Samia Shafi Rana	Chairman/Independent Director
Mr. Rizwan Ahmad	Executive Director
Mr. Zameer Ul Hassan Shah	Executive Director

14. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance. The Board has assigned additional responsibilities relating to sustainability, Environmental, Social and Governance (ESG) matters to the Human Resource & Remuneration Committee in accordance with Regulation 10A. The Committee monitors and reviews sustainability-related risks and opportunities, DE&I practices and related disclosures and reports to the Board at least annually.

15. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following;

- a) Audit Committee (Quarterly)
- b) HR and Remuneration Committee (Yearly)

16. The Company has an internal audit function comprising personnel suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.

17. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

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

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

STATEMENT OF COMPLIANCE

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

20. Explanation for non-compliance with requirements, other than Regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below (if applicable):

S.No	Non-Mandatory Requirement	Explanation	R e g . No.
1	Nomination Committee: The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The responsibilities prescribed for the nomination committee are being performed by the Human Resource & Remuneration & ESG Committee.	29(1)

For and behalf of the Board



Mr. Nadeem Amjad
Chairman



Mr. Rizwan Ahmad
CEO

Date: October 03, 2026

STATEMENT OF COMPLIANCE

WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023 AND SUKUK (PRIVATELY PLACED) REGULATIONS, 2017 FOR THE YEAR ENDED JUNE 30, 2026

Citi Pharma Limited (the Company) confirms that the financial arrangements, contracts and transactions entered into by the Company during the year ended June 30, 2026, in relation to the following Islamic instruments (the Sukuk) are in compliance with the requirements of the Shariah principles, as prescribed under the Shariah Governance Regulations, 2023 and the Sukuk (Privately Placed) Regulations, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP):

S. No.	Instrument	Issue size (Rs. in million)	Issuance date	Settlement / maturity date	Status
1	Sukuk II	1,500	23-07-2025	23-01-2026	Re-Paid
2	Short-Term Sukuk III (STS III)	2,000	30-12-2025	30-06-2026	Re-Paid
3	Short-Term Sukuk IV (STS IV)	1,500	23-06-2026	23-12-2026	1,500
	Total	5,000			1,500

The Company further confirms that:

1. The Company has established procedures and processes for all transactions relating to the Sukuk to ensure compliance with the features of the Sukuk and the applicable requirements of Shariah governance.
2. The Company has implemented internal control and risk management systems to mitigate the risk of non-compliance with the Shariah principles, whether due to fraud or error.
3. The management and personnel authorized to ensure compliance with the Shariah principles in relation to the Sukuk have been appropriately trained, and the related systems have been kept updated.
4. The Company has complied with the rules and regulations issued by the SECP, the pronouncements of the Shariah Advisory Committee / Shariah Supervisory Board of the SECP, the applicable Islamic Financial Accounting Standards issued by the Institute of Chartered Accountants of Pakistan as notified by the SECP, and the approvals and rulings of the Company's Shariah Advisor, Al Hilal Shariah Advisors, in relation to the Sukuk.
5. No income that is non-compliant with the Shariah principles arose in relation to the Sukuk during the year.



Rizwan Ahmad
Chief Executive Officer
Lahore
October 03, 2026

SHARIAH REVIEW REPORT – SUKUK-III (STS-III)

To the members of Citi Pharma Limited
Report on the Audit of the Financial Statement

September 17, 2026

AHSA/SSR/CPHL/STS-III/626

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the rated, unsecured privately placed Sukuk of PKR 2,000,000,000/- (Pak Rupees Two Billion Only), issued by Citi Pharma Limited, Sukuk-III.

It is the core responsibility of Citi Pharma Limited to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above; we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended June 2026. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved those investments in rated, unsecured privately placed Sukuk of PKR 2,000,000,000/- (Pak Rupees Two Billion Only), issued by Citi Pharma Limited, Sukuk-III is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited.

Mufti Irshad Ahmad Aijaz
Chairman Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

SHARIAH REVIEW REPORT – SUKUK-IV (STS-IV)

To the members of Citi Pharma Limited
Report on the Audit of the Financial Statement

September 17, 2026

AHSA/SSR/CPHL/STS-IV/627

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ
الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the rated, unsecured privately placed Sukuk of PKR 1,500,000,000/- (Pak Rupees One Billion Five Hundred Million Only), issued by Citi Pharma Limited, Sukuk-IV.

It is the core responsibility of Citi Pharma Limited to Manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. We express our opinion based on the review of the information, provided by the issuer, to an extent where compliance with the Shariah guidelines can be objectively verified.

Keeping in view the above; we certify that:

We have reviewed all the transactions, documents, procedures adopted by the issuer as well as the operational activities of the Sukuk which included the review of all transactions and source of earning. We have found them to be in compliance with the Shariah Guidelines.

On the basis of information provided by the company, all operations and affairs have been carried out in accordance with the rules and principles of Shariah for the sukuk year ended June 2026. The Sukuk is in compliance with the provided Shariah guidelines and there is no need to provide for any charity to purify the income. Therefore, it is resolved those investments in rated, unsecured privately placed Sukuk of PKR 1,500,000,000/- (Pak Rupees One Billion Five Hundred Million Only), issued by Citi Pharma Limited, Sukuk-IV is in accordance with Shariah principles as per the Shariah guidelines provided by the Shariah supervisory council.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited

Mufti Irshad Ahmad Aijaz
Chairman Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited
Report on the Audit of the Financial Statement

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited Report on the Audit of the Financial Statement

Following is the key audit matter:

S.No	Key Audit Matter	How the matter was addressed in our audit
	Revenue Recognition Refer note 23 to the financial statements and the accounting policy in note 3.8 to the financial statements regarding the sale of goods. The Company is engaged in the manufacturing and sale of pharmaceuticals, medical chemicals, and botanical products. The Company recognized net revenue of Rs. 14,004 million from the sale of goods to customers during the year ended 30 June 2026. We identified recognition of revenue against the sale of goods as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to a risk that revenue is recognized without transferring control.	Our key audit procedures in this area amongst others included the following: - Obtaining an understanding of the process relating to recording of sales and testing the design, implementation, and operating effectiveness of relevant key internal controls; - Assessing the appropriateness of the Company's accounting policies for recording sales and compliance of those policies with applicable accounting standards; - Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery documents, and other relevant underlying documents; - Performing cut-off procedures to ensure that the revenue was recognized in the correct accounting period. - Performing journal entry testing using a risk-based criterion, on a sample basis, relating to revenue transactions recorded by the Company and reviewing underlying documentation and business rationale of such journal entries. - Assessing the adequacy of the Company's disclosures in accordance with the applicable financial reporting framework.

Information Other Than the Financial Statements and Auditor's Report Thereon

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited Report on the Audit of the Financial Statement

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited Report on the Audit of the Financial Statement

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of 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
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Muhammad Kamran Aslam.



Chartered Accountants

Date: October 03, 2026

Lahore

UDIN: AR202610827ymQpDaLHf

UNCONSOLIDATED FINANCIAL **STATEMENTS**

For the year ended June 30, 2026

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital:			
300,000,000 Ordinary shares of Rs. 10/- each		3,000,000,000	3,000,000,000
SHARE CAPITAL			
Issued, subscribed and paid up capital	4	2,284,612,000	2,284,612,000
CAPITAL RESERVES			
Share premium	5	1,391,532,000	1,391,532,000
Surplus on revaluation of freehold land	6	5,384,617,300	5,384,617,300
		6,776,149,300	6,776,149,300
REVENUE RESERVE			
Unappropriated Profit		1,765,418,788	1,806,817,382
		10,826,180,088	10,867,578,681
NON-CURRENT LIABILITIES			
Long Term Financing - Secured	7	57,237,478	-
Deferred Liabilities	8	325,208,051	201,763,862
Lease Liabilities	9	62,037,224	64,864,123
		444,482,752	266,627,986
CURRENT LIABILITIES			
Trade and other payables	10	3,384,974,017	3,858,531,251
Due to Related Parties	11	-	5,686,383
Short Term Borrowings	12	2,869,594,957	2,863,211,696
Current portion of long term liabilities	13	77,584,562	15,802,536
Unclaimed Dividend		3,436,493	4,065,868
Accrued Mark Up		32,788,240	38,268,523
Provision for taxation		480,584,958	519,677,557
		6,848,963,227	7,305,243,814
Contingencies and commitments	14	-	-
		18,119,626,067	18,439,450,481
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	15	9,214,525,540	8,687,898,852
Long term Security Deposits		25,443,117	25,443,117
Long Term Advance	16	254,540,900	254,540,900
Long-Term Investment		29,999,980	-
		9,524,509,537	8,967,882,869
CURRENT ASSETS			
Stock in Trade	18	3,643,391,297	3,929,701,530
Trade Debts- Unsecured	19	3,418,943,963	3,078,215,648
Advances, Deposits, prepayments & other Receivables	20	1,245,116,508	903,708,936
Short Term Investments	21	86,680,857	956,388,685
Cash and Bank Balances	22	200,983,905	603,552,814
		8,595,116,530	9,471,567,612
		18,119,626,067	18,439,450,481

The annexed from 1 to 44 notes form an integral part of these unconsolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
SALES - NET	23	14,004,608,262	13,153,521,857
Cost of sales	24	(11,555,023,562)	(11,135,913,539)
GROSS PROFIT		2,449,584,700	2,017,608,318
Administrative and general expenses	25	(253,891,653)	(222,111,434)
Marketing and distribution expenses	26	(270,331,864)	(191,248,622)
		(524,223,517)	(413,360,056)
OPERATING PROFIT		1,925,361,183	1,604,248,262
Financial Charges	27	(387,917,521)	(329,672,942)
		1,537,443,662	1,274,575,320
Other income	28	91,932,411	198,270,120
		1,629,376,073	1,472,845,440
Other Expenses	29	(298,038,868)	(118,335,610)
PROFIT BEFORE INCOME TAXES AND FINAL TAXES		1,331,337,205	1,354,509,830
Taxation - Final taxes	30	-	-
PROFIT BEFORE INCOME TAX		1,331,337,205	1,354,509,830
Taxation - Income tax		(548,740,524)	(462,470,896)
Profit after income tax		782,596,681	892,038,934
EARNINGS PER SHARE- BASIC AND DILUTIVE (RUPEES)	31	3.43	3.90

The annexed notes form an integral part of these unconsolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2026

	June 30, 2026 Rupees	June 30, 2025 Rupees
Profit after income tax	782,596,681	892,038,934
OTHER COMPREHENSIVE (LOSS) / INCOME		
ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED IN PROFIT OR LOSS:		
Revaluation surplus on freehold Land	-	5,075,322,775
Remeasurement of staff retirement benefits	(34,339,542)	13,502,018
	9,958,467	(3,915,585)
	(24,381,075)	9,586,433
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	758,215,606	5,976,948,142

The annexed from 1 to 44 notes form an integral part of these unconsolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2026

PARTICULARS	SHARE CAPITAL	CAPITAL RESERVES		REVENUE RESERVES		TOTAL
		SURPLUS ON REVALUATION OF FREEHOLD LAND	SHARE PREMIUM	UN- APPROPRIATED PROFIT		
					(Rupees)	
Balance as at June 30, 2024	2,284,612,000	309,294,525	1,391,532,000	1,647,690,917		5,633,129,442
Final Dividend Paid for the year ended June 2024 @ 32.5%	-	-	-	(742,498,902)		(742,498,902)
Surplus on revaluation of property, plant & equipment	-	5,075,322,775	-	-		5,075,322,775
Profit for the year	-	-	-	892,038,934		892,038,934
Other Comprehensive income (Net of tax)	-	-	-	9,586,433		9,586,433
Balance as at June 30, 2025	2,284,612,000	5,384,617,300	1,391,532,000	1,806,817,382		10,867,578,681
Final Dividend Paid for the year ended June 2025 @ 35%	-	-	-	(799,614,200)		(799,614,200)
Surplus on revaluation of property, plant & equipment	-	-	-	-		-
Profit for the year	-	-	-	782,596,681		782,596,681
Other Comprehensive income (Net of tax)	-	-	-	(24,381,075)		(24,381,075)
Balance as at June 30, 2026	2,284,612,000	5,384,617,300	1,391,532,000	1,765,418,788		10,826,180,088

The annexed from 1 to 44 notes form an integral part of these unconsolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
CASH FLOWS FROM OPEARTING ACTIVITIES			
Profit before income taxes and final taxes		1,331,337,205	1,354,509,830
Adjustments For Non- Cash Items And Other Line Items:			
Depreciation		205,539,246	168,085,212
Gratuity Expense		35,062,937	33,273,698
Allowance for expected credit loss		11,256,844	2,200,916
Unrealized (Gain)/Loss on Investment in Shares		(226,000)	2,790,037
Accrued Interest		-	(1,969,680)
Financial Charges		387,917,521	329,672,942
Worker's Profit Participation Fund		72,287,197	72,611,424
Worker's Welfare Fund		26,930,524	27,051,315
		738,768,268	633,715,864
Profit before working capital changes		2,070,105,474	1,988,225,694
EFFECT OF WORKING CAPITAL CHANGES:			
Advances, Deposits And Prepayments		(235,349,778)	78,125,799
Trade Debts		(351,985,159)	(885,740,076)
Stock In Trade		286,310,232	(726,327,230)
Trade and other payables		(500,163,531)	227,317,555
		(801,188,235)	(1,306,623,952)
Financial Charges Paid		(393,397,803)	(356,832,457)
Income Tax Paid		(624,707,224)	(573,995,150)
Gratuity Paid		(3,213,837)	(2,697,050)
Worker's Profit Participation Fund paid		(72,611,424)	(68,780,302)
		(1,093,930,288)	(1,002,304,959)
Net cash flow from operating activities	A	174,986,950	(320,703,217)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property And Equipment		(593,674,718)	(86,123,857)
Capital Work in Progress		(109,814,726)	(63,940,621)
Long Term Security Deposits		-	(5,225,341)
Short Term Investments		63,344,575	42,307,825
Net cash flow from investing activities	B	(640,144,870)	(112,981,993)

UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
CASH FLOW FROM FINANCING ACTIVITIES			
Long-term loans obtained/repaid		113,662,175	(12,859,000)
Long-Term Investment		(29,999,980)	-
Current portion of deferred grant		-	(582,494)
Liability Against Assets Subject To Finance Lease		(26,146,058)	(32,294,240)
Due to Related Parties		(5,686,383)	(37,733,617)
Dividend Paid		(800,243,575)	(739,822,935)
Short Term Borrowings		6,383,261	1,470,116,108
Net Cash flow From financing Activities	C	(742,030,560)	646,823,823
Net Increase/ (Decrease) In Cash And Cash Equivalents	A+B+C	(1,207,188,480)	213,138,612
Cash And Cash Equivalents At Beginning of the Year		1,491,472,243	1,278,333,631
Cash And Cash Equivalents At End Of The Year		284,283,762	1,491,472,243
Cash and cash equivalents comprise of:			
Cash in hand		622,022	844,146
Cash at bank		200,361,883	602,708,667
Short Term Investments		83,299,857	887,919,430
		284,283,762	1,491,472,243

The annexed from 1 to 44 notes form an integral part of these unconsolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The company was incorporated as a private limited company in Pakistan under the Repealed Companies Ordinance, 1984 on October 08, 2012. The principal activity of the company is manufacturing and sale of pharmaceuticals, medical chemicals and botanical products. The company was converted into public unlisted company with effect from October 13, 2020. The Company was listed on Pakistan Stock Exchange on July 09, 2021. The registered office of the company is situated at 3.5 KM, Head Balloki Road, Phool Nagar, Kasur. The Head office of the company situated at 588 Q Block, Johar Town, Lahore.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention modified by revaluation of freehold land referred to in note 3.1, certain financial instruments which are carried at their fair values and the Company's liability under defined benefit plan (gratuity) is determined on the present value of defined benefit obligations as determined by an independent actuary.

2.2 Statement of compliance

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

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

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.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is Company's functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Company's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note
- assumptions and estimates used in determining the recoverable amount, residual values and useful lives of operating fixed assets	15.1
- assumptions and estimates used in revaluation of land	6
- assumptions and estimates used in determining the useful lives and residual values of intangible assets	3.2
- assumptions and estimates used in calculating the provision for impairment for trade debts	19
- assumptions used in determination of current and deferred taxation	3.16
- assumptions and estimates used for valuation of present value of defined benefit obligation	3.18
- assumptions and estimates used in determining current taxation	30

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

2.5 Initial application of a standard, amendment or an interpretation to an existing standard

Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2026

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 1, 2025. However, these do not have any significant impact on the Company's financial statements.

Standards, interpretations and amendments to approved accounting standards that are not yet effective
Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

	Effective date (annual reporting periods beginning on or after)
IAS 21 The Effect of Changes in Foreign Exchange Rates (Amendments)	January-01-2025
IFRS 7 Financial Instruments: Disclosures (Amendments)	January-01-2026
IFRS 9 Financial Instruments: Classification and Measurement (Amendments)	January-01-2026
IFRS 17 Insurance Contracts	January-01-2026
Annual improvements to IFRS 7, IFRS 9, IFRS 10 (consolidated financial statements) and IAS 7 (statements of cashflows)	January-01-2026

The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

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;

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRIC 12 Service Concession Arrangement

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Property, plant and equipments

a Owned assets

Property, plant and equipment except freehold land is stated at cost less accumulated depreciation and identified impairment losses. Freehold land is stated at Revalued amount. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to the construction and erection period and directly attributable cost of bringing the assets into working condition.

Depreciation is charged to income on reducing balance method at the rates specified in Note 15. Full month's depreciation is charged on additions during the month, whereas no depreciation is charged on the assets disposed off during the month. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and replacements are capitalized. Gains or losses on disposal of property, plant and equipment are included in the current year income.

Residual values and useful lives are reviewed at each balance sheet date and adjusted if expectations differ significantly from previous estimates. The management estimates that the financial impact of changes in the residual values and the useful lives during the year is immaterial.

Residual values are determined by the management as the amount expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of the life based on the prevailing market prices of the similar assets already at the end of its useful lives.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

b Right of use assets

The right-of-use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

The right-of-use asset is subsequently depreciated at reducing balance method from the date of recognition to the earlier of the end of useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

c Capital work in progress

Capital work-in-progress is stated at cost less impairment, if any. It consists of expenditure incurred and advances made in respect of items of property, plant and equipment in the course of their acquisition, construction and installation. Transfers are made to the relevant category of assets when assets are available for intended use.

3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. The depreciable amount of intangible asset is amortized over the estimated useful life using the reducing balance method at the rate stated in the relevant note to the financial statements.

3.3 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

3.4 Stock in trade

Inventories are valued at lower of cost and net realizable value as per requirements of IAS 2. Cost of major stock items is determined as follows;

- Raw material	At weighted average cost
- Packing material	At weighted average cost
- Finished goods	Comprised of direct material, labor, and appropriate manufacturing overheads.
- Material in transit	Are stated at invoice value plus other charges incurred thereon.

Net realizable value signifies the estimates selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.5 Trade and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

3.7 Revenue recognition

The Company recognizes revenue when it transfers control over goods to its customers, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is recognized at an amount that reflects the consideration, to which the Company expects to be entitled in exchange for transferring of goods to its customers net of discount and sales related indirect taxes. The sales related indirect taxes are regarded as collected on behalf of statutory authorities. The Company generates revenue by supplying products to the customers, including export product.

- i) Revenue from sales is recognized on delivery of products to the customers with the exception that export sales if any are recognized at the time of issuance of bill of lading.
- ii) Dividend income is recognized when the right to receive dividend is established.
- iii) Income on bank deposits and short term investments are recognized using the effective yield method.

3.8 Revenue from contract with customers

Sale of Goods

Sale of goods is recognized when the Company has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due.

Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.9 Borrowings and borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

3.10 Provisions

Provision is recognized when the Company has a legal and constructive obligation as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of obligation. Provision is reviewed at each date of statement of financial position and adjusted to reflect current best estimate.

3.11 Trade and other payables

Trade and other payables are recognized initially at fair value net of directly attributable cost, if any.

3.12 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, it is in the interest of the Company to do so.

3.13. Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

3.13.1 Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- a) Amortized cost where the effective interest rate method will apply;
- b) fair value through profit or loss;
- c) fair value through other comprehensive income.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instrument

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

a) Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income/charges. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/charges and impairment expenses are presented as separate line item in the statement of profit or loss.

c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- i. The rights to receive cash flows from the asset have expired
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

Impairment of financial assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balances

Simplified approach for trade debts

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 120 days past due in making a contractual payment.

Write-off

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.13.2 Financial Liabilities

Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- other financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Amortised cost

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

De-recognition of financial liabilities

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

3.13.3 Off-setting of financial assets and financial liabilities.

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the company has legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability; or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a. Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- b. Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- c. Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Chief Financial Officer determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.15 Contingent liabilities

Contingent liabilities are disclosed when there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company; or there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.17 Taxation

Current Tax

Provision for current taxation is based on taxable income for the year at the current rates of taxation after taking into account tax credits and tax rebates available, if any.

