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A YOUSUF DEWAN COMPANY

HALF YERALY REPORT
**DECEMBER
2025**



**RIISING TO
THE CHALLENGE**

CONTENTS

Company information	2
Director's report (english)	3
Independent auditor's review report	5
Condensed interim statement of financial position	7
Condensed interim statement of profit or loss	8
Condensed interim statement of comprehensive income	9
Condensed interim statement of cash flows	10
Condensed interim statement of changes in equity	11
Notes to the condensed interim financial statements	12
Director's report (Urdu)	18

COMPANY INFORMATION

Board Of Directors

Executive Director

Mr. Waseem-ul- Haque Ansari

Chief Executive Officer

Non-Executive Directors

Mr. Ghazanfar Baber Siddiqi

Chairman Board of Directors

Mr. Mehmood-ul-Hassan Asghar

Mr. Abdul Basit

Mr. Muhammad Hanif German

Mrs. Nida Jamil

Female Director

Independent Director

Mr. Aziz-ul-Haque

Audit Committee

Mr. Aziz-ul-Haque

Chairman

Mr. Ghazanfar Baber Siddiqi

Member

Mr. Abdul Basit

Member

Human Resource & Remuneration Committee

Mr. Aziz-ul-Haque

Chairman

Mr. Waseem-ul- Haque Ansari

Member

Mr. Abdul Basit

Member

Chief Financial Officer

Mr. Muhammad Farooq Khan

Company Secretary

Mr. Muhammad Hanif German

Registered Office

Dewan Centre, 3-A, Lalazar, Beach Luxury Hotel Road, Karachi, Pakistan

Factory

Jilaniabad, Budhu Talpur, District Sajawal, Sindh.

Auditors

Faruq Ali & Co., Chartered Accountants

Legal Advisors

A.K. Brohi & Co.

Shares Registrar / Transfer Agent

BMF Consultants Pakistan (Pvt.) Limited

Bankers

Allied Bank Limited

JS Bank Limited

Askari Bank Limited

MCB Bank Limited

Bank Alfalah Limited

Meezan Bank Limited

Bank Islami Pakistan Limited

National Bank of Pakistan

Bank Makramah Limited

United Bank Limited

Bank of Khyber

Standard Chartered Bank

BankIslami Pakistan Limited

The Bank of Punjab

Dubai Islamic Bank Limited

U Microfinance Bank Limited.

Faysal Bank

UBL Ameen Islamic Banking

Habib Bank Limited

Saudi Pak Industrial and Agricultural Investment Company Limited

DIRECTORS' REPORT

The Board of Directors is pleased to present the unaudited condensed interim financial statements for the half-year ended 31st December 2025.

Pakistan Economic Overview

During the period under review, the State Bank of Pakistan (SBP) continued its monetary easing, lowering the policy rate by 50 basis points to 10.5% at its Monetary Policy Committee meeting held on 15 December 2025. Headline inflation remained contained, with monthly CPI readings of 6.2% in October, 6.1% in November and 5.6% in December, averaging 6.0% over the quarter. In its December review, the International Monetary Fund (IMF) observed that Pakistan posted its first current account surplus in 14 years in FY2024–25 and that the rebuilding of foreign exchange reserves had continued. The IMF also cautioned that flood-related disruptions pose risks to food prices and economic growth.

Automobile Industry Overview

The automobile industry continued to operate amid evolving financing conditions and a changing policy landscape. According to the Pakistan Automotive Manufacturers Association (PAMA), car sales for the quarter ended 31 December 2025 totalled 46,064 units (October: 17,333; November: 15,442; December: 13,280), representing an increase of approximately 40% over the 32,987 units sold in the corresponding quarter of 2024. Car production likewise rose to 48,397 units (October: 18,948; November: 16,495; December: 12,954), an increase of 39.0% over the 34,821 units produced in the same quarter last year.

On the policy front, the New Energy Vehicle (NEV) Policy 2025–30 provides a framework for the expansion of electric mobility, while the Auto Industry Development and Export Policy 2021–26 remains relevant to local manufacturing and exports.

Company's Performance

During the period under review, the financial performance of the Company along with the comparative figures is as follows.

