

ANNUAL REPORT 2026

BUILDING THE FUTURE RESPONSIBLY

Powered by GREEN Energy & ELECTRIC Mobility

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Vision

To transform the company into a modern and dynamic cement manufacturing unit fully equipped to play a meaningful role on sustainable basis in the economy of Pakistan

Mission

- To provide quality products to customers at competitive prices; and
- To generate sufficient profit to add to the shareholders value

Company Information

BOARD OF DIRECTORS

Mr. Khawaja Muhammad Salman Younis	Chairman
Mr. Kamran Munir Ansari	Chief Executive
Ms. Naheed Memon	Director
Mr. Noor Muhammad	Director
Mr. Saleem Zamindar	Director
Mr. Alamuddin Bullo	Director
Ms. Shaista Bano Gilani	Director

AUDIT COMMITTEE

Ms. Naheed Memon	Chairperson
Mr. Khawaja Muhammad Salman Younis	Member
Mr. Saleem Zamindar	Member

HR & REMUNERATION COMMITTEE

Mr. Khawaja Muhammad Salman Younis	Member
Mr. Noor Muhammad	Member
Mr. Kamran Munir Ansari	Member

IT STEERINGCOMMITTEE

Mr. Khawaja Muhammad Salman Younis	Chairman
Mr. Kamran Munir Ansari	Member
Mr. Naveed Zaman	Member

CHIEF FINANCIAL OFFICER

Ms. Sidra Zakir

COMPANY SECRETARY

Mr. Naveed Zaman

STATUTORY AUDITOR

M/s BDO Ebrahim & Co., Chartered Accountants

CORPORATE ADVISORS

M/s Sharjeel Ayub & Co., Chartered Accountants
M/s M.F. Law Associates

LEGAL ADVISOR

M/s LEX FIRMA, Advocates, Barristers and Legal Consultants

BANKERS

Dubai Islamic Bank
National Bank of Pakistan
Sindh Bank Limited
Bank Makramah Limited
MCB Bank Limited
Bank Al Habib Limited
Allied Bank Limited
Bank Alfalah Limited

REGISTERED OFFICE

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Fax no.: 0092-21-35665976-77
Website: www.thattacement.com
E-mail: info@thattacement.com

FACTORY

Ghulamullah Road, Makli,
District Thatta, Sindh 73160

SHARE REGISTRAR

THK Associates (Pvt) Limited Plot # 32-C, Jami Commercial Street 2, Phase-VII, DHA, Karachi, Pakistan.
UAN: 021-111-000-322
Fax: 021-35655595
Website: www.thk.com.pk

THATTA CEMENT
COMPANY LIMITED

CHAIRMAN'S REVIEW REPORT

With great pleasure, the Annual Report of Thatta Cement Company Limited for another successful year ended June 30, 2026 is presented.

Overall Business Performance

Despite Pakistan faced economic doldrums, political instability and financial challenges, Alhamdulillah, the Company managed to perform with gloomy outlook. Factors like depreciation and a hike in interest severely affected the industry as well as Company's performance.

The Company posted profit after tax of Rs. 2008.594 million as compared to profit after tax of Rs. 2,556.583 million last year. The results of the Company's operations are dealt with in further detail in the annexed Directors' Report and Financial Statements.

Significant Commitments

During the year, I remained fully committed to the Board's mandate and have not undertaken any new directorships that could impair my ability to discharge my duties.

Key commitments as Chairman in 2025-26 included:

- Strategic oversight of the Company's cost efficiency and capacity utilization efforts.
- Supporting initiatives in ESG (Environmental, Social and Governance), especially focusing on emissions reduction and waste heat recovery planning.
- Monitoring developments in corporate social responsibility (CSR), particularly community development programs in the Thatta region.
- Promoting board diversity, board evaluation processes, aligned with SECP's Code of Corporate Governance.

There have been no significant changes in my commitments compared to the prior year that would impact my ability to lead the Board effectively.

On Board's overall Performance u/s 192 of the Companies Act 2017

The company complies with the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 with respect to the Composition, procedures and meetings of Board of Directors and its committees. Code of Corporate Governance requires an annual evaluation of Board of Directors and its committees. The purpose of this evaluation is to bring improvement in the overall governance of the Company, efficiencies in Board process, enhancement of role of individual directors and sound support of Board Committees facilitating in discharging its responsibilities to achieve the objectives set for the Company.

The Board has approved a formal process for its performance evaluation and adopted self-evaluation mechanism based on comprehensive questionnaire. The obligation to undertake annual evaluation process is assigned to the Human Resource Committee of the Board. Accordingly, the performance evaluation of the Board, its members and Committees of the Board for the year ended June 30, 2026 was conducted as per mechanism approved by the Board and I report that the overall performance of the Board, Members and Committees of the Board on the basis of approved criteria for the year was satisfactory.

The assessment as satisfactory is based on an evaluation of the following integral components, which have a direct bearing on Board's role in achievement of company's objectives:

- Vision and strategic direction
- Monitoring of Company's performance
- Overall roles and responsibilities
- Relationship among the Board and Management
- Composition and performance of Board Committees and meetings.

Effectiveness of the Role Played by the Board

The Board remained actively engaged in steering the Company through an increasingly challenging economic and regulatory environment. Throughout the year, the Board:

- Ensured strategic alignment with the Company's long-term business objectives, including expansion planning, operational optimization, and value creation for stakeholders.
- Provided effective oversight of management, ensuring accountability and compliance with applicable laws and corporate governance regulations.
- Actively reviewed and endorsed key policies, budgets, and operational targets in line with the evolving macroeconomic landscape and industry-specific challenges.
- Held regular meetings with required quorum, ensuring decisions were made transparently and with mutual consent.
- Ensured that the independent directors contributed constructively, providing objective oversight and helping maintain balance between entrepreneurial risk and prudent governance.

The Board's diverse skillset in finance, law, operations, and public policy contributed to a comprehensive and collective approach to decision-making.

Board Statement on Internal Control System

The Board recognizes its responsibility for the Company's system of internal control and has ensured that internal controls are adequate, effective, and aligned and designed to manage risks.

During the year, the Board reviewed and monitored the:

- Effectiveness of internal control frameworks, including financial, operational, compliance, and risk management systems.
- Work of the internal audit function, which operates independently and reports to the Audit Committee.
- Compliance with relevant legal and regulatory requirements, as evidenced by unqualified financial statements and satisfactory statutory audit reports.

I would commend my fellow directors for their commitment to make to the strategic visions a success. On behalf of the Board, every stakeholder is also valued and thanked for valuable contribution to the Company.

Khawaja Muhammad Salman Younis
Chairman
Karachi: November 4, 2026

THATTA CEMENT
COMPANY LIMITED

DIRECTORS' REPORT

The Directors of Thatta Cement Company Limited are pleased to present this report, accompanied by the audited financial statements of the Company for the financial year ended June 30, 2026 and the Independent Auditor's Report thereon, along with Independent Auditor's Review Report on Statement of Compliance Contained in Listed Companies Regulations (Code of Corporate Governance), 2019. The information provided below encompasses the unconsolidated and consolidated performance of the Company during this year.

OVERVIEW

Production and dispatches for the year ended on June 30, 2026 are as follows:

Description	2026	2025	Variance	
	----------Metric Tons----------			%
Production				
Clinker	438,813	415,850	22,963	5.52
Cement	450,150	502,985	(52,835)	-10.5
Dispatches				
Cement	447,099	508,513	(61,414)	-12.08
Total	447,099	508,513		

The global economy faced heightened geopolitical tensions, trade disruptions and elevated energy prices. The increased uncertainty around commodity prices, freight costs, inflation and investment flows particularly across emerging and energy importing economies.

Pakistan's economy continued its gradual transition from stabilization towards recovery during FY2026, supported by the ongoing IMF support programme, improvements in fiscal discipline, exchange rate stability and moderation in inflation contributed to strengthening overall macroeconomic conditions. Strong remittance inflows continued to support the country's external position. Meanwhile the State Bank of Pakistan maintained a cautious monetary policy stance to safeguard the macroeconomic stability and facilitate sustainable economic growth.

INDUSTRY REVIEW

The cement sector shows signs of gradual recovery during the year. This was supported by improved domestic demand, easing inflationary pressures and relatively stable financial conditions. The Prime Minister's subsidized financing scheme played a major role in the revival of domestic demand. Nonetheless, the industry continued to face challenges arising from elevated energy costs, higher regulatory levies and logistical constraints. These particularly affected the exports to Afghanistan. During FY2026 domestic demand increased by 9%, reflecting a modest recovery. However, total cement exports declined by 2%. A 9% increase in sea-based exports was offset by a 52% decline in exports to Afghanistan due to closure of Afghan border. Consequently, overall cement sales volumes grew by 7% primarily driven by growth in domestic demand.

FINANCIAL REVIEW

A comparison of key financial results of your Company's performance for the year ended June 30, 2026 with last year is as under:

Particulars	2026	2025
	Rupees in thousands	
Sales – net	6,794,617	7,566,414
Gross profit	1,476,395	2,150,702
Finance Cost	583,089	43,032
Profit before taxation	2,847,973	3,639,345
Profit for the year	2,008,594	2,556,583
Earnings per share (Rupees)	4.74	6.04

The company reported a profit before tax amounting to Rs. **2,847.97** million. This figure was achieved after accounting for depreciation expenses and finance costs of Rs. **227.613** million and Rs. 583.089 million respectively as against a

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depreciation expense of Rs. 175.986 million and finance costs of Rs. 43.032 million during FY2025, which reflects the company's effective financial management and its ability to generate considerable returns.

The incremental cost of Rs. 540 million incurred on account of finance cost is primarily attributable to successful completion and issuance of a privately placed long term listed Islamic Sukuk aggregating to Rs. 5,500 million repayable semiannually in eight instalments. The sukuk was structured in strict compliance with Shariah principles and was assigned long-term credit rating of AA- by VIS Credit Rating Company Limited. The company has Alhumdolillah successfully repaid two instalments of Sukuk.

The Company acquired 9,107,800 shares in Pakistan Services Limited representing 28% shareholding. These shares were acquired at a price of Rs. 710 per share by open market on October 14, 2025. The estimated fair value at the reporting date approximates to Rs. 944 per share. Subsequent to the above acquisition a petition was filed by the previous owners in Honorable Islamabad High Court. The Court in its order has restrained the Company from transferring, assigning, selling or disposing of such shares.

The Board based on the legal adviser's view concluded that the Company lawfully possesses and holds the title of these securities, which are kept in Company's CDC Account maintained with Central Depository Company. The management of Thatta Cement has, however, as a matter of prudence not recorded its share of profit on the basis of unaudited financial statements of Pakistan Services Limited for the FYE2026. Furthermore, Thatta Cement has reached an in-principle understanding regarding the proposed restructuring of Pakistan Services Limited.

SUBSEQUENT APPROPRIATIONS

Propose Cash Dividend of 25% i.e. Rs. 0.5/- per share – Face Value per Rs. 2

The Board of Directors, by prioritizing the dividend payments to minority shareholders, ensures that small investors receive direct cash benefits from their investments. In contrast, by choosing not to pay dividends to major shareholders, the Company can redirect these funds towards high impact investments and strategic initiatives. The majority shareholders have already consented to waive their right to dividends for the financial ended June 30, 2026.

i) To Majority Shareholders comprising Sky Pak Holding (Private) Limited, Al-Miftah Holding (Private) Limited, Golden Globe Holding (Private) Limited and Rising Star Holding collectively holds 60.26% of the total shares excluding the treasury shares.

NIL

ii) To Minority Shareholders – Other than the Majority Shareholders as above

Impact of Company's business on the environment

The major impact of the cement manufacturing business on environment is related to particulate matter and fugitive dust emissions of both inhalable and respirable micron sizes emitted from processes adopted for clinker production that cause a chronic fatal disease i.e. Silicosis.

Proactively minimizing the impact of company's business on the environment, the Company has installed de-dusting equipment, such as, dust cyclones, bag houses, dust suppression by damping down method, electrostatic precipitators, personal protective equipment and speed limit controls that are operated by qualified technical staff with regulatory complied protocols, to overcome RSPM (respirable suspended particulate matter) and FRD (fugitive road dust). In compliance with environmental regulations, the company adheres to the Environmental Quality Standards as mandated by the SEPA Act 2014. This includes rigorous monitoring and analysis of ambient air quality, drinking water, noise levels, and other relevant environmental parameters. To ensure adherence to these standards, the company utilizes a SEPA-certified environmental laboratory for comprehensive monitoring and analysis.

Furthermore, the company's commitment to reducing its environmental impact is exemplified by the subsidiary company of TCCL, which has implemented a Waste Heat Recovery System (WHRS). This system captures and reuses waste heat generated during cement production and power generation processes. By converting waste heat into usable energy, the WHRS minimizes global warming impacts and significantly reduces carbon emissions. This innovative approach not only supports the company's environmental stewardship goals but also contributes to overall energy efficiency and sustainability in industrial operations.

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Renewable Energy Initiatives

The Company has made significant strides in adopting renewable energy technologies. It has successfully installed a 5 MW solar power plant, which generates clean electricity by harnessing solar energy. In addition, the Company has also successfully completed and commissioned wind power generation project with a capacity of 4.8 MW in April 2025. Besides, the Company during the year also established another LC to import 7.5 MW wind power plant. The Shipment has been received and likely to commission Insha'Allah latest by December 31, 2026.

These initiatives not only advance the Company's sustainability objectives but also improve its profitability by decreasing reliance on conventional energy sources. Moreover, they help reduce the Company's environmental impact by harnessing renewable energy sources such as solar and wind.

Furthermore, the Company's commitment to reducing its environmental impact is exemplified by the subsidiary company of TCCL, which has implemented a Waste Heat Recovery System (WHRS). This system reuses waste heat generated during cement production and power generation processes. By converting waste heat into usable energy, the WHRS minimizes global warming impacts and significantly reduces carbon emissions. This innovative approach not only supports the company's environmental stewardship goals but also contributes to overall energy efficiency and sustainability in industrial operations.

The company is poised to expand its commitment to sustainability through a series of ambitious renewable energy projects. By integrating advanced renewable technologies into its infrastructure, the company aims to solidify its position as a leader in sustainable practices and contribute significantly to the transition toward a greener energy future. This forward-thinking approach reflects the company's dedication to innovation, long-term environmental stewardship, and commitment to achieving its sustainability goals.

Corporate Social Responsibility

As a responsible corporate entity, our Company is deeply committed to fulfilling its social responsibilities and contributing positively to the communities in which we operate. Throughout the fiscal year 2025-26, we have actively engaged in a range of initiatives aimed at enhancing the welfare of local residents.

A key focus of our efforts has been on promoting safety and health awareness. To this end, we have organized numerous educational sessions designed to inform and empower community members about best practices in safety and health. These sessions cover a variety of important topics, including preventive measures, emergency preparedness, and overall well-being.