Deferred Tax

Deferred tax is recognized using the liability method, on all temporary differences at the balance sheet date calculated at the prevailing rates, between the tax bases of assets and liabilities and their carrying costs for the purposes of financial reporting. Deferred tax liabilities are recognized for all taxable temporary differences to the extent that such differences will reverse in the due future and taxable income will be available for deducting temporary differences.

The carrying amount of deferred tax asset is reviewed on the balance sheet date and is reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow in all or part of it for the deferred tax asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled based on the tax rates that have been enacted currently or subsequently at the balance sheet date.

Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it becomes probable future taxable profits will allow deferred tax asset to be recovered.

3.17 Research and development cost

Research expense is recognized in profit or loss account in the year of expense and development cost is capitalized in the year when meets the development criteria.

3.18 Staff retirement benefits

The Company operates approved un-funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to statement of profit or loss.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if, any excluding interest), are recognized immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan is recognized in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3.19 Lease liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

3.20 Off setting:

Financial assets and liabilities are offset and the amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amount and the company intends either to settle on a net basis, or to realize the assets and to settle the liability simultaneously.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.21 Earning per share:

The company presents basic and diluted earning per share (EPS) for its ordinary shares. Basis EPS is calculated by dividing the profit or loss attributable to ordinary shareholders 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 for all dilutive potential ordinary shares.

3.22 Foreign currency transactions

Foreign currency transactions are recorded at the official exchange rate applicable at the transaction date. Monetary assets and liabilities are translated into rupees using official exchange rates applicable at the statement of financial position date. All gains and losses on settlement and transaction at year-end are recognized in the income statement.

3.23 Government grant

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants.

Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

3.24 Dividend to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in the statement of changes in equity and as a liability in the Company's financial statements in the year in which the dividends are approved by the Board of Directors or the Company's shareholders as the case may be.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.25 Share capital

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

3.26 Ijarah

In ijarah transactions, significant portion of the risks and rewards of ownership are retained by the lessor. Islamic Financial Accounting Standard 2 - 'Ijarah' requires the recognition of 'Ujrah payments' (lease rentals) against ijarah financing as an expense in the statement of profit or loss on a straight line basis over the ijarah term.

3.27 Investment in associates

The Company's interest in equity-accounted investees represents interest in associates. Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. These are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

3.28 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
4 ISSUED SUBSCRIBED AND PAIDUP CAPITAL			
117,692,000 ordinary shares (2025: 117,692,000) of Rs. 10 fully paid in cash		1,176,920,000	1,176,920,000
110,769,200 ordinary shares (2025: 110,769,200) of Rs. 10 each issued as fully paid bonus shares		1,107,692,000	1,107,692,000
		2,284,612,000	2,284,612,000

- 4.1 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

5 SHARE PREMIUM

Share Premium		1,391,532,000	1,391,532,000
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Share Premium Reserve can be utilized by the Company only for the purposes specified in Section 81 of the Companies Act, 2017.

6 REVALUATION SURPLUS

Revaluation Surplus on Free Hold Land	6.1	5,384,617,300	5,384,617,300
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6.1	Movements in revaluation surplus during the year were as follows:	6.2		
	Balance at beginning of year		5,384,617,300	309,294,525
	Revaluation increase during year		-	5,075,322,775
	Transferred to retained earnings		-	-
	Balance at end of year		5,384,617,300	5,384,617,300

6.2	Land Description	Date of revaluation	Book Value	Revalued Amount	Revaluation Surplus
	3.5 KM, Head Balloki Road, Phool Nagar, Kasur	25-Jul-24	591,200,000	1,385,700,000	794,500,000
	Hadbast Mouza Mangial Tehsil Fateh Jhang and District Attock	17-May-25	163,837,225	643,630,000	479,792,775
	71-E, Hali Road, Lahore	17-May-25	347,800,000	1,145,200,000	797,400,000
	Hadbast Mouza haloki Near Khayaban-E-Zafar, Tehsil Model town Lahore	17-May-25	661,650,000	3,609,000,000	2,947,350,000
	588-Q Block, Johar Town, Lahore	25-Jun-25	100,500,000	156,780,000	56,280,000
			1,864,987,225	6,940,310,000	5,075,322,775

The latest revaluation of freehold land has been carried out as at different dates, by Independent Valuers on the basis of their professional assessment of present market value, based on enquiries made about the cost of land of similar nature, size and location.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
7 LONG TERM FINANCING - SECURED			
TF - 1 (SOLAR PANELS)	7.1	56,000,000	-
TF -11 (SOLAR INVERTERS)		11,750,375	
MTF – Imported Machinery		45,911,800	
		113,662,175	
Current Portion shown under current liabilities	13	(56,424,697)	-
		57,237,478	-

7.1 The Company has obtained long-term financing facilities from financial institutions for the acquisition and import of plant and machinery, including solar panels and inverters. The financing facilities are secured against the respective financed assets and other securities as stipulated in the respective financing agreements.

The financing facilities for solar panels and inverters carry markup at the rate of 6 months KIBOR plus 2.50% per annum, whereas the financing facility under the MTF – Imported Machinery carries markup at the rate of 6 months KIBOR plus 1.25% per annum. The facilities are repayable in accordance with the respective repayment schedules agreed with the financial institutions.

8 DEFERRED LIABILITIES			
Staff retirement benefits - gratuity	8.1	165,883,945	99,695,303
Deferred Taxation	8.2	159,324,106	102,068,559
		325,208,051	201,763,862
8.1 Staff retirement benefits - gratuity			
Net liability recognized in the statement of financial position			
Present value of defined benefit obligations		165,883,945	99,695,303

As disclosed in note 3.18, the Company operates approved un-funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to statement of profit or loss. Latest actuarial valuation was carried out as at June 30, 2026.

8.1.1 Movement in the net liability recognized in the statement of financial position			
Net liability as at 1st July	8.1.3	99,695,303	82,620,673
Expense recognized in the income statement		35,062,937	33,273,698
Benefits paid during the year		(3,213,837)	(2,697,050)
Remeasurement changes chargeable to other comprehensive income	8.1.4	34,339,542	(13,502,018)
Net liability as at 30th June		165,883,945	99,695,303

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
8.1.2	Movement in the present value of defined benefit obligation is as follows:		
	Present value of defined benefit obligation as at 1st July	99,695,303	82,620,673
	Current service cost	22,801,889	21,895,597
	Interest cost on defined benefit obligation	12,261,048	11,378,101
	Benefit paid	(3,213,837)	(2,697,050)
	Remeasurement of obligation		
	Actuarial (gains)/losses from changes in financial assumptions	(116,432)	1,742,042
	Experience adjustments	34,455,974	(15,244,060)
	Present value of defined benefit obligation as at 30th June	165,883,945	99,695,303
8.1.3	Amount Chargeable to Statement of Profit or Loss		
	Service Cost	22,801,889	21,895,597
	Past service cost	-	-
	Interest cost on defined benefit obligation	12,261,048	11,378,101
		35,062,937	33,273,698
8.1.4	Amount recognized in other comprehensive income are:		
	Remeasurement of staff retirement benefits	34,339,542	(13,502,018)
8.1.5	Key actuarial assumptions used:		
	Financial assumptions		
	Discount rate used for Interest Cost in P&L Charge	12.50%	14.00%
	Discount rate used for year end obligation	12.25%	12.50%
	Demographic Assumptions		
	Mortality Rates	SLIC 2001-2005	SLIC 2001-2005
8.1.6	Sensitivity analysis for actuarial assumptions:		
	The sensitivity of the defined benefit obligation to changes in the weighted principle assumption is:		
		Change in assumption	Increase in assumption
	Discount rate	+ - by 100 bps	147,316,188
	Salary increase	+ - by 100 bps	189,037,559
			188,766,902
			146,725,677

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

		June 30, 2026
8.1.7	Estimated Expenses to be Charged to P&L in FY 2026	
	Current service cost	22,801,889
	Interest cost on defined benefit obligation	12,261,048
8.1.8	Expected Benefit Payments for the Next 10 Years and Beyond	
	FY 2027	18,722,972
	FY 2028	20,305,265
	FY 2029	21,445,338
	FY 2030	22,394,511
	FY 2031	23,156,405
	FY 2032	23,677,520
	FY 2033	24,174,345
	FY 2034	24,457,098
	FY 2035	24,725,524
	FY 2036	25,052,490
	FY 2037 onwards	8,748,749,781

		Note	June 30, 2026 Rupees	June 30, 2025 Rupees
8.2	Deferred Taxation			
	Opening deferred tax liability	8.2.1	159,324,106	102,068,559
8.2.1	Deferred taxation liability			
	Accelerated tax depreciation		208,423,857	128,669,283
	Employee retirement benefits		(48,106,344)	(28,911,638)
	Lease Liability		5,623,377	4,566,838
	Allowance for expected credit loss		(5,288,005)	(2,023,520)
	Investment in Shares		(1,328,780)	(232,404)
	Net Deferred Tax Liability		159,324,106	102,068,559
8.2.2	Movement in deferred tax liability			
	Balance at beginning of year		102,068,560	124,089,480
	Recognized in profit or loss		67,214,013	(25,936,505)
	Recognized in other comprehensive income		(9,958,467)	3,915,585
	Balance at end of year		159,324,106	102,068,560

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
8.2.3 Deferred tax charged / (reversal) to profit or loss			
Accelerated tax depreciation		79,754,575	(50,583,295)
Staff retirement benefits - gratuity		(9,236,239)	(605,161)
Lease Liability		1,056,539	4,124,971
Allowance for expected credit loss		(3,264,485)	(160,592)
Investment in Shares		(1,096,376)	21,287,570
		67,214,013	(25,936,505)
8.2.4 Deferred tax reversal to other comprehensive income			
Employees' retirement benefits		9,958,467	(3,915,585)
9 LEASE LIABILITIES			
Lease Liability		62,037,224	64,864,123
9.1 Movements in lease liabilities during the year are as follows:			
Balance at beginning of year		80,666,659	5,423,537
Add: New leases recognized		22,236,603	83,404,967
Less: Lease payments made		(19,706,173)	(5,425,657)
Less: Termination / modification		-	-
		83,197,089	80,666,659
9.2 The maturity analysis of lease liabilities is as follows:			
Not later than one year		31,127,122	25,731,853
Later than one year but not later than five years		73,965,523	83,045,912
Total undiscounted lease payments		105,092,645	108,777,765
Less: Future finance charge		(21,895,556)	(28,111,106)
Present Value of Lease Liability		83,197,089	80,666,659
Less: Current maturity of long term obligation	13	(21,159,865)	(15,802,536)
		62,037,224	64,864,123
Payable within one year		21,159,865	15,802,536
Payable after one year		62,037,224	64,864,123
		83,197,089	80,666,659

- 9.3 The Company has entered into lease agreements with various financial institutions for the acquisition of vehicles. The lease liabilities are repayable in equal monthly instalments and carry finance charges ranging from Kibor Plus 1.25% to 2.50% per annum. The lease liabilities are secured against security deposits, post-dated cheques and the underlying financed vehicles.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
10 TRADE AND OTHER PAYABLES			
Trade creditors	10.1	2,726,712,764	3,233,785,896
Accrued expenses		75,165,550	59,061,754
Contract Liabilities		36,419,166	56,103,615
Worker's Profit Participation Fund	10.2	72,287,197	72,611,424
Worker's Welfare Fund	10.3	126,425,612	99,495,088
Sales Tax Payable		9,169,698	11,307,313
Other Liabilities		338,794,031	326,166,161
		3,384,974,017	3,858,531,251
10.1 This includes secured foreign creditors amounting Rs. 2,608.5 million (2025: Rs. 3,145.5 million) against import of raw material.			
10.2 Worker's Profit Participation Fund			
Balance as at July 01		72,611,424	68,780,302
Expense recognised during the year	29	72,287,197	72,611,424
		144,898,621	141,391,726
Less: Payments during the year		(72,611,424)	(68,780,302)
Balance as at June 30		72,287,197	72,611,424
10.3 Worker's Welfare Fund			
Balance as at July 01		99,495,088	72,443,773
Expense recognised during the year	29	26,930,524	27,051,315
		126,425,612	99,495,088
Less: Payments during the year		-	-
Balance as at June 30		126,425,612	99,495,088
11 DUE TO RELATED PARTIES			
Loan from Associated Company		-	5,686,383
		-	5,686,383

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
12 SHORT TERM BORROWINGS-SECURED			
From banking companies - secured			
Running Finance -Secured	12.1	1,369,594,957	1,363,211,696
Short term Sukuks Unsecured	12.1	1,500,000,000	1,500,000,000
		2,869,594,957	2,863,211,696

12.1 Running Finance facilities aggregate sanction limit of Rs. 1,550 million (2025: 1,637.5 million) and other working facilities have been obtained from different banks to meet the working capital requirements and carries markup ranging from 1 month and 3 months KIBOR + 0.5% to 1 month and 3 months KIBOR + 1.5% and is secured against first pari passu charge and deposits.

12.2 The Company has raised funds through issuance of short-term Sukuks amounting to PKR 1500 million . These Sukuks were issued under Shariah-compliant arrangements approved by the Company's Shariah Advisor, for the purpose of meeting working capital requirements / funding operational needs.

Key terms of the Sukuks are as follows:

Particulars	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
Facility limit		PKR 1500 million	PKR 1500 million
Outstanding balance		PKR 1500 million	PKR 1500 million
Tenor		6 months	6 months
Profit rate		KIBOR+ 0.7%	KIBOR+ 0.8%
Security		Unsecured	Unsecured
Maturity date		December 23, 2026	July 23, 2025

The Company has recognized profit expense of PKR 221.45 million (2025: 83.1) in respect of these Sukuks during the year, which is presented under finance costs in the Statement of Profit or Loss.

The Company has complied with all covenants and conditions of the Sukuk arrangements as of the reporting date.

13 CURRENT PORTION OF LONG TERM LIABILITIES			
Current portion of long term finances	7	56,424,697	-
Current portion of lease liabilities	9	21,159,865	15,802,536
		77,584,562	15,802,536

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

- 14.1.1 The company has filed an appeal against an order issued by the Federal Board of Revenue (FBR) under section 122(5)/205 for the tax year 2023, amounting to Rs. 111.9 million and the appeal is pending with the Appellate Tribunal. Based on the opinion of the company's tax advisor, the management believes that the appeal is likely to result in the nullification of the FBR order. Consequently, no provision has been made for the amount assessed.

15.2 Commitments

- 14.2.1 Letters of credit issued by various banks on behalf of the Company in ordinary course of the business PKR 2,608.5 million (2026) and PKR 3,145 million (2025)
- 14.2.2 The Company has given bank guarantees of Rs. 133 million (2025: Rs. 175) to a utility company and other institutions against tenders.

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
14.2.3 Commitments under Ijarah Agreements			
The future aggregate payments under Ijarah arrangements are as follows:			
Not later than one year		9,736,809	11,060,592
Later than one year but not later than five years		-	7,854,063
		9,736,809	18,914,655
15 PROPERTY PLANT & EQUIPMENT		9,214,525,540	8,687,898,852
Operating Fixed Assets	15.1	9,044,049,363	8,542,377,585
Right of Use Assets	15.1	102,588,044	96,414,377
Capital Work-in-Progress	15.5	67,888,134	49,106,889
		9,214,525,540	8,687,898,852

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

151 Operating Fixed Assets

DESCRIPTION	COST			RATE		DEPRECIATION			WDV			
	As At June 30, 2025	Addition/ (deletion)	Revaluation Surplus	revaluation Surplus	As At June 30, 2026	%	As At June 30, 2025	For the year	Transfer during the year	As At June 30, 2026	As At June 30, 2026	
Owned Asset: Rupees												
Freehold Land	6,940,310,000	-	-	-	-	-	-	-	-	-	-	6,940,310,000
Building on Freehold Land	673,946,653	11,978,882	91,033,482	-	776,959,017	10%	212,070,592	46,462,809	758,612.35	259,292,013	517,667,004	
Plant & Machinery	1,613,582,806	562,485,145	-	-	2,176,067,951	10%	541,081,543	122,185,574	-	663,267,117	1,512,800,834	
Vehicles	56,824,372	117,500	-	-	56,941,872	20%	43,803,628	2,617,857	-	46,421,485	10,520,387	
Office Equipment	53,895,797	12,238,655	-	-	66,134,452	15%	19,714,954	6,520,240	-	26,235,194	39,899,258	
Books	181,500	-	-	-	181,500	10%	83,099	9,840	-	92,939	88,561	
Furniture & Fixtures	25,156,700	4,879,893	-	-	30,036,593	15%	8,455,406	2,938,042	-	11,393,448	18,643,144	
Computer	8,394,247	1,974,643	-	-	10,368,890	30%	4,705,269	1,543,447	-	6,248,716	4,120,174	
	9,372,292,075	593,674,718	91,033,482	-	10,057,000,276		829,914,491	182,277,810	758,612	1,012,950,913	9,044,049,363	
Right of Used Assets:												
Vehicle	100,902,459	28,676,490	-	-	129,578,949	20%	4,488,082	22,502,823	-	26,990,905	102,588,044	
	100,902,459	28,676,490	-	-	129,578,949		4,488,082	22,502,823	-	26,990,905	102,588,044	
As at June 30, 2026	9,473,194,534	622,351,208	91,033,482	-	10,186,579,225		834,402,572	204,780,633	758,612	1,039,941,818	9,146,637,407	
Owned Asset: Rupees												
Freehold Land	1,864,987,225	-	-	-	5,075,322,775	-	-	-	-	-	-	6,940,310,000
Building on Freehold Land	661,557,234	510,8640	7,280,779	-	673,946,653	10%	161,515,900	50,554,691	-	212,070,592	461,876,061	
Plant & Machinery	1,415,355,252	60,630,587	137,596,968	-	1,613,582,806	10%	440,019,564	101,061,979	-	541,081,543	1,072,501,263	
Vehicles	42,049,372	779,000	13,996,000	-	56,824,372	20%	33,228,678	2,292,291	8,282,659	43,803,628	13,020,744	
Office Equipment	39,552,032	14,343,765	-	-	53,895,797	15%	14,781,297	4,933,657	-	19,714,954	34,180,843	
Books	181,500	-	-	-	181,500	10%	72,165	10,933	-	83,099	98,401	
Furniture & Fixtures	21,822,045	3,334,655	-	-	25,156,700	15%	5,772,637	2,682,769	-	8,455,406	16,701,294	
Computer	6,467,038	1,927,209	-	-	8,394,247	30%	3,487,647	1,217,622	-	4,705,269	3,688,978	
	4,051,971,697	861,238,857	158,873,747	-	9,372,292,075		658,877,889	162,753,942	8,282,659	829,914,491	8,542,377,585	
Right of Used Assets:												
Vehicle	13,996,000	100,902,459	13,996,000	-	100,902,459	20%	7,439,471	5,331,269	(8,282,659)	4,488,082	96,414,377	
	13,996,000	100,902,459	-	-	100,902,459		7,439,471	5,331,269	(8,282,659)	4,488,082	96,414,377	
As at June 30, 2025	4,065,967,697	187,026,316	158,873,747	-	9,473,194,534		666,317,360	168,085,212		834,402,572	8,638,791,962	

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

15.2 Allocation of Depreciation

	Cost of Sales	Administrative Expense	Selling Expense	Total
Building	33,054,995.18	7,083,213	7,083,213	47,221,422
Plant & Machinery	122,185,574	-	-	122,185,574
Vehicles	1,308,929	654,464	654,464	2,617,857
Office Equipment	-	6,520,240	-	6,520,240
Leased vehicle	9,001,129	6,750,847	6,750,847	22,502,823
computer	-	1,080,413.07	463,034.17	1,543,447
Furniture	-	2,938,042	-	2,938,042
Books	9,840	-	-	9,840
Depreciation for the year 2026	165,560,542	25,027,235	14,951,574	205,539,246

15.3 Had there been no revaluation carrying amount of Land would be Rupees PKR 1,165,372,700

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

Location / Address	Usage of immovable property	"Total Area (In Kanals)"	"Covered Area (In sq. ft.)"	Forced Sale Value	Revalued Amount
3.5 KM, Head Balloki Road, Phool Nagar, Kasur	Production Unit	369.5	579,405	1,177,845,000	1,385,700,000
71-E, Hali Road, Lahore	Corporate office will be constructed	4	N/A	916,160,000	1,145,200,000
588-Q Block, Johar Town, Lahore	Head Office	1	15,050	125,424,000	156,780,000
Hadbast Mouza haloki Near Khayaban-E-Zafar, Tehsil Moden town Lahore	Medical, Educational, Research and Teaching University will be constructed	60.3	N/A	2,887,200,000	3,609,000,000
Hadbast Mouza Mangial Tehsil Fateh Jhang and District Attock	Botanical Garden will be established	99.1	N/A	514,904,000	643,630,000
				5,621,533,000	6,940,310,000

	June 30, 2026 Rupees	June 30, 2025 Rupees
15.5 Capital Work in Progress		
Opening Balance	49,106,889	130,044,015
Additions	109,814,726	63,940,621
Transfers	(91,033,482)	(144,877,747)
Closing	67,888,134	49,106,889

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
16 LONG TERM ADVANCE			
Long term advance	16.1	254,540,900	254,540,900
16.1	This represents advance for purchase of shares of associated company - Yaqeen Developers Limited. The maximum aggregate balance due from the associated company with reference to any month-end was Rs. 254.541 million (2025: Rs. 254.541). The entire balance is unsecured but considered good.		
17 LONG-TERM INVESTMENT			
Investment in subsidiary – at cost		29,999,980	-
Citi Veterinary Limited - Unquoted			
2,999,998 ordinary shares of Rs. 10 each			
Percentage of holding: 100% (2025: Nil)			
18 STOCK IN TRADE			
Raw material		1,767,972,783	1,395,761,449
Finished goods		1,343,436,115	1,890,492,660
Packing Material		441,814,613	410,540,167
Stock in transit		51,619,296	200,783,511
Work in process		38,548,491	32,123,742
		3,643,391,297	3,929,701,530
19 TRADE DEBTS- UNSECURED			
Unsecured but considered good		3,437,178,461	3,085,193,302
Allowance for expected credit loss	19.1	(18,234,499)	(6,977,655)
		3,418,943,963	3,078,215,648
19.1 Allowance for expected credit loss			
Balance at beginning of the year		6,977,655	4,776,739
Charge for the year		11,256,844	2,200,916
Balance at end of the year		18,234,499	6,977,655

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
20 ADVANCES DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES			
Advance income tax	20.1	750,508,655	646,420,541
Mark up Receivable from Yaqeen Developers Limited (Related Party)		183,808,891	150,024,950
Advance to employees- unsecured		21,224,487	17,602,682
Advance Against land commercialization		22,555,600	22,555,600
Other Advances and Prepayments- unsecured		165,667,960	31,731,785
Short Term Deposits		52,740,829	29,704,233
Advances to Suppliers		48,610,085	5,669,145
		1,245,116,508	903,708,936
20.1 Advance income tax			
Opening balance		646,420,541	511,986,684
Tax deducted during the year		624,707,224	573,995,151
Tax adjusted for the year		(520,619,110)	(439,561,294)
		750,508,655	646,420,541
21 SHORT TERM INVESTMENTS			
At amortized Cost			
Term deposits receipts (TDRs)	21.1	-	565,851,000
Accrued profit thereon		-	1,969,680
Deposit Account	21.2	83,299,857	322,068,430
At fair value through profit or loss			
Investment in Shares- Quoted (Listed Companies)	21.3	3,381,000	66,499,575
		86,680,857	956,388,685

21.1 These carry mark up ranging from 11.2% to 13.5%.

21.2 This represents deposit account in a Banking Company which is fixed for three months and roll over and carries mark up of 10 %/annum.