	31 December 2025	31 December 2024
	(Rupees in million)	
Gross Sales	661.998	488.061
Gross loss	(153.054)	(123.255)
Net loss after tax	(328.890)	(232.408)

Assembling of the “Kia Shehzore” and other variants carries on at our facility. Limited working capital continues to hold back the scale of operations, so sales remained modest despite some support from market demand.

Our sister concern, Eco-Green Motors Limited, continues to have its “Honri VE” electric vehicles built at our plant under the toll arrangement started in August 2024, which has steadily strengthened our cost position.

Management is working on supply chain efficiency, working capital availability, and better after-sales support. By focusing on cost-efficient local assembly and widening the product range with KIA's support, the Company aims to build its share in the light commercial vehicle segment. We are also watching the New Energy Vehicle Policy (2025-30), which favors a market-driven shift toward sustainability and localization.

Observations in the Auditors' Review Report

The auditors have qualified their report on the following basis, which are duly explained.

a) Non-Provisioning of Markup:

The management approached its lenders for restructuring of its debts and is confident that the Company's restructuring proposals without markup will be accepted by the financial institutions / Banks. Therefore, the Company has not made any provision of mark-up as the same will not be payable as per the proposed restructuring terms and this reflects present commercial reality of financial position of the Company.

b) Emphasis of matter on Going concern assumption:

The Board remains fully committed to the Company's continued operations and growth. The production of the KIA Shehzore in three variants, along with the assembly of the Honri-VE 2.0 and 3.0 electric vehicles, has allowed the Company to generate revenue and open up new business opportunities.

While the auditors have drawn attention to past losses and cash flow pressures, these arose mainly during the periods when operations were suspended. The Company is actively addressing these matters through a range of measures, and the Board firmly believes these conditions are temporary and will reverse over time. Once the restructuring of existing debt is finalized and new vehicle models are introduced, the Board is confident that the Company will be able to secure working capital lines and move toward stable, profitable, and sustainable growth.

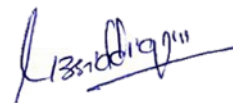
Conclusion

In conclusion, we bow, beg and pray to Almighty, Rehman-o-Rahim, in the name of his beloved Prophet, peace be upon him, for continued showering of His blessing, guidance, strength, health and prosperity to us, our Company, country and nation and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah, Ameen, Summa Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)



Waseem ul Haq Ansari
Chief Executive



Ghazanfar Babar Siddiqui
Chairman Board of Director

Karachi: **23 October 2026**

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dewan Farooque Motors Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Dewan Farooque Motors Limited ('the Company') as at 31 December 2025, the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (hereinafter referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2025 and 31 December 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2025.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

The Company has not made provisions of mark-up for the six-month period amounting to Rs. 288.170 million (Up to 31 December 2025: Rs. 10,284.110 million) (refer Note 12) on account of the restructuring proposal offered to the lenders as described in Note 2 to the condensed interim financial statements. We do not concur with management's view regarding the non-provisioning of mark-up. Accordingly, provision for mark-up should have been recognized in these condensed interim financial statements. Had the provision of markup been made in the condensed interim financial statement, the profit for the period would have been lower by Rs. 288.170 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs. 10,284.110 million.

Qualified conclusion

Based on our review, except for the matter described in the Basis for Qualified Conclusion section, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the condensed interim financial statements, which describes the material uncertainty related to going concern. Our conclusion is not modified in respect of this matter.

Note 2 to the condensed interim financial statements indicates a loss after taxation of Rs. 328.890 million and accumulated losses of Rs. 5,994.573 million as at 31 December 2025. As of that date, current liabilities exceeded current assets by Rs. 4,522.321 million. Furthermore, the Company has been unable to ensure timely repayments of debts owing to financial institutions due to liquidity problems and the short-term facilities have not been renewed by banks/financial institutions. Following course most of the lenders have gone into litigation for recovery of loans through attachment and sale of Company's hypothecated / mortgaged properties. These conditions, along with other matters set forth in Note 2, indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. The amounts reported in Note 2 do not include the effect of the matter described in the Basis of Qualified Conclusion section.