In addition to these awareness programs, we are proud to have established a state-of-the-art Silicosis Diagnostic and Health Screening Center. This facility, staffed by highly qualified and experienced professionals, is dedicated to diagnosing and addressing silicosis and other related health conditions. Our center is equipped with the latest diagnostic tools and technology to ensure acute assessments and effective treatment plans.

During the year, the Company has made significant strides in addressing its environmental impact. In a dedicated effort to enhance the local ecosystem, we have further added the green belt during the year and successfully planted 5,000 trees in the surrounding area. This initiative is part of our broader commitment to environmental stewardship and sustainability. By expanding green spaces, we aim to improve air quality, support local wildlife habitats, and contribute to the overall health of the environment. Our efforts not only demonstrate our dedication to ecological responsibility but also foster a greener and more sustainable future for the community and beyond.

Through these initiatives, we aim to make a meaningful and lasting impact on the health and safety of the communities we serve, reinforcing our commitment to being a proactive and supportive corporate citizen.

Adequacy of Internal Controls

The Directors are diligently implementing all essential measures to ensure the efficiency of the Company's internal control systems at all horizons and affairs of the Company. This encompasses a comprehensive assessment of all significant controls, encompassing financial, operational, and compliance controls that may impact the Company's operations.

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THATTA CEMENT
COMPANY LIMITED

Related Party Transactions

All related party transactions entered into were reviewed and approved by the Audit Committee as well as the Board of Directors of the Company in compliance with the PSX Regulations of the Pakistan Stock Exchange Limited.

Corporate and Financial Reporting

a. The financial statements, prepared by the management of Thatta Cement Company Limited present fairly its state of affairs, the results of its operations, cash flows and changes in equity. All necessary steps are being taken to ensure good Corporate Governance.

b. Proper books of account have been maintained by the Company.

c. The financial statements together with notes thereto have been drawn in conformity with the Companies Act, 2017. International Financial Reporting Standards and International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and there has been no material departure therefrom.

d. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

e. The system of internal control has been effectively implemented and is continuously reviewed and monitored.

f. The Company is a going concern and there is no doubt at all about the Company's ability to continue as a going concern.

g. There is nothing outstanding against the Company on account of taxes, duties, levies, and other charges except for those which are being made in the normal course of business and as disclosed in the financial statements.

h. Key operating and financial statistics for the last six years have been given separately.

i. Detailed statement on the number of Board, Audit Committee and Human Resources & Remuneration Committee meetings held during the year and attendance by each director/member is annexed to this report separately as Annexure I as required under 227(2)(a) of the Companies Act, 2017.

j. Pattern of Shareholding of the Company, in accordance with section 227(2)(f) of the Companies Act, 2017, is annexed to this report.

Changes in Board of Directors

During the year, there is no change in the Board of Directors of the Company.

Code of Corporate Governance

a. The 'Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations 2019 is annexed to this report.

b. Below is the Composition of Board of Directors, to be included in Annual Report, under section 227 of the Companies Act, 2017:

Description	Number of directors
1. Male	5
2. Female	2

Composition	
1. Independent Directors	4
2. Non-Executive	2
3. Executive Director	1
4. Female Director	2

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(c) The details of Board Sub-Committees have been provided in the annual report.

Remuneration/Fee of Directors

The remuneration of Directors is governed by the Articles of Association of the Company which requires that the remuneration/fee of a Director to be paid to every Director for attending the Meeting of the Directors or a committee of directors shall, from time to time, be determined by the Board of Directors taking into account the competencies and efforts in the light of scope of their responsibilities.

Detail of remuneration paid to the executive director (chief executive) of the Company is disclosed in Note 44 of the unconsolidated financial statements.

Board Evaluation

As required under the Listed Companies Code of Corporate Governance Regulations 2019, an annual evaluation of performance of the Board, members of the Board and its Committees was carried out to ensure that Board's overall performance and effectiveness is measured against the objectives set for the company. For that purpose, Board has developed a mechanism for evaluation of Board's own performance, members of the Board and its Committees. Based on the evaluation, overall performance of the Board, members and Committees of the Board for the year under review is satisfactory.

Default in Payments

There were no defaults in payment of any debts falling due during the current year.

External Auditors

The present auditors M/s BDO Ibrahim & Co, Chartered Accountants being eligible have offered themselves for re-appointment. As per recommendation of the Audit Committee, the Board recommends to the shareholders the appointment of M/s BDO Ibrahim & Co, Chartered Accountants as auditors of the Company for the financial year ending June 30, 2027.

Future Outlook

Pakistan's economic outlook for FY2027 remains cautiously positive. It is supported by the macroeconomic stabilization achieved during the year, continued implementation of economic reforms and improving investor confidence. The Government's focus on export-led growth, investment, fiscal discipline and infrastructure development is expected to support economic activity and domestic demand. Lower interest rates and housing-related incentives are also expected to provide support. The Prime Minister's subsidized financing scheme has contributed significantly to improving domestic cement demand. However, the outlook remains subject to downside risks. These include geopolitical tensions, volatility in global energy prices, renewed inflationary pressures and potential disruptions to regional trade. The pace of recovery will largely depend on continued reform momentum, effective execution of development initiatives and maintenance of fiscal and external-sector stability.

The outlook for the cement industry remains closely linked to domestic construction activity, interest rates and regional trade conditions. A key factor is the resolution of trade disruptions with Afghanistan. Continued monetary easing, public sector development spending and private housing and infrastructure activity are expected to support domestic cement demand. However, the export outlook remains uncertain. It will depend significantly on the reopening of the Afghan border and access to international markets. Improved regional trade conditions could support export recovery and facilitate access to competitively priced raw materials and fuel. Conversely, prolonged disruptions may continue to constrain exports and increase the industry's reliance on domestic demand.

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The Company remains focused on strengthening its competitive position through operational excellence, cost optimization, energy efficiency and business diversification. Management will continue to proactively monitor market and geopolitical developments and implement appropriate measures to mitigate emerging risks. The Company also urges the Government to rationalize the tax and regulatory burden on the cement industry. It further urges the Government to introduce measures that facilitate sustainable growth, investment and competitiveness. The sector contributes significantly to infrastructure development, economic activity and employment generation. The Company will continue to pursue opportunities to diversify and expand its existing business operations while creating sustainable long-term value for shareholders.

Contribution to National Exchequer

The Company contributed Rs. **4.644 billion** (2025: Rs. 4.659 billion) into the Government Treasury on account of income tax, excise duty, sales tax and other Government levies.

Performance of the Group

In compliance with section 226(4) of the Companies Act, 2017 the consolidated financial statements for the / as at year ended June 30, 2026 of TCCL (the Holding Company) and Thatta Power (Private) Limited (TPPL) (the Subsidiary Company) and Minsk Work Tractor & Assembling (Private) Limited (MWTPL) (the Subsidiary Company) are attached with this report.

Its key highlights are extracted below:

	2026	2025
Statement of Financial Position	'----------(Rupees in thousand) ----------	
Property, plant and equipment	5,332,894	5,290,120
Stock-in-Trade	1,550,973	558,833
Trade Debts	2,254,171	1,226,288
Paid-up Share Capital	847,181	847,181
Total Equity - Holding Company	9,168,420	7,134,572
Trade and Other payables	2,070,280	1,864,508
Short Term Borrowings	197,856	197,856
Statement of Profit or Loss		
Sales – net	11,930,638	9,443,838
Gross Profit	3,846,140	2,951,141
Selling, Distribution cost & Administrative Expense	546,628	213,824
Profit before taxation	3,128,719	3,438,632
Profit for the year	2,276,254	2,344,213
Earnings/(Loss) per share (in Rupees)	4.80	5.66

THATTA CEMENT
COMPANY LIMITED

Acknowledgement

The Board of Directors is grateful indeed to the Company's shareholders, financial institutions and customers for their continued cooperation, support and patronage. The Board also acknowledges the relentless efforts and dedicated services, team work, loyalty and hard work of all the employees of the Company and hopes their continued dedication shall consolidate the Company further and keep it abreast to face future developments and demands.

Kamran Munir Ansari
Chief Executive Officer

Khawaja Muhammad Salman Younis
Chairman

Karachi: November 4, 2026

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ڈائریکٹرز کی رپورٹ

ٹھٹھہ سیمنٹ کمپنی لمیٹڈ کے ڈائریکٹرز 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے، ان پر آزاد آڈیٹر کی رپورٹ، نیز لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی تعمیل کے گوشوارے پر آزاد آڈیٹر کی جائزہ رپورٹ کے ساتھ یہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ ذیل میں دی گئی معلومات اس سال کی غیر مجتمع (unconsolidated) اور مجتمع (consolidated) کارکردگی پر مشتمل ہیں۔

جائزہ

30 جون 2026 کو ختم ہونے والے سال کے لیے پیداوار اور ترسیلات درج ذیل ہیں:

تفصیل	2026	2025	فرق (ٹن)	فرق ٪
	میٹرک ٹن			
پیداوار				
کلنکر	438,813	415,850	22,963	5.52
سیمنٹ	450,150	502,985	(52,835)	-10.5
ترسیلات				
سیمنٹ	447,099	508,513	(61,414)	-12.08
کل	**447,099**	**508,513**		

عالمی معیشت کو جغرافیائی و سیاسی کشیدگی، تجارتی رکاوٹوں اور توانائی کی بلند قیمتوں کا سامنا رہا۔ اجناس کی قیمتوں، مال برداری کے اخراجات، مہنگائی اور سرمایہ کاری کے بہاؤ کے بارے میں بڑھتی ہوئی غیر یقینی صورتِ حال نے خاص طور پر ابھرتی ہوئی اور توانائی درآمد کرنے والی معیشتوں کو متاثر کیا۔

مالی سال 2026 کے دوران پاکستان کی معیشت استحکام سے بحالی کی جانب بتدریج منتقل ہوتی رہی، جسے آئی ایم ایف کے جاری معاونتی پروگرام، مالی نظم و ضبط میں بہتری، شرحِ مبادلہ کے استحکام اور مہنگائی میں کمی نے سہارا دیا اور مجموعی معاشی حالات مضبوط ہوئے۔ ترسیلاتِ زر کی مضبوط آمد نے ملک کی بیرونی پوزیشن کو سہارا دینا جاری رکھا۔ دریں اثنا، اسٹیٹ بینک آف پاکستان نے معاشی استحکام کے تحفظ اور پائیدار ترقی میں معاونت کے لیے محتاط مانیٹری پالیسی کا موقف برقرار رکھا۔

صنعتی جائزہ

سال کے دوران سیمنٹ کے شعبے میں بتدریج بحالی کے آثار نظر آئے۔ اس کی وجہ ملکی طلب میں بہتری، مہنگائی کے دباؤ میں کمی اور نسبتاً مستحکم مالی حالات تھے۔ وزیرِ اعظم کی رعایتی فنانسنگ اسکیم نے ملکی طلب کی بحالی میں اہم کردار ادا کیا۔ تاہم صنعت کو توانائی کی بلند لاگت، زیادہ ریگولیٹری محصولات اور لاجسٹک رکاوٹوں سے پیدا ہونے والے چیلنجز کا سامنا رہا، جنہوں نے خاص طور پر افغانستان کو برآمدات کو متاثر کیا۔ مالی سال 2026 میں ملکی طلب میں 9 فیصد اضافہ ہوا جو معمولی بحالی کی عکاسی کرتا ہے۔ تاہم کل سیمنٹ برآمدات میں 2

فیصد کمی آئی۔ سمندری راستے سے برآمدات میں 9 فیصد اضافہ، افغان سرحد کی بندش کے باعث افغانستان کو برآمدات میں 52 فیصد کمی سے زائل ہو گیا۔ نتیجتاً، سیمنٹ کی مجموعی فروخت کے حجم میں 7 فیصد اضافہ ہوا جس کی بنیادی وجہ ملکی طلب میں اضافہ تھا۔

مالیاتی جائزہ

30 جون 2026 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے اہم مالی نتائج کا گزشتہ سال سے موازنہ درج ذیل ہے:

تفصیلات	2026	2025
	روپے ہزاروں میں	
فروخت صافی	6,794,617	7,566,414
مجموعی منافع	1,476,395	2,150,702
مالیاتی لاگت	583,089	43,032
قبل از ٹیکس منافع	2,847,973	3,639,345
سال کا منافع	2,008,594	2,556,583
فی حصص آمدنی (روپے)	4.74	6.04

کمپنی نے قبل از ٹیکس منافع 2,847.97 ملین روپے ظاہر کیا۔ یہ رقم فرسودگی کے اخراجات 227.613 ملین روپے اور مالیاتی لاگت 583.089 ملین روپے کا حساب لینے کے بعد حاصل ہوئی، جبکہ مالی سال 2025 میں فرسودگی کا خرچ 175.986 ملین روپے اور مالیاتی لاگت 43.032 ملین روپے تھی۔ یہ کمپنی کے مؤثر مالی انتظام اور خاطر خواہ منافع پیدا کرنے کی صلاحیت کی عکاسی کرتا ہے۔

مالیاتی لاگت میں 540 ملین روپے کا اضافی خرچ بنیادی طور پر 5,500 ملین روپے مالیت کے نجی طور پر جاری کردہ طویل مدتی لسٹڈ اسلامی سکوک کی کامیاب تکمیل اور اجراء کی وجہ سے ہے، جو ششماہی آٹھ اقساط میں قابلِ ادائیگی ہے۔ صکوک کو شرعی اصولوں کی سختی سے پابندی کرتے ہوئے ترتیب دیا گیا اور وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے اسے طویل مدتی کریڈٹ ریٹنگ "AA-" تفویض کی۔ الحمدللہ کمپنی نے سکوک کی دو اقساط کامیابی سے ادا کر دی ہیں۔

کمپنی نے پاکستان سروسز لمیٹڈ کے 9,107,800 حصص حاصل کیے جو 28 فیصد شیئر ہولڈنگ کی نمائندگی کرتے ہیں۔ یہ حصص 14 اکتوبر 2025 کو اوپن مارکیٹ میں 710 روپے فی حصص کے حساب سے خریدے گئے۔ رپورٹنگ کی تاریخ پر تخمینی منصفانہ قدر تقریباً 944 روپے فی حصص ہے۔ مذکورہ حصول کے بعد سابق مالکان نے معزز اسلام آباد ہائی کورٹ میں درخواست دائر کی۔ عدالت نے اپنے حکم میں کمپنی کو ان حصص کی منتقلی، تفویض، فروخت یا ان کے ازالے سے روک دیا ہے۔