21.3 Quoted - Investments

The Company holds investments in ordinary shares of listed companies . The face value of the shares is Rs. 10 per share unless otherwise stated. Details are as follows:

2026 Number of shares	2025 Number of shares	Name of investee company	2026 Rupees	2025 Rupees
100000	100000	ENGRO POLYMER & CHEMICALS LIMITED	3,381,000	3,155,000
-	3927128	ZAREA LIMITED	-	63,344,575
			3,381,000	66,499,575

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
22 CASH AND BANK BALANCE			
Cash in hand		622,022	844,146
Cash at banks:			
Current Accounts		110,108,753	494,755,989
Saving Accounts	22.1	90,253,129	107,952,678
		200,361,883	602,708,667
		200,983,905	603,552,814

22.1 The Rate of Return on Saving Accounts is Ranging from 7.8% to 10.1% (2025: 11.2% to 13.1).

23 SALES - NET			
Sales - Local		13,666,978,426	12,996,069,192
Less: Sales Tax		(138,028,335)	(211,452,532)
		13,528,950,091	12,784,616,660
Sales - Exports		475,658,171	368,905,197
		14,004,608,262	13,153,521,857

23.1 Revenue has been recognized at a point in time for local sales made during the year.

23.2 During the year, the Company derived revenue from certain customers, each of which individually accounted for 10% or more of the Company's total revenue. The aggregate revenue from such major customers amounted to Rs. 4,519 million, representing 32.2 % of the Company's total revenue for the year.

In accordance with IFRS 8 Operating Segments, the Company has not disclosed the identities of these customers.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
24 COST OF SALES			
Raw material consumed	24.1	9,390,062,543	10,354,714,701
Salaries, Wages & Other benefits	24.2	519,855,040	386,309,300
Electricity		151,081,320	172,341,126
Wood/corn cube		225,592,913	188,697,020
Packing Material Consumed		335,783,832	242,220,051
Depreciation		165,560,542	139,739,924
Fuel and Power		32,023,149	11,551,503
Repair & maintenance		72,220,247	52,869,831
Other Production Expenses		96,905,726	42,744,742
QC Expenses		14,232,155	13,131,769
Fee & Subscription		11,074,298	8,571,358
		11,014,391,765	11,612,891,324
Work in Process:			
Opening Work in Process		32,123,742	40,154,678
Closing Work in Process		(38,548,491)	(32,123,742)
		(6,424,748)	8,030,936
Cost of goods manufactured		11,007,967,017	11,620,922,260
Finished goods:			
Opening finished goods		1,890,492,660	1,405,483,939
Closing finished goods		(1,343,436,115)	(1,890,492,660)
		547,056,545	(485,008,721)
		11,555,023,562	11,135,913,539
24.1 RAW MATERIAL CONSUMED			
Opening Stock		1,395,761,449	1,242,586,556
Raw Material Purchases		9,852,747,919	10,688,766,490
Rebate on Bulk Purchasing		(90,474,043)	(180,876,896)
Closing stock		(1,767,972,783)	(1,395,761,449)
		9,390,062,543	10,354,714,701
PACKING MATERIAL CONSUMED			
Opening Stock		410,540,167	213,519,960
Packing Material Purchases		367,058,278	439,240,257
Closing stock		(441,814,613)	(410,540,167)
		335,783,832	242,220,051

24.2 This includes Rs. 23.1 million (2025: Rs. 21.9 million), in respect of employee benefits - gratuity scheme.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
25 ADMINISTRATION EXPENSES			
Salaries, Wages & benefits	25.1	139,222,907	121,309,869
Legal and Professional Charges		17,950,290	11,023,911
Entertainment Expense		14,744,413	11,422,253
Depreciation		25,027,235	18,224,434
Fee and Subscription		18,510,421	24,650,469
Auditor's remuneration	25.2	2,300,000	2,300,000
Charity and Donation	25.3	3,894,792	5,336,085
General Repair & Maintenance		6,169,185	2,260,631
Vehicle Running & Maintenance		6,197,911	4,180,062
Travelling and Conveyance		4,444,017	3,316,530
Electricity bill		5,534,796	7,780,760
Printing & stationery expense		1,351,168	1,648,385
Miscellaneous Expenses		5,135,665	5,385,919
Gardening expense		264,100	327,520
Water & sanitation		623,276	198,630
Uniforms expense		74,410	310,250
Insurance Expenses		836,739	984,888
Communication		658,768	701,578
Postage and courier		951,560	749,260
		253,891,653	222,111,434

25.1 This includes Rs. 8.7 million (2025: Rs. 8.3), in respect of employee benefits - gratuity scheme.

25.2 Auditor's remuneration:			
Statutory audit fee		1,900,000	1,900,000
Other Services/Certifications		400,000	400,000
		2,300,000	2,300,000

25.3 None of the directors or their spouses have any interest in the donee. No donation exceeding Rs. 1 million has been paid to a single party during the year.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
26	MARKETING AND DISTRIBUTION EXPENSES		
Salaries & benefits	26.1	81,138,197	51,044,152
Delivery/courier expense		104,185,884	69,942,929
Marketing, Promotional & Selling Expenses		55,925,113	47,114,542
Miscellaneous expense		14,131,095	11,385,992
Depreciation		14,951,574	10,120,959
Communication Expenses		-	1,640,048
		270,331,864	191,248,622
26.1 This includes Rs. 3.1 million (2025: Rs. 2.9 million), approximately, in respect of employee benefits - gratuity scheme.			
27	FINANCIAL CHARGES		
Mark up on Short Term Financing		343,821,915	304,372,484
Exchange Loss-Net		5,875,466	6,045,777
Ijara Rentals (Operating Lease)		9,177,846	11,680,766
Markup on Finance Lease		10,963,123	1,600,058
Bank Charges		8,320,549	5,973,857
Markup on Long Term Financing		9,758,623	-
		387,917,521	329,672,942
28	OTHER INCOME		
Income from financial assets			
Profits on Term Deposit Receipts (TDRs)		56,203,493	135,621,719
Markup on Investment in Yaqeen Developers Limited (Related Party)		33,783,941	44,347,388
Gain on investment in shares- net		52,207	16,384,771
Un-Realised Gain on investment in shares		226,000	-
Bank Profits on Saving Accounts		1,666,769	1,916,242
		91,932,411	198,270,120

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
29 OTHER EXPENSES			
Worker's Profit Participation Fund		72,287,197	72,611,424
Worker's Welfare Fund		26,930,524	27,051,315
Central Research Fund		15,189,015	13,681,917
Loss On Inventory Due To Fire	29.1	172,375,288	-
Allowance for expected credit loss		11,256,844	2,200,916
Un-realised Loss on Investment in Shares		-	2,790,037
		298,038,868	118,335,610

29.1 LOSS ON INVENTORY DUE TO FIRE

On 20 October 2025, a fire incident occurred at the Company's factory premises, resulting in loss of inventories amounting to Rs. 332.375 million. . No one was injured, and the plant and machinery / building were not materially affected. The insurance claim in respect of the loss was settled at Rs. 160.000 million, resulting in a net loss of Rs. 172.375 million, which has been recognised in the financial statements.

30 TAXATION - INCOME TAX AND FINAL TAXES			
Final taxes		-	-
Income tax			
Current year tax expense		480,584,958	519,677,557
Prior year reversal		941,553	(31,270,156)
Deferred tax		67,214,013	(25,936,505)
		548,740,524	462,470,896
		548,740,524	462,470,896
30.1 Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the statement of profit or loss, is as follows:			
Current tax liability for the year as per applicable tax laws		480,584,958	519,677,557
Portion of current tax liability as per tax laws, representing income tax under IAS 12		(480,584,958)	(519,677,557)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37		-	-

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
30.2 Relationship between tax expense and accounting profit			
Accounting profit before income tax		1,331,337,205	1,354,509,829
Corporate tax rate with super tax impact			39%
Tax on accounting profit		519,221,510	528,258,833
Effect of:			
- Prior year tax reversal		941,553	(31,270,156)
- Amounts not deductible for tax purposes		142,714,518	120,961,896
- Amounts deductible for tax purposes but not taken to the statement of profit or loss		(181,351,070)	(129,543,173)
- Reversal of deferred tax adjustment		67,214,013	(25,936,505)
- Income subject to final tax regime		-	-
- Income subject to final tax regime		29,519,014	(65,787,938)
		548,740,524	462,470,896
Effective tax rate		41%	34%
31 EARNING PER SHARE- BASIC			
Net profit after taxation	Rupees	782,596,681	892,038,934
Weighted Average No. of Shares Outstanding at the year end	Number	228,461,200	228,461,200
Earning Per Share-Basic	Rupees	3.43	3.90
EARNING PER SHARE- DILUTIVE			
Net profit after taxation	Rupees	782,596,681	892,038,934
Weighted Average No. of Shares Outstanding at the year end	Number	228,461,200	228,461,200
Earning Per Share-Basic	Rupees	3.43	3.90

32 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

Risk management framework

The Company's Board of Directors ("the Board") has overall responsibility for establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees upon the policies for managing each of these risks.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

32.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

32.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at the end of the reporting period was as follows:

	June 30, 2026 Rupees	June 30, 2025 Rupees
Trade Debts- Unsecured	3,418,943,963	3,078,215,648
Short Term Investments	86,680,857	956,388,685
Bank Balances	200,361,883	602,708,667
Long term Security Deposits	25,443,117	25,443,117

32.1.2 Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

	June 30, 2026 Rupees	June 30, 2025 Rupees
Customers	3,418,943,963	3,078,215,648
Banking companies	200,361,883	602,708,667

32.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Credit quality of customers is assessed by reference to historical defaults rates and present ages.

32.1.3(a) Counterparties with external credit ratings

These include banking companies and financial institutions, which are counterparties are bank balances and short term investments. These counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Following are the credit ratings of counterparties with external credit ratings:

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Agency	Rating Short Term
Bank Al-Habib Limited	PACRA	A-1+
The Bank of Khyber	VIS	A-1
Askari Bank Limited	PACRA	A-1+
Meezan Bank Limited	VIS	A-1+
Allied Bank Limited	PACRA	A-1+
Bank Alfalah Limited	PACRA	A-1+
Faysal Bank Limited	PACRA	A-1+
Habib Bank Limited	VIS	A-1+
National Bank of Pakistan	PACRA	A-1+
Bank of Punjab	PACRA	A-1+
Standard Chartered Bank	VIS	A-1+
United Bank Limited	VIS	A-1+

32.1.3(b) Counterparties without external credit ratings

These include customers which are counter parties to trade debts. The Company is exposed to credit risk in respect of trade debts. The analysis of ages of trade debts of the Company as at the reporting date is as follows:

	June 30, 2026 Rupees		June 30, 2025 Rupees	
	Gross Carrying Amount	Gross Carrying Amount	Gross Carrying Amount	Gross Carrying Amount
Not Past Due	2,123,790,320	-	1,045,626,556	-
1 - 30 Days	792,389,732	3,961,949	871,278,530	980,210
31 - 60 Days	280,212,050	5,604,241	465,363,339	1,396,090
61 - 90 Days	168,550,451	5,056,514	404,648,834	1,618,595
91 or more	72,235,908	3,611,795	298,276,044	2,982,760
	3,437,178,461	18,234,499	3,085,193,303	6,977,656

*The "Not Past Due" category primarily comprises trade receivables that are within the Company's normal credit period of 60 days from the date of sale.

32.2 Liquidity risk

'Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner unfavourable to the Company. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and availability of adequate funds through committed credit facilities. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

32.2.1 Exposure to liquidity risk

33.2.1(a) Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

	Carrying Amount Rupees	Contractual Cash Flows Rupees	Less than 1 year Rupees	More than 1 Year Rupees
Non-derivative financial liabilities				
At June 30, 2026				
Staff retirement benefits - gratuity	165,883,945	165,883,945	-	165,883,945
Lease Liabilities	83,197,089	83,197,089	21,159,865	62,037,224
Trade and other payables	3,384,974,017	3,384,974,017	3,384,974,017	-
Short Term Borrowings	2,869,594,957	2,869,594,957	2,869,594,957	-
Accrued Mark Up	32,788,240	32,788,240	32,788,240	-
Unclaimed Dividend	3,436,493	3,436,493	3,436,493	-
At June 30, 2025				
Long Term Loans	-	-	-	-
Staff retirement benefits - gratuity	99,695,303	99,695,303	99,695,303	-
Lease Liabilities	80,666,659	80,666,659	80,666,659	-
Trade and other payables	3,858,531,251	3,858,531,251	3,858,531,251	-
Short Term Borrowings	2,863,211,696	2,863,211,696	2,863,211,696	-
Accrued Mark Up	38,268,523	38,268,523	38,268,523	-
Unclaimed Dividend	4,065,868	4,065,868	4,065,868	-

32.3 Market risk

'Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

32.3.1 Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which advances, sales and purchases and bank balances are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The liability is mainly denominated in US Dollars.

At June 30, 2026, if the Pakistan Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by as follows:

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Effect on profit before taxation	
	June 30, 2026	June 30, 2025
	Rupees	Rupees
Increase in Dollar Rate	(130,426,359)	(157,275,704)
Decrease in Dollar Rate	130,426,359	157,275,704

32.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

32.3.2(a) Mark-up bearing financial instruments

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

	Financial liability	
	June 30, 2026	June 30, 2025
	Rupees	Rupees
Variable rate instruments	3,066,454,221	2,943,878,355

	Financial Assets	
	June 30, 2026	June 30, 2025
	Rupees	Rupees
Variable rate instruments	173,552,986	995,872,108

32.3.2(b) Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit by amounts shown below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

	Effect on profit before taxation	
	June 30, 2026	June 30, 2025
	Rupees	Rupees
Increase of 100 basis points	(28,929,012)	(19,480,062)
Decrease of 100 basis points	28,929,012	19,480,062

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

32.3.2(c) Interest rate risk management

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company's borrowings are based on variable rate pricing that is mostly dependent on Karachi Inter Bank Offer Rate ("KIBOR") as indicated in respective notes.

32.3.3 Price risk

Price risk represents 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), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors acting all similar financial instrument traded in the market.

A 5% increase / decrease in share prices of listed companies at the reporting date would have increased / decreased the Company's unrealized gain on investments at fair value through profit and loss as follows:

	Effect on profit before taxation	
	June 30, 2026 Rupees	June 30, 2025 Rupees
Increase in Prices	169,050	3,324,979
Decrease in Prices	(169,050)	(3,324,979)

33 CAPITAL MANAGEMENT

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

34 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

As at year end, the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying values.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The fair values of all other financial assets and liabilities are not considered to be significantly different from their carrying values.

The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1	Quoted market prices
Level 2	Valuation techniques (market observable)
Level 3	Valuation techniques (non market observable)

	Level 1	Level 2	Level 3	Total
June-26				
Assets				
At fair value through profit or loss - Short Term Investment				
Investment in Shares- Quoted (Listed Companies)	3,381,000	-	-	-
June -25				
Assets				
At fair value through profit or loss - Short Term Investment				
Investment in Shares- Quoted (Listed Companies)	66,499,575	-	-	-

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

34.1 Fair Value of Land

Valuation of the freehold land owned by the Company was valued by independent valuers to determine the fair value of the land as at June 30, 2025. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of freehold land'.

Fair value of land has been determined using level 2 fair values under following valuation technique.

Level 2 fair value of land has been derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot and a slight change in the estimated price per square foot of the land would result in a significant increase in the fair value of the freehold land.

There has been no change to the valuation technique during the year.

	June 30, 2026 Rupees	June 30, 2025 Rupees
35 FINANCIAL INSTRUMENTS BY CATEGORIES		
Financial asset as at amortized cost		
Trade Debts	3,418,943,963	3,078,215,648
Short Term Investment in TDR's	-	567,820,680
Deposit Account	83,299,857	322,068,430
Cash and Bank Balances	200,983,905	603,552,814
Trade Deposits and Other Receivables	52,740,829	29,704,233
Long term Security Deposits	25,443,117	25,443,117
Financial assets - at FVTPL		
Short Term Investments in Shares- Quoted	3,381,000	66,499,575
Financial liabilities at amortized cost		
Long Term Financing - Secured	113,662,175	-
Lease Liabilities	83,197,089	80,666,659
Trade and other payables	2,807,046,869	3,295,079,094
Due to Related Parties	-	5,686,383
Short Term Borrowings	2,869,594,957	2,863,211,696

35.1 Fair values of financial assets and liabilities

Carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

36 TRANSACTION WITH RELATED PARTIES

The related parties of the Company comprise associated companies, directors and key management personnel. The Company in the normal course of business carried out transactions with these related parties. Remuneration and benefits to key management personnel are disclosed in Note 37. Balances of related parties are shown in the relevant notes. The transactions with related parties have been carried out on an arm's length basis. Transactions with related parties during the year other than those which have been specifically disclosed elsewhere in these financial statements, are as follows:

Nature / name of related party and basis of relationship	% of Shareholding	Nature of Transactions	June 30, 2026 Rupees	June 30, 2025 Rupees
Investment in subsidiary – at cost				
Citi Veterinary Limited - Unquoted	100.00%	Subscription of share capital in Subsidiary	29,999,980	-
Associated Companies				
Citi Technologies (Pvt) Ltd.	-	Funds Received	-	44,585,244
(Common Directorship)		Funds Paid-Net	-	-
Yaqeen Developers Ltd.	-	Markup Income	33,783,941	44,347,388
(Common Directorship)		Funds Received	-	53,000,000
Citi Innovations (Pvt.) Ltd.	-	Funds Received	-	11,215,933
(Common Directorship)		Funds Paid-Net	5,686,383	5,500,000
Directors				
Mr. Rizwan Ahmad	21.97%	Loan obtained	-	-
(Directorship / CEO)		Loan repaid	-	31,220,000
Mr. Nadeem Amjad	9.68%	Loan obtained	-	-
Chairman		Loan repaid	-	12,200,000

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

37 REMUNERATION OF CHIEF EXECUTIVES, DIRECTORS AND EXECUTIVES

	2026			
	Chief Executive	Directors	Executives	Total
Managerial remuneration	17,700,000	19,800,000	72,050,130	109,550,130
Bonuses	1,475,000	1,650,000	-	3,125,000
Meeting Fees (Independent directors 2)	-	3,000,000	-	3,000,000
	19,175,000	24,450,000	72,050,130	115,675,130
No. of persons	1	3	26	30
	2025			
	Chief Executive	Director	Executives	Total
Managerial remuneration	13,200,000	19,200,000	65,050,130	97,450,130
Bonuses	1,100,000	1,600,000	-	2,700,000
Meeting Fees (Independent directors 2)	-	1,682,000	-	1,682,000
	14,300,000	22,482,000	65,050,130	101,832,130
No. of persons	1	3	24	28

37.1 The Chief executive, directors and executive have not been provided any other perquisites and benefits.

37.2 An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

38 OPERATING SEGMENT

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

38.1 Revenue from sale of API and Formulation items represent 75% and 25% (2025: 76.4% and 23.6%) of the Company's total revenue respectively.