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

**CHARTERED ACCOUNTANTS****Place: Karachi****Dated: 26 October 2026****UDIN: RR202510178neOdVMcSy**

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Notes	(Un-audited) 31 December 2025	(Audited) 30 June 2025
----- (Rupees in '000) -----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,004,997	1,035,846
Intangible assets		2,322	3,019
Investment	7	548,277	630,870
		1,555,596	1,669,735
CURRENT ASSETS			
Stores and spares		57,645	57,466
Stock-in-trade		1,285,012	1,006,861
Trade debts - Considered good		672	672
Advances, deposits, prepayments and other receivables - Considered good		1,064,925	1,274,917
Taxation - Net		44,235	43,684
Cash and bank balances		165,685	214,064
		2,618,174	2,597,664
		4,173,770	4,267,399
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
300,000,000 (June 2025: 150,000,000) Ordinary shares of Rs.10 each		3,000,000	1,500,000
Issued, subscribed and paid-up share capital		2,999,917	1,387,353
Accumulated losses		(5,994,573)	(5,665,683)
		(2,994,656)	(4,278,330)
NON-CURRENT LIABILITIES			
Long term security deposits		23,700	18,700
Deferred liabilities		4,231	4,231
		27,931	22,931
CURRENT LIABILITIES			
Short term loan from related parties	8	603,621	2,116,185
Trade and other payables		1,342,230	1,211,969
Unclaimed dividend		1,802	1,802
Short term finances and book over draft - secured	9	4,095,913	4,095,913
Current maturity of long term loans		1,096,929	1,096,929
		7,140,495	8,522,798
CONTINGENCIES AND COMMITMENTS			
	10	--	--
		4,173,770	4,267,399

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-Ul-Haq Ansari
Chief Executive



Mehmood-ul-Hasan Asghar
Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - Unaudited

	Notes	Half Year Ended		Quarter Ended	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		---- (Rupees in '000) ----		---- (Rupees in '000) ----	
Sales - Net		531,105	399,559	376,928	202,727
Cost of sales		(684,159)	(522,814)	(443,700)	(241,850)
Gross loss		(153,054)	(123,255)	(66,772)	(39,123)
Operating expenses					
Marketing and distribution expenses		(44,328)	(29,400)	(21,634)	(14,769)
Administration and general expenses		(42,118)	(34,776)	(23,959)	(13,655)
Operating loss		(239,500)	(187,431)	(112,365)	(67,547)
Other loss	11	(81,822)	(39,665)	(28,502)	(5,701)
Finance cost	12	(929)	(149)	(192)	(127)
Loss before levies and income tax		(322,251)	(227,245)	(141,059)	(73,375)
Levies		(6,639)	(4,994)	(4,712)	(2,534)
Loss before income tax		(328,890)	(232,239)	(145,771)	(75,909)
Taxation - Net		--	(169)	--	--
Loss for the year		(328,890)	(232,408)	(145,771)	(75,909)
Loss per share - Basic and diluted		(1.44)	(1.68)	(0.83)	(0.55)

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-Ul-Haq Ansari
Chief Executive



Mehmood-ul-Hasan Asghar
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - Unaudited**

Notes	Half Year Ended		Quarter Ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	---- (Rupees in '000) ----		---- (Rupees in '000) ----	
Loss for the period	(328,890)	(232,408)	(145,771)	(75,909)
Other comprehensive income	--	--	--	--
Total comprehensive loss for the period	(328,890)	(232,408)	(145,771)	(75,909)

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-Ul-Haq Ansari
Chief Executive



Mehmood-ul-Hasan Asghar
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - Unaudited**

Issued, subscribed and paid-up share capital	Revenue Reserves		Total
	Accumulated losses	Total reserves	

----- (Rupees in '000) -----

Balance as at 1 July 2024	1,387,353	(5,087,240)	(5,087,240)	(3,699,887)
Total comprehensive loss for the period	--	(232,408)	(232,408)	(232,408)
Balance as at 31 December 2024	1,387,353	(5,319,648)	(5,319,648)	(3,932,295)
Balance as at 1 July 2025	1,387,353	(5,665,683)	(5,665,683)	(4,278,330)
Shares issued during the period	1,612,564	--	--	1,612,564
Total comprehensive loss for the period	--	(328,890)	(328,890)	(328,890)
Balance as at 31 December 2025	2,999,917	(5,994,573)	(5,994,573)	(2,994,656)