بورڈ نے قانونی مشیر کی رائے کی بنیاد پر یہ نتیجہ اخذ کیا کہ کمپنی قانونی طور پر ان سیکیورٹیز کی مالک ہے اور ان کا ٹائٹل رکھتی ہے، جو سینٹرل ڈپازٹری کمپنی کے پاس کمپنی کے سی ڈی سی اکاؤنٹ میں رکھی گئی ہیں۔ تاہم، ٹھٹھہ سیمنٹ کی انتظامیہ نے احتیاطاً مالی سال 2026 کے لیے پاکستان سروسز لمیٹڈ کے غیر آڈٹ شدہ مالیاتی گوشواروں کی بنیاد پر اس کے منافع میں اپنا حصہ ریکارڈ نہیں کیا۔ مزید برآں، ٹھٹھہ سیمنٹ پاکستان سروسز لمیٹڈ کی مجوزہ تنظیمِ نو کے حوالے سے اصولی مفاہمت تک پہنچ چکی ہے۔

بعد از سال تخصیصات

نقد منافعِ منقسمہ کی تجویز: 25 فیصد یعنی 0.5 روپے فی حصص (فیس ویلیو 2 روپے فی حصص)

بورڈ آف ڈائریکٹرز اقلیتی حصص یافتگان کو منافعِ منقسمہ کی ادائیگی کو ترجیح دیتے ہوئے یہ یقینی بناتا ہے کہ چھوٹے سرمایہ کاروں کو ان کی سرمایہ کاری پر براہِ راست نقد فائدہ پہنچے۔ اس کے برعکس، بڑے حصص یافتگان کو منافعِ منقسمہ نہ دینے کا فیصلہ کر کے کمپنی ان فنڈز کو زیادہ اثر انگیز سرمایہ کاری اور اسٹریٹجک اقدامات کی طرف موڑ سکتی ہے۔ اکثریتی حصص یافتگان نے 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے اپنے منافعِ منقسمہ کے حق سے دستبردار ہونے پر پہلے ہی رضامندی ظاہر کر دی ہے۔

(i) اکثریتی حصص یافتگان کے لیے، جو اسکائی پاک ہولڈنگ (پرائیویٹ) لمیٹڈ، الفتاح ہولڈنگ (پرائیویٹ) لمیٹڈ، گولڈن گلوب ہولڈنگ (پرائیویٹ) لمیٹڈ اور رائزنگ اسٹار ہولڈنگ پر مشتمل ہیں اور مجموعی طور پر ٹریژری حصص کے علاوہ کل حصص کا 60.26 فیصد رکھتے ہیں: **کچھ نہیں (NIL)**

(ii) اقلیتی حصص یافتگان کے لیے — مذکورہ بالا اکثریتی حصص یافتگان کے علاوہ

کمپنی کے کاروبار کا ماحول پر اثر

سیمنٹ سازی کے کاروبار کا ماحول پر بنیادی اثر کلنکر کی پیداوار کے لیے اپنائے گئے عمل سے خارج ہونے والے ذرّاتی مادّے اور اڑتی ہوئی گرد سے متعلق ہے، جس میں سانس کے ذریعے اندر جانے والے اور تنفسی مائیکرون سائز کے دونوں ذرّات شامل ہیں جو ایک دائمی مہلک بیماری یعنی سلیکوسس کا سبب بنتے ہیں۔

کاروبار کے ماحولیاتی اثرات کو پیشگی طور پر کم کرنے کے لیے کمپنی نے گرد دبانے کے آلات نصب کیے ہیں، جیسے ڈسٹ سائیکلونز، بیگ ہاؤسز، پانی کے چھڑکاؤ کے ذریعے گرد کی روک تھام، الیکٹرو اسٹیٹک پریسپیٹیٹرز، ذاتی حفاظتی سامان اور رفتار کی حد کے کنٹرول، جنہیں اہل تکنیکی عملہ ریگولیٹری پروٹوکولز کے مطابق چلاتا ہے، تاکہ آر ایس پی ایم (سانس کے قابل معلق ذرّاتی مادّہ) اور ایف آر ڈی (سڑک کی اڑتی گرد) پر قابو پایا جا سکے۔ ماحولیاتی ضوابط کی تعمیل میں کمپنی سیپا ایکٹ 2014 کے تحت لازمی ماحولیاتی معیارات پر عمل کرتی ہے۔ اس میں فضا کے معیار، پینے کے پانی، شور کی سطح اور دیگر متعلقہ ماحولیاتی عوامل کی سخت نگرانی اور تجزیہ شامل ہے۔ ان معیارات کی پابندی یقینی بنانے کے لیے کمپنی جامع نگرانی اور تجزیے کے لیے SEPA سے تصدیق شدہ ماحولیاتی لیبارٹری استعمال کرتی ہے۔

مزید برآں، ماحولیاتی اثرات کم کرنے کے لیے کمپنی کے عزم کی مثال ٹی سی ایل کی ذیلی کمپنی ہے، جس نے ویسٹ ہیٹ ریکوری سسٹم (WHRS) نصب کیا ہے۔ یہ نظام سیمنٹ کی تیاری اور بجلی کی پیداوار کے عمل میں پیدا ہونے والی فاضل حرارت کو حاصل کر کے دوبارہ استعمال کرتا ہے۔ فاضل حرارت کو قابلِ استعمال توانائی میں تبدیل کر کے WHRS عالمی حدت کے اثرات کو کم کرتا ہے اور کاربن کے اخراج میں نمایاں کمی لاتا ہے۔ یہ جدید طریقہ نہ صرف کمپنی کے ماحولیاتی نگہبانی کے اہداف کو سہارا دیتا ہے بلکہ صنعتی کارروائیوں میں مجموعی توانائی کی بچت اور پائیداری میں بھی حصہ ڈالتا ہے۔

قابلِ تجدید توانائی کے اقدامات

کمپنی نے قابلِ تجدید توانائی کی ٹیکنالوجیز اپنانے میں نمایاں پیش رفت کی ہے۔ اس نے کامیابی سے 5 میگاواٹ کا شمسی بجلی گھر نصب کیا ہے جو شمسی توانائی سے صاف بجلی پیدا کرتا ہے۔ اس کے علاوہ کمپنی نے اپریل 2025 میں 4.8 میگاواٹ صلاحیت کا ونڈ پاور منصوبہ بھی کامیابی سے مکمل اور شروع کیا۔ مزید یہ کہ کمپنی نے سال کے دوران 7.5 میگاواٹ کا ونڈ پاور پلانٹ درآمد کرنے کے لیے ایک اور ایل سی کھولی۔ اس کی کھیپ موصول ہو چکی ہے اور ان شاء اللہ 31 دسمبر 2026 تک اسے شروع کیے جانے کا امکان ہے۔

یہ اقدامات نہ صرف کمپنی کے پائیداری کے مقاصد کو آگے بڑھاتے ہیں بلکہ روایتی توانائی کے ذرائع پر انحصار کم کر کے منافع بخشی بھی بہتر بناتے ہیں۔ مزید یہ کہ شمسی اور ہوائی جیسی قابلِ تجدید توانائی استعمال کر کے یہ کمپنی کے ماحولیاتی اثرات کم کرنے میں بھی مدد دیتے ہیں۔

مزید برآں، ماحولیاتی اثرات کم کرنے کے لیے کمپنی کے عزم کی مثال ٹی سی سی ایل کی ذیلی کمپنی ہے جس نے ویسٹ ہیٹ ریکوری سسٹم (WHRS) نصب کیا ہے۔ یہ نظام سیمنٹ کی تیاری اور بجلی کی پیداوار کے دوران پیدا ہونے والی فاضل حرارت کو دوبارہ استعمال کرتا ہے۔ فاضل حرارت کو قابلِ استعمال توانائی میں بدل کر WHRS عالمی حدت کے اثرات کم کرتا ہے اور کاربن کے اخراج میں نمایاں کمی کرتا ہے۔ یہ جدید طریقہ نہ صرف کمپنی کے ماحولیاتی نگہبانی کے اہداف کو سہارا دیتا ہے بلکہ صنعتی کارروائیوں میں توانائی کی مجموعی بچت اور پائیداری میں بھی حصہ ڈالتا ہے۔

کمپنی قابلِ تجدید توانائی کے متعدد پر عزم منصوبوں کے ذریعے پائیداری کے لیے اپنے عزم کو وسعت دینے کے لیے تیار ہے۔ اپنے بنیادی ڈھانچے میں جدید قابلِ تجدید ٹیکنالوجیز شامل کر کے کمپنی پائیدار طریقوں میں راہنما کے طور پر اپنی پوزیشن مضبوط کرنا اور ایک سرسبز توانائی مستقبل کی جانب منتقلی میں نمایاں کردار ادا کرنا چاہتی ہے۔ یہ دور اندیش طرزِ عمل جدت، طویل مدتی ماحولیاتی نگہبانی اور اپنے پائیداری کے اہداف کے حصول کے لیے کمپنی کی لگن کی عکاسی کرتا ہے۔

کارپوریٹ سماجی ذمہ داری

ایک ذمہ دار کارپوریٹ ادارے کے طور پر ہماری کمپنی اپنی سماجی ذمہ داریاں پوری کرنے اور ان کمیونٹیز کے لیے مثبت کردار ادا کرنے کے لیے پوری طرح پر عزم ہے جن میں وہ کام کرتی ہے۔ مالی سال 2025-26 کے دوران ہم نے مقامی رہائشیوں کی فلاح و بہبود بڑھانے کے مقصد سے متعدد اقدامات میں بھرپور حصہ لیا۔

ہماری کوششوں کا ایک اہم محور حفاظت اور صحت سے متعلق آگاہی کو فروغ دینا رہا۔ اس مقصد کے لیے ہم نے متعدد تعلیمی نشستیں منعقد کیں جن کا مقصد کمیونٹی کے افراد کو حفاظت اور صحت کے بہترین طریقوں سے آگاہ اور بااختیار بنانا تھا۔ ان میں احتیاطی تدابیر، ہنگامی تیاری اور مجموعی فلاح و بہبود جیسے متعدد اہم موضوعات شامل ہیں۔

ان آگاہی پروگراموں کے علاوہ ہمیں فخر ہے کہ ہم نے جدید سلیکوسس تشخیصی اور صحت اسکریننگ مرکز قائم کیا ہے۔ انتہائی اہل اور تجربہ کار پیشہ ور افراد پر مشتمل یہ سہولت سلیکوسس اور دیگر متعلقہ طبی کیفیات کی تشخیص اور علاج کے لیے وقف ہے۔ ہمارا مرکز جدید ترین تشخیصی آلات اور ٹیکنالوجی سے لیس ہے تاکہ درست جانچ اور مؤثر علاج کے منصوبے یقینی بنائے جا سکیں۔

سال کے دوران کمپنی نے اپنے ماحولیاتی اثرات سے نمٹنے میں نمایاں پیش رفت کی۔ مقامی ماحولیاتی نظام کو بہتر بنانے کی مخصوص کوشش کے تحت ہم نے سال کے دوران گرین بیلٹ میں مزید اضافہ کیا اور گردونواح میں کامیابی سے 5,000 درخت لگائے۔ یہ اقدام ماحولیاتی نگہبانی اور پائیداری کے لیے ہمارے وسیع تر عزم کا حصہ ہے۔ سبز مقامات میں اضافہ کر کے ہم فضا کا معیار بہتر بنانے، مقامی جنگلی حیات کے مسکنوں کو سہارا دینے اور ماحول کی مجموعی صحت میں حصہ ڈالنے کا ارادہ رکھتے ہیں۔ ہماری کوششیں نہ صرف ماحولیاتی ذمہ داری سے ہماری وابستگی کا مظہر ہیں بلکہ کمیونٹی اور اس سے آگے کے لیے ایک سرسبز اور زیادہ پائیدار مستقبل کو بھی فروغ دیتی ہیں۔

ان اقدامات کے ذریعے ہم اپنی خدمت کردہ کمیونٹیز کی صحت اور حفاظت پر بامعنی اور دیرپا اثر ڈالنا چاہتے ہیں، اور ایک فعال و معاون کارپوریٹ شہری ہونے کے اپنے عزم کو مزید تقویت دیتے ہیں۔

داخلی کنٹرولز کی کفایت

ڈائریکٹرز کمپنی کے داخلی کنٹرول نظاموں کی کارکردگی کو ہر سطح اور ہر شعبے میں یقینی بنانے کے لیے تمام ضروری اقدامات پوری تندہی سے نافذ کر رہے ہیں۔ اس میں کمپنی کے امور پر اثرانداز ہوسکنے والے تمام اہم کنٹرولز، یعنی مالیاتی، عملی اور تعمیلی کنٹرولز، کا جامع جائزہ شامل ہے۔

متعلقہ فریقین کے لین دین

تمام متعلقہ فریقین کے ساتھ کیے گئے لین دین کا پاکستان اسٹاک ایکسچینج لمیٹڈ کے پی ایس ایکس ریگولیشنز کی تعمیل میں آڈٹ کمیٹی اور کمپنی کے بورڈ آف ڈائریکٹرز نے جائزہ لیا اور منظوری دی۔

کارپوریٹ اور مالیاتی رپورٹنگ

(a) ٹھٹہ سیمنٹ کمپنی لمیٹڈ کی انتظامیہ کے تیار کردہ مالیاتی گوشوارے کمپنی کے امور کی صورتِ حال، اس کی کارروائیوں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔ اچھی کارپوریٹ گورننس یقینی بنانے کے لیے تمام ضروری اقدامات کیے جارہے ہیں۔

(b) کمپنی نے مناسب حسابات کی کتب مرتب رکھی ہیں۔

(c) مالیاتی گوشوارے اور ان کے نوٹس کمپنیز ایکٹ 2017 کے مطابق تیار کیے گئے ہیں۔ پاکستان میں قابلِ اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات اور بین الاقوامی اکاؤنٹنگ معیارات کی پیروی کی گئی ہے اور ان سے کوئی مادّی انحراف نہیں ہوا۔

(d) مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی گئی ہیں اور اکاؤنٹنگ تخمینے معقول اور محتاط فیصلے پر مبنی ہیں۔

(e) داخلی کنٹرول کا نظام مؤثر طریقے سے نافذ ہے اور مسلسل اس کا جائزہ اور نگرانی کی جاتی ہے۔

(f) کمپنی ایک چلتا ہوا ادارہ (going concern) ہے اور اس کی چلتے رہنے کی صلاحیت پر قطعاً کوئی شک نہیں۔

(g) کمپنی کے خلاف ٹیکسوں، ڈیوٹیوں، محصولات اور دیگر واجبات کی مد میں کچھ بھی بقایا نہیں، سوائے ان کے جو کاروبار کے معمول میں ادا کیے جارہے ہیں اور مالیاتی گوشواروں میں ظاہر کیے گئے ہیں۔