38.2 During the year, sales to local customers amounted to 13,666 million, while export sales amounted to 475 million.

39 NUMBER OF EMPLOYEES

Total Average number of employees during the year and as at the year end are as follows:-

	Note	June 30, 2026	June 30, 2025
Number of employees as at the year-end	39.1	633	627
Average number of employees during the year		621	618

39.1 This includes 111 (2025: 108) temporary employees.

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

40 PLANT CAPACITY AND ACTUAL PRODUCTION

The capacity and production of the Company's plant is indeterminable as it is a multi-product plant involving varying processes of manufacture.

41 UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The principal purpose of the issue was to increase the capacity in both segment of Active Pharmaceutical Ingredients (API) and Formulation and to set up a state of the art, 200 bed hospital facility in Lahore.

Estimated break-up of utilization of the IPO proceeds is mentioned below:

Description	Note	Funds Required (Rupees)	Allocation (%)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
API Segment					
Civil Works		150,000,000	7%	150,000,000	-
Procurement of Plant and Machinery		405,194,500	20%	405,194,500	-
		555,194,500	27.28%	555,194,500	-
Formulation Segment					
Civil Works		250,000,000	12%	250,000,000	-
Procurement of Plant and Machinery		307,630,000	15%	307,630,000	-
		557,630,000	27.40%	557,630,000	-
Utilization of Excess Proceeds					
Repayment of Borrowings		54,197,497	19%	54,197,497	-
Working Capital		108,902,639	37%	108,902,639	-
IPO Expenses		127,667,864	44%	127,667,864	-
		290,768,000	100%	290,768,000	-
Hospital Facility					
Civil Work of Hospital Building (incl. Electrical and Mechanical work)		668,000,000	33%	-	(668,000,000)
Plant and Machinery for Hospital		254,551,500	13%	-	(254,551,500)
	40.1	922,551,500	45.33%	-	(922,551,500)

- 41.4** In light of public offering regulations 2017 section 16A , Offering an Exit Opportunity in case of change in principal purpose of Issue as disclosed in prospectus, company in its Extra Ordinary General Meeting (EOGM) held on 26 June 2025, approved the reallocation of unutilized proceeds raised through the Initial Public Offering (IPO).

The Company has duly complied with the requirements of the IPO Regulations, including:

*Preparation and disclosure of the statement of facts setting out the reasons and rationale for the proposed reallocation; and

*Provision of the required exit opportunity to dissenting shareholders in accordance with applicable laws and regulations

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2026

Description	Funds Required (Rupees)	Allocation (%)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
Reallocation of IPO Funds in light of public offering regulations 2017 section 16A				
Biotech Formulation - (Ampoules)	339,114,648	37%	339,114,648.00	-
Carbapenem Formulation - (3-Sections)	238,651,538	26%	238,651,538.00	-
Penicillin Formulation - (4-Sections)	344,785,314	37%	-	(344,785,314)
	922,551,500	100%	577,766,186	(344,785,314)

42 CORRESPONDING FIGURES

Corresponding figures have been re-arranged or reclassified, wherever necessary, to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However, there has been no material reclassification to report.

43 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company, at its meeting held on October 03, 2026, decided not to recommend any dividend for the year ended June 30, 2026 (2025: Rs. 3.50 per share).

44 DATE OF AUTHORIZATION FOR ISSUE

The financial statements have been authorized for issue on **October 03, 2026** by the board of directors of the company.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited
Report on the Audit of the Financial Statement

Following is the key audit matter:

S.No	Key Audit Matter	How the matter was addressed in our audit
	Revenue Recognition (Refer notes 24 to the consolidated financial statements) The Group is engaged in the manufacturing and sale of pharmaceuticals, medical chemicals, botanical and veterinary products. The Group recognized net revenue of Rs. 14,076 million from the sale of goods to customers during the year ended June 30, 2026. We identified recognition of revenue against the sale of goods as a key audit matter because revenue is one of the key performance indicators of the Group and gives rise to a risk that revenue is recognized without transferring control.	Our key audit procedures in this area amongst others included the following: • Obtaining an understanding of the process relating to recording of sales and testing the design, implementation and operating effectiveness of relevant key internal controls; • Assessing the appropriateness of the Group's accounting policies for recording sales and compliance of those policies with applicable accounting standards; • Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents; • Performing cut-off procedures to ensure that the revenue was recognized in the correct accounting period; • Testing the elimination of intra-group sales between the Holding Company and its Subsidiary Company on consolidation; • Performing journal entry testing using a risk-based criterion, on a sample basis, relating to revenue transactions and reviewing underlying documentation and business rationale of such journal entries; and • Assessing the adequacy of the Group's disclosures in accordance with the applicable financial reporting framework.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited Report on the Audit of the Financial Statement

consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited Report on the Audit of the Financial Statement

- events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

he engagement partner on the audit resulting in this independent auditor's report is Muhammad Kamran Aslam.



Chartered Accountants

Date: October 03, 2026
Lahore
UDIN: AR202610827pRxgWTSly

CONSOLIDATED FINANCIAL **STATEMENTS**

For the year ended June 30, 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital:			
300,000,000 Ordinary shares of Rs. 10/- each		3,000,000,000	3,000,000,000
Issued, subscribed and paid up capital	5	2,284,612,000	2,284,612,000
Share premium	6	1,391,532,000	1,391,532,000
Revaluation surplus	7	5,384,617,300	5,384,617,300
Unappropriated profit		1,773,155,649	1,806,817,382
EQUITY ATTRIBUTABLE TO OWNERS OF THE HOLDING COMPANY		10,833,916,949	10,867,578,682
Non-controlling interest	43	-	-
TOTAL EQUITY		10,833,916,949	10,867,578,682
NON-CURRENT LIABILITIES			
Long term financing - secured	8	57,237,478	-
Deferred liabilities	9	326,827,185	201,763,862
Lease liabilities	10	87,865,766	64,864,123
		471,930,429	266,627,985
CURRENT LIABILITIES			
Trade and other payables	11	3,479,165,091	3,858,531,251
Due to related parties	12	-	5,686,383
Short term borrowings	13	2,869,594,957	2,863,211,696
Current portion of long term liabilities	14	84,815,370	15,802,536
Unclaimed dividend		3,436,493	4,065,868
Accrued mark-up		32,788,240	38,268,523
Provision for taxation		484,406,421	519,677,557
		6,954,206,572	7,305,243,814
CONTINGENCIES AND COMMITMENTS	15	18,260,053,949	18,439,450,481
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	16	9,255,463,111	8,687,898,851
Long term security deposits		25,443,117	25,443,117
Long term advance	17	254,540,900	254,540,900
Long-term investment	18	-	-
		9,535,447,128	8,967,882,868
CURRENT ASSETS			
Stock in trade	19	3,713,756,031	3,929,701,530
Trade debts - unsecured	20	3,470,231,406	3,078,215,648
Advances, deposits, prepayments & other receivables	21	1,245,116,508	903,708,936
Short term investments	22	86,680,857	956,388,685
Cash and bank balances	23	208,822,019	603,552,814
		8,724,606,821	9,471,567,613
TOTAL ASSETS		18,260,053,949	18,439,450,481

The annexed notes form an integral part of these consolidated financial statements.

CHIEF EXECUTIVE

ACTING CHIEF FINANCIAL OFFICER

DIRECTOR

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
SALES - NET	24	14,075,802,871	13,153,521,857
Cost of sales	25	(11,602,861,718)	(11,135,913,539)
GROSS PROFIT		2,472,941,153	2,017,608,318
Administrative and general expenses	26	(254,514,153)	(222,111,434)
Marketing and distribution expenses	27	(278,041,309)	(191,248,622)
OPERATING PROFIT		1,940,385,691	1,604,248,262
Financial charges	28	(388,772,719)	(329,672,942)
Other income	29	91,932,411	198,270,120
Other expenses	30	(299,030,720)	(118,335,610)
PROFIT BEFORE INCOME TAXES AND FINAL TAXES		1,344,514,663	1,354,509,830
Taxation - final taxes	31	-	-
PROFIT BEFORE INCOME TAX		1,344,514,663	1,354,509,830
Taxation - income tax	31	(554,181,121)	(462,470,896)
PROFIT FOR THE YEAR		790,333,542	892,038,934
ATTRIBUTABLE TO:			
Owners of the Holding Company		790,333,542	892,038,934
Non-controlling interest		-	-
		790,333,542	892,038,934
EARNINGS PER SHARE- BASIC AND DILUTIVE (RUPEES)	32	3.46	3.90

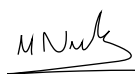
The annexed notes form an integral part of these consolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2026

	June 30, 2026 Rupees	June 30, 2025 Rupees
Profit for the year	790,333,542	892,038,934
OTHER COMPREHENSIVE INCOME / (LOSS)		
Items that will not be subsequently reclassified to profit or loss:		
Revaluation surplus on freehold land	-	5,075,322,775
Remeasurement of staff retirement benefits	(34,339,542)	13,502,018
Related deferred tax	9,958,467	(3,915,585)
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	(24,381,075)	5,084,909,208
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	765,952,467	5,976,948,142
ATTRIBUTABLE TO:		
Owners of the Holding Company	765,952,467	
Non-controlling interest	-	-

The annexed notes form an integral part of these consolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2026

PARTICULARS	TOTAL EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE HOLDING COMPANY				Non controlling interests	TOTAL
	Share capital	Share premium	Revaluation surplus	Unappropriated profit		
	----- (Rupees) -----					
Balance as at June 30, 2024	2,284,612,000	1,391,532,000	309,294,525	1,647,690,917	-	5,633,129,442
Final dividend for the year ended June 30, 2024 @ 32.5%	-	-	-	(742,498,902)	-	(742,498,902)
Surplus on revaluation of property, plant and equipment	-	-	5,075,322,775	-	-	5,075,322,775
Profit for the year	-	-	-	892,038,934	-	892,038,934
Other comprehensive income (net of tax)	-	-	-	9,586,433	-	9,586,433
Balance as at June 30, 2025	2,284,612,000	1,391,532,000	5,384,617,300	1,806,817,382	-	10,867,578,682
Final dividend for the year ended June 30, 2025 @ 35%	-	-	-	(799,614,200)	-	(799,614,200)
Profit for the year	-	-	-	790,333,542	-	790,333,542
Other comprehensive loss (net of tax)	-	-	-	(24,381,075)	-	(24,381,075)
Balance as at June 30, 2026	2,284,612,000	1,391,532,000	5,384,617,300	1,773,155,649	-	10,833,916,949

The annexed notes form an integral part of these consolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
CASH FLOWS FROM OPEARTING ACTIVITIES			
Profit before income taxes and final taxes		1,344,514,663	1,354,509,830
Adjustments for non-cash items and other line items:			
Depreciation		206,042,675	168,085,212
Gratuity expense		35,062,937	33,273,698
Allowance for expected credit loss		11,256,844	2,200,916
Unrealised (gain) / loss on investment in shares		(226,000)	2,790,037
Accrued interest		-	(1,969,680)
Financial charges		388,772,719	329,672,942
Workers' Profit Participation Fund		72,995,663	72,611,424
Workers' Welfare Fund		27,213,910	27,051,315
		741,118,748	633,715,864
Profit before working capital changes		2,085,633,411	1,988,225,694
EFFECT OF WORKING CAPITAL CHANGES:			
Advances, deposits and prepayments		(235,349,778)	78,125,799
Trade debts		(403,272,602)	(885,740,076)
Stock in trade		215,945,498	(726,327,230)
Trade and other payables		(406,964,309)	227,317,555
		(829,641,190)	(1,306,623,952)
Financial charges paid		(393,401,903)	(356,832,457)
Income tax paid		(624,707,224)	(573,995,150)
Gratuity paid		(3,213,837)	(2,697,050)
Workers' Profit Participation Fund paid		(72,611,424)	(68,780,302)
Workers' Welfare Fund paid		-	-
		(1,093,934,389)	(1,002,304,959)
Net cash flow from operating activities (A)		162,057,832	(320,703,217)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(596,874,718)	(86,123,856)
Capital work in progress		(109,814,726)	(63,940,621)
Long term security deposits		-	(5,225,341)
Short term investments		63,344,574	42,307,825
Net cash flow from investing activities (B)		(643,344,870)	(112,981,993)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
CASH FLOW FROM FINANCING ACTIVITIES			
Long-term loans obtained / (repaid) - net		113,662,175	(12,859,000)
Current portion of deferred grant		-	(582,494)
Lease rentals paid		(32,178,806)	(32,294,240)
Due to related parties		(5,686,383)	(37,733,617)
Dividend paid		(800,243,575)	(739,822,935)
Short term borrowings - net		6,383,261	1,470,116,108
Net cash flow from financing activities (C)		(718,063,328)	646,823,822
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(1,199,350,366)	213,138,612
Cash And Cash Equivalents At Beginning of the Year		1,491,472,243	1,278,333,631
Cash And Cash Equivalents At End Of The Year		292,121,876	1,491,472,243
Cash and cash equivalents comprise:			
Cash in hand		672,022	844,146
Cash at bank		208,149,997	602,708,667
Short Term Investments		83,299,857	887,919,430
		292,121,876	1,491,472,243

The annexed notes form an integral part of these consolidated financial statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The Group comprises Citi Pharma Limited (the Holding Company) and its wholly owned subsidiary, Citi Veterinary Limited (together 'the Group').
- 1.2 Citi Pharma Limited was incorporated in Pakistan on October 08, 2012 as a private limited company, converted into a public company on October 13, 2020 and listed on the Pakistan Stock Exchange on July 09, 2021. Its principal activity is the manufacture and sale of pharmaceuticals, medical chemicals and botanical products. Its registered office is at 3.5 KM, Head Balloki Road, Phool Nagar, Kasur and its head office at 588 Q Block, Johar Town, Lahore.
- 1.3 Citi Veterinary Limited was incorporated in Pakistan on August 28, 2025 as a public unlisted company under the Companies Act, 2017, with its registered office at 588 Q Block, Johar Town, Lahore. It is engaged in manufacturing, marketing and trading of veterinary products and commenced commercial operations in May 2026. The Holding Company holds 2,999,998 of its 3,000,000 ordinary shares; the remaining two shares are held by Nominee directors.

The Group has one subsidiary:

Name of subsidiary	Country	Holding 2026	Holding 2025
Citi Veterinary Limited	Pakistan	100%	-

2 BASIS OF CONSOLIDATION

- 2.1 These consolidated financial statements include the financial statements of the Holding Company and its subsidiary as at and for the year ended June 30, 2026, prepared in accordance with IFRS 10 'Consolidated Financial Statements' as applicable in Pakistan. The subsidiary is consolidated from the date on which control was obtained (its incorporation on August 28, 2025).
- 2.2 The financial statements of the subsidiary are combined line by line with those of the Holding Company. The carrying value of the investment in the subsidiary is eliminated against the subsidiary's share capital. As the Holding Company subscribed the subsidiary's share capital at par on incorporation, no goodwill or pre-acquisition reserves arise. Intra-group balances and transactions are eliminated in full. There were no intra-group sales or unrealised profits during the year.
- 2.3 Comparative figures represent the financial statements of Citi Pharma Limited alone, since the subsidiary did not exist at June 30, 2025.
- 2.4 Control exists when the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiary are prepared for the same reporting period as the Holding Company using consistent accounting policies. The subsidiary is deconsolidated from the date on which control ceases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

3 BASIS OF PREPARATION

3.1 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention modified by the revaluation of freehold land referred to in note 4.1, certain financial instruments which are carried at their fair values, and the Holding Company's liability under the defined benefit plan (gratuity), which is determined at the present value of the defined benefit obligation as determined by an independent actuary.

3.2 Statement of compliance

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

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

3.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistan Rupees, which is the functional currency of the Holding Company and its subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

3.4 Use of estimates and judgments

The preparation of consolidated financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. In the process of applying the Group's accounting policies, management has made the following estimates and judgments which are significant to the consolidated financial statements:

	Note
- assumptions and estimates used in determining the recoverable amount, residual values and useful lives of operating fixed assets	4.1 & 16
- assumptions and estimates used in the revaluation of land	7
- assumptions and estimates used in determining the useful lives of intangible assets	4.2
- assumptions and estimates used in calculating the provision for impairment of trade debts	20
- assumptions used in the determination of current and deferred taxation	4.17 & 31
- assumptions and estimates used for valuation of the present value of the defined benefit obligation	4.19 & 9.1

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.5 Initial application of standards, amendments or interpretations to existing standards

Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2026

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Group's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Group's consolidated financial statements.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

The following standards, amendments and interpretations to existing standards are not yet effective and have not been early adopted by the Group:

Effective date (annual reporting
periods beginning on or after)

IAS 21	The Effect of Changes in Foreign Exchange Rates (Amendments)	January-01-2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January-01-2026
IFRS 9	Financial Instruments: Classification and Measurement (Amendments)	January-01-2026
IFRS 17	Insurance Contracts	January-01-2026
Annual improvements - to IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cash Flows)		January-01-2026

The above standards, amendments and interpretations are not likely to have any material impact on the Group's consolidated financial statements.

Other than the aforesaid standards, interpretations and amendments, the IASB has also issued the following standards and interpretations, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2026:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all years presented and by both entities of the Group. They are those of the Holding Company, adopted by the Group.

4.1 Property, plant and equipments

a Owned assets

Property, plant and equipment except freehold land are stated at cost less accumulated depreciation and identified impairment losses. Freehold land is stated at revalued amount. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to the construction and erection period and directly attributable cost of bringing the assets into working condition.

Depreciation is charged to income on the reducing balance method at the rates specified in note 16. A full month's depreciation is charged on additions during the month, whereas no depreciation is charged on assets disposed of during the month. Where an impairment loss is recognised, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount over its estimated useful life.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and replacements are capitalised. Gains or losses on disposal of property, plant and equipment are included in the current year's income.

Residual values and useful lives are reviewed at each reporting date and adjusted if expectations differ significantly from previous estimates. Management estimates that the financial impact of changes in residual values and useful lives during the year is immaterial.

Residual values are determined by management as the amount it expects it would receive currently for an item of property, plant and equipment if it were already of the age and in the condition expected at the end of its life, based on prevailing market prices of similar assets already at the end of their useful lives.

The gain or loss on disposal or retirement of an asset, represented by the difference between the sale proceeds and the carrying amount of the asset, is recognised as income or expense.

b Right of use assets

The right-of-use asset is measured at cost, being the amount of the initially measured lease liability adjusted for lease prepayments made at or before the commencement date and initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated on the reducing balance method from the date of recognition to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

c Capital work in progress

Capital work-in-progress is stated at cost less impairment, if any. It consists of expenditure incurred and advances made in respect of items of property, plant and equipment in the course of their acquisition, construction and installation. Transfers are made to the relevant category of assets when the assets are available for intended use.

4.2 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. The depreciable amount of an intangible asset is amortised over its estimated useful life using the reducing balance method at the rate stated in the relevant note to the consolidated financial statements.

4.3 Subsidiary

A subsidiary is an entity controlled by the Holding Company. In the separate financial statements of the Holding Company, investment in subsidiary is stated at cost less accumulated impairment losses, if any. In these consolidated financial statements the investment is eliminated against the subsidiary's share capital on consolidation, as explained in note 2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

4.4 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. In that case the carrying amount of the asset is increased to its recoverable amount, which cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years. Such reversal is recognised in the statement of profit or loss.

4.5 Stock in trade

Inventories are valued at the lower of cost and net realisable value as required by IAS 2. Cost of major stock items is determined as follows:

- Raw material and packing material: at weighted average cost
- Finished goods (manufactured): direct material, labour and appropriate manufacturing overheads
- Finished goods (purchased for resale): at purchase cost
- Material in transit: at invoice value plus other charges incurred thereon

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

Net realizable value signifies the estimates selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

4.6 Trade and other receivables

These are classified at amortised cost and are initially recognised when they are originated and measured at the fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used as the basis for calculating expected credit losses.

4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

4.8 Revenue recognition

The Group recognises revenue when it transfers control over goods to its customers, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods to its customers, net of discounts and sales-related indirect taxes. Sales-related indirect taxes are regarded as collected on behalf of statutory authorities. The Group generates revenue by supplying products to customers, including export products.

- i) Revenue from sales is recognised on delivery of products to customers, except that export sales, if any, are recognised at the time of issuance of the bill of lading.
- ii) Dividend income is recognised when the right to receive the dividend is established.
- iii) Income on bank deposits and short term investments is recognised using the effective yield method.

4.9 Revenue from contract with customers

Sale of Goods

Sale of goods is recognised when the Group has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Contract assets

Contract assets arise when the Group performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due.

Contract liabilities

A contract liability is the obligation of the Group to transfer goods to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs its performance obligations under the contract.

4.10 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowing costs are recognised as an expense in the period in which they are incurred, except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

4.11 Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

4.12 Trade and other payables

Trade and other payables are recognised initially at fair value, net of directly attributable cost, if any.