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-ul-Haq Ansari
Chief Executive



Mehmood-ul-Hasan Asghar
Director

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - Unaudited**

	Notes	31 December 2025	31 December 2024
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(322,251)	(227,245)
<i>Adjustment for non-cash and other items:</i>			
Depreciation		43,129	41,436
Amortization of intangible asset		697	697
Loss due to change in valuation of investment in associates		82,593	40,158
Financial charges		929	149
		127,348	82,440
		(194,903)	(144,805)
<i>Movement in working capital:</i>			
<i>(Increase) / decrease in current assets</i>			
Stores and spares		(179)	2,375
Stock-in-trade		(278,151)	(188,988)
Advances, deposits, pre-payments & other receivables		209,992	(16,794)
<i>Increase / (decrease) in current liabilities</i>			
Trade and other payables		130,261	60,544
Long term security deposits		5,000	900
Net changes in working capital		66,923	(141,963)
Cash used in operation		(127,980)	(286,768)
<i>Payments for:</i>			
Taxes		(7,190)	(1,473)
Finance cost		(929)	(149)
Net cash outflows from operating activities		(136,099)	(288,390)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures incurred		(12,280)	(47,775)
Net cash outflows from investing activities		(12,280)	(47,775)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term loan from Related Parties		100,000	420,000
Net cash inflows from financing activities		100,000	420,000
Net (decrease) / increase in cash and cash equivalents		(48,379)	83,835
Cash and cash equivalents at the beginning of the period		(1,763,960)	(1,910,808)
Cash and cash equivalents at the end of the period		(1,812,339)	(1,826,973)

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



Muhammad Farooq Khan
Chief Financial Officer



Waseem-Ul-Haq Ansari
Chief Executive



Mehmood-ul-Hasan Asghar
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2025 - Unaudited

1 THE COMPANY AND ITS OPERATIONS

Dewan Farooque Motors Limited (the Company) was incorporated in Pakistan on 28 December 1998 as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange. The principal activity of the Company is the assembly, progressive manufacturing and sale of vehicles in Pakistan.

The Company commenced commercial production through the interim facility from 01 January 2000 and main facility came into commercial operation from 01 January 2001.

The Company signed a Technical Licence Agreement (TLA) with KIA Corporation on 7 November 2022 for the assembly and progressive manufacturing of commercial vehicles. Accordingly, production commenced in June 2024 under the brand name KIA Shehzore.

The registered office of the Company is situated at Dewan Centre, 3-A Lalazar, Beach Hotel Road, Karachi, while its manufacturing facilities are situated at Jilianabad, Budhu Talpur, District Sajawal, Sindh.

2 GOING CONCERN ASSUMPTION

The Company has incurred a loss after taxation of Rs. 328.890 (June 2025: Rs. 578.442) million during the half year ended 31 December 2025. As of the reporting date, it has accumulated losses of Rs. 5.995 (June 2025: Rs. 5.666) billion and its current liabilities exceeded its current assets by Rs. 4.522 (June 2025: Rs. 5.925) billion. Furthermore, cumulatively the Company has not provided markup on its borrowings from banks and financial institution amounting to Rs. 10.284 (June 2025: Rs. 9.996) billion. Further the Company has been unable to ensure timely repayments of debts owing to financial institutions due to liquidity problems and the short term facilities have not been renewed by banks/financial institutions. Following course most of the lenders have gone into litigation for recovery of loans through attachment and sale of Company's hypothecated / mortgaged properties. These conditions indicate the existence of material uncertainty, which may cast significant doubt about Company's ability to continue as going concern.

These condensed interim financial statements have been prepared on going concern assumptions because the conditions being faced by the Company are temporary and would reverse in foreseeable future. As the company has successfully resumed its operations of manufacturing and sale of vehicles consequent to the execution of TLA. Moreover, Company is also manufacturing electric vehicles on toll basis for its associated concern. The management is confident that resumption of manufacturing operations will bring about improved results in future. Furthermore, the Company is defending its legal cases successfully and restructuring of company's debt is in advanced stage and expected to be concluded in ensuing financial year. Management is also hopeful that all the outstanding markup will be waived therefore no provision of markup has been made in these financial statements. The company's ability to arrange funds from its associates / sponsors is yet another positive factor which mitigates the risks involved. All these mitigating factors reduce the risks relating to company's ability to continue as going concern, accordingly preparation of these financial statements using the going concern assumption is justified.