(h) گزشتہ چھ سالوں کے اہم عملی اور مالیاتی اعداد و شمار الگ سے پیش کیے گئے ہیں۔

(i) سال کے دوران منعقد ہونے والے بورڈ، آڈٹ کمیٹی اور ہیومن ریسورسز اینڈ ریمیونریشن کمیٹی کے اجلاسوں کی تعداد اور ہر ڈائریکٹر / رکن کی حاضری کا تفصیلی بیان، کمپنیز ایکٹ 2017 کی دفعہ 227(2)(a) کے تحت مطلوبہ ضمیمہ I کے طور پر اس رپورٹ کے ساتھ الگ سے منسلک ہے۔

(j) کمپنی کے حصص داری کا نمونہ، کمپنیز ایکٹ 2017 کی دفعہ 227(2)(f) کے مطابق، اس رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز میں تبدیلیاں

سال کے دوران کمپنی کے بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں ہوئی۔

کوڈ آف کارپوریٹ گورننس

الف۔لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی تعمیل کا گوشوارہ اس رپورٹ کے ساتھ منسلک ہے۔

ب۔کمپنیز ایکٹ 2017 کی دفعہ 227 کے تحت سالانہ رپورٹ میں شامل کی جانے والی بورڈ آف ڈائریکٹرز کی ساخت ذیل میں دی گئی ہے:

تفصیل	ڈائریکٹرز کی تعداد
1۔مرد	5
2۔خواتین	2
ساخت	
1۔آزاد ڈائریکٹرز	4
2۔غیر انتظامی	2
3۔انتظامی ڈائریکٹر	1
4۔خاتون ڈائریکٹر	2

ج۔بورڈ کی ذیلی کمیٹیوں کی تفصیلات سالانہ رپورٹ میں فراہم کی گئی ہیں۔

ڈائریکٹرز کا معاوضہ / فیس

ڈائریکٹرز کا معاوضہ کمپنی کے آرٹیکلز آف ایسوسی ایشن کے تحت طے ہوتا ہے، جس کے مطابق بورڈ یا اس کی کسی کمیٹی کے اجلاس میں شرکت پر ہر ڈائریکٹر کو ادا کیا جانے والا معاوضہ / فیس، ذمہ داریوں کے دائرہ کار کے لحاظ سے صلاحیتوں اور کاوشوں کو مدِ نظر رکھتے ہوئے، وقتاً فوقتاً بورڈ آف ڈائریکٹرز طے کرے گا۔

کمپنی کے ایگزیکٹو ڈائریکٹر (چیف ایگزیکٹو) کو ادا کیے گئے معاوضے کی تفصیل غیر مجتمع مالیاتی گوشواروں کے نوٹ 44 میں ظاہر کی گئی ہے۔

بورڈ کی تشخیص

لسٹڈ کمپنیز کوڈ آف کارپوریٹ گورننس ریگولیشنز 2019 کے تقاضوں کے مطابق بورڈ، اس کے اراکین اور اس کی کمیٹیوں کی کارکردگی کی سالانہ تشخیص کی گئی تاکہ یہ یقینی بنایا جاسکے کہ بورڈ کی مجموعی کارکردگی اور مؤثریت کمپنی کے مقرر کردہ مقاصد کے مقابلے میں ناپی جاتی ہے۔اس مقصد کے لیے بورڈ نے اپنی کارکردگی، بورڈ کے اراکین اور اس کی کمیٹیوں کی تشخیص کا ایک طریقۂ کار وضع کیا ہے۔اس تشخیص کی بنیاد پر زیرِ جائزہ سال کے لیے بورڈ، اس کے اراکین اور کمیٹیوں کی مجموعی کارکردگی تسلی بخش ہے۔

ادائیگیوں میں نادہندگی

رواں سال کے دوران واجب الادا کسی قرض کی ادائیگی میں کوئی نادہندگی نہیں ہوئی۔

بیرونی آڈیٹرز

موجودہ آڈیٹرز، میسرز بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اہل ہونے کے ناطے خود کو دوبارہ تقرری کے لیے پیش کر چکے ہیں۔ آڈٹ کمیٹی کی سفارش کے مطابق بورڈ حصص یافتگان کو 30 جون 2027 کو ختم ہونے والے مالی سال کے لیے میسرز بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے آڈیٹرز مقرر کرنے کی سفارش کرتا ہے۔

مستقبل کا منظر نامہ

مالی سال 2027 کے لیے پاکستان کی معاشی صورتِ حال محتاط طور پر مثبت ہے۔ اسے سال کے دوران حاصل ہونے والے معاشی استحکام، معاشی اصلاحات پر مسلسل عمل درآمد اور سرمایہ کاروں کے بڑھتے اعتماد کی حمایت حاصل ہے۔ توقع ہے کہ حکومت کی برآمدات پر مبنی ترقی، سرمایہ کاری، مالی نظم وضبط اور بنیادی ڈھانچے کی ترقی پر توجہ معاشی سرگرمیوں اور ملکی طلب کو سہارا دے گی۔ شرحِ سود میں کمی اور ہاؤسنگ سے متعلق مراعات سے بھی معاونت ملنے کی توقع ہے۔ وزیرِ اعظم کی رعایتی فنانسنگ اسکیم نے ملکی سیمنٹ کی طلب بہتر بنانے میں نمایاں کردار ادا کیا ہے۔ تاہم منظر نامہ خطرات سے مشروط ہے۔ ان میں جغرافیائی وسیاسی کشیدگی، عالمی توانائی قیمتوں میں اتار چڑھاؤ، مہنگائی کے نئے دباؤ اور علاقائی تجارت میں ممکنہ رکاوٹیں شامل ہیں۔ بحالی کی رفتار کا زیادہ تر انحصار اصلاحات کے تسلسل، ترقیاتی اقدامات پر مؤثر عمل درآمد اور مالی وبیرونی شعبے کے استحکام کی برقراری پر ہوگا۔

سیمنٹ صنعت کا منظر نامہ ملکی تعمیراتی سرگرمی، شرحِ سود اور علاقائی تجارتی حالات سے گہرا جڑا ہوا ہے۔ ایک اہم عنصر افغانستان کے ساتھ تجارتی رکاوٹوں کا حل ہے۔ مسلسل مانیٹری نرمی، سرکاری شعبے کے ترقیاتی اخراجات اور نجی ہاؤسنگ وانفراسٹرکچر سرگرمیوں سے ملکی سیمنٹ کی طلب کو سہارا ملنے کی توقع ہے۔ تاہم برآمدی منظر نامہ غیر یقینی ہے۔ اس کا انحصار نمایاں طور پر افغان سرحد کے دوبارہ کھلنے اور بین الاقوامی منڈیوں تک رسائی پر ہوگا۔ علاقائی تجارتی حالات میں بہتری برآمدات کی بحالی میں معاون ہوسکتی ہے اور مسابقتی قیمتوں پر خام مال اور ایندھن تک رسائی آسان بنا سکتی ہے۔ اس کے برعکس، طویل رکاوٹیں برآمدات کو مسلسل محدود کرسکتی ہیں اور صنعت کا ملکی طلب پر انحصار بڑھا سکتی ہیں۔

کمپنی آپریشنل مہارت، لاگت کی اصلاح، توانائی کی بچت اور کاروباری تنوع کے ذریعے اپنی مسابقتی پوزیشن مضبوط کرنے پر توجہ مرکوز رکھے ہوئے ہے۔ انتظامیہ مارکیٹ اور جغرافیائی وسیاسی پیش رفت کی فعال نگرانی جاری رکھے گی اور ابھرتے خطرات کو کم کرنے کے لیے مناسب اقدامات کرے گی۔ کمپنی حکومت پر بھی زور دیتی ہے کہ وہ سیمنٹ صنعت پر ٹیکس اور ریگولیٹری بوجھ کو معقول بنائے، اور ایسے اقدامات متعارف کرائے جو پائیدار ترقی، سرمایہ کاری اور مسابقت کو سہارا دیں۔ یہ شعبہ بنیادی ڈھانچے کی ترقی، معاشی سرگرمی اور روزگار کی تخلیق میں نمایاں حصہ ڈالتا ہے۔ کمپنی حصص یافتگان کے لیے پائیدار طویل مدتی قدر پیدا کرتے ہوئے اپنے موجودہ کاروباری امور میں تنوع اور توسیع کے مواقع تلاش کرتی رہے گی۔

قومی خزانے میں حصہ

کمپنی نے انکم ٹیکس، ایکسائز ڈیوٹی، سیلز ٹیکس اور دیگر سرکاری محصولات کی مد میں 4.644 ارب روپے (2025: 4.659 ارب روپے) قومی خزانے میں جمع کرائے۔

گروپ کی کارکردگی

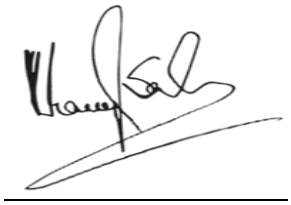
کمپنیز ایکٹ 2017 کی دفعہ 226(4) کی تعمیل میں، ٹی سی سی ایل (ہولڈنگ کمپنی)، ٹھٹھہ پاور (پرائیویٹ) لمیٹڈ (ٹی پی پی ایل) (ذیلی کمپنی) اور منسک ورک ٹریکٹر اینڈ اسمبلنگ (پرائیویٹ) لمیٹڈ (ایم ڈبلیو ٹی پی ایل) (ذیلی کمپنی) کے 30 جون 2026 کو ختم ہونے والے سال کے مجتمع مالیاتی گوشوارے اس رپورٹ کے ساتھ منسلک ہیں۔

اس کے اہم نکات ذیل میں پیش کیے گئے ہیں:

تفصیل	2026	2025
	روپے ہزاروں میں	
مالی پوزیشن کا گوشوارہ		
جائیداد، پلانٹ اور آلات	5,332,894	5,290,120
اسٹاک اِن ٹریڈ	1,550,973	558,833
تجارتی قرضے (وصولیاں)	2,254,171	1,226,288
اداشدہ شیئر کیپیٹل	847,181	847,181
کل ایکویٹی — ہولڈنگ کمپنی	9,168,420	7,134,572
تجارتی اور دیگر واجبات	2,070,280	1,864,508
قلیل مدتی قرضے	197,856	197,856
منافع یا نقصان کا گوشوارہ		
فروخت صافی	11,930,638	9,443,838
مجموعی منافع	3,846,140	2,951,141
فروخت، ترسیل اور انتظامی اخراجات	546,628	213,824
قبل از ٹیکس منافع	3,128,719	3,438,632
سال کا منافع	2,276,254	2,344,213
فی حصص آمدنی / (نقصان) (روپے)	4.80	5.66

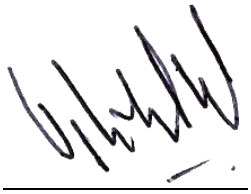
اظہارِ تشکر

بورڈ آف ڈائریکٹرز کمپنی کے حصص یافتگان، مالیاتی اداروں اور صارفین کا ان کے مسلسل تعاون، حمایت اور سرپرستی پر دل سے شکر گزار ہے۔ بورڈ کمپنی کے تمام ملازمین کی بے مثال کوششوں، لگن، بہترین خدمات، ٹیم ورک، وفاداری اور محنت کا بھی اعتراف کرتا ہے اور امید کرتا ہے کہ ان کی مسلسل لگن کمپنی کو مزید مضبوط بنائے گی اور اسے مستقبل کی پیش رفتوں اور تقاضوں کے ساتھ ہم آہنگ رکھے گی۔



خواجہ محمد سلمان یونس

چیئرمین



کامران منیر انصاری

چیف ایگزیکٹو آفیسر

کراچی: 4 نومبر 2026

ANNEXURE I

Attendance of Directors in Board Meetingsheld during the year ended June 30, 2026

Names of Directors	No. of Meetings	Meeting attended
Mr. Khawaja Muhammad Salman Younis	4	3
Mr. Kamran Munir Ansari	4	4
Ms. Naheed Memon	4	3
Mr. Saleem Zamindar	4	4
Mr. Noor Muhammad	4	4
Mr. Alamuddin Bullo	4	4
Ms. Shaista Bano Gilani	4	3

Attendance of Members in Audit Committee Meetings held during the year ended June 30, 2026:

Name of Members	No. of Meetings	Meeting attended
Ms. Naheed Memon	4	3
Mr. Khawaja Muhammad Salman Younis	4	3
Mr. Saleem Zamindar	4	4

Attendance of Members in Human Resource & Remuneration Committee held during the year ended June 30, 2026:

Mr. Khawaja MuhammadSalman Younis	1	1
Mr. Noor Muhammad	1	1
Mr. Kamran Munir Ansari	1	1

COMBINED PATTERN OF CDC AND PHYSICAL SHAREHOLDINGS

AS AT JUNE 30, 2026

CATEGORY NO.	CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES HELD	PERCENTAGES (%)
1	Directors, Chief Executive Officer and their spouse and minor children	7	10,228,028	2.05%
2	Associated Companies, undertakings and related parties	6	259,416,430	52.03%
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	3	29,611,643	5.94%
5	Insurance Companies	1	25,000	0.01%
6	Modarbas and Mutual Funds	2	83,766	0.02%
7	General Public			
	(a) Local	11,850	75,318,054	15.11%
	(b) Foreign	824	18,805,201	3.77%
8	Others	97	105,102,503	21.08%
TOTAL		**12,790**	**498,590,625**	**100%**

SHAREHOLDERS HOLDING 10% OR MORE VOTING SHARES IN THE COMPANY		
TOTAL PAID UP SHARE CAPITAL OF THE COMPANY	498,590,625	Shares
10% OF THE PAID UP CAPITAL OF THE COMPANY	49,859,063	Shares

NAME(S) OF SHAREHOLDERS	DESCRIPTION	NO. SHARES HELD	PERCENTAGES
Sky Pak Holding (Private) Limited	Falls in Category # 2	105,763,935	21.21%
Al-Miftah Holding (Private) Limited	Falls in Category # 2	74,475,590	14.94%

PATTERN OF SHAREHOLDING CDC AND PHYSICAL

AS AT JUNE 30, 2026

NO. OF SHAREHOLDINGS	SHAREHOLDINGS		TOTAL SHARES HELD
	FROM	TO	
2,713	1	100	98,388
2,625	101	500	824,164
1,737	501	1,000	1,454,101
3,856	1,001	5,000	9,788,387
857	5,001	10,000	6,587,321
282	10,001	15,000	3,558,263
150	15,001	20,000	2,708,966
109	20,001	25,000	2,497,472
72	25,001	30,000	2,037,861
44	30,001	35,000	1,458,125
38	35,001	40,000	1,459,517
22	40,001	45,000	951,745
48	45,001	50,000	2,350,777
19	50,001	55,000	996,028
16	55,001	60,000	936,169
12	60,001	65,000	757,563
9	65,001	70,000	618,525
16	70,001	75,000	1,181,091
2	75,001	80,000	155,325
2	80,001	85,000	168,000
1	85,001	90,000	90,000
5	90,001	95,000	463,399
18	95,001	100,000	1,789,801
6	100,001	105,000	620,044
6	105,001	110,000	642,410
3	110,001	115,000	337,097
5	115,001	120,000	593,685
5	120,001	125,000	620,365
2	125,001	130,000	252,649
3	130,001	135,000	399,248
1	135,001	140,000	138,310
1	140,001	145,000	144,000
7	145,001	150,000	1,044,500
2	155,001	160,000	313,705
2	160,001	165,000	330,000
1	165,001	170,000	170,000
1	170,001	175,000	173,150
2	175,001	180,000	358,000
2	180,001	185,000	369,000
1	185,001	190,000	189,000
1	190,001	195,000	191,000
7	195,001	200,000	1,394,500
2	200,001	205,000	407,300
1	210,001	215,000	210,058
1	225,001	230,000	230,000