4.13 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, it is in the interest of the Group to do so. Transactions and balances between the Holding Company and its subsidiary are eliminated on consolidation.

4.14 Financial instruments

All financial assets and financial liabilities are recognised at the time when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Group loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expires. Any gains or losses on derecognition of financial assets and financial liabilities are taken to the statement of profit or loss.

4.14.1 Financial Assets

Classification

The Group classifies its financial assets in the following measurement categories: (a) amortised cost, where the effective interest rate method applies; (b) fair value through profit or loss; and (c) fair value through other comprehensive income. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded either in the statement of profit or loss or in other comprehensive income. For investments in equity instruments that are not held for trading, this depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt Instrument

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

a) Amortised cost: assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other operating gains / (losses), together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

b) Fair value through other comprehensive income (FVTOCI): assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income / charges.

c) Fair value through profit or loss (FVTPL): assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented net within other operating gains / (losses) in the period in which it arises.

De-recognition of financial assets

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised when: (i) the rights to receive cash flows from the asset have expired; or (ii) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Financial instruments subject to the ECL model are trade debts; loans, advances, deposits, prepayments and other receivables; short term investments; and cash and bank balances.

Simplified approach for trade debts

The Group recognises lifetime ECL on trade debts using the simplified approach. The measurement of ECL reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, and reasonable and supportable information available at the reporting date about past events, current conditions and forecasts of future economic conditions. Trade debts are separately assessed for ECL measurement. Lifetime expected credit losses are estimated using historical credit loss experience, adjusted for factors specific to the debtors, general economic conditions and an assessment of both the current and the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

Recognition of loss allowance

The Group recognises an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account. Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 120 days past due in making a contractual payment.

Write-off

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of the debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

14.4.2 Financial Liabilities

Classification, initial recognition and subsequent measurement

The Group classifies its financial liabilities as (a) at fair value through profit or loss, or (b) other financial liabilities, and determines the classification at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of other financial liabilities, include directly attributable transaction costs.

a) Fair value through profit or loss: financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Group has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Amortised cost: after initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised, as well as through the effective interest rate amortisation process.

14.4.3 Off-setting of financial assets and financial liabilities.

A financial asset and a financial liability are offset and the net amount is reported in the consolidated financial statements only when there is a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either (a) in the principal market for the asset or liability, or (b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period. The Holding Company's Chief Financial Officer determines the policies and procedures for both recurring and non-recurring fair value measurement. External valuers may be involved for the valuation of significant assets and significant liabilities.

4.16 Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.17 Taxation

Current Tax

Provision for current taxation is based on the taxable income of each Group entity for the year at the current rates of taxation, after taking into account tax credits and tax rebates available, if any. Each entity of the Group is assessed to tax separately.

Deferred Tax

Deferred tax is recognised using the liability method on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, calculated at the prevailing rates. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

4.18 Research and development cost

Research expense is recognised in profit or loss in the year in which it is incurred, and development cost is capitalised in the year in which it meets the development criteria.

4.19 Staff retirement benefits

The Holding Company operates an approved unfunded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to the statement of profit or loss. The subsidiary does not operate a retirement benefit scheme.

The net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of the defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense on the net defined benefit liability for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognised in the statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service, or the gain or loss on curtailment, is recognised immediately in the statement of profit or loss. Gains and losses on the settlement of a defined benefit plan are recognised when the settlement occurs.

4.20 Lease liability

The lease liability is measured on initial recognition at the present value of the future lease payments over the lease term, discounted using the specific incremental borrowing rate. Subsequently, lease liabilities are measured at amortised cost using the effective interest rate method. The liability is remeasured when there is a change in future lease payments arising from a change in a rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

4.21 Earning per share:

The Group presents basic and diluted earnings per share (EPS) for the ordinary shares of the Holding Company. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding 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.

4.22 Foreign currency transactions

Foreign currency transactions are recorded at the official exchange rate applicable at the transaction date. Monetary assets and liabilities are translated into Rupees using official exchange rates applicable at the reporting date. All gains and losses on settlement and translation at year-end are recognised in the statement of profit or loss.

4.23 Government grant

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities. The Group recognises government grants at fair value, as deferred income, when there is reasonable assurance that the grants will be received and that the Group will comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred are recognised in income on a systematic basis in the periods in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset. A loan at a below-market rate is initially recognised and subsequently measured in accordance with IFRS 9; the benefit, being the difference between the fair value of the loan on initial recognition and the amount received, is accounted for as a government grant according to its nature.

4.24 Dividend to ordinary shareholders

Dividend to ordinary shareholders of the Holding Company is recognised as a deduction from accumulated profit in the statement of changes in equity and as a liability in the year in which the dividend is approved by the Board of Directors or the shareholders, as the case may be.

4.25 Share capital

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

4.26 Ijarah

In ijarah transactions, a significant portion of the risks and rewards of ownership is retained by the lessor. Islamic Financial Accounting Standard 2 - 'Ijarah' requires the recognition of 'ujrah payments' (lease rentals) against ijarah financing as an expense in the statement of profit or loss on a straight line basis over the ijarah term.

4.27 Investment in associates

The Group's interests in equity-accounted investees comprise interests in associates. Associates are entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

4.28 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Board of Directors of the Holding Company, which makes strategic decisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
5 ISSUED SUBSCRIBED AND PAIDUP CAPITAL			
117,692,000 ordinary shares (2025: 117,692,000) of Rs. 10 each fully paid in cash		1,176,920,000	1,176,920,000
110,769,200 ordinary shares (2025: 110,769,200) of Rs. 10 each issued as fully paid bonus shares		1,107,692,000	1,107,692,000
Subsidiary: 3,000,000 ordinary shares of Rs. 10 each fully paid in cash (note 5.2)		-	-
		2,284,612,000	2,284,612,000

5.1 The Holding Company has one class of ordinary shares which carry no right to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Holding Company. All shares rank equally with regard to the Holding Company's residual assets.

5.2 The share capital shown above is that of the Holding Company. The subsidiary's share capital of Rs. 30,000,000 (3,000,000 ordinary shares of Rs. 10 each), of which 2,999,998 shares are held by the Holding Company and two shares by its nominee directors, has been eliminated on consolidation against the Holding Company's investment (note 18).

6 SHARE PREMIUM

Share Premium	1,391,532,000	1,391,532,000
	1,391,532,000	1,391,532,000

6.1 The share premium reserve belongs to the Holding Company and can be utilised only for the purposes specified in section 81 of the Companies Act, 2017.

7 REVALUATION SURPLUS

Revaluation Surplus on Free Hold Land	5,384,617,300	5,384,617,300
	5,384,617,300	5,384,617,300
7.1 Movements in revaluation surplus during the year were as follows:		
Balance at beginning of the year	5,384,617,300	309,294,525
Revaluation increase during the year	-	5,075,322,775
Transferred to unappropriated profit	-	-
Balance at end of the year	5,384,617,300	5,384,617,300

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

7.2 Details of revalued land (all held by the Holding Company)

Land Description	Date of revaluation	Book Value	Revalued Amount	Revaluation Surplus
3.5 KM, Head Balloki Road, Phool Nagar, Kasur	25-Jul-24	591,200,000	1,385,700,000	794,500,000
Hadbast Mouza Mangial, Tehsil Fateh Jhang, District Attock	17-May-25	163,837,225	643,630,000	479,792,775
71-E, Hali Road, Lahore	17-May-25	347,800,000	1,145,200,000	797,400,000
Hadbast Mouza haloki Near Khayaban-E-Zafar, Tehsil Model town Lahore	17-May-25	661,650,000	3,609,000,000	2,947,350,000
588-Q Block, Johar Town, Lahore	25-Jun-25	100,500,000	156,780,000	56,280,000
		1,864,987,225	6,940,310,000	5,075,322,775

7.3 The latest revaluations of freehold land were carried out at the dates shown above by independent valuers on the basis of their professional assessment of present market value, based on enquiries about the cost of land of similar nature, size and location. The subsidiary does not own any land.

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
8 LONG TERM FINANCING - SECURED			
TF-1 (Solar panels)		56,000,000	-
TF-11 (Solar inverters)		11,750,375	-
MTF - Imported machinery		45,911,800	-
		113,662,175	-
Current Portion shown under current liabilities		(56,424,697)	-
		57,237,478	-

8.1 The long term financing facilities have been obtained by the Holding Company from financial institutions for the acquisition and import of plant and machinery, including solar panels and inverters. The facilities are secured against the respective financed assets and other securities as stipulated in the respective financing agreements. The subsidiary has no long term financing.

8.2 The financing facilities for solar panels and inverters carry mark-up at 6 months KIBOR plus 2.50% per annum, whereas the MTF - Imported machinery facility carries mark-up at 6 months KIBOR plus 1.25% per annum. The facilities are repayable in accordance with the repayment schedules agreed with the financial institutions.

8 DEFERRED LIABILITIES			
Staff retirement benefits - gratuity	9.1	165,883,945	99,695,303
Deferred Taxation	9.2	163,606,755	102,068,559
		329,490,700	201,763,862

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

9.1 Staff retirement benefits - gratuity

The Holding Company operates an approved unfunded gratuity scheme for its workers, as described in note 4.19. The latest actuarial valuation was carried out as at June 30, 2026 using the projected unit credit method. The subsidiary does not operate a gratuity scheme and has no retirement benefit obligation; all amounts in this note relate to the Holding Company.

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
9.1.1 Movement in the net liability recognised			
Net liability as at July 01	9.1.3	99,695,303	82,620,673
Expense recognised in profit or loss		35,062,937	33,273,698
Benefits paid during the year		(3,213,837)	(2,697,050)
Remeasurement chargeable to other comprehensive income		34,339,542	(13,502,018)
Net liability as at June 30		165,883,945	99,695,303
9.1.2 Movement in the present value of defined benefit obligation			
Present value of defined benefit obligation as at July 01		99,695,303	82,620,673
Current service cost		22,801,889	21,895,597
Interest cost on defined benefit obligation		12,261,048	11,378,101
Benefits paid		(3,213,837)	(2,697,050)
Actuarial (gains) / losses from changes in financial assumptions		(116,432)	1,742,042
Experience adjustments		34,455,974	(15,244,060)
Present value of defined benefit obligation as at June 30		165,883,945	99,695,303
Present value of defined benefit obligation as at 30th June		165,883,945	99,695,303
9.1.3 Amount charged to profit or loss			
Current service cost		22,801,889	21,895,597
Interest cost on defined benefit obligation		12,261,048	11,378,101
		35,062,937	33,273,698
9.1.4 Key actuarial assumptions			
Discount rate used for interest cost in profit or loss charge		12.50%	14.00%
Discount rate used for year-end obligation		12.25%	12.50%
Mortality rates		SLIC 2001-2005	SLIC 2001-2005
Average expected remaining working lifetime of members		10 years	
Average duration of liability		9 years	

For the year ended June 30, 2026

		June 30, 2026
9.1.7	Expected Benefit Payments for the Next 10 Years and Beyond	
	FY 2027	18,722,972
	FY 2028	20,305,265
	FY 2029	21,445,338
	FY 2030	22,394,511
	FY 2031	23,156,405
	FY 2032	23,677,520
	FY 2033	24,174,345
	FY 2034	24,457,098
	FY 2035	24,725,524
	FY 2036	25,052,490
	FY 2037 onwards	8,748,749,781

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
9.2	Deferred taxation		
	Deferred tax liability arises on the following temporary differences:		
	Accelerated tax depreciation	208,678,936	128,669,283
	Employee retirement benefits	(48,106,344)	(28,911,638)
	Lease liability / right-of-use assets	9,084,366	4,566,838
	Allowance for expected credit loss	(4,721,423)	(2,023,520)
	Investment in shares	(1,328,780)	(232,404)
		163,606,755	102,068,559
9.2.1	Movement in deferred tax liability		
	Balance at beginning of the year	102,068,559	124,089,480
	Recognised in profit or loss (note 31)	71,496,663	(25,936,505)
	Recognised in other comprehensive income	(9,958,467)	3,915,585
	Recognised directly in equity	-	-
	Balance at end of the year	163,606,755	102,068,560
10	LEASE LIABILITIES		
	Present value of lease liabilities	116,256,439	80,666,659
	Less: current maturity shown under current liabilities	14 (28,390,673)	(15,802,536)
		87,865,766	64,864,123
10.2	Maturity analysis		
	Not later than one year	42,140,890	25,731,853
	Later than one year but not later than five years	104,798,163	83,045,912
	Less: future finance charges	(30,682,614)	(28,111,106)
	Present value of lease liabilities	116,256,439	80,666,659

10.3 Holding Company: the leases have been obtained from various financial institutions for the acquisition of vehicles. They are repayable in equal monthly instalments and carry finance charges ranging from KIBOR plus 1.25% to 2.50% per annum. The liabilities are secured against security deposits, post-dated cheques and the underlying financed vehicles.

10.4 Subsidiary: Citi Veterinary Limited entered into lease agreements with financial institutions to acquire vehicles during the year. The liabilities are payable in equal monthly instalments and carry finance charges at 3 months KIBOR plus 2.5% per annum. They are secured against security deposits, post-dated cheques and the financed vehicles.

Note June 30, 2026 June 30, 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

			Rupees	Rupees
11	TRADE AND OTHER PAYABLES			
	Trade creditors	11.1	2,817,200,829	3,233,785,896
	Accrued expenses	11.2	77,157,550	59,061,754
	Contract Liabilities		36,419,166	56,103,615
	Worker's Profit Participation Fund	11.3	73,093,349	72,611,424
	Worker's Welfare Fund	11.4	126,745,391	99,495,088
	Sales Tax Payable		9,888,835	11,307,313
	Other Liabilities	15	338,812,247	326,166,161
			3,479,317,367	3,858,531,251

11.1 Trade creditors of the Holding Company include secured foreign creditors of Rs. 2,608.5 million (2025: Rs. 3,145.5 million) against import of raw material. The subsidiary's trade creditors are local suppliers of finished goods.

11.2 The subsidiary's accrued expenses comprise salaries payable of Rs. 1,892,000 and audit fee payable of Rs. 100,000.

11.3	Worker's Profit Participation Fund			
	Balance as at July 01		72,611,424	68,780,302
	Allocation for the year	30	73,093,349	72,611,424
	Payments during the year		(72,611,424)	(68,780,302)
	Balance as at June 30		73,093,349	72,611,424
11.4	Worker's Welfare Fund			
	Balance as at July 01		99,495,088	72,443,773
	Charge for the year	30	27,250,303	27,051,315
	Payments during the year		-	-
	Balance as at June 30		126,745,391	99,495,088

11.5 Other liabilities include Rs. 20 refundable to the nominee directors of the Holding Company in respect of the two shares of the subsidiary held by them on the Holding Company's behalf (consolidation adjustment).

12	DUE TO RELATED PARTIES		
	Loan from Associated Company	-	5,686,383
		-	5,686,383

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
13 SHORT TERM BORROWINGS-SECURED			
From banking companies			
Running Finance - Secured	13.1	1,369,594,957	1,363,211,696
Short term Sukuks Unsecured	13.2	1,500,000,000	1,500,000,000
		2,869,594,957	2,863,211,696

13.1 All short term borrowings have been obtained by the Holding Company; the subsidiary has no short term borrowings. Running finance facilities have an aggregate sanctioned limit of Rs. 1,550 million (2025: Rs. 1,637.5 million), obtained from various banks to meet working capital requirements. They carry mark-up ranging from 1 month and 3 months KIBOR + 0.5% to 1 month and 3 months KIBOR + 1.5% per annum and are secured against first pari passu charge and deposits.

13.2 The Holding Company has raised Rs. 1,500 million through the issuance of short-term Sukuks under Shariah-compliant arrangements approved by its Shariah Advisor, to meet working capital requirements. Key terms:

Key terms of the Sukuks are as follows:

Particulars	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
Facility limit		PKR1,500million	PKR1,500million
Outstanding balance		PKR1,500million	PKR1,500million
Tenor		6months	6months
Profit rate		KIBOR+0.7%	KIBOR+0.8%
Security		Unsecured	Unsecured
Maturity date		December 23, 2026	July 23, 2025

13.3 Profit expense of Rs. 221.45 million (2025: Rs. 83.1 million) on these Sukuks is included in financial charges (note 28). The Holding Company has complied with all covenants and conditions of the Sukuk arrangements as of the reporting date.

14 CURRENT PORTION OF LONG TERM LIABILITIES			
Current portion of long term finances	8	56,424,697	-
Current portion of lease liabilities	10	28,390,673	15,802,536
		84,815,370	15,802,536

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

- 15.1.1 The Holding Company has filed an appeal against an order issued by the Federal Board of Revenue (FBR) under section 122(5)/205 for tax year 2023, amounting to Rs. 111.9 million, which is pending with the Appellate Tribunal. Based on the opinion of its tax advisor, management believes that the appeal is likely to result in the nullification of the FBR order. Consequently, no provision has been made for the amount assessed.

15.2 Commitments

- 15.2.1 Letters of credit issued by various banks on behalf of the Holding Company in the ordinary course of business amounted to Rs. 2,608.5 million (2025: Rs. 3,145 million).
- 15.2.2 The Holding Company has given bank guarantees of Rs. 133 million (2025: Rs. 175 million) to a utility company and other institutions against tenders.

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
15.2.3 Commitments under ijarah agreements (Holding Company)			
Not later than one year		9,736,809	11,060,592
Later than one year but not later than five years		-	7,854,063
		9,736,809	18,914,655
16 PROPERTY PLANT & EQUIPMENT			
Operating Fixed Assets	16.1	9,047,223,946	8,542,377,585
Right of Use Assets	16.1	140,351,032	96,414,377
Capital Work-in-Progress	16.2	67,888,133	49,106,889
		9,255,463,111	8,687,898,851

- 16.1 The detailed schedule of operating fixed assets and right-of-use assets of the Group is given in the 'PPE Schedule' sheet (note 16.1). Additions by the subsidiary during the year comprise office equipment Rs. 2,000,000, furniture and fixtures Rs. 1,200,000 and leased vehicles (right-of-use) Rs. 38,241,000; its depreciation for the year was Rs. 503,429.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

161 Operating Fixed Assets

DESCRIPTION	COST			RATE		DEPRECIATION			WDV		
	As At June 30, 2025	Addition/ (deletion)	Revaluation Surplus	revaluation Surplus	As At	%	As At	For the year	Transfer during the year	As At	WDV As At June 30, 2026
					June 30, 2026		June 30, 2025			June 30, 2026	
Owned Asset: Rupees											
Freehold land	6,940,310,000	-	-	-	6,940,310,000	0%	-	-	-	-	6,940,310,000
Building on freehold land	673,946,653	11,978,882	91,033,482	-	776,959,017	10%	212,070,592	46,462,809	758,612	259,292,013	517,667,004
Plant and machinery	1,613,582,806	562,485,145	-	-	2,176,067,951	10%	541,081,543	122,185,574	-	663,267,117	1,512,800,834
Vehicles	56,824,372	117,500	-	-	56,941,872	20%	43,803,628	2,617,857	-	46,421,485	10,520,387
Office equipment	53,895,797	14,238,655	-	-	68,134,452	15%	19,714,954	6,536,907	-	26,251,861	41,882,591
Books	181,500	-	-	-	181,500	10%	83,099	9,840	-	92,939	88,561
Furniture and fixtures	25,156,700	6,079,893	-	-	31,236,593	15%	8,455,406	2,946,792	-	11,402,198	19,834,395
Computers	8,394,247	1,974,643	-	-	10,368,890	30%	4,705,269	1,543,447	-	6,248,716	4,120,174
	9,372,292,075	596,874,718	91,033,482	-10,060,200,275	829,914,491	182,303,226	758,612	1,012,976,329	9,047,223,946		
Right of Used Assets:											
Vehicle	100,902,459	66,917,490	-	-	167,819,949	20%	4,488,082	22,980,836	-	27,468,918	140,351,031
	100,902,459	66,917,490	-	-	167,819,949		4,488,082	22,980,836	-	27,468,918	140,351,031
As at June 30, 2026	9,473,194,534	663,792,208	91,033,482	-10,228,020,224	834,402,573	205,284,062	758,612	1,040,445,247	9,187,574,977		
DESCRIPTION											
DESCRIPTION	COST			RATE		DEPRECIATION			WDV		
	As At June 30, 2025	Addition/ (deletion)	Revaluation Surplus	revaluation Surplus	As At	%	As At	For the year	Transfer during the year	As At	WDV As At June 30, 2026
					June 30, 2026		June 30, 2025			June 30, 2026	
Owned Asset: Rupees											
Freehold Land	1,864,987,225	-	-	5,075,322,775	6,940,310,000	0%	-	-	-	-	6,940,310,000
Building on Freehold Land	661,557,234	510,8640	7,280,779	-	673,946,653	10%	161,515,900	50,554,691	-	212,070,591	461,876,062
Plant & Machinery	1,415,355,252	60,630,587	137,596,968	-	1,613,582,807	10%	440,019,564	101,061,979	-	541,081,543	1,072,501,264
Vehicles	42,049,372	779,000	13,996,000	-	56,824,372	20%	33,228,678	2,292,291	8,282,659	43,803,628	13,020,744
Office Equipment	39,552,032	14,343,765	-	-	53,895,797	15%	14,781,297	4,933,657	-	19,714,954	34,180,843
Books	181,500	-	-	-	181,500	10%	72,165	10,933	-	83,098	98,402
Furniture & Fixtures	21,822,045	3,334,655	-	-	25,156,700	15%	5,772,637	2,682,769	-	8,455,406	16,701,294
Computer	6,467,038	1,927,209	-	-	8,394,247	30%	3,487,647	1,217,622	-	4,705,269	3,688,978
	4,051,971,698	861,23,856	158,873,747	5,075,322,775	9,372,292,076	658,877,888	162,753,942	8,282,659	829,914,489	8,542,377,587	
Right of Used Assets:											
Vehicle	13,996,000	100,902,459	(13,996,000)	-	100,902,459	20%	7,439,471	5,331,269	(8,282,659)	4,488,081	96,414,378
	13,996,000	100,902,459	(13,996,000)	-	100,902,459		7,439,471	5,331,269	(8,282,659)	4,488,081	96,414,378
As at June 30, 2025	4,065,967,698	187,026,315	144,877,747	5,075,322,775	9,473,194,535	666,317,359	168,085,211		834,402,570	863,791,965	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