3 BASIS OF PREPARATION

3.1 These condensed interim financial statements of the Company for the half year ended 31 December 2024 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act,
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017

3.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2025.

3.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended 31 December 2025 and 31 December 2024 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended 31 December 2025 and 31 December 2024.

4 MATERIAL ACCOUNTING POLICY INFORMATION

4.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of annual audited financial statements of the Company for the year ended 30 June 2025.

5 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements. The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended 30 June 2025.

6 PROPERTY, PLANT AND EQUIPMENT

		(Un-audited) 31 December 2025	(Audited) 30 June 2025
		----- (Rupees in '000) -----	
Tangible operating assets	6.1	1,004,515	1,035,364
Capital work in progress		482	482
		<u>1,004,997</u>	<u>1,035,846</u>



(Un-audited)	(Audited)
31 December	30 June
2025	2025
----- (Rupees in '000) -----	

6.1 Operating fixed assets - Tangible

Opening Cost	1,035,364	1,030,042
Additions during the period / year	12,280	90,527
	1,047,644	1,120,569
Depreciation charged during the period / year	(43,129)	(85,205)
	1,004,515	1,035,364

6.2 Detail of additions during the period are as follows:

Plant and machinery	--	26,069
Vehicle	10,158	58,677
Office equipment	2,122	5,781
	12,280	90,527

7 INVESTMENT***Investment in Ordinary shares of Dewan Cement Limited (DCL) - Related party***

65,375,455 (June 2024: 65,375,455) Ordinary shares of Rs. 10 each	804,131	804,131
Share of (loss)	(255,854)	(173,261)
	548,277	630,870
Fair value as per market price quoted in Pakistan Stock Exchange	834,845	929,639
Market value (rupees per share)	12.77	14.22
Percentage of equity held	13.50%	13.50%

8 SHORT TERM LOAN FROM RELATED PARTIES***Sponsor loan***

Balance at the beginning of the year	865,112	605,112
Add: Received during the year	100,000	260,000
Less: Shares issued during the period	(594,770)	--
	370,342	865,112

Related party

Associated company	1,251,073	1,251,073
Less: Shares issued during the period	(1,017,794)	--
	233,279	1,251,073
	603,621	2,116,185

8.1 These represent unsecured, interest-free loans obtained from the sponsor and an associated company to meet the Company's working capital requirements and are repayable on demand. During the period, following approval by the shareholders and the Securities and Exchange Commission of Pakistan under Section 83(1)(b) of the Companies Act, 2017, loans aggregating to Rs. 1,612.564 million were converted into equity through the issuance of 161,256,444 ordinary shares of Rs. 10 each, comprising:

101,779,478 ordinary shares, amounting to Rs. 1,017.795 million, issued to Dewan Motors (Private) Limited on 1 October 2025.

59,476,966 ordinary shares, amounting to Rs. 594.770 million, issued to Mr. Dewan Muhammad Yousuf Farooqui on 1 September 2025.

The shares were issued against outstanding loans.

9 SHORT TERM FINANCES AND BOOK OVERDRAFT - SECURED

From banks & financial institutions

- Short term loan (Under mark-up / profit arrangements)	1,978,024	1,978,024
- Overdue letter of credits	2,117,889	2,117,889
	<u>4,095,913</u>	<u>4,095,913</u>

9.1 The Short term borrowings have not been renewed by the Banks.

10 CONTINGENCIES AND COMMITMENTS

There is no material change in the contingencies and commitments since the last audited financial statements for the year ended 30 June 2025.