NO. OF SHAREHOLDINGS	SHAREHOLDINGS		TOTAL SHARES HELD
	FROM	TO	
2	230,001	235,000	467,000
1	235,001	240,000	239,750
4	245,001	250,000	998,000
1	255,001	260,000	260,000
1	265,001	270,000	270,000
1	270,001	275,000	275,000
2	285,001	290,000	579,025
2	295,001	300,000	598,067
1	300,001	305,000	301,516
1	355,001	360,000	360,000
1	360,001	365,000	362,740
1	365,001	370,000	370,000
1	370,001	375,000	370,473
1	385,001	390,000	390,000
1	395,001	400,000	400,000
1	420,001	425,000	424,000
2	440,001	445,000	886,026
1	460,001	465,000	464,500
1	490,001	495,000	494,581
5	495,001	500,000	2,500,000
1	590,001	595,000	592,135
1	600,001	605,000	601,637
1	615,001	620,000	620,000
2	620,001	625,000	1,250,000
2	645,001	650,000	1,300,000
1	675,001	680,000	675,110
1	695,001	700,000	700,000
1	730,001	735,000	731,370
1	735,001	740,000	736,656
1	745,001	750,000	750,000
1	845,001	850,000	846,125
1	940,001	945,000	943,160
1	965,001	970,000	968,795
1	970,001	975,000	975,000
1	980,001	985,000	980,500
1	1,010,001	1,015,000	1,015,000
1	1,015,001	1,020,000	1,017,900
1	1,035,001	1,040,000	1,040,000
1	1,095,001	1,100,000	1,100,000
1	1,245,001	1,250,000	1,249,203
1	1,295,001	1,300,000	1,300,000
1	1,325,001	1,330,000	1,330,000
1	1,395,001	1,400,000	1,400,000
3	1,495,001	1,500,000	4,496,458
1	2,000,001	2,005,000	2,000,289
1	2,530,001	2,535,000	2,532,500
1	2,990,001	2,995,000	2,994,000
1	2,995,001	3,000,000	3,000,000
1	3,710,001	3,715,000	3,715,000

NO. OF SHAREHOLDINGS	SHAREHOLDINGS		TOTAL SHARES HELD
	FROM	TO	
1	5,635,001	5,640,000	5,640,000
1	6,095,001	6,100,000	6,100,000
1	8,120,001	8,125,000	8,125,000
1	8,165,001	8,170,000	8,167,329
1	10,085,001	10,090,000	10,089,676
1	26,245,001	26,250,000	26,246,665
1	32,655,001	32,660,000	32,656,455
1	42,395,001	42,400,000	42,395,450
1	74,475,001	74,480,000	74,475,590
1	74,995,001	75,000,000	75,000,000
1	105,760,001	105,765,000	105,763,935
12,790			**498,590,625**

KEY OPERATING AND FINANCIAL STATISTICS OF SIX YEARS

PROFIT & LOSS for the year	2026	2025	2024	2023	2022	2021
Sales - Net	6,794,617	7,566,414	7,521,577	5,410,132	4,263,894	2,427,313
Cost of Sales	5,318,222	5,415,712	5,357,851	4,989,620	3,943,273	2,042,652
Gross Profit	**1,476,395**	**2,150,702**	**2,163,726**	**420,512**	**320,621**	**384,661**
Operating Profit (EBIT)	1,077,380	1,683,210	1,782,084	415,386	188,141	267,185
Profit Before Tax	2,847,973	3,639,345	2,472,987	364,528	154,766	250,115
Profit After Tax	**2,008,594**	**2,556,583**	**1,501,037**	**249,077**	**119,294**	**201,793**
EPS (PKR)	**4.74**	**6.04**	**3.54**	**0.59**	**0.28**	**0.48**

FINANCIAL POSITION as at	2026	2025	2024	2023	2022	2021
Property, Plant & Equipment	3,448,272	3,425,606	2,219,818	1,838,811	1,920,063	1,951,747
Right of use assets	-	-	-	-	42,184	-
Intangibles	585	1,755	2,925	4,095	5,265	-
Long Term Investments	7,412,896	936,658	299,158	299,158	299,158	299,158
Long Term Deposits	5,170	5,125	5,125	5,125	3,796	1,096
Gratuity Fund Asset	83,100	123,100	23,100	-	-	-
Current Assets	5,322,918	5,022,847	5,076,455	2,595,792	2,362,505	1,443,071
Total Assets	**16,272,941**	**9,515,091**	**7,626,581**	**4,742,981**	**4,632,971**	**3,695,072**
Shareholders' Fund	8,707,044	6,698,451	4,209,188	2,984,709	2,740,309	2,664,206
Non-current Liabilities	4,093,746	683,896	372,151	300,554	335,465	325,621
Capital Employed	12,800,790	7,382,347	4,581,339	3,285,263	3,075,774	2,989,827
Current Liabilities	3,472,151	2,132,744	3,045,242	1,457,718	1,557,197	705,245
Total Funds Invested	**16,272,941**	**9,515,091**	**7,626,581**	**4,742,981**	**4,632,971**	**3,695,072**

Notice of
Annual General Meeting

Notice is hereby given that the Annual General Meeting of Thatta Cement Company Limited will be held at Beach Luxury Hotel, M. T. Khan Road, Karachi on November 27, 2026 at 10:30 a.m. to transact the following business:

A. Ordinary Business

1. To confirm the minutes of Annual General Meeting of the shareholders held on October 07, 2025.

2. To receive, consider and adopt the audited financial statements for the year ended June 30, 2026 together with the Board of Directors' and Independent Auditors' report thereon.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded from the following web link and QR enabled code:

https://thattacement.com/reports/2025-2026-Annual.pdf	

3. To consider, declare and approve final cash dividend for the year ended June 30, 2026:

i) To Majority Shareholders comprising Sky Pak Holding (Private) Limited, Al-Miftah Holding (Private) Limited, Golden Globe Holding (Private) Limited and Rising Star Holding collectively holds 60.26% of the total shares excluding the treasury shares.

NIL

ii) To Minority Shareholders – Other than the Majority Shareholders as above

Propose Cash Dividend of 25% i.e. Rs. 0.5/- per share

The Board of Directors, by prioritizing the dividend payments to minority shareholders, ensures that small investors receive direct cash benefits from their investments. In contrast, by choosing not to pay dividends to major shareholders, the Company can redirect these funds towards high impact investments and strategic initiatives. The majority shareholders have already consented to waive their right to dividends for the financial year ended June 30, 2026.

4. To appoint external auditors of the Company for the year ending June 30, 2027 and fix their remuneration. The present auditors, M/s BDO Ebrahim & Co. Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

B. Special Business

5. To consider and, if deem fit, to pass with or without any amendment/modification the following resolutions as Special Resolution for investment (loans/advances) in subsidiary company:

RESOLVED that the consent and approval be and is hereby accorded under section 199 of the Companies Act, 2017 to provide loan/advance upto maximum amount of Rs 750 million to Thatta Power (Private) Limited (TPPL), a Subsidiary Company to honor/meet its financial obligations and working capital requirements, subject to the terms and conditions mentioned in the annexed statement under section 134(3) of the Companies Act 2017.

FURTHER RESOLVED that the consent and approval be and is hereby accorded under section 199 of the Companies Act, 2017 to provide loan/advance upto maximum amount of Rs 750 million to Minsk Work Tractor & Assembling (Private) Limited, a Subsidiary Company to honor/meet its financial obligations and working capital

requirements, subject to the terms and conditions mentioned in the annexed statement under section 134(3) of the Companies Act 2017.

FURTHER RESOLVED that the consent and approval be and is hereby accorded under section 199 of the Companies Act, 2017 to provide loan/advance upto maximum amount of Rs 500 million to Thatta Automotive (Private) Limited, a Subsidiary Company to honor/meet its financial obligations and working capital requirements, subject to the terms and conditions mentioned in the annexed statement under section 134(3) of the Companies Act 2017.

6. To transact any other business with the permission of the Chair.

Karachi : November 06, 2026

By Order of the Board
Naveed Zaman
Company Secretary

Notes:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company shall remain closed from November 19, 2026 to November 27, 2026 (both days inclusive). Transfers received in order at our Share Registrar/Transfer Agent M/s THK Associates (Private) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi, 75500 at the close of business on November 18, 2026 shall be treated in time for the purpose of Annual General Meeting.

2. Participation in General Meeting

A member of the Company entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The instrument appointing proxy must be received at the registered office of the Company duly stamped and signed not later than 48 hours before the time for holding the meeting. A member cannot appoint more than one proxy. Copy of the member's Computerized National Identity Card (CNIC) must be attached with the form. For any other relevant aspects, contents of section 137 of Companies Act, 2017 will apply.

CDC Account Holders will further have to follow the undermentioned guidelines, as laid down in Circular No. 1 of 2000 of SECP dated January 26, 2000.

- **For Attending the Meeting**

  - In case of Individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his / her identity by showing his / her original CNIC or original passport at the time of attending the meeting.
  - Members registered on Central Depository Company (CDC) are also requested to bring their particulars, ID Number and account number in Central Depository System (CDS).
  - In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted along with proxy Form to the Company.

- **For appointing the proxies**

  - In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the Proxy Form as per the above requirement.
  - Proxy form shall be witnessed by two persons whose names, addresses and CNIC Numbers shall be mentioned on the Form.
  - Attested copies of CNIC or Passport of the beneficial owners 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 meeting.
  - In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted along with Proxy Form to the Company.

3. Deposit of physical shares into CDC Account

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission.

The Shareholders having physical shareholding are encouraged to open CDC-account with any of the brokers or Investor Account Directly with CDC to place their physical shares into scrip form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

4. Transmission of annual audited financial statements through QR enabled code and web link

The Company has circulated annual financial statements to its members through QR enabled code and web link. Printed copy of above referred statements can be provided to members upon request. Request form is available on the website of the Company, i.e. www.thattacement.com.

5. Availability of audited financial statements on company's website

The audited financial statements of the Company for the year ended June 30, 2026 has been made available on the Company's Website www.thattacement.com in addition to annual and quarterly financial statements of prior years.

6. Transmission of annual reports through e-mail

The SECP vide SRO 787(I)/2014 dated September 08, 2014 has been provided an option for shareholders to receive audited financial statements along with notice of annual general meeting electronically through email. Hence, members who are interested in receiving the annual reports and notice of annual general meeting electronically in future are requested to send their email addresses on the standard form placed on the Company's website www.thattacement.com . The Company shall, however, additionally provide hard copies of the annual report to such members, on request, free of cost.

7. Request for Video Conference Facility

In terms of SECP's circular no. 10 of 2014 read with provisions contained under section 132 and 134 of the Act, if the Company receives request/demand from members holding in aggregate 10% or more shareholding residing at a geographical location to participate in the meeting through video conference at least Seven (07) days prior to the date of meeting. The Company will arrange video conference facility in that city, subject to availability of such facility in that city.

The Company will intimate members regarding venue of the video-link facility at least two (02) days before the date of the general meeting along with complete information necessary to enable them to access the facility.

In this regard, please fill the following form and submit to the Registered Office of the Company seven (07) days before holding of the general meeting.

I/We _____of _____being a member of **Thatta Cement Company Limited**, holder of _____ Ordinary shares as per Registrar Folio No _____ hereby opt for video conference facility at _____.

_____
Signature of Member

8. E-voting and Postal Ballot

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018, members will be allowed to exercise their right to vote for the special business(es) in the AGM, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:

a. E-Voting Procedure

1 Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company within due course. Members who intend to exercise their right of vote through E-Voting shall provide their valid cell numbers and e-mail addresses on or before November 18, 2026.

2 The web address, login details, will be communicated to members via email.
3 Identity of the members intending to cast vote through e-Voting shall be authenticated through authentication for login.
4 E-Voting lines will start from November 19, 2026, 9 a.m. and shall close on November 26, 2026 at 5 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

b. Postal Ballot

1 Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.thattacement.com to download.
2 The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at CL/5-4 State Life Building # 10, Abdullah Haroon Road, Karachi, Pakistan (Attention of the Company Secretary) by Thursday, November 26, 2026 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC. A postal ballot received after this time / date shall not be considered for voting.

9. Information about Scrutinizer:

According to Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations 2018, the following information is being provided to the members about the scrutinizer for the upcoming Annual General Meeting to be held on November 27, 2026.

Name of Scrutinizer	**BDO Ebrahim & Co. Chartered Accountants**
Qualification And Experience	BDO Ebrahim & Co., a Pakistan-registered partnership firm, is a member of BDO international Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. The firm is committed to operate as a seamless, integrated network so that it understands the client's business, wherever they are. BDO Pakistan currently boasts three locations in the major cities of Pakistan, with over 600 employees providing high-quality services. BDO is appointed as Scrutinizer under the Companies (Postal Ballot) Regulation, 2018. They fulfill all the eligibility conditions laid down by the Regulations and have the necessary knowledge and experience to independently scrutinize the voting process.
Purpose of Appointment	The Company is required to appoint a scrutinizer for the purpose of voting in the AGM to transact business that pertains to investment in associated companies as mentioned in Section 199 of the Companies Act, 2017. The scrutinizer has been appointed to observe that satisfactory procedures of the voting process including adequate precautionary measures are ensured and reported as mentioned under regulation 11A.

I/We _____of _____being a member of Thatta Cement Company Limited, holder of _____ Ordinary shares as per Registrar Folio No _____ hereby opt for video conference facility at _____.

_____

Signature of Member

Statement of Material Facts under
Section 134(3) of Companies Act, 2017

This statements sets out below the material facts concerning the Special Business to be transacted at the Annual General Meeting of Thatta Cement Company Limited (the "Company") to be held on Friday, November 27, 2026:

1. Investment in Thatta Power (Private) Limited by way of Loan/Advance:

The Company seeks the approval from its shareholders for investments in its subsidiary company, Thatta Power (Private) Limited ("TPPL"), through passing of the special resolutions (with or without modification(s)) provided in agenda item no. 5 of the notice, in accordance with Section 199 of the Companies Act, 2017, along with other applicable laws.

The Board of Directors of the Company has certified that necessary due diligence of TPPL has been carried out.