16.2 Allocation of Depreciation

	Cost of Sales	Administrative Expense	Selling Expense	Total
Land	-	-	-	-
Building	33,054,995.00	7,083,213	7,083,213	47,221,422
Plant & Machinery	122,185,574	-	-	122,185,574
Vehicles	1,308,929	654,464	654,464	2,617,857
Office Equipment	-	6,520,240	16,667	6,536,907
Leased vehicle	9,001,129	6,750,847	7,228,860	22,980,836
computer	-	1,080,413.00	463,034.00	1,543,447
Furniture	-	2,938,042	8,750	2,946,792
Books	9,840	-	-	9,840
Depreciation for the year 2026	165,560,467	25,027,219	15,454,988	206,042,674

Location / Address	Usage of immovable property	Total Area (In Kanals)*	Covered Area (In sq. ft.)	Forced Sale Value	Revalued Amount
3.5 KM, Head Balloki Road, Phool Nagar, Kasur	Production Unit	369.5	579,405	1,177,845,000	1,385,700,000
71-E, Hali Road, Lahore	Corporate office will be constructed	4	N/A	916,160,000	1,145,200,000
588-Q Block, Johar Town, Lahore	Head Office	1	15,050	125,424,000	156,780,000
Hadbast Mouza haloki Near Khayaban-E-Zafar, Tehsil Moden town Lahore	Medical, Educational, Research and Teaching University will be constructed	60.3	N/A	2,887,200,000	3,609,000,000
Hadbast Mouza Mangial Tehsil Fateh Jhang and District Attock	Botanical Garden will be established	99.1	N/A	514,904,000	643,630,000
				5,621,533,000	6,940,310,000

	June 30, 2026 Rupees	June 30, 2025 Rupees
16.5 Capital Work in Progress		
Opening Balance	49,106,889	130,044,015
Additions	109,814,726	63,940,621
Transfers	(91,033,482)	(144,877,747)
Closing	67,888,134	49,106,889

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
17 LONG TERM ADVANCE			
Long term advance - Yaqeen Developers Limited		254,540,900	254,540,900
		254,540,900	254,540,900

- 17.1 This represents an advance by the Holding Company for the purchase of shares of an associated company, Yaqeen Developers Limited. The maximum aggregate balance due from the associated company with reference to any month-end was Rs. 254.541 million (2025: Rs. 254.541 million). The entire balance is unsecured but considered good.

18 LONG-TERM INVESTMENT			
Investment in Citi Veterinary Limited, at cost		-	-
		-	-

- 18.1 The Holding Company holds 2,999,998 ordinary shares of Rs. 10 each of Citi Veterinary Limited (unquoted), representing 100% of its share capital together with two shares held by nominee directors. The investment is eliminated on consolidation against the subsidiary's share capital (note 2).

Percentage of holding: 100% (2025: Nil)			
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19 STOCK IN TRADE			
Raw material		1,767,972,782	1,395,761,449
Finished goods	19.1	1,413,800,849	1,890,492,660
Packing material		441,814,613	410,540,167
Stock in transit		51,619,296	200,783,511
Work in process		38,548,491	32,123,743
		3,713,756,031	3,929,701,530

- 19.1 Finished goods of the subsidiary (Rs. 70,364,734) are veterinary products purchased for resale; none were purchased from the Holding Company, so no unrealised profit arises. +B237

20 TRADE DEBTS - UNSECURED			
Unsecured but considered good		3,488,465,905	3,085,193,303
Allowance for expected credit loss	20.1	(16,280,770)	(6,977,655)
		3,472,185,135	3,078,215,648

20.1 Allowance for expected credit loss			
Balance at beginning of the year		6,977,655	4,776,739
Charge for the year	30	9,303,115	2,200,916
Balance at end of the year		16,280,770	6,977,655

- 20.2 No allowance for expected credit loss has been recognised by the subsidiary, whose trade debts arose from sales made after it commenced commercial operations in May 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
21 ADVANCES DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES			
Advance income tax	21.1	750,508,655	646,420,541
Mark-up receivable from Yaqeen Developers Limited (related party)		183,808,892	150,024,950
Advances to employees - unsecured		21,224,487	17,602,682
Advance against land commercialisation		22,555,600	22,555,600
Other advances and prepayments - unsecured		165,667,960	31,731,785
Short term deposits		52,740,829	29,704,233
Advances to suppliers		48,610,085	5,669,145
		1,245,116,508	903,708,936
21.1 Advance income tax (Holding Company)			
Opening balance		646,420,541	511,986,684
Tax deducted during the year		624,707,224	573,995,151
Tax adjusted for the year		(520,619,110)	(439,561,294)
		750,508,655	646,420,541
22 SHORT TERM INVESTMENTS			
Term deposit receipts (TDRs)	22.1	-	565,851,000
Accrued profit thereon		-	1,969,680
Deposit account	22.2	83,299,857	322,068,430
At fair value through profit or loss			
Investment in shares - quoted (note 22.3)	22.3	3,381,000	66,499,575
		86,680,857	956,388,685
22.1 TDRs carried mark-up ranging from 11.2% to 13.5% per annum.			
22.2 This represents a deposit account with a banking company which is fixed for three months, rolls over, and carries mark-up of 10% per annum.			
22.3 Quoted investments (Holding Company)			
Engro Polymer & Chemicals Limited		3,381,000	3,155,000
Zarea Limited		-	63,344,575
		3,381,000	66,499,575
22.4 All short term investments are held by the Holding Company.			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
23 CASH AND BANK BALANCE			
Cash in hand		672,022	844,146
Cash at banks - current accounts		114,446,868	494,755,989
Cash at banks - saving accounts	23.1	93,703,129	107,952,679
		208,822,019	603,552,814

23.1 The rate of return on the Holding Company's saving accounts ranges from 7.8% to 10.1% per annum (2025: 11.2% to 13.1%).

24 SALES - NET			
Sales - local		13,738,892,172	12,996,069,192
Less: sales tax		(138,747,472)	(211,452,532)
Sales - exports		475,658,171	368,905,197
		14,075,802,871	13,153,521,857

24.1 Revenue of the Group is recognised at a point in time. The subsidiary's revenue comprises local sales of veterinary products from May 2026, when it commenced commercial operations.

24.2 During the year, the Holding Company derived revenue from certain customers each of which individually accounted for 10% or more of its revenue. Aggregate revenue from such major customers amounted to Rs. 4,519 million, representing 32.1% of the Group's revenue (32.2% of the Holding Company's revenue). In accordance with IFRS 8, the identities of these customers have not been disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
25 COST OF SALES			
Raw material consumed	25.1	9,390,062,543	10,354,714,701
Salaries, wages & other benefits	25.3	519,855,040	386,309,300
Electricity		151,081,320	172,341,126
Wood / corn cube		225,592,913	188,697,020
Packing material consumed		335,783,832	242,220,051
Depreciation	25.2	165,560,542	139,739,924
Fuel and power		32,023,149	11,551,503
Repair & maintenance		72,220,247	52,869,831
Other production expenses		96,905,726	42,744,742
QC expenses		14,232,155	13,131,769
Fee & subscription		11,387,828	8,571,358
Manufacturing / direct costs		11,014,705,295	11,612,891,325
Opening work in process		32,123,743	40,154,678
Closing work in process		(38,548,491)	(32,123,743)
Cost of goods manufactured		11,008,280,547	11,620,922,260
Purchases of finished goods for resale (subsidiary)		117,889,360	-
Opening finished goods		1,890,492,660	1,405,483,939
Closing finished goods		(1,413,800,849)	(1,890,492,660)
		11,602,861,718	11,135,913,539
25.1 Raw material consumed (Holding Company)			
Opening stock		1,395,761,449	1,242,586,556
Raw material purchases		9,852,747,919	10,688,766,490
Rebate on bulk purchasing		(90,474,043)	(180,876,896)
Closing stock		(1,767,972,782)	(1,395,761,449)
		9,390,062,543	10,354,714,701
25.2 Packing material consumed (Holding Company)			
Opening Stock		410,540,167	213,519,960
Packing Material Purchases		367,058,278	439,240,257
Closing stock		(441,814,613)	(410,540,167)
		335,783,832	242,220,050

25.3 Salaries, wages and other benefits include Rs. 23.1 million (2025: Rs. 21.9 million) in respect of the Holding Company's gratuity scheme.

25.4 The subsidiary is a trading entity: its cost of sales comprises finished goods purchased for resale (opening stock nil, purchases Rs. 117,889,360, closing stock Rs. 70,364,734) and DRAP product registration fees of Rs. 313,530.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
26 ADMINISTRATION EXPENSES			
Salaries, wages & benefits	26.1	139,494,907	121,309,869
Legal and professional charges		17,950,290	11,023,911
Entertainment expense		14,744,413	11,422,253
Depreciation		25,027,235	18,224,434
Fee and subscription		18,510,421	24,650,469
Auditors' remuneration	26.2	2,400,000	2,300,000
Charity and donation	26.3	3,894,792	5,336,085
General repair & maintenance		6,177,685	2,260,631
Vehicle running & maintenance		6,197,911	4,180,062
Travelling and conveyance		4,444,017	3,316,530
Electricity bill		5,534,796	7,780,760
Printing & stationery		1,593,168	1,648,385
Miscellaneous expenses		5,135,665	5,385,919
Gardening expense		264,100	327,520
Water & sanitation		623,276	198,630
Uniforms expense		74,410	310,250
Insurance expenses		836,739	984,888
Communication		658,768	701,578
Postage and courier		951,560	749,260
		254,514,153	222,111,434
26.1	This includes Rs. 8.7 million (2025: Rs. 8.3 million) in respect of the Holding Company's gratuity scheme.		
26.2	Auditor's remuneration:		
	Statutory audit fee	2,000,000	1,900,000
	Other Services/Certifications	400,000	400,000
		2,400,000	2,300,000

26.3 None of the directors or their spouses have any interest in the donees. No donation exceeding Rs. 1 million was paid to a single party during the year. The subsidiary made no donations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
27	MARKETING AND DISTRIBUTION EXPENSES		
Salaries & benefits	27.1	88,344,213	51,044,152
Delivery / courier expense		104,185,885	69,942,929
Marketing, promotional & selling expenses		55,925,113	47,114,542
Miscellaneous expense		14,131,095	11,385,992
Depreciation		15,455,003	10,120,959
Communication expenses		-	1,640,048
		278,041,309	191,248,622

27.1 This includes Rs. 3.1 million (2025: Rs. 2.9 million), approximately, in respect of the Holding Company's gratuity scheme. The subsidiary's selling expenses comprise salaries of its sales staff and depreciation of its leased vehicles.

28	FINANCIAL CHARGES		
Mark-up on short term financing	13.3	343,821,914	304,372,484
Exchange loss - net		5,875,466	6,045,777
Ijarah rentals (operating lease)		9,177,846	11,680,766
Mark-up on finance lease		11,814,221	1,600,058
Bank charges		8,324,649	5,973,857
Mark-up on long term financing		9,758,623	-
		388,772,719	329,672,942

29	OTHER INCOME		
Income from financial assets (all earned by the Holding Company)			
Profit on term deposit receipts (TDRs)		56,203,493	135,621,719
Mark-up on investment in Yaqeen Developers Limited (related party)		33,783,941	44,347,388
Gain on investment in shares - net		52,207	16,384,771
Unrealised gain on investment in shares		226,000	-
Bank profit on saving accounts		1,666,770	1,916,242
		91,932,411	198,270,120

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
30 OTHER EXPENSES			
Workers' Profit Participation Fund	11.3	73,093,349	72,611,424
Workers' Welfare Fund	11.4	27,250,303	27,051,315
Central Research Fund		15,207,212	13,681,918
Loss on inventory due to fire	30.1	172,375,288	-
Allowance for expected credit loss		9,303,115	2,200,916
Unrealised loss on investment in shares		-	2,790,037
		297,229,267	118,335,610

30.1 On October 20, 2025 a fire occurred at the Holding Company's factory premises, resulting in loss of inventories of Rs. 332.375 million. No one was injured and plant, machinery and buildings were not materially affected. The insurance claim was settled at Rs. 160.000 million, resulting in a net loss of Rs. 172.375 million.

31 TAXATION - INCOME TAX AND FINAL TAXES			
Final taxes		-	-
Income tax			
Current year tax expense		484,399,324	519,677,557
Prior year		941,553	(31,270,156)
Deferred tax	9.2.1	71,496,663	(25,936,505)
		556,837,540	462,470,896
31.1 Reconciliation of current tax charged as per tax laws with current tax recognised in profit or loss			
Current tax liability for the year as per applicable tax laws		484,399,324	519,677,557
Portion representing income tax under IAS 12		(484,399,324)	(519,677,557)
Portion representing levy / minimum tax		-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	Note	June 30, 2026 Rupees	June 30, 2025 Rupees
31.2 Relationship between tax expense and accounting profit			
Accounting profit before income tax		1,344,514,663	1,354,509,830
Applicable tax rate (including super tax)		39.00%	39.00%
Tax on accounting profit		524,360,719	528,258,834
Effect of:			
- Prior year tax (reversal) / charge		941,553	(31,270,156)
- Amounts not deductible for tax purposes		142,004,855	120,961,896
- Amounts deductible for tax purposes but not taken to profit or loss		(181,351,070)	(129,543,173)
- Deferred tax adjustment		67,780,595	(25,936,505)
- Tax effect of the subsidiary's results in excess of the applicable rate		301,388	-
- Other / rounding		143,081	-
Tax charged in profit or loss		554,181,121	462,470,896

31.3 Each Group entity is assessed to tax separately. The subsidiary's tax charge of Rs. 7,537,531 (current Rs. 3,821,463; deferred Rs. 3,716,068) exceeds the applicable rate on its accounting profit of Rs. 13,177,458, principally because of deferred tax recognised on its right-of-use assets and lease liabilities.

32 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the year attributable to owners of the Holding Company (Rupees)	790,333,542	892,038,934
Weighted average number of ordinary shares outstanding (Number)	228,461,200	228,461,200
Earnings per share - basic and diluted (Rupees)	3.46	3.90

32.3 Each Group entity is assessed to tax separately. The subsidiary's tax charge of Rs. 7,537,531 (current Rs. 3,821,463; deferred Rs. 3,716,068) exceeds the applicable rate on its accounting profit of Rs. 13,177,458, principally because of deferred tax recognised on its right-of-use assets and lease liabilities.

33 FINANCIAL RISK MANAGEMENT

The Group has exposure to credit risk, liquidity risk and market risk arising from financial instruments. The Board of Directors of the Holding Company has overall responsibility for the establishment and oversight of the Group's risk management framework and for developing and monitoring the Group's risk management policies, which are applied by both Group entities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors reviews and agrees upon the policies for managing each of these risks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

33.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk, the Group maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits.

33.1.1 Exposure to credit risk - maximum exposure at the reporting date

	June 30, 2026 Rupees	June 30, 2025 Rupees
Trade debts - unsecured	3,472,185,135	3,078,215,648
Short term investments	86,680,857	956,388,685
Bank balances	208,149,997	602,708,668
Long term security deposits	25,443,117	25,443,117
	3,792,459,106	4,662,756,118

33.1.1 Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

	June 30, 2026 Rupees	June 30, 2025 Rupees
33.1.2 Concentration of credit risk by type of counterparty		
Customers	3,472,185,135	3,078,215,648
Banking companies	208,149,997	602,708,668

33.1.3 Credit quality - counterparties with external credit ratings

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Credit quality of customers is assessed by reference to historical defaults rates and present ages.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

Short-term rating

Bank Al-Habib Limited	A-1+
The Bank of Khyber	A-1
Askari Bank Limited	A-1+
Meezan Bank Limited	A-1+
Allied Bank Limited	A-1+
Bank Alfalah Limited	A-1+
Faysal Bank Limited	A-1+
Habib Bank Limited	A-1+
National Bank of Pakistan	A-1+
Bank of Punjab	A-1+
Standard Chartered Bank	A-1+
United Bank Limited	A-1+

	Gross 2026	Loss allowance 2026	Gross 2025	Loss allowance 2025
33.1.4 Counterparties without external credit ratings - ageing of trade debts				
Not past due *	2,123,790,320	-	1,045,626,556	-
1 - 30 days	792,389,732	3,961,949	871,278,530	980,210
31 - 60 days	280,212,050	5,604,241	465,363,339	1,396,090
61 - 90 days	168,550,451	5,056,514	404,648,834	1,618,595
91 days or more	72,235,908	3,611,795	298,276,044	2,982,760
Subsidiary	51,287,443	-	-	-
	3,488,465,904	18,234,499	3,085,193,303	6,977,655

* Not past due' comprises receivables within the Holding Company's normal credit period of 60 days. No ECL charged on Subsidiary company as the company's normal credit terms are 45 days and all the debtor's are within this period.

33.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of adequate funds through committed credit facilities. The Group finances its operations through equity, borrowings and working capital, with a view to maintaining an appropriate mix between sources of finance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

		Carrying amount Rupees	Less than 1 year Rupees	More than 1 Year Rupees
33.2.1	Contractual maturities of financial liabilities - June 30, 2026			
	Long term financing	113,662,175	56,424,697	57,237,478
	Staff retirement benefits - gratuity	165,883,945	-	165,883,945
	Lease liabilities	116,256,439	28,390,673	87,865,766
	Trade and other payables	3,479,317,367	3,479,317,367	-
	Short term borrowings	2,869,594,957	2,869,594,957	-
	Accrued mark-up	32,788,240	32,788,240	-
	Unclaimed dividend	3,436,493	3,436,493	-
		6,780,939,616	6,469,952,427	310,987,189

Comparative (Holding Company, June 30, 2025): gratuity Rs. 99,695,303; lease liabilities Rs. 80,666,659; trade and other payables Rs. 3,858,531,251; short term borrowings Rs. 2,863,211,696; accrued mark-up Rs. 38,268,523; unclaimed dividend Rs. 4,065,868 - all due within one year except as stated in notes 9 and 10.

33.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments.

33.3.1 Currency risk

The Holding Company is exposed to currency risk to the extent of a mismatch between the currencies in which advances, sales, purchases and bank balances are denominated and its functional currency; the liability is mainly denominated in US Dollars. The subsidiary transacts only in Pak Rupees and has no currency exposure. If the Pak Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit before tax would have been lower / higher by:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

	June 30, 2026 Rupees	June 30, 2025 Rupees
Effect on profit before taxation - 5% increase in dollar rate	(130,426,359)	(157,275,704)
Effect on profit before taxation - 5% decrease in dollar rate	130,426,359	157,275,704
32.3.2 Interest rate risk		
Financial liabilities		
Variable rate instruments (including subsidiary lease liabilities Rs. 33,059,350)	3,099,513,571	2,943,878,355
Financial assets		
Fixed rate instruments	83,299,857	887,919,430
Variable rate instruments (including subsidiary saving accounts Rs. 3,450,000)	93,703,129	107,952,678
A change of 100 basis points in interest rates at the reporting date would have (decreased) / increased profit before tax by:		
Increase of 100 basis points	30,058,104	(28,359,257)
Decrease of 100 basis points	28,921,483	28,359,257

33.3.3 Price risk

Price risk arises on the Holding Company's investments in listed shares. A 5% increase / decrease in share prices at the reporting date would have increased / decreased unrealised gain on investments at fair value through profit or loss by Rs. 169,050 (2025: Rs. 3,324,979). The subsidiary has no equity investments.

34 CAPITAL MANAGEMENT

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Board of Directors monitors the return on capital employed, defined as operating income divided by total capital employed, and the level of dividends to ordinary shareholders. The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to provide an adequate return to shareholders.

The Group manages its capital structure in the context of economic conditions and the risk characteristics of the underlying assets, and may adjust dividends, issue new shares or sell assets to reduce debt. There were no changes in the Group's approach to capital management during the year, and neither entity is subject to externally imposed capital requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

35 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date. As at year end, the fair values of all financial assets and financial liabilities of the Group are estimated to approximate their carrying values. Financial assets tradable in an open market are revalued at market prices prevailing on the reporting date.