	31 December 2025	31 December 2024
	----- (Rupees in '000) -----	
11 OTHER LOSS		
Exchange (loss) / gain - Net	(231)	4
Others	1,002	489
Share of loss of equity investment in associate	(82,593)	(40,158)
	<u>(81,822)</u>	<u>(39,665)</u>
12 FINANCE COST		

During the period ended, 31 December 2025, the Company has not provided the mark-up on long term and short term borrowings from banks and financial institutions to the extent of Rs. 288.170 (June 2025: Rs. 682.132) million. The management is hopeful that the decision of the court will be in favor of the Company and the restructuring proposal will be accepted by the lenders. However, had the Company provided this amount in the condensed interim financial statements during the period, the loss of the Company would have been increased by Rs. 288.170 (June 2025: Rs. 682.132) million and consequently the shareholders equity would have lowered and accrued mark-up would have been higher by Rs. 10.284 (June 2025: Rs.9.996) billion. The said non-provisioning is the contravention with the requirements of IAS 23 "Borrowing Costs".



31 December 31 December
2025 2024
----- (Rupees in '000) -----

13 LOSS PER SHARE - Basic and diluted

Loss after taxation for the year	<u>(328,890)</u>	<u>(232,408)</u>
	----- (Numbers in '000) -----	
Weighted average number of ordinary shares	<u>229,061</u>	<u>138,735</u>
	----- (Rupees) -----	
Loss per share - Basic and diluted	<u>(1.44)</u>	<u>(1.68)</u>

15 TRANSACTIONS WITH ASSOCIATED UNDERTAKING / RELATED PARTIES

The related parties and associate undertaking comprise associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertaking, other than remuneration and benefits to key management personnel disclosed in the respective notes, are as follows:

Purchases	29,741	32,049
Short term loan from sponsor / associate - Interest free	100,000	420,000
Toll manufacturing income	9,720	6,600
Short term loan from sponsor / associate - Converted into equity by issuance of ordinary shares	8 1,612,564	--
Provident fund	2,333	2,201
Share of (loss) on equity investment	(82,592)	(40,158)

16 DISCLOSURES FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under Part I Clause VII of the Fourth Schedule to the Companies Act, 2017 as amended via S.R.O. 1278(I)/2024 dated August 15, 2024:

		Notes	(Un-audited) 31 December 2025	(Audited) 30 June 2025
<u>Financial Asset</u>				
Investment	Shariah Compliant	7	548,277	630,870
Trade debts - Considered good	Shariah Compliant		672	672
Bank balances	Shariah Compliant		13,354	47,357
Bank balances	Non-Shariah		152,331	165,907

		Notes	(Un-audited) 31 December 2025	(Audited) 30 June 2025
<u>Financial Liability</u>				
Short term loan from related parties	Shariah Compliant		603,620	2,116,185
Short term finances and book over draft - secured	Non-Shariah	9	4,095,913	4,095,913
Current maturity of long term loans	Non-Shariah		1,096,929	1,096,929
<u>Profit or Loss</u>				
Revenue	Shariah Compliant		531,105	399,559
Other income / (loss)				
Exchange (loss) / gain - Net	Shariah Compliant	11	(231)	4
Others	Shariah Compliant	11	1,002	489
Share of loss of equity investment in associate	Shariah Compliant	11	(82,593)	(40,158)

Relationship with Shariah Compliant financial institutions:

The Company maintains bank accounts with United Bank Limited, Dubai Islamic Bank Limited and Bank Islami Pakistan Limited under shariah compliant.

17 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", condensed interim statement of financial position has been compared with the balances of annual financial statements, whereas condensed interim statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

18 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on **23 October 2026** by the Board of Directors of the Company.

19 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.



Muhammad Farooq Khan
Chief Financial Officer



Waseem-Ul-Haq Ansari
Chief Executive



Mehmood-ul-Hasan Asghar
Director



ڈائریکٹر ز رپورٹ

بورڈ آف ڈائریکٹر 31 دسمبر 2025 کو ختم ہونے والی ششماہی کے غیر آڈٹ شدہ مختصر عبوری مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس کرتا ہے۔