The information required to be annexed to the Notice in accordance with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 (Notification No. SRO 1240(I)/2017 dated December 6, 2017) (the "Regulations") is set out below:-

<table>
<tr><th>S. No.</th><th>Description</th><th>Information Required</th></tr>
<tr><td>(a)</td><td colspan="2">Disclosures for all types of Investments</td></tr>
<tr><td>(A)</td><td colspan="2">Regarding Associated Company</td></tr>
<tr><td>(i)</td><td>Name of the associated company or associated undertaking</td><td>Thatta Power (Private) Limited.</td></tr>
<tr><td>(ii)</td><td>Basis of relationship</td><td>Thatta Power (Private) Limited (TPPL), subsidiary company. The Company holds 88.52% shareholding in TPPL.</td></tr>
<tr><td>(iii)</td><td>Earnings per share for the last three years.</td><td>The Earning/(loss) per share for the last three years is as follows:
<table>
<tr><th>Years</th><th>EPS/LPS (PKR)</th></tr>
<tr><td>2026</td><td>44.13</td></tr>
<tr><td>2025</td><td>7.36</td></tr>
<tr><td>2024</td><td>(4.93)</td></tr>
</table></td></tr>
<tr><td>(iv)</td><td>Break-up value per share, based on latest audited financial statements.</td><td>The break-up value per share of TPPL is PKR 43.1/-, based on the audited financial statements of TPPL for the year ended June 30, 2026.</td></tr>
<tr><td>(v)</td><td>Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.</td><td>TPPL reported a profit of PKR 2,114.4 million in FY26. Significant items on its balance sheet are as follows:
<table>
<tr><td>Property, plant and equipment</td><td>1,886.227 million</td></tr>
<tr><td>Trade debts</td><td>1,950.314 million</td></tr>
<tr><td>Long term financing</td><td>498.735 million</td></tr>
</table></td></tr>
<tr><td>(B)</td><td colspan="2">General disclosures</td></tr>
<tr><td>(i)</td><td>Maximum amount of investment to be made;</td><td>Up to PKR 750,000,000/- (Pak Rupees seven hundred fifty million).</td></tr>
</table>

(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	To provide advance/loan to TPPL to honor its financial obligations and to meet its working capital requirements.
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:	The proposed investment will be funded through internally generated funds.
	I. Justification for investment through borrowings;	Not Applicable
	II. Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	Not Applicable
	III. Cost benefit analysis	Not Applicable
(iv)	Salient features of the agreement(s), if any, with its associated company or associated undertaking with regards to the proposed investment.	The Agreement will be executed subject to approval of shareholders in accordance with the terms and conditions mentioned in this statement.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	None, except to the extent of respective shareholding in the company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs, and	TCCL currently holds 88.52% of the shareholding in TPPL. Accumulated profit attributable to TCCL amounting to PKR 1,404.2 million. No impairment on investment in TPPL has been recognized by the Company.
(vii)	Any other important details necessary for the members to understand the transaction.	None.
(b)	In case of investments in the form of loans, advances, following disclosures in addition to those provided under clause (a) above	
(i)	**Category-wise amount of investment.**	
(ii)	Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period;	Three months KIBOR +2.62%
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged;	Three months KIBOR +2.62%
(iv)	Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any;	Not Applicable
(v)	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not Applicable.
(vi)	Repayment schedule and terms of loans or advances to be given to the investee company;	Adjustable against electricity bills and / or repayment from available funds of TPPL, if any

2. Investment in Minsk Work Tractor & Assembling (Private) Limited (the "MWTAPL"):

The Company seeks the approval from its shareholders for investments in its subsidiary company, Minsk Work Tractor & Assembling (Private) Limited ("MWTAPL"), through passing of the special resolutions (with or without modification(s)) provided in agenda item no. 5 of the notice, in accordance with Section 199 of the Companies Act, 2017, along with other applicable laws.

The Board of Directors of the Company has certified that necessary due diligence of MWTAPL has been carried out (given the stage of MWTAPL's business and limited operations), and has recommended that the shareholders of the Company pass the resolutions to permit the said transaction.

The information required to be annexed to the Notice in accordance with the Regulations is set out below:-

<table>
<tr><th>S. No.</th><th>Description</th><th>Information Required</th></tr>
<tr><td>(a)</td><td colspan="2">Disclosures for all types of Investments</td></tr>
<tr><td>(A)</td><td colspan="2">Regarding Associated Company</td></tr>
<tr><td>(i)</td><td>Name of the associated company or associated undertaking</td><td>Minsk Work Tractor & Assembling (Private) Limited (the "MWTAPL")</td></tr>
<tr><td>(ii)</td><td>Basis of relationship</td><td>wholly owned subsidiary</td></tr>
<tr><td>(iii)</td><td>Earnings per share for the last three years.</td><td>The Earning/(loss) per share for the last three years is as follows:
<table><tr><th>Years</th><th>EPS/(LPS) (PKR)</th></tr><tr><td>2026</td><td>(1.6)</td></tr><tr><td>2025</td><td>(0.76)</td></tr><tr><td>2024</td><td>N/A</td></tr></table></td></tr>
<tr><td>(iv)</td><td>Break-up value per share, based on latest audited financial statements.</td><td>The break-up value per share of MWTAPL is Rs. 7.63-/, based on the audited financial statements of MWTAPL for the year ended June 30, 2026.</td></tr>
<tr><td>(v)</td><td>Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.</td><td>MWTAPL reported a loss of PKR 80.02 million in FY26. Significant items on its balance sheet are as follows:
<table><tr><td>Inventory</td><td>1,181.84 million</td></tr><tr><td>Cash and Bank balances</td><td>14.12 million</td></tr><tr><td>Sales tax refundable</td><td>207.70 million</td></tr></table></td></tr>
<tr><td>(B)</td><td colspan="2">General disclosures</td></tr>
<tr><td>(i)</td><td>Maximum amount of investment to be made;</td><td>Up to PKR 750,000,000/- (Pak Rupees seven hundred fifty million).</td></tr>
<tr><td>(ii)</td><td>Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</td><td>To provide advance/loan to MWTAPL to meet its working capital requirements.</td></tr>
<tr><td>(iii)</td><td>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</td><td>The proposed investment will be funded through internally generated funds.</td></tr>
</table>

	I. Justification for investment through borrowings;	Not Applicable
	II. Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	Not Applicable
	III. Cost benefit analysis	Not Applicable
(iv)	Salient features of the agreement(s), if any, with its associated company or associated undertaking with regards to the proposed investment.	The Agreement will be executed subject to approval of shareholders in accordance with the terms and conditions mentioned in this statement.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	None, except to the extent of respective shareholding in the company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs, and	MWTAPL a wholly owned subsidiary of TCCL . Accumulated loss attributable to TCCL amounting to PKR 118.337 million. No impairment on investment in MWTAPL has been recognized by the Company.
(vii)	Any other important details necessary for the members to understand the transaction.	None.
(b)	In case of investments in the form of loans, advances, following disclosures in addition to those provided under clause (a) above	
(i)	**Category-wise amount of investment.**	
(ii)	Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period;	Three months KIBOR +2.62%
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged;	Three months KIBOR +2.62%
(iv)	Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any;	Not Applicable
(v)	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not Applicable.
(vi)	Repayment schedule and terms of loans or advances to be given to the investee company;	Repayment from available funds of MWTAPL

3. Investment in Thatta Automotive (Private) Limited (the "TAPL"):

The Company seeks the approval from its shareholders for investments in its subsidiary company, Thatta Automotive (Private) Limited ("TAPL"), through passing of the special resolutions (with or without modification(s)) provided in agenda item no. 5 of the notice, in accordance with Section 199 of the Companies Act, 2017, along with other applicable laws.

The Board of Directors of the Company has certified that necessary due diligence of TAPL has been carried out (given the stage of TAPL's business and limited operations), and has recommended that the shareholders of the Company pass the resolutions to permit the said transaction.

The information required to be annexed to the Notice in accordance with the Regulations is set out below:-

<table>
<tr><th>S. No.</th><th>Description</th><th>Information Required</th></tr>
<tr><td>(a)</td><td colspan="2">Disclosures for all types of Investments</td></tr>
<tr><td>(A)</td><td colspan="2">Regarding Associated Company</td></tr>
<tr><td>(i)</td><td>Name of the associated company or associated undertaking</td><td>Thatta Automotive (Private) Limited (the "TAPL"):</td></tr>
<tr><td>(ii)</td><td>Basis of relationship</td><td>wholly owned subsidiary</td></tr>
<tr><td>(iii)</td><td>Earnings per share for the last three years.</td><td>The Earning/(loss) per share for the last three years is as follows:
<table>
<tr><th>Years</th><th>EPS/(LPS) (PKR)</th></tr>
<tr><td>2026</td><td>N/A</td></tr>
<tr><td>2025</td><td>N/A</td></tr>
<tr><td>2024</td><td>N/A</td></tr>
</table></td></tr>
<tr><td>(iv)</td><td>Break-up value per share, based on latest audited financial statements.</td><td>A recently incorporated company, the breakup value per share is Rs.10</td></tr>
<tr><td>(v)</td><td>Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.</td><td>Bank : 1 million</td></tr>
<tr><td>(B)</td><td colspan="2">General disclosures</td></tr>
<tr><td>(i)</td><td>Maximum amount of investment to be made;</td><td>Up to PKR 500,000,000/- (Pak Rupees five hundred million).</td></tr>
<tr><td>(ii)</td><td>Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</td><td>To provide advance/loan to TAPL to meet its working capital requirements.</td></tr>
<tr><td>(iii)</td><td>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</td><td>The proposed investment will be funded through internally generated funds.</td></tr>
<tr><td></td><td>I. Justification for investment through borrowings;</td><td>Not Applicable</td></tr>
<tr><td></td><td>II. Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</td><td>Not Applicable</td></tr>
<tr><td></td><td>III. Cost benefit analysis</td><td>Not Applicable</td></tr>
</table>

(iv)	Salient features of the agreement(s), if any, with its associated company or associated undertaking with regards to the proposed investment.	The Agreement will be executed subject to approval of shareholders in accordance with the terms and conditions mentioned in this statement.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	None, except to the extent of respective shareholding in the company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs, and	TAPL a wholly owned subsidiary of TCCL .
(vii)	Any other important details necessary for the members to understand the transaction.	None.
(b)	In case of investments in the form of loans, advances, following disclosures in addition to those provided under clause (a) above	
(i)	**Category-wise amount of investment.**	
(ii)	Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period;	Three months KIBOR +2.62%
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged;	Three months KIBOR +2.62%
(iv)	Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any;	Not Applicable
(v)	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	Not Applicable.
(vi)	Repayment schedule and terms of loans or advances to be given to the investee company;	Repayment from available funds of TAPL

Form of
Proxy

The Secretary
Thatta Cement Company Limited
CL/5-4 State Life Building 10
Main Abdullah Haroon Road
Karachi, Pakistan

Please quote:
No. of shares held _____
Folio No. _____

I/We, _____ of _____ member (s) of Thatta Cement Company Limited, hereby appoint _____ or failing him/her _____ of _____ as proxy in my / our behalf at the Annual General Meeting of the Company to be held on Friday, November 27, 2026 at 10:30 a.m. at Beach Luxury Hotel, M. T. Khan Road, Karachi and at any adjournment thereof.

As witness my hand this _____ day of_____ 2026.

Signed by _____

In the presence of:

Signature

Rupees five revenue stamp

_____
Signature of witness

_____
Signature of witness

Important:

1. This Form of Proxy is duly completed and must be deposited at our Registered Office, not later than 48 hours before the time of holding the meeting.

2. A Proxy should also be a shareholder of the Company.

BALLOT PAPER

Ballot Paper for voting through post for the Special Businesses at the Annual General Meeting to be held on Friday, November 27, 2026, at 10:30 a.m. Beach Luxury Hotel, M. T. Khan Road, Karachi.

Contact Details of the Chairman at which the duly filled in ballot paper may be sent:

Address: CL/5-4 State Life Building 10, Main Abdullah Haroon Road, Karachi, Pakistan

E-mail address: info@thattacement.com **Phone:** 92 21 111 THATTA (111 842 882)

Website: www.thattacement.com

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	

Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)

Name and CNIC of Authorized Signatory	

I/we hereby exercise my/our vote in respect of the following special resolutions through postal ballot by conveying my/our assent or dissent to the resolutions by placing tick (·) mark in the appropriate box below:
(In case if both the boxes are marked as (·), your poll shall be treated as "Rejected")

S. No.	Agenda / Description of Special Resolutions	I/We assent to the Resolution(s) (FOR)	I/We dissent to the Resolution(s) (AGAINST)
1.	To consider and, if deem fit, to pass with or without any amendment/modification the following resolutions as Special Resolution for investment (loans/advances) in subsidiary company: **RESOLVED** that the consent and approval be and is hereby accorded under section 199 of the Companies Act, 2017 to provide loan/advance up to maximum amount of Rs 750 million to Thatta Power (Private) Limited (TPPL), a Subsidiary Company to honor/meet its financial obligations and working capital requirements, subject to the terms and conditions mentioned in the annexed statement under section 166(3) of the Companies Act 2017. **FURTHER RESOLVED** that the consent and approval be and is hereby accorded under section 199 of the Companies Act, 2017 to provide loan/advance up to maximum amount of Rs 750 million to Minsk Work Tractor & Assembling (Private) Limited (MTWPL), a Subsidiary Company to honor/meet its financial obligations and working capital requirements, subject to the terms and conditions mentioned in the annexed statement under section 166(3) of the Companies Act 2017.		

	FURTHER RESOLVED that the consent and approval be and is hereby accorded under section 199 of the Companies Act, 2017 to provide loan/advance up to maximum amount of Rs 500 million to Thatta Automotive (Private) Limited (TAPL), a Subsidiary Company to honor/meet its financial obligations and working capital requirements, subject to the terms and conditions mentioned in the annexed statement under section 166(3) of the Companies Act 2017.		

1. Duly filled ballot paper should be sent to the Chairman of Thatta Cement Company Limited at CL/5-4 State Life Building 10, Main Abdullah Haroon Road, Karachi, Pakistan. Attention of the Company Secretary or e-mail at info@thattacement.com
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman within business hours by or before Thursday, November 04, 2026. Any postal Ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport. (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot Paper form has also been placed on the website of the Company at: www.thattacement.com. Members may download the Ballot paper from the website

_____

Shareholder / Proxy holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF THATTA CEMENT COMPANY LIMITED 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 Thatta Cement Company Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

As a part of our audit of 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, 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 requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2026.