	Level 1	Level 2	Level 3
June 30, 2026 - investment in shares, quoted (FVTPL)	3,381,000	-	-
June 30, 2025 - investment in shares, quoted (FVTPL)	66,499,575	-	-

- 35.1 Freehold land of the Holding Company was valued by independent valuers (note 7). Its fair value has been determined using the sales comparison approach (level 2): sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input is price per square foot. There has been no change to the valuation technique during the year.

	June 30, 2026 Rupees	June 30, 2025 Rupees
36 FINANCIAL INSTRUMENTS BY CATEGORIES		
Trade debts	3,472,185,135	3,078,215,648
Short term investments - TDRs	-	567,820,680
Deposit account	83,299,857	322,068,430
Cash and bank balances	208,822,019	603,552,814
Trade deposits and other receivables	52,740,829	29,704,232
Long term security deposits	25,443,117	25,443,117
	3,842,490,957	4,626,804,921
Financial assets at fair value through profit or loss		
Investment in shares - quoted	3,381,000	66,499,575
Financial liabilities at amortised cost		
Long term financing - secured	113,662,175	-
Lease liabilities	116,256,439	80,666,659
Trade and other payables (excluding statutory dues and contract liabilities)	2,899,526,934	3,295,079,094
Due to related parties	-	5,686,383
Short term borrowings	2,869,594,957	2,863,211,696
	5,999,040,505	6,244,643,832

Subsidiary amounts included above: trade debts Rs. 51,287,443; cash and bank balances Rs. 7,838,114; lease liabilities Rs. 33,059,350; trade creditors and accrued expenses Rs. 92,480,065.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

37 TRANSACTION WITH RELATED PARTIES

The related parties of the Group comprise associated companies, directors and key management personnel. Transactions between the Holding Company and its subsidiary (subscription of share capital Rs. 29,999,980) are eliminated on consolidation and are not disclosed in this note (note 44). Remuneration of key management personnel is disclosed in note 38. Other transactions with related parties during the year were as follows:

Nature / name of related party and basis of relationship	Nature of transaction	June 30, 2026 Rupees	June 30, 2025 Rupees
Citi Technologies (Private) Limited (Common directorship)	Funds received	-	44,585,244
Yaqeen Developers Limited (Common directorship)	Mark-up income	33,783,941	44,347,388
Yaqeen Developers Limited (Common directorship)	Funds received	-	53,000,000
Citi Innovations (Private) Limited (Common directorship)	Funds received	-	11,215,933
Citi Innovations (Private) Limited (Common directorship)	Funds paid - net	5,686,383	5,500,000
Mr. Rizwan Ahmad (Director / CEO)	Loan repaid	-	31,220,000
Mr. Nadeem Amjad (Chairman)	Loan repaid	-	12,200,000

37.1 The Chief Executive and directors of the subsidiary are nominees and employees of the Holding Company; their remuneration is borne by the Holding Company and is not recharged to the subsidiary.

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive	Directors	Executives	Total
2026				
Managerial remuneration	17,700,000	19,800,000	72,050,130	109,550,130
Bonuses	1,475,000	1,650,000	-	3,125,000
Meeting Fees (Independent directors 2)	-	3,000,000	-	3,000,000
	19,175,000	24,450,000	72,050,130	115,675,130
No. of persons	1	3	26	30
2025				
Managerial remuneration	13,200,000	19,200,000	65,050,130	97,450,130
Bonuses	1,100,000	1,600,000	-	2,700,000
Meeting Fees (Independent directors 2)	-	1,682,000	-	1,682,000
	14,300,000	22,482,000	65,050,130	101,832,130
No. of persons	1	3	24	28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

- 38.1 The above figures are those of the Holding Company. No remuneration is charged in the subsidiary's accounts for its Chief Executive and directors, who are remunerated by the Holding Company (note 37.1). The Chief Executive, directors and executives have not been provided any other perquisites and benefits. An executive is an employee, other than the Chief Executive and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

39 OPERATING SEGMENT

For management purposes, the Group's activities are organised into one reportable operating segment, pharmaceuticals, based on the nature of products, risks and returns, organisational and management structure and internal financial reporting. The veterinary products business of the subsidiary, which commenced in May 2026, is below the quantitative thresholds of IFRS 8 (revenue Rs. 71.2 million, 0.5% of Group revenue) and is therefore not reported as a separate segment.

- 39.1 Revenue from sale of API and formulation items of the Holding Company represented 75% and 25% (2025: 76.4% and 23.6%) of its revenue respectively. Group sales to local customers amounted to Rs. 13,600 million and export sales to Rs. 475.7 million (all by the Holding Company). All non-current assets of the Group are located in Pakistan.

40 NUMBER OF EMPLOYEES

	Subsidiary	June 30, 2026	June 30, 2025
Number of employees as at year end	26	659	627
Average number of employees during the year	26	647	618

- 40.1 The Holding Company's figures include 111 (2025: 108) temporary employees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

41 PLANT CAPACITY AND ACTUAL PRODUCTION

The capacity and production of the Holding Company's plant is indeterminable as it is a multi-product plant involving varying processes of manufacture. The subsidiary did not carry out manufacturing during the year; it traded in veterinary products purchased from third parties.

42 UTILISATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING (HOLDING COMPANY)

The principal purpose of the Holding Company's issue was to increase capacity in both the Active Pharmaceutical Ingredients (API) and Formulation segments and to set up a state-of-the-art 200-bed hospital facility in Lahore. The estimated break-up of utilisation of the IPO proceeds is as follows:

Description	Funds required (Rupees)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
API segment			
Civil works	150,000,000	150,000,000	-
Procurement of plant and machinery	405,194,500	405,194,500	-
	555,194,500	555,194,500	-
Formulation Segment			
Civil Works	250,000,000	250,000,000	-
Procurement of Plant and Machinery	307,630,000	307,630,000	-
	557,630,000	557,630,000	-
Utilization of Excess Proceeds			
Repayment of Borrowings	54,197,497	54,197,497	-
Working Capital	108,902,639	108,902,639	-
IPO Expenses	127,667,864	127,667,864	-
	290,768,000	290,768,000	-
Hospital Facility			
Civil Work of Hospital Building (incl. Electrical and Mechanical work)	668,000,000	-	(668,000,000)
Plant and Machinery for Hospital	254,551,500	-	(254,551,500)
	922,551,500	-	(922,551,500)

42.1 In light of section 16A of the Public Offering Regulations, 2017 (exit opportunity in case of change in the principal purpose of the issue), the Holding Company's shareholders in an Extraordinary General Meeting held on June 26, 2025 approved the reallocation of the unutilised IPO proceeds. The Holding Company has complied with the requirements of the regulations, including preparation and disclosure of a statement of facts setting out the reasons for the reallocation and provision of an exit opportunity to dissenting shareholders.

Reallocation of hospital facility funds			
Biotech formulation - (ampoules)	339,114,648	339,114,648	-
Carbapenem formulation - (3 sections)	238,651,538	238,651,538	-
Penicillin formulation - (4 sections)	344,785,314	-	(344,785,314)
	922,551,500	577,766,186	(344,785,314)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

43 NON-CONTROLLING INTEREST

Nil. The two shares of Citi Veterinary Limited not registered in the Holding Company's name are held by its nominee directors on its behalf; the Group's beneficial interest is 100%, so all profit and equity of the subsidiary is attributable to owners of the Holding Company.

	June 30, 2026	June 30, 2025
	Rupees	Rupees

44 INTRA-GROUP TRANSACTIONS AND BALANCES ELIMINATED

Subscription of share capital of subsidiary by the Holding Company	29,999,980
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There were no intra-group sales, purchases, dividends or management charges during the year. The remuneration of the subsidiary's Chief Executive and directors is borne by the Holding Company and is not recharged.

45 CORRESPONDING FIGURES

Corresponding figures are those of the Holding Company alone, as the subsidiary was incorporated on August 28, 2025 (note 2). They have been re-arranged or reclassified, wherever necessary, for better presentation; there has been no material reclassification to report.

46 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Holding Company, at its meeting held on October 03, 2026, decided not to recommend any dividend for the year ended June 30, 2026 (2025: Rs. 3.50 per share).

47 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue on October 03, 2026 by the Board of Directors of the Holding Company.

48 GENERAL

Figures have been rounded off to the nearest rupee. Items under 'Group 2026' are the line-by-line aggregation of the audited financial statements of Citi Pharma Limited and the financial statements of Citi Veterinary Limited, after the eliminations set out in the 'Eliminations' sheet. Where the source statements carried sub-rupee fractions, individual components have been rounded so that each note agrees with the face of the statements.



CHIEF EXECUTIVE



ACTING CHIEF FINANCIAL OFFICER



DIRECTOR

PATTERN OF SHAREHOLDING - FORM "34

Shareholders Statistics As At June 30, 2026

No. of Shareholders	Shareholding		Total Shares held
	From	To	
4423	1	100	167,717
4021	101	500	1,262,614
2919	501	1000	2,305,551
4633	1001	5000	11,151,446
955	5001	10000	7,270,017
289	10001	15000	3,642,882
150	15001	20000	2,677,129
136	20001	25000	3,178,875
64	25001	30000	1,822,588
47	30001	35000	1,549,886
35	35001	40000	1,330,116
21	40001	45000	903,101
38	45001	50000	1,872,369
21	50001	55000	1,113,631
12	55001	60000	696,105
11	60001	65000	702,800
12	65001	70000	824,790
5	70001	75000	370,690
8	75001	80000	630,526
9	80001	85000	750,180
5	85001	90000	437,262
4	90001	95000	371,914
12	95001	100000	1,195,112
7	100001	105000	725,757
5	105001	110000	536,067
3	110001	115000	341,950
1	115001	120000	117,637
2	120001	125000	247,543
4	125001	130000	513,331
3	130001	135000	402,061
3	135001	140000	412,600
2	145001	150000	293,223
3	150001	155000	454,104
1	165001	170000	165,876
2	170001	175000	349,501
1	180001	185000	183,209
2	190001	195000	386,000
4	195001	200000	796,500
1	205001	210000	207,000
1	210001	215000	213,000
4	245001	250000	991,890
1	255001	260000	259,399
1	260001	265000	263,453
1	265001	270000	265,443
1	270001	275000	275,000
1	275001	280000	280,000
1	280001	285000	285,000

PATTERN OF SHAREHOLDING

As At June 30, 2026

No. of Shareholders	Shareholding		Total Shares held
	From	To	
1	305001	310000	308,000
1	325001	330000	329,910
2	330001	335000	662,500
1	345001	350000	350,000
1	355001	360000	357,000
1	400001	405000	403,996
1	445001	450000	447,500
1	480001	485000	482,500
1	495001	500000	500,000
1	500001	505000	505,000
1	580001	585000	583,134
1	595001	600000	600,000
3	695001	700000	2,100,000
1	750001	755000	755,000
1	795001	800000	800,000
1	825001	830000	826,725
1	850001	855000	854,752
1	995001	1000000	1,000,000
1	1035001	1040000	1,040,000
1	1070001	1075000	1,075,000
1	1205001	1210000	1,208,938
1	1290001	1295000	1,292,789
1	1320001	1325000	1,320,373
1	1515001	1520000	1,516,000
1	1660001	1665000	1,661,702
1	1930001	1935000	1,933,980
3	1995001	2000000	6,000,000
1	2090001	2095000	2,094,000
1	2175001	2180000	2,177,616
1	2255001	2260000	2,258,700
1	2410001	2415000	2,411,606
1	2495001	2500000	2,500,000
1	2575001	2580000	2,578,467
1	2775001	2780000	2,778,666
1	3420001	3425000	3,424,313
1	5650001	5655000	5,652,579
1	10345001	10350000	10,350,000
2	14845001	14850000	29,700,000
1	16450001	16455000	16,454,316
1	16845001	16850000	16,850,000
1	44545001	44550000	44,550,000
17934			228,461,200

DETAILS OF PATTERN OF SHAREHOLDINGS

As At June 30, 2026

S. No.	Categories Shareholders	Shares Held	% Age
1	Directors, CEO, Their Spouses And Minor Childern	87,903,971	38.48
	MR. RIZWAN AHMAD - DIRECTOR / CEO	50,197,500	
	MR. NADEEM AMJAD - DIRECTOR / CHAIRMAN	22,106,895	
	MR. MUHAMMAD NAEEM - DIRECTOR	15,433,134	
	MS. SAIRA ASLAM - DIRECTOR	165,879	
	MR. ABDUL JALEEL SHAIKH - DIRECTOR	550	
	MS. SAIMA SHAFI RANA - DIRECTOR	10	
	DR. ZAMEER UL HASSAN - DIRECTOR	3	
2	Associate Companies, Undertaking and Related Parties	28,510,949	12.48
	WISDOM WORK SOLUTIONS (PRIVATE) LIMITED	1,154,999	
	SHAHNAZ SHAR GALAXIES (PRIVATE) LIMITED	146,395	
	SHAHNAZ SHAR GALAXIES (PRIVATE) LIMITED	9,555	
	ATEEQ UR REHMAN - SPONSOR	14,850,000	
	NAVEED AMJAD - SPONSOR	12,350,000	
3	Modaraba and Mutual Funds	6,134,747	2.69
	CDC - TRUSTEE ALFALAH GHP STOCK FUND	1,516,000	
	CDC - TRUSTEE MEEZAN ISLAMIC FUND	1,040,000	
	CDC - TRUSTEE ALFALAH GHP ISLAMIC STOCK FUND	1,000,000	
	CDC - TRUSTEE GOLDEN ARROW STOCK FUND	600,000	
	CDC - TRUSTEE KSE MEEZAN INDEX FUND	403,996	
	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	332,000	
	CDC - TRUSTEE ALFALAH ASSET ALLOCATION FUND	275,000	
	CDC - TRUSTEE ALFALAH MTS FUND - MT	259,399	
	CDC - TRUSTEE NBP SAVINGS FUND - MT	183,209	
	DCCL - TRUSTEE AKD ISLAMIC STOCK FUND	125,000	
	CDC - TRUSTEE NBP MAHANA AMDANI FUND - MT	122,543	
	CDC - TRUSTEE ALFALAH GHP VALUE FUND	70,000	
	CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	50,000	
	CDC - TRUSTEE AKD INDEX TRACKER FUND	49,600	
	TRUST MODARABA	35,000	
	CDC - TRUSTEE ALFALAH STOCK FUND-II	35,000	
	CDC - TRUSTEE HBL INVESTMENT FUND	30,000	
	FIRST ELITE CAPITAL MODARABA	8,000	
4	Insurance Companies and Takaful	309,951	0.14
	E. F. U. GENERAL INSURANCE LIMITED	250,000	
	DAWOOD FAMILY TAKAFUL LIMITED	59,951	
5	Banks Development Financial Institutions, Non Banking Financial Institutions	1,292,789	0.57
	ASKARI BANK LIMITED - MT	1,292,789	

DETAILS OF PATTERN OF SHAREHOLDINGS

As At June 30, 2026

S. No.	Categories Shareholders	Shares Held	% Age
6	Joint Stock Companies	13,798,093	6.04
	JS GLOBAL CAPITAL LIMITED - MF	2,411,606	
	MUHAMMAD ANAF KAPADIA SECURITIES (SMC-PRIVATE) LIMITED	2,258,700	
	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LIMITED	2,177,616	
	FAWAD YUSUF SECURITIES (PVT.) LIMITED	1,320,373	
	ARIF HABIB LIMITED - MF	854,752	
	AFC UMBRELLA FUND	700,000	
	AMIN TAI (PRIVATE) LIMITED	700,000	
	TRADING ENTERPRISES (PVT) LTD	482,500	
	H. H. K.SECURITIES (PRIVATE) LIMITED	357,000	
	MUHAMMAD ANAF KAPADIA SECURITIES (SMC-PRIVATE) LIMITED	308,000	
	YB PAKISTAN LIMITED	213,000	
	B.R.R. GUARDIAN LIMITED	174,501	
	ARIF HABIB LIMITED	151,500	
	RAFI SECURITIES (PRIVATE) LIMITED	136,100	
	FIRST DAWOOD INVESTMENT BANK LIMITED	133,463	
	MRA SECURITIES LIMITED - MF	128,061	
	SUMMIT CAPITAL (PRIVATE) LIMITED	100,000	
	TRADE SMART SECURITIES (PRIVATE) LIMITED - MT	82,500	
	ADAM SECURITIES LTD. - MT	75,842	
	BULK MANAGEMENT PAKISTAN (PVT.) LTD.	65,000	
	ADAM USMAN SECURITIES (PRIVATE) LIMITED	62,500	
	BMA CAPITAL MANAGEMENT LTD. - MT	53,857	
	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF	53,600	
	ROCK WELL ENTERPRISES (PRIVATE) LIMITED	51,400	
	FDM CAPITAL SECURITIES (PVT) LIMITED	50,000	
	NOREEK (SMC-PRIVATE) LIMITED	50,000	
	HASEEB IMPEX	50,000	
	GPH SECURITIES (PRIVATE) LIMITED	50,000	
	PEARL SECURITIES LIMITED	48,000	
	ASHFAQUE AHMAD KHAWAJA	41,000	
	KHATIJA ADAMJEE FOUNDATION	40,000	
	ARBISOFT LIMITED	40,000	
	NINI SECURITIES (PRIVATE) LIMITED	35,800	
	R.T. SECURITIES (PVT) LIMITED	32,500	
	DAWOOD EQUITIES LTD.	31,706	
	JS GLOBAL CAPITAL LIMITED	26,219	
	F. D. REGISTRAR SERVICES (SMC-PRIVATE) LIMITED.	25,967	
	ZAHID LATIF KHAN SECURITIES (PVT) LTD.	20,343	
	WORLDCELL BUSINESS SOLUTIONS (PRIVATE) LIMITED	20,000	
	TRUST SECURITIES & BROKERAGE LIMITED - MF	19,983	
	HH MISBAH SECURITIES (PRIVATE) LIMITED	15,000	
	MANAGEMENT AND EDUCATIONAL SERVICES (PRIVATE) LIMITED	14,000	
	ALTAF ADAM SECURITIES (PVT) LTD.	13,500	
	AL-ZAMIN MODARABA MANAGEMENT (PRIVATE) LIMITED	10,000	
	DALAL SECURITIES (PVT) LTD.	10,000	
	SIDDIQ LEATHER WORKS (PVT) LIMITED	10,000	

DETAILS OF PATTERN OF SHAREHOLDINGS

As At June 30, 2026

S. No.	Categories Shareholders	Shares Held	% Age
	B. R. R. INVESTMENT (PRIVATE) LIMITED	10,000	
	BRR FINANCIAL SERVICES (PVT.) LIMITED	10,000	
	WILSHIRE LABORATRIES (PRIVATE) LIMITED	10,000	
	BABS CONSULTANTS (PRIVATE) LIMITED	10,000	
	DARSON SECURITIES (PRIVATE) LIMITED	9,500	
	MZW LOGISTICS (PVT.) LIMITED	6,025	
	CAPITAL FINANCIAL SERVICES (PVT.) LIMITED	5,000	
	BHAYANI SECURITIES (PVT) LTD.	5,000	
	PEARL SECURITIES LIMITED - MF	5,000	
	CREATIVE CAPITAL SECURITIES (PRIVATE) LIMITED - MF	4,550	
	FIRST AVENUE (PRIVATE) LIMITED	2,667	
	AXIS GLOBAL LIMITED	2,500	
	A B M SECURITIES (PVT.) LIMITED	2,200	
	ABA ALI HABIB SECURITIES (PVT) LIMITED - MF	2,000	
	ORBIT SECURITIES (PRIVATE) LIMITED - MF	2,000	
	ADAM SECURITIES LIMITED	1,000	
	EASTERN GARMENTS (PRIVATE) LIMITED	1,000	
	MULTILINE SECURITIES LIMITED - MF	1,000	
	BAWA SECURITIES (PVT) LTD. - MF	1,000	
	ADAM SECURITIES LTD. - MF	518	
	A.M.MANSUR LLP	500	
	CONTINENTAL CAPITAL MANAGEMENT (PVT) LTD	340	
	ADAM USMAN SECURITIES (PRIVATE) LIMITED - MT	200	
	LIZAZ PROPERTIES (PRIVATE) LIMITED	101	
	BRAINS SECURITIES (PRIVATE) LIMITED	50	
	MEPCEL ENGINEERS (PRIVATE) LIMITED	50	
	MAPLE LEAF CAPITAL LIMITED	1	
	B & B SECURITIES (PRIVATE) LIMITED	1	
	NMKB (PRIVATE) LIMITED.	1	
7	Others	2,846,573	1.25
	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	2,094,000	
	MASKATIYA CHARITABLE TRUST	329,910	
	AQEEL KARIM DHEDHI SECURITIES (PVT.) LIMITED STAFF PRO.FUND	140,000	
	CDC TRUSTEE - PUNJAB PENSION FUND TRUST	100,000	
	TRUSTEE-THE CRESCENT TEXTILE MILLS LTD EMPL. PROVIDENT FUND	65,000	
	TRUSTEE-FIRST DAWOOD INV. BANK LTD. & OTHER EMPOLYEES P.FUND	52,000	
	TRUSTEES OF FRIENDS EDUCATIONAL AND MEDICAL TRUST	32,000	
	TRUSTEE ALOO & MINOCHER DINSHAW CHARITABLE TRUST	12,500	
	PHILIP MORRIS (PAK) LTD. EMPLOYEES GRATUITY FUND	7,500	
	TRUSTEES HOMMIE&JAMSHED NUSSEERWANJEE C.T	7,150	
	PHILIP MORRIS (PAK) LIMITED EMPLOYEES CONTRIBUTORY PROV FUND	4,000	
	CDC - TRUSTEE EFU HEMAYAH PENSION FUND - EQUITY SUB FUND	2,500	
	GETZ PHARMA (PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	13	

DETAILS OF PATTERN OF SHAREHOLDINGS

S. No.	Categories Shareholders	Shares Held	% Age
8	General Public	87,664,127	38.37
Total		228,461,200	100.00
Shareholders Holding Ten Percent Or More In The Company			
	MR. RIZWAN AHMAD	50,197,500	21.97

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to the members that the Annual General Meeting (the "AGM") of Citi Pharma Limited (the "Company") will be held on **Wednesday, October 28, 2026 at 12:30 p.m.** at the Company's Head Office situated at 588-Q, Johar Town, Lahore, to transact the following businesses:

Ordinary Business

1. To confirm the minutes of the last Extra Ordinary General Meeting of the Company held on September 18, 2026.
2. To receive, consider and adopt the Audited Financial Statements of the Company along with Consolidated Audited Financial Statements for the year ended June 30, 2026 together with Auditors' Reports, Directors' Report and Chairman's Review Report thereon.