پاکستان کا معاشی جائزہ

زیر جائزہ مدت کے دوران اسٹیٹ بینک آف پاکستان (SBP) نے زری نرمی کا سلسلہ جاری رکھا اور 15 دسمبر 2025 کو منعقدہ مانیٹری پالیسی کمیٹی کے اجلاس میں پالیسی ریٹ میں 50 بیس پوائنٹس کی کمی کر کے اسے 10.5 فیصد کر دیا۔ مجموعی (ہیڈ لائن) مہنگائی قابو میں رہی، چنانچہ ماہانہ صارف قیمت اشاریہ (CPI) اکتوبر میں 6.2 فیصد، نومبر میں 6.1 فیصد اور دسمبر میں 5.6 فیصد رہا، جبکہ سہ ماہی کی اوسط 6.0 فیصد رہی۔ دسمبر کے جائزے میں بین الاقوامی مالیاتی فنڈ (IMF) نے مشاہدہ کیا کہ پاکستان نے مالی سال 2024 تا 2025 میں 14 سال بعد پہلی بار کرنٹ اکاؤنٹ سرپلس ریکارڈ کیا اور زرمبادلہ کے ذخائر کی بحالی کا عمل جاری رہا۔ آئی ایم ایف نے خبردار بھی کیا کہ سیلاب سے متعلق رکاوٹیں اشیائے خورد و نوش کی قیمتوں اور معاشی نمو کے لیے خطرات کا باعث ہیں۔

آٹوموبائل انڈسٹری کا جائزہ

آٹوموبائل صنعت فنانسنگ کے بدلتے حالات اور تبدیل ہوتے پالیسی منظر نامے کے درمیان کام کرتی رہی۔ پاکستان آٹوموٹیو مینوفیکچررز ایسوسی ایشن (PAMA) کے مطابق 31 دسمبر 2025 کو ختم ہونے والی سہ ماہی میں کاروں کی فروخت مجموعی طور پر 46,064 یونٹس رہی (اکتوبر: 17,333؛ نومبر: 15,442؛ دسمبر: 13,280)، جو 2024 کی اسی سہ ماہی میں فروخت ہونے والے 32,987 یونٹس کے مقابلے میں تقریباً 40 فیصد اضافہ ہے۔ اسی طرح کاروں کی پیداوار بڑھ کر 48,397 یونٹس ہو گئی (اکتوبر: 18,948؛ نومبر: 16,495؛ دسمبر: 12,954)، جو گزشتہ سال کی اسی سہ ماہی میں تیار ہونے والے 34,821 یونٹس کے مقابلے میں 39.0 فیصد اضافہ ہے۔

پالیسی کے محاذ پر نئی توانائی گاڑیوں (NEV) کی پالیسی 2025 تا 2030 برقی موٹیلٹی کے فروغ کے لیے ایک فریم ورک فراہم کرتی ہے، جبکہ آٹو انڈسٹری ڈیولپمنٹ اینڈ ایکسپورٹ پالیسی 2021 تا 2026 مقامی مینوفیکچرنگ اور برآمدات کے لیے بدستور اہمیت رکھتی ہے۔

کمپنی کی کارکردگی

زیر جائزہ مدت کے دوران کمپنی کی مالی کارکردگی، بمعہ موازنہ جاتی اعداد و شمار، حسب ذیل ہے:

تفصیلات	دسمبر 2024	دسمبر 2025
	(ملین روپوں میں)	(ملین روپوں میں)
مجموعی فروخت	488.061	661.998
مجموعی خسارہ	(123.255)	(153.054)
بعد از ٹیکس خسارہ	(232.408)	(328.890)

"KIA شہزور" اور دیگر ویریٹنٹس کی پیداوار ہماری سہولت پر جاری ہے۔ محدود ورکنگ کیپٹل بدستور کاروباری پیمانے کی راہ میں رکاوٹ ہے، چنانچہ مارکیٹ کی طلب سے کچھ معاونت ملنے کے باوجود فروخت معمولی رہی۔



ہماری سسٹر کنسرن، ایکو گرین موٹرز لمیٹڈ (Eco-Green Motors Limited)، اگست 2024 میں شروع ہونے والے ٹول انتظام کے تحت اپنی "ہونری وی ای" (Honri VE) الیکٹرک گاڑیاں ہمارے پلانٹ پر تیار کرواتی چلی آ رہی ہے، جس نے ہماری لاگت کی پوزیشن کو مسلسل مستحکم کیا ہے۔