KARACHI

DATED: November 05, 2026

UDIN: CR202610166Pla47U1Cf

BDO Ebrahim & Co.
CHARTERED ACCOUNTANTS

THATTA CEMENT
COMPANY LIMITED

Statement of Compliance (Code of Corporate Governance) Regulations, 2019 for the year ended June 30, 2026

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

1. The total number of directors are seven as per the following details:
   a. Male: five
   b. Female: two
2. The composition of the board is as follows:

   Independent Directors: four
   Other Non-Executive Directors: two
   Executive Director: one
   Female Director: two
3. The Directors have confirmed that none of them is serving as a Director in 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. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/Shareholders as empowered by the relevant provisions of the Act and the Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations;
9. Following Directors are either exempt or have attended Directors' Training program till June 30, 2026:

   Khawaja Muhammad Salman Younis - Chairman
   Mr. Kamran Munir Ansari - Chief Executive Officer
   Ms. Naheed Memon - Director
   Ms. Shaista Bano Gilani - Director
   Mr. Saleem Zamindar - Director
   Mr. Noor Muhammad – Director
   Mr. Alamuddin Bullo - Director
10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

Head Office:
CL 5/4, State Life Building # 10,
Main Abdullah Haroon Road, Karachi-75350.
Tel : 92 21 111 842 882
Fax : 92 21 35665976-77
Web : www.thattacement.com

Factory:
Ghulamullah Road, Makli,
District Thatta, Sindh 73160
Tel : 92 298 111 842 882
Fax : 92 298 555004
E-mail: info@thattacement.com

THATTA CEMENT
COMPANY LIMITED

12. The board has formed following Committees as required under CCG, 2019 which comprises of members given below:

Name of Members	Audit Committee
1. Ms. Naheed Memon	Chairperson of Committee
2. Mr. Khawaja Muhammad Salman Younis	Member
3. Mr. Saleem Zamindar	Member

Name of Members	Human Resource and Remuneration Committee
1. Mr. Khawaja Muhammad Salman Younis	Member
2. Mr. Noor Muhammad	Member
3. Mr. Kamran Munir Ansari	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings of the committee were as per following:

Name of Committee	Number of Meetings held during year from July 1, 2025 to June 30, 2026
Audit Committee	Four
Human Resource and Remuneration Committee	One

15. The Board has outsourced the internal audit function and also appointed a Head of Internal Audit who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. 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;

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

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

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THATTA CEMENT
COMPANY LIMITED

19 Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are noted below:

S. No.	Requirement	Explanation	Reg. No.
1.	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.	Since the constitution of the Committee is non-mandatory, therefore the responsibilities prescribed for the nomination Committee are being taken care of by the Board of Directors	29 (1)
2.	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a separate Risk Management Committee and the functions are being performed by the Board.	30 (1)
3.	The Board is responsible for governance and oversight of sustainability risks and opportunities and takes appropriate measures to address it. Further, the Board ensures that the Company's sustainability and DE&I related strategies are periodically reviewed and monitored.	The Board will ensure that the Company has addressed sustainability-related risk and opportunities. Also, it will ensure that Company's sustainability and DE&I related policies are established, strategies are periodically reviewed and monitored in future.	10A (1) (2) (3) (4)
4.	The Board may establish a dedicated sustainability committee or assign additional responsibilities to an existing Board committee.	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit Committee.	10A (5)
5.	Companies are encouraged to arrange training for at least one head of department every year under the Directors' Training program.	The training for the department head(s) will be carried out in the next financial year.	19 (3)

Kamran Munir Ansari
Chief Executive Officer

Khawaja Muhammad Salman Younis
Chairman

Karachi: November 04, 2026

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UNCONSOLIDATED FINANCIAL STATEMENTS
OF
THATTA CEMENT COMPANY LIMITED
FOR THE YEAR ENDED
JUNE 30, 2026

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THATTA CEMENT COMPANY LIMITED

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of THATTA CEMENT COMPANY LIMITED (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2026, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated 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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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 other 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 unconsolidated 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.

Emphasis of Matter

We draw attention to note 8.3 of the unconsolidated financial statements, which describes the status of Company's investment in Pakistan Services Limited (an associated Company) and details of lawsuit filed against the Company which is pending adjudication. Our opinion is not modified in respect of this matter.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Key Audit Matters

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

Following are the Key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	Contingencies and litigations	
	As disclosed in note 31 to the unconsolidated financial statements, the Company has legal and tax litigations in respect of income, sales tax and workers compensation matters, which are pending adjudication at different levels with the taxation authorities and other legal forums. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provision that may be required against such contingencies. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters, use of significant management judgments and estimates to assess the same including related financial impacts, we considered contingent liabilities and tax related litigations, a key audit matter.	Our audit procedures, amongst others, included the followings: 1. Obtained the list of Pending cases and discussed the progress of each case and the Company's estimate of the cost involved; 2. Reviewed the key elements and basis used by management while challenging reasonableness of the cost estimates; 3. Obtained confirmations from legal and tax advisors for current status on pending previous cases and any new case filed during the year; 4. Checked orders by relevant authority on previous lawsuits / cases which are being disclosed in the unconsolidated financial statement 5. Made an assessment of likelihood of occurrence of such events and impact on the unconsolidated financial statements. 6. Reviewed the adequacy of the related disclosures in the unconsolidated financial statements in accordance with applicable financial reporting framework.

Information Other than the Unconsolidated and Consolidated 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 unconsolidated and consolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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 unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 05 NOV 2026

UDIN: AR202610166IJSG2N8gy

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

THATTA CEMENT COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026	2025
		----- (Rupees in thousands) ------	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	3,448,272	3,425,606
Intangible assets	7	585	1,755
Long term investments	8	7,412,896	936,658
Long term deposits	9	5,170	5,125
		10,866,923	4,369,144
CURRENT ASSETS			
Stores, spare parts and loose tools	10	439,050	358,337
Stock-in-trade	11	371,765	62,238
Trade debts	12	303,857	166,366
Advances	13	504,300	162,050
Receivable from gratuity fund	14	83,100	123,100
Deposits and prepayments	15	14,670	11,317
Loan to subsidiaries	16	1,106,560	-
Short term investment	17	426,140	-
Other receivables and accrued mark-up	18	526,761	192,810
Cash and bank balances	20	1,629,816	4,069,729
		5,406,019	5,145,947
TOTAL ASSETS		16,272,942	9,515,091
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	21	2,000,000	2,000,000
Issued, subscribed and paid-up capital	21	847,181	847,181
Reserves	22		
Capital reserve		99,718	99,718
Revenue reserves		7,760,146	5,751,552
		8,707,045	6,698,451
NON CURRENT LIABILITIES			
Long term financing	23	3,401,094	-
Long term deposits	24	3,787	3,787
Deferred taxation	25	688,865	680,109
		4,093,746	683,896
CURRENT LIABILITIES			
Trade and other payables	26	1,393,484	1,349,140
Current maturity of long term financing	23	1,354,936	-
Taxation- net	19	215,393	566,255
Short term borrowings	27	197,856	197,856
Accrued mark-up	28	299,926	8,937
Unclaimed dividend	29	1,933	1,933
Unpaid dividend	30	8,623	8,623
		3,472,151	2,132,744
TOTAL EQUITY AND LIABILITIES		16,272,942	9,515,091
CONTINGENCIES AND COMMITMENTS	31		

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

CHIEF FINANCIAL OFFICER | CHIEF EXECUTIVE | DIRECTOR

THATTA CEMENT COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousands)	
Sales - gross		10,117,783	11,142,255
Sales tax and federal excise duty		(3,323,166)	(3,575,841)
Sales - net		6,794,617	7,566,414
Cost of sales	32	(5,318,222)	(5,415,712)
Gross profit		1,476,395	2,150,702
Selling and distribution cost	33	(65,802)	(45,877)
Administrative expenses	34	(203,899)	(151,889)
Other expenses	35	(129,314)	(269,726)
Other income	36	2,353,682	1,999,167
Operating profit		3,431,062	3,682,377
Finance cost	37	(583,089)	(43,032)
Profit before taxation		2,847,973	3,639,345
Taxation	38	(839,379)	(1,082,762)
Profit for the year		2,008,594	2,556,583
Earnings per share - basic and diluted (Rupees)	39	4.74	6.04

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

THATTA CEMENT COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	(Rupees in thousands)	
Profit for the year	2,008,594	2,556,583
Other comprehensive income:	-	-
Total comprehensive income for the year	2,008,594	2,556,583

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

CHIEF FINANCIAL OFFICER CHIEF EXECUTIVE DIRECTOR

THATTA CEMENT COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital	Reserves		Total
		Capital reserve	Revenue reserves	
		Share Premium	Unappropriated profit	
	(Rupees in thousands)			
Balance as at July 1, 2024	847,181	99,718	3,262,289	4,209,188
Total comprehensive income for the year				
Profit for the year	-	-	2,556,583	2,556,583
Other comprehensive income for the year	-	-	-	-
	-	-	2,556,583	2,556,583
Transactions with owners				
Final cash dividend @ Rs. 1 per share for the year ended June 30, 2024	-	-	(33,660)	(33,660)
Interim cash dividend @ Rs. 0.5 per share for the quarter ended September 30, 2024	-	-	(16,830)	(16,830)
Interim cash dividend @ Rs. 0.5 per share for the quarter ended December 31, 2024	-	-	(16,830)	(16,830)
			(67,320)	(67,320)
Balance as at June 30, 2025	847,181	99,718	5,751,552	6,698,451
Total comprehensive income for the year				
Profit for the year	-	-	2,008,594	2,008,594
Other comprehensive income for the year	-	-	-	-
	-	-	2,008,594	2,008,594
Balance as at June 30, 2026	847,181	99,718	7,760,146	8,707,045

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

THATTA CEMENT COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		2,847,973	3,639,345
Adjustment for:			
Depreciation on property, plant and equipment	6.1.2	227,613	175,986
Amortization on intangible assets	34	1,170	1,170
Provision for obselete and slow moving of stores, spares and loose tools	32	519	7,108
(Reversal) of provision for obselete and slow moving of major stores and spares	36	(7,914)	(2,999)
Finance cost	37	583,089	43,032
Gain on plan assets	36	(75,443)	(300,000)
Allowance for expected credit loss	34	532	420
Workers' Welfare Fund	35	58,697	74,272
Workers' Profit Participation Fund	35	31,072	195,454
Gain on disposal of property, plant and equipment	36	(3,669)	(1,800)
		815,666	192,643
Operating cash flows before working capital changes		3,663,639	3,831,988
Working Capital Changes			
(Increase) / decrease in current assets			
Store, spare parts and loose tools		(81,232)	(189,102)
Stock-in-trade		(309,527)	181,703
Trade debts		(138,023)	(27,911)
Advances		(342,250)	(136,576)
Deposits and prepayments		(3,353)	(4,017)
Other receivable and accrued mark-up		(333,951)	147,271
		(1,208,336)	(28,632)
Increase / (decrease) in current liabilities			
Trade and other payables		224,301	(902,905)
Cash generated from operations		2,679,604	2,900,451
Finance cost paid		(284,145)	(39,467)
Proceeds from gratuity fund		115,443	200,000
Workers' Welfare Fund paid		(74,272)	(50,473)
Workers' Profit Participation Fund paid	26.4	(203,189)	(139,362)
Income tax paid- net	19	(1,181,440)	(853,896)
(Increase) in Long term deposits -assets		(45)	-
(Decrease) in Long term deposits -liabilities		-	(19,000)
Net cash flows from operating activities		1,051,956	1,998,253
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property plant and equipment		(246,073)	(1,378,775)
Short term investment		(426,140)	1,190,825
Loan to subsidiaries		(1,106,560)	-
Long term investments		(6,476,238)	(637,500)
Proceeds from sale of property, plant and equipment		7,332	1,800
Net cash used in investing activities		(8,247,679)	(823,650)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of sukuks		4,755,810	-
Dividend paid		-	(58,697)
Net cash generated from / (used) in financing activities		4,755,810	(58,697)
Net (decrease) / increase in cash and cash equivalents		(2,439,913)	1,115,906
Cash and cash equivalents at the beginning of the year		3,871,873	2,755,967
Cash and cash equivalents at the end of the year	41	1,431,960	3,871,873

The annexed notes from 1 to 52 form an integral part of these unconsolidated financial statements.

CHIEF FINANCIAL OFFICER | CHIEF EXECUTIVE | DIRECTOR

THATTA CEMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 STATUS AND NATURE OF BUSINESS

1.1 Thatta Cement Company Limited ("the Company") was incorporated in Pakistan in 1980 as a public limited company under the repealed Companies Act, 1913 (repealed Companies Ordinance, 1984 and now the Companies Act, 2017) and was listed on Pakistan Stock Exchange in 2008. The Company's main business activity is manufacturing and marketing of clinker and cement.

1.2 The Company owns 88.52% shareholding of Thatta Power (Private) Limited and 99.98% shareholding of Minsk Work Tractor and Assembling (Private) Limited (the Subsidiaries).

1.3 These are the separate unconsolidated financial statements of the Company in which investment in subsidiaries and associates are stated at cost less accumulated impairment losses, if any.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at CL/5-4, State Life Building No. 10, Abdullah Haroon Road, Karachi, Pakistan. The production facility of the Company is located at Ghulamullah Road, Makli, District Thatta, Sindh.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

-Provisions of, directives and notifications issued under the Companies Act, 2017.

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

3.2 **Basis of measurement**

These unconsolidated financial statements have been prepared under the historical cost basis, except otherwise stated.

3.3 **Significant accounting estimates, assumptions and judgements.**

The preparation of These unconsolidated financial statements are in conformity with the accounting and reporting standards that requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the Company's accounting policies.

Estimates and judgments are continually evaluated at each reporting date and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management that are significant to the unconsolidated financial statements are as follows:

- depreciation method, useful lives, residual values and impairment of property, plant and equipment (notes 5.1 and 6.1);
- amortization method, useful lives, residual values and impairment of intangibles
- provision of slow moving and obsolete stores, spares and loose tools (notes 5.6);
- allowance for expected credit losses (notes 5.8);
- taxation (notes 5.12);
- contingencies and provisions(notes 5.15 and 31.1);

3.4 **Functional and presentation currency**

The unconsolidated financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs.'), which is the Company's functional and presentation currency.

4 **NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS**

4.1 **New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026**

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on unconsolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

4.2 **New accounting standards, amendments and interpretations that are not yet effective**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as Power Purchase Agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as Power Purchase Agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the revised timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supercedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

5 MATERIAL ACCOUNTING POLICY INFORMATION

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

5.1 Property, plant and equipment

a) Operating fixed assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation on property, plant and equipment

Depreciation is charged using straight line method on all assets except on plant and machinery (other than utilities within plant and machinery) on which depreciation is charged by applying 'Units of Production (UoP) method'.In respect of additions and disposals of assets, depreciation is charged from the month in which the asset is available for use until it is derecognised, i.e. up to the date of disposal .

Assets' residual values, useful lives and method of depreciation are reviewed, and adjusted, if appropriate at each reporting date.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognized. Normal maintenance and repairs are charged to unconsolidated statement of profit or loss as and when incurred whereas major renewals and improvements are capitalized if criteria is met.

Disposal

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and is recognized in unconsolidated statement of profit or loss.

b) **Capital work-in-progress (CWIP)**

Capital work-in-progress is stated at cost including, where relevant, related financing costs less impairment losses, if any. These costs are transferred to operating fixed assets as and when assets are available for use.

5.2 Intangible assets

These are stated at cost less accumulated amortization and impairment losses, if any.

Amortization is charged to statement of profit and loss on straight line basis over its economic useful life at the rate given in note 7 to these financial statements. Amortization on additions is charged from the month in which an intangible asset is available for use while no amortization is charged for the month in which an intangible asset is disposed.

5.3 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment losses, if any. An impairment loss is recognized, as an expense in the unconsolidated statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.4 Investment in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment losses, if any.

5.5 Investment in associate

Associates are entities over which the Company has significant influence but not control. Investments in associates are carried at cost less accumulated impairment losses, if any.

5.6 Stores, spare parts and loose tools

These are valued at lower of weighted average cost and net realizable value except items in transit, which are stated at invoice value plus other charges incurred thereon as on the reporting date.

The provision of slow moving stores is made based on items used since seven years and on managements assessment for items which are not utilized, whichever is earlier.

5.7 Stock-in-trade

Stock of raw and packing material, work in process and finished goods are valued at the lower of cost and net realizable value. Stocks of raw and packing material are valued on weighted average method.Work in process and finished goods are valued at weighted average cost of raw and processing material, direct labour and other over heads. Stocks in transit are valued at cost comprising of invoice value plus other charges directly attributable to the acquisition of related purchase incurred upto the reporting date

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost to sell.

5.8 Trade debts and other receivables

These are recognised initially are carried at original invoice amount being the fair value of the consideration to be received in future. An allowance for Expected Credit Loss (ECL) is made against trade debts on the basis of lifetime expected credit loss model as explained in note 5.18.1. The amount of provision against ECL is charged to the statement of comprehensive income.

5.9 **Cash and cash equivalents**

For the purpose of unconsolidated cash flow statement, cash and cash equivalents comprise of cash in hand and balance with banks. Cash and cash equivalents also include bank overdrafts / short term financing that are repayable on demand and form an integral part of the Company's cash management.

5.10 **Employees benefits - Defined contribution plan**

The Company operates an approved contributory provident fund for all its permanent employees to which equal monthly contributions are made, both by the Company and the employees at the rate of 10% of basic salary.

5.11 **Borrowing cost**

Borrowing costs are recognised 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 capitalised as part of the cost of the relevant asset. Borrowing cost incurred on long term finances directly attributable for the construction / acquisition of qualifying asset is capitalized up to the date, the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to statement of profit or loss.

5.12 **Taxation**

a) **Current**

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with the Income Tax Ordinance, 2001, after taking into account tax credit available, if any.

b) **Deferred**

Deferred tax is recognised using the balance sheet liability method, on all temporary differences arising at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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 the tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

c) Levy

As per the IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, the Company recognises minimum tax or final tax paid, if any, as levy within the scope of IFRIC 21 / IAS 37 .Any excess over the amount designated as levy is then recognised as current income tax expense falling under the scope of IAS 12.

5.13 Trade and other payables

These are recognized and carried at cost which is fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

5.14 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and 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 obligation. Provisions are reviewed at the reporting date and adjusted to reflect the best estimate.

5.15 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non–occurrence of the uncertain future events.

5.16 Transactions with related parties

Transactions in relation to sales, purchases and services with related parties are made at arm's length prices except for Business Support Services for which the pricing mechanism is subject to approval of the Board of Directors.

5.17 Revenue recognition

Revenue is recognized when control of a promised goods passes to a customer. It is measured at the fair value of the consideration received or receivable, sales tax and other duties collected on behalf of third parties are not taken into account.

The Company primarily generates revenue from sale of cement and recognized when control passes to the customer at a point in time.

The revenue is recorded on the basis of the consideration defined in the contract with the customer, including variable consideration such as discount, volume rebates or other contractual price reductions; if any.

Interest, rentals and other incomes are recognized on time proportionate basis.

5.18 Financial assets and liabilities

5.18.1 Financial assets

Amortized 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, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The Company applies the simplified approach to recognise lifetime expected credit losses for trade debts, other receivables and contract assets. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. The Company recognises in profit or loss, as an impairment loss (or reversal of impairment), the amount of expected credit losses (or reversal of impairment) that is required to adjust the loss allowance at the reporting date. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

5.18.2 Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

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

5.19 Offsetting of financial assets and financial liabilities

A financial asset and financial liability is offset and the net amount is reported in the unconsolidated statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realize the asset and discharge the liability simultaneously. Corresponding income on assets and charge on liability is also offset.

5.20 Foreign currency transactions

Transactions in foreign currencies are translated into Pakistan Rupees using the exchange rates prevailing on the date of each transaction. Monetary assets and liabilities in foreign currencies are reported in Pakistan Rupees using the exchange rates prevailing on the reporting date. All exchange differences are taken into unconsolidated statement of profit or loss.

5.21 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares, if any.

5.22 Dividends and appropriations

Dividends and reserve appropriations are recognized in the period in which these are approved.

	Note	2026	2025
		(Rupees in thousands)	
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	3,339,800	3,154,342
Capital stores and spares	6.2	92,561	45,541
Capital work in progress	6.3	15,911	225,723
		3,448,272	3,425,606

6.1 Operating fixed assets

Description	Freehold land	Leasehold improvements	Quarries and improvements	Factory building on freehold land	Electrical and gas installations	Housing colonies	Office building on freehold land	Plant and machinery	Quarry equipments	Railway sidings	Vehicles	Furniture and fixtures	Office equipment	Medical equipment	Laboratory equipment	Computer equipment	Total
	(Rupees in thousands)																
Year ended June 30, 2026																	
Net carrying value basis																	
Opening net book value	6,186	2,475	81	9,016	1,674,150	8,905	2,667	1,409,974	-	-	29,253	1,762	1,296	-	6,259	2,318	3,154,342
Additions during the year	-	-	-	-	173,354	-	30,332	179,897	-	-	17,093	-	4,453	-	11,218	448	416,795
Deletions- NBV	-	-	-	-	-	-	-	-	-	-	(3,724)	-	-	-	-	-	(3,724)
Depreciation charge	-	(1,292)	(9)	(7,040)	(67,021)	(990)	(718)	(131,668)	-	-	(7,802)	(518)	(2,156)	-	(6,569)	(1,831)	(227,613)
Closing net book value	6,186	1,183	72	1,976	1,780,483	7,915	32,281	1,458,203	-	-	34,820	1,244	3,593	-	10,908	935	3,339,800
Gross carrying value basis																	
Cost	6,186	9,044	11,963	261,455	1,919,996	74,096	53,382	3,728,609	19,296	14,905	117,004	13,264	24,894	629	90,823	29,216	6,374,763
Accumulated depreciation	-	(7,861)	(11,891)	(259,479)	(139,513)	(66,181)	(21,101)	(2,270,406)	(19,296)	(14,905)	(82,184)	(12,020)	(21,301)	(629)	(79,915)	(28,281)	(3,034,963)
Net book value	6,186	1,183	72	1,976	1,780,483	7,915	32,281	1,458,203	-	-	34,820	1,244	3,593	-	10,908	935	3,339,800
Year ended June 30, 2025																	
Net carrying value basis																	
Opening net book value	6,186	3,767	90	16,056	379,285	9,895	2,879	1,482,349	-	-	31,037	2,280	2,843	-	5,838	3,844	1,946,349
Additions during the year	-	-	-	-	1,326,417	-	-	45,974	-	-	5,489	-	340	-	5,564	195	1,383,979
Depreciation charge	-	(1,292)	(9)	(7,040)	(31,552)	(990)	(212)	(118,349)	-	-	(7,273)	(518)	(1,887)	-	(5,143)	(1,721)	(175,986)
Closing net book value	6,186	2,475	81	9,016	1,674,150	8,905	2,667	1,409,974	-	-	29,253	1,762	1,296	-	6,259	2,318	3,154,342
Gross carrying value basis																	
Cost	6,186	9,044	11,963	261,455	1,746,642	74,096	23,050	3,548,712	19,296	14,905	106,483	13,264	20,441	629	79,605	28,768	5,964,539
Accumulated depreciation	-	(6,569)	(11,882)	(252,439)	(72,492)	(65,191)	(20,383)	(2,138,738)	(19,296)	(14,905)	(77,230)	(11,502)	(19,145)	(629)	(73,346)	(26,450)	(2,810,197)
Net book value	6,186	2,475	81	9,016	1,674,150	8,905	2,667	1,409,974	-	-	29,253	1,762	1,296	-	6,259	2,318	3,154,342
6.1.1 Annual depreciation rates (in %)		20	5	10	5/4	5	5	*UOP	20	10	20	10	10	10	10	30	

* uop = units of production

		Note	2026	2025
			(Rupees in thousands)	
6.1.2	The depreciation charge for the year has been allocated as under:			
	Cost of sales	32	218,063	166,695
	Selling and distribution cost	33	784	757
	Administrative expenses	34	8,766	8,534
			227,613	175,986

6.1.3 The immovable property of the Company comprises of 233 acres of land is located at Ghulamullah Road, Makli, District Thatta, Sindh.

6.2 Capital stores and spares

Net carrying value basis			
Opening net book value (NBV)		95,286	86,329
Additions during the year		111,233	127,045
Transferred during the year		(72,127)	(118,088)
		134,392	95,286
Accumulated impairment	6.2.1	(41,831)	(49,745)
Closing net book value (NBV)		92,561	45,541
Gross carrying value basis			
Cost		134,392	95,286
Accumulated impairment		(41,831)	(49,745)
Net carrying value		92,561	45,541

6.2.1 The movement in accumulated impairment is as follows:

Balance as at July 01,		(49,745)	(52,744)
Reversal of provision during the year	36	7,914	2,999
Balance as at June 30,		(41,831)	(49,745)

6.3 Capital work in progress

Description	Solar Panel System	Wind Turbine Project	Makli Shed Extension	Balochistan Project	Lime Stone Shed	New Clinker Crusher Project	Total
	(Rupees in thousands)						
Balance as at July 01, 2025	171,674	-	2,211	640	10,185	41,013	225,723
Capital expenditures incurred during the year	-	2,875	-	-	-	-	2,875
Transferred to property, Plant, and equipment	(171,674)	-	-	-	-	(41,013)	(212,687)
Balance as at June 30, 2026	-	2,875	2,211	640	10,185	-	15,911
Balance as at July 01, 2024	-	226,885	2,211	603	10,185	-	239,884
Capital expenditures incurred during the year	171,674	1,096,282	-	37	-	41,013	1,309,006
Transferred to property, Plant, and equipment	-	(1,323,167)	-	-	-	-	(1,323,167)
Balance as at June 30, 2025	171,674	-	2,211	640	10,185	41,013	225,723

		Note	2026	2025
			(Rupees in thousands)	
7	INTANGIBLE ASSETS			
	ERP Software			
	Net carrying value basis			
	Opening net book value (NBV)		1,755	2,925
	Amortization charged		(1,170)	(1,170)
	Closing net book value (NBV)		585	1,755
	Gross carrying value basis			
	Cost		5,850	5,850
	Accumulated amortization		(5,265)	(4,095)
	Net book value		585	1,755
	Annual amortization rate (in %)		20	20

7.1 The amortization charge on ERP software has been allocated to administrative expenses (note 34).

8	LONG TERM INVESTMENTS - AT COST			
	Subsidiaries			
	Thatta Power (Private) Limited	8.1, 8.1.1 & 8.1.2	436,658	436,658
	Minsk Work Tractor and Assembling (Private) Limited	8.2 & 8.2.1	500,000	500,000
			936,658	936,658
	Associates			
	Pakistan Services Limited	8.3	6,476,238	-
			7,412,896	936,658

8.1 The Company owns 42,415,092 ordinary shares out of the total 47,915,830 ordinary shares of Thatta Power (Private) Limited, representing 88.52% shareholding as at June 30, 2026 (June 30, 2025: 42,415,092 ordinary shares, representing 88.52% shareholding). The principal business of the subsidiary is the generation and sale of electric power.

8.1.1 These shares are pledged in favor of National Bank of Pakistan (NBP) as the security trustee against Syndicate Term Finance facility extended by NBP and other syndicated banks of TPPL.

8.1.2 The net breakup value as per the financial statements as at June 30, 2026 of TPPL is Rs. 43.09 per share (2025: Rs. 37.93 per share).

8.2 The Company owns 50,000,000 ordinary shares out of the total 50,010,000 ordinary shares of Minsk Work Tractor and Assembling (Private) Limited, representing 99.98% shareholding as at June 30, 2026 (June 30, 2025: 50,000,000 ordinary shares, representing 99.98% shareholding). The principal business of the subsidiary company is assembling and selling tractors.

8.2.1 The net breakup value as per the financial statements as at June 30, 2026 of MWTAPL is Rs. 7.63 per share (2025: Rs. 9.23 per share).

8.3 The Company acquired 9,107,800 shares in Pakistan Services Limited (PSEL) representing 28% shareholding, at an aggregate consideration of Rs. 6,476.238 million. These shares were acquired at a price of Rs. 710 per share by open market on October 14, 2025. The estimated fair value of PSEL as at reporting date approximates to Rs. 944 per share and transferred to the Company's CDC accounts as electronic form of securities.

Subsequent to the acquisition of above securities, a petition was filed under Section 126 of the Companies Act, 2017 by the previous shareholders in Honorable Islamabad High Court (The Court) which, inter alia, alleges that the such transfer of securities was expressly prohibited from being sold, assigned or disposed off to any third party.

Further, the Court in its order dated November 11, 2025 has restrained from transferring, assigning, selling or disposing of such shares to any third party.The Court issued in its order inter alia to the Company to appear and answer all mentioned questions relating to the case which is pending adjudication as at reporting date.

The management, based on legal advisor's view, concluded that the Company lawfully possesses and holds the title of these securities. Therefore, subject to any contrary interpretation by any court of law, prima facie, the investments made by Company being duly recorded with CDC enjoys statutory protection. Accordingly, the interim order does not invalidate the share transfers but merely places a restraint on certain consequences of the sale / purchase of shares.

		Note	2026	2025
			(Rupees in thousands)	
9	**LONG TERM DEPOSITS**			
	Long term deposits		5,170	5,125
10	**STORES, SPARE PARTS AND LOOSE TOOLS**			
	Coal and other fuels		52,506	42,008
	Stores and spare parts		434,507	364,063
	Loose tools		352	62
			487,365	406,133
	Provision for obsolete stores		(12,042)	(12,239)
	Provision for slow moving stores and spares		(36,273)	(35,557)
			(48,315)	(47,796)
			439,050	358,337
10.1	**Movement