The Board of Directors has decided not to recommend any dividend for the year ended June 30, 2026, after considering the Company's profitability, cash generation, working-capital requirements, planned capital expenditure and future funding requirements.

3. To appoint statutory auditors of the Company for the year ending June 30, 2027 and to fix their remuneration. The Board of Directors, upon the recommendation of the Audit Committee, has recommended M/s Aslam Malik & Co., Chartered Accountants, being eligible for re-appointment, at a fee to be mutually agreed, together with reimbursement of out-of-pocket expenses at actuals.
4. Any other business with the permission of the chair.

By the Order of the Board

Muhammad Rasheed Alam
Company Secretary

October 3, 2026
Lahore

Notes

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from October 22, 2026 to October 28, 2026 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi, at the close of business on October 21, 2026 will be treated in time for the purpose of attending and voting at the AGM.

2. Participation in the AGM Proceeds via video conferencing facility:

A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. The proxy need not be a member of the Company. The instrument appointing a proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified true copy thereof duly notarized, must be received at the Company's Head Office at 588-Q, Johar Town, Lahore, attention to the Company Secretary, not less than 48 hours before the time of the AGM.

Members are requested to bring their original CNIC or original passport for identification at the AGM. A corporate member shall provide its Board resolution or power of attorney, together with the specimen signature of its nominee, unless already provided to the Company.

NOTICE OF ANNUAL GENERAL MEETING

3. Participation through Video-Link Facility

Members interested in attending and participating in the AGM through video-link facility are requested to register with the Company by sending their request through email to corporate@citipharma.com.pk at least 48 hours before the time of the AGM, providing the following information:

- Name of Member
- CNIC / NTN No.
- Folio No. / CDC Investor Account No.
- Cell No.
- Email address

The video-link details and login credentials will be shared with members who have provided the required particulars. The login facility will be opened before the meeting to enable participants to complete the identification and verification process.

In accordance with Section 132(2) of the Companies Act, 2017, if members residing in a city other than the city where the AGM is held and holding at least ten percent of the total paid-up capital demand video-link facility at least seven days prior to the AGM, the Company will provide such facility in accordance with the applicable requirements.

4. Guidelines for CDC Account Holders

CDC Account Holders are requested to comply with the following requirements:

- For attending the AGM, an individual account holder, sub-account holder or person whose securities are in a group account shall authenticate his/her identity by producing the original CNIC or original passport.
- A representative of a corporate entity shall produce the Board resolution or power of attorney, together with the specimen signature of the nominee.
- For appointing a proxy, the proxy form shall be submitted in accordance with the applicable requirements.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers are stated on the form.
- Attested copies of the CNIC or passport of the beneficial owner and the proxy shall be furnished with the proxy form.
- The proxy shall produce his/her original CNIC or original passport at the time of the AGM.

5. Change of Address

Members holding shares in physical form are requested to promptly notify the Company's Share Registrar of any change in their address. Members holding shares in electronic form should update their address with their respective Participant or CDC Investor Account Services.

6. Electronic Transmission of Notice and Annual Report

In accordance with the applicable SECP requirements, the Notice of AGM and the Annual Report of the Company for the year ended June 30, 2026, including the audited financial statements and the reports thereon, will be transmitted electronically to those members whose email addresses are available with the Company/Share Registrar. The Notice of AGM and Annual Report will also be made available on the Company's website at www.citipharma.com.pk.

Members may request a hard copy of the Annual Report by submitting the prescribed request to the Company Secretary/ Share Registrar. The hard copy will be provided free of cost within the prescribed period.

7. Availability of Annual Report on Website

The Annual Report of the Company for the year ended June 30, 2026, is available on the Company's website at www.citipharma.com.pk. Members are encouraged to access the Annual Report through the website/QR-enabled link provided with the Notice.

NOTICE OF ANNUAL GENRAL MEETING

Annual Report / AGM Notice

Scan the QR code to access the Annual Report and AGM-related information on the Company's website.

QR Code**8. Unclaimed Dividend and Shares**

Shareholders who have unclaimed dividends or shares are advised to contact the Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi, to lodge their claims or obtain further information. Any unclaimed dividend or shares will be dealt with in accordance with Section 244 of the Companies Act, 2017 and the applicable regulations.

9. Conversion of Physical Shares into Book-Entry Form

In compliance with Section 72 of the Companies Act, 2017, shareholders holding physical shares are requested to convert their shares into book-entry form through the Central Depository System. Members may contact the Company's Share Registrar for assistance in this regard.

10. Code of Conduct and Restriction on Gifts

Members are requested to comply with the applicable requirements governing the conduct of shareholders at general meetings, including confining their comments and discussions to the agenda items and the affairs of the Company and maintaining appropriate conduct at the meeting.

اطلاع سالانہ اجلاس عام

اطلاع سالانہ اجلاس عام سٹی فارما لمیٹڈ سٹی فارما لمیٹڈ

بذریعہ ہذا ارکان کو مطلع کیا جاتا ہے کہ سٹی فارما لمیٹڈ کا سالانہ اجلاس عام 28 اکتوبر 2026 بروز بدھ دوپہر 3:30 بجے بمقام Q-588 بلاک M.A. جو ہرٹاؤن، لاہور پر درج ذیل امور کی انجام دہی کے لیے منعقد ہوگا:

عام امور:

- 18- ستمبر 2026 کو منعقدہ گزشتہ غیر معمولی اجلاس عام (EOGM) کی کارروائی کی توثیق کرنا۔
- 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے (بشمول مجموعی/کنسولیڈیٹڈ آڈٹ شدہ مالیاتی گوشوارے) اور ان پر آڈیٹرز کی رپورٹس، ڈائریکٹرز کی رپورٹ اور چیئرمین کے جائزے کی رپورٹ وصول کرنا، ان پر غور کرنا اور انہیں منظور کرنا۔
- بورڈ آف ڈائریکٹرز نے کمپنی کی منافع بخشی، نقد رقم کی آمد (کیش جزییشن)، ورکنگ کیپٹل کی ضروریات، منصوبہ بند سرمایہ کاری اخراجات اور مستقبل میں فنڈنگ کی ضروریات کو مد نظر رکھتے ہوئے 30 جون 2026 کو ختم ہونے والے سال کے لیے کسی بھی قسم کے منافع حصص (ڈیویڈنڈ) کی سفارش نہ کرنے کا فیصلہ کیا ہے۔
- 30 جون 2027 کو ختم ہونے والے سال کے لیے کمپنی کے قانونی آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کا تعین کرنا۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمٹی کی سفارش پر، دوبارہ تقرری کے اہل 'میسرز اسلم ملک اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کے نام کی سفارش کی ہے؛ ان کی فیس باہمی رضامندی سے طے کی جائے گی اور اس کے علاوہ دفتری امور کے دوران ہونے والے اخراجات کی اصل لاگت کے مطابق ادائیگی کی جائے گی۔
- 4- صاحبِ صدک کی اجازت سے کوئی دیگر امور سرانجام دینا۔

05 اکتوبر 2026

حسب الحکم بورڈ

(محمد رشید عالم)

کمپنی سیکرٹری

لاہور

نوٹ:

1- کتابوں کی بندش:

کمپنی کی منتقلی کے سہولت دہانے، مورخہ 22-10-2026 تا 28-10-2026 (بشمول ہر دو ایام) بند رہیں گی۔ مادی منتقلیاں/ CDS ٹرانزیکشنز/ IDs، درست کمپنی کے شیئر رجسٹرار، میسرز، ایف ڈی رجسٹرار سرورسز (پرائیوٹ) لمیٹڈ 17 ویں منزل، صائبر ٹیڈ ٹاور، A، اینی اینی چند بگ روڈ، کراچی میں 21 اکتوبر 2026 کو وصول ہونیوالی اجلاس میں شرکت کے لیے بروقت تصور ہوگی۔

2- سالانہ عام اجلاس (AGM) میں شرکت اور پراکسی (Proxy) کی تقرری

وہ رکن جو سالانہ عام اجلاس میں شرکت اور ووٹ دینے کا حق رکھتا ہو، وہ اپنی جگہ شرکت اور ووٹ دینے کے لیے کسی پراکسی (نمائندے) کو مقرر کر سکتا ہے۔ ضروری نہیں کہ پراکسی کمپنی کا رکن ہو۔ پراکسی کی تقرری کا دستاویز، بمعہ مختار نامہ یا دیگر اختیار نامہ (اگر کوئی ہو) جس کے تحت اس پر دستخط کیے گئے ہوں، یا اس کی نوٹری سے تصدیق شدہ نقل، اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے ہیڈ آفس (پتہ: Q-588، جو ہرٹاؤن، لاہور) میں کمپنی سیکریٹری کے نام موصول ہو جانی چاہیے۔

ارکان سے گزارش ہے کہ اجلاس میں شناخت کے لیے اپنا اصل شناختی کارڈ (CNIC) یا اصل پاسپورٹ ساتھ لائیں۔ کارپوریٹ رکن کو اپنی بورڈ کی قرارداد یا مختار نامہ، بمعہ اپنے نامزد کردہ نمائندے کے دستخطوں کے نمونے (specimen signature) فراہم کرنا ہوں گے، بشرطیکہ یہ پہلے ہی کمپنی کو فراہم نہ کیے گئے ہوں۔

3- ویڈیولنک کی سہولت کے ذریعے شرکت

جو ارکان ویڈیولنک کی سہولت کے ذریعے اجلاس میں شرکت کرنے کے خواہشمند ہیں، ان سے گزارش ہے کہ وہ اجلاس کے وقت سے کم از کم 48 گھنٹے قبل corporate@citipharma.com.pk پر ای میل کے ذریعے اپنی درخواست بھیج کر کمپنی کے پاس رجسٹریشن کروائیں اور درج ذیل معلومات فراہم کریں:

رکن کا نام شناختی کارڈ (CNIC)/NTN نمبر فوئیو نمبر/ CDC انویسٹر کاؤنٹ نمبر موبائل نمبر ای میل ایڈریس

ویڈیولنک کی تفصیلات اور لاگ ان کی معلومات ان ارکان کے ساتھ شیئر کی جانیں گی جنہوں نے مطلوبہ تفصیلات فراہم کی ہیں۔ لاگ ان کی سہولت اجلاس سے قبل کھول دی جائے گی تاکہ شرکاء شناخت اور تصدیق کا عمل مکمل کر سکیں۔ کمپنیز ایکٹ 2017 کی دفعہ 132 (2) کے مطابق، اگر ایسے ارکان جو اس شہر کے علاوہ کسی اور شہر میں رہائش پذیر ہوں جہاں اجلاس منعقد ہو رہا ہے اور جو کل ادا شدہ سرمائے کا کم از کم دس فیصد حصہ رکھتے ہوں، اجلاس سے کم از کم سات دن قبل ویڈیولنک کی سہولت کا مطالبہ کریں، تو کمپنی قابل اطلاق تقاضوں کے مطابق یہ سہولت فراہم کرے گی۔

4. سی ڈی سی (CDC) کاؤنٹ ہولڈرز کے لیے ہدایات

سی ڈی سی کاؤنٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ درج ذیل تقاضوں کی تعمیل کریں:

• سالانہ عام اجلاس (AGM) میں شرکت کے لیے، انفرادی کاؤنٹ ہولڈر، سب کاؤنٹ ہولڈر یا وہ شخص جس کی سیکورٹیز گروپ کاؤنٹ میں موجود ہوں، اپنا اصل شناختی کارڈ (CNIC) یا اصل پاسپورٹ پیش کر کے اپنی شناخت کی تصدیق کرے گا۔

• کارپوریٹ ادارے کا نمائندہ بورڈ کی قرارداد یا مختار نامہ پیش کرے گا، جس کے ساتھ نامزد شخص کے نمونہ دستخط بھی منسلک ہوں۔

• پراکسی (proxy) مقرر کرنے کے لیے، پراکسی فارم متعلقہ تقاضوں کے مطابق جمع کرایا جائے گا۔

• پراکسی فارم کی تصدیق دواپسے گواہوں کے ذریعے کی جائے گی جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج ہوں۔

اطلاع سالانہ اجلاس عام

• پراسی کو اجلاس (AGM) کے وقت اپنا اصل شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

5۔ پتے کی تبدیلی

جن اراکین کے پاس حصص (shares) فزیکل شکل میں موجود ہیں، ان سے درخواست ہے کہ وہ اپنے پتے میں کسی بھی تبدیلی کی اطلاع فوری طور پر کمپنی کے شیئر رجسٹرار کو دیں۔ جن اراکین کے پاس حصص الیکٹرانک شکل میں ہیں، انہیں چاہیے کہ وہ اپنے متعلقہ پارٹنرپنٹ (Participant) یا 'سی ڈی سی انویسٹر اکاؤنٹ سروسز' (Investor Account Services CDC) کے پاس اپنا پتہ اپ ڈیٹ کروائیں۔

6۔ نوٹس اور سالانہ رپورٹ کی الیکٹرانک ترسیل

ایس ای سی پی (SECP) کے قابل اطلاق تقاضوں کے مطابق، سالانہ عام اجلاس (AGM) کا نوٹس اور 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ (بشمول آڈٹ شدہ مالیاتی گوشوارے اور ان پرنٹی رپورٹس) ان اراکین کو الیکٹرانک طور پر بھیجی جائے گی جن کے ای میل پتے کمپنی/شیئر رجسٹرار کے پاس موجود ہیں۔ اے جی ایم کا نوٹس اور سالانہ رپورٹ کمپنی کی ویب سائٹ www.citipharma.com.pk پر بھی دستیاب ہوں گے۔

اراکین کمپنی سیکرٹری/شیئر رجسٹرار کو مقررہ درخواست جمع کروا کر سالانہ رپورٹ کی بارڈ کا پی (کانغذی شکل) حاصل کر سکتے ہیں۔ یہ بارڈ کا پی مقررہ مدت کے اندر بلا معاوضہ فراہم کی جائے گی۔

7۔ ویب سائٹ پر سالانہ رپورٹ کی دستیابی

30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ www.citipharma.com.pk پر دستیاب ہے۔ اراکین کی حوصلہ افزائی کی جاتی ہے کہ وہ ویب سائٹ یا نوٹس کے ساتھ فراہم کردہ QR-enabled لنک کے ذریعے سالانہ رپورٹ تک رسائی حاصل کریں۔



سالانہ رپورٹ / اے جی ایم نوٹس

کمپنی کی ویب سائٹ پر سالانہ رپورٹ اور اے جی ایم سے متعلقہ معلومات تک رسائی کے لیے QR کوڈ اسکرین کریں۔ QR کوڈ

8۔ غیر دعویٰ شدہ ڈیویڈنڈ اور حصص

جن شیئر ہولڈرز کے ڈیویڈنڈ یا حصص کا ابھی تک دعویٰ نہیں کیا گیا، انہیں مشورہ دیا جاتا ہے کہ وہ اپنے دعوے جمع کروانے یا مزید معلومات حاصل کرنے کے لیے کمپنی کے شیئر رجسٹرار، میسرز ایف ڈی رجسٹرار سروسز (پرائیویٹ) لمیٹڈ (انڈیریس: 17 ویں منزل، سانما ٹریڈ ٹاور- اے، آئی آئی چندریگر روڈ، کراچی) سے رابطہ کریں۔ کسی بھی غیر دعویٰ شدہ ڈیویڈنڈ یا حصص کے معاملے کیلینڈر ایکٹ 2017 کی دفعہ 244 اور قابل اطلاق ضوابط کے مطابق نمٹایا جائے گا۔

9۔ فزیکل شیئرز کی بک ٹریڈ میں منتقلی

کیلینڈر ایکٹ 2017 کی دفعہ 72 کی تعمیل میں، فزیکل شیئرز کے حامل شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو 'سینٹرل ڈپازٹری سسٹم' کے ذریعے بک-انٹری شکل میں منتقل کروالیں۔ اراکین اس سلسلے میں رہنمائی یا مدد کے لیے کمپنی کے 'شیئر رجسٹرار' سے رابطہ کر سکتے ہیں۔

10۔ ضابطہ اخلاق اور تحائف کی ممانعت

اراکین سے درخواست کی جاتی ہے کہ وہ جنرل مینٹلز میں شیئر ہولڈرز کے طرز عمل سے متعلقہ اصولوں کی پاسداری کریں، بشمول اس بات کے کہ وہ اپنی گفتگو اور تبصروں کو ایجنڈے کے نکات اور کمپنی کے معاملات تک محدود رکھیں اور اجلاس کے دوران مناسب رویہ اختیار کریں۔

کیلینڈر ایکٹ 2017 کی دفعہ 185 اور 17 مارچ 2025 (I) S.R.O. 452/2025 کی تعمیل میں، سالانہ جنرل مینٹنگ (AGM) کے موقع پر شیئر ہولڈرز میں کسی بھی قسم یا انداز میں کوئی تحفہ تقسیم نہیں کیا جائے گا۔

GENDER PAY GAP DISCLOSURE

Citi Pharma Limited (CPHL) is committed to transparency in pay practices and fair compensation for all employees. In line with the SECP's directive on gender pay gap disclosure, CPHL has reviewed its wage data across the organization.

While differences exist due to variations in role, experience, and systemic business factors, CPHL is taking steps to reduce the gender pay gap by ensuring consistent pay structures, benchmarking compensation against business best practices, and actively promoting women into higher-level roles.

The gender pay gap analysis for the financial year ended 30 June 2026 is as follows:

Mean Gender Pay Gap: 23.0%
Median Gender Pay Gap: 14.8%

	Male (PKR)	Female (PKR)
Mean Hourly Wage Rate	932.00	718.00
Median Hourly Wage Rate	595.50	507.25

PROXY OF FORM

The Secretary
Citi Pharma Limited
588 Q, Johar Town, Lahore

I/We, _____ of _____

shareholder of Citi Pharma Limited, holding _____ ordinary share(s) as per Register

Folio No. / CDC Account No. _____ hereby appoint

_____ of _____ holding CNIC/Passport

No. _____ or failing him/her hereby appoint

_____ of _____ holding CNIC/Passport No.

_____ as my/our proxy, to attend and vote for me/us and on my/our behalf
at the Annual General Meeting of the Company, to be held on Wednesday, October 28, 2026 at
12:30 p.m. and/or any adjournment thereof.

Signed this ____ day of ____ 2026

Witness 1:

Signature: _____

Name: _____

CNIC#: _____

Address: _____

[Signature should agree with the
specimen signature registered with the
Company]

Witness 2:

Signature: _____

Name: _____

CNIC#: _____

Address: _____

Signature of Member(s)

Shareholder's Folio No.:

and/or CDC Participant I.D. No.:

and Sub-Account No.:

Shareholder's CNIC #:

Note:

1. The member is requested:

i) To sign in the given box in the same style of signature as is registered with the Company.

ii) To write down his/her/their folio number.

111) Attach an attested photocopy of their valid Computerized National Identity Card/Passport/Board Resolution and the copy of CNIC of the proxy, with this proxy form before submission.

2. In order to be valid, this proxy must be received at the registered office of the Company at least 48 hours before the time fixed for the meeting, duly completed in all respects.

3. CDS Shareholders or their proxies should bring their original computerized national Identity card or passport along with the Participant's ID Number and their Account Number to facilitate their Identification. Detailed procedure is given in the notes to the notice of AGM.

Second Fold

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Stamp

Head Office
588-Q Block, M.A., Johar Town, Lahore
Tel: +92-42-35316587

Third Fold and Tuck In

First Fold



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