انتظامیہ سپلائی چین کی کارکردگی، ورکنگ کیپٹل کی دستیابی اور بہتر بعد از فروخت معاونت (آفٹر سیلز سپورٹ) پر کام کر رہی ہے۔ لاگت کے لحاظ سے مؤثر مقامی اسمبلی پر توجہ مرکوز کرنے اور KIA کے تعاون سے مصنوعات کی رینج کو وسعت دینے کے ذریعے کمپنی لائٹ کمرشل و ہیکل سیگمنٹ میں اپنا حصہ بڑھانے کا ہدف رکھتی ہے۔ ہم نئی توانائی گاڑیوں کی پالیسی (2025 تا 2030) پر بھی نظر رکھے ہوئے ہیں، جو پائیداری اور مقامی سازی کی جانب مارکیٹ کی بنیاد پر منتقلی کی حامی ہے۔

آڈیٹرز کی جائزہ رپورٹ میں مشاہدات

آڈیٹرز نے اپنی رپورٹ کو درج ذیل بنیادوں پر مشروط (Qualified) کیا ہے، جن کی وضاحت حسب ذیل ہے:

(a) مارک اپ کی عدم پراویزنگ:

انتظامیہ نے اپنے قرض دہندگان سے قرضوں کی تنظیم نو کے لیے رجوع کیا ہے اور اسے یقین ہے کہ کمپنی کی بلا مارک اپ تنظیم نو کی تجاویز مالیاتی اداروں / بینکوں کی جانب سے قبول کر لی جائیں گی۔ لہذا کمپنی نے مارک اپ کی کوئی پراویزنگ نہیں بنائی، کیونکہ مجوزہ تنظیم نو کی شرائط یہ قابل ادائیگی نہیں ہوگا، اور یہ کمپنی کی مالی پوزیشن کی موجودہ تجارتی حقیقت کی عکاسی کرتا ہے۔

(b) گونگ کنسرن مفروضے پر کلکتہ تاکید (Emphasis of Matter):

بورڈ کمپنی کے کاروبار کے تسلسل اور ترقی کے لیے پوری طرح پُر عزم ہے۔ KIA شہزور کی تین ویریئنٹس میں پیداوار، نیز ہونری-وی ای 2.0 اور 3.0 الیکٹرک گاڑیوں کی اسمبلی نے کمپنی کو آمدنی پیدا کرنے اور کاروبار کے نئے مواقع کھولنے کے قابل بنایا ہے۔

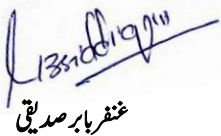
اگرچہ آڈیٹرز نے ماضی کے نقصانات اور نقد بہاؤ (کیش فلو) کے دباؤ کی جانب توجہ مبذول کرائی ہے، تاہم یہ بنیادی طور پر ان ادوار میں پیدا ہوئے جب آپریشنز معطل تھے۔ کمپنی ان امور کے حل کے لیے مختلف اقدامات کر رہی ہے، اور بورڈ کو پختہ یقین ہے کہ یہ حالات عارضی ہیں اور وقت کے ساتھ تبدیل ہو جائیں گے۔ موجودہ قرضوں کی تنظیم نو کی تکمیل اور نئے ماڈلز کے اجراء کے بعد بورڈ کو اعتماد ہے کہ کمپنی ورکنگ کیپٹل لائنز حاصل کر کے مستحکم، منافع بخش اور پائیدار ترقی کی جانب بڑھ سکے گی۔

اختتامیہ

آخر میں ہم اللہ سبحانہ و تعالیٰ سے دعا گو ہیں کہ وہ حضرت محمد ﷺ پر بے حساب رحمتوں اور برکتوں کا نزول فرمائے، اور حضرت محمد ﷺ کے صدقے و طفیل میں ہمیں درست رہنمائی کے ساتھ طاقت، خوشحالی اور صحت عطا فرمائے۔ ہماری کمپنی کو ملک و قوم کی خوشحالی کا باعث بنائے۔ ہمیں امن و سکون، اخوت و بھائی چارے کے ساتھ ملت اسلامیہ بننے کی روح پروان چڑھانے کی توفیق عطا فرمائے۔

(آمین یا رب العالمین)

بے شک ہمارا رب دعاؤں کا سننے والا ہے۔ (القرآن)


غفر بار صدیقی

چیئر مین، بورڈ آف ڈائریکٹرز



وسیم الحق انصاری
چیف ایگزیکٹو

کراچی: 23 اکتوبر 2026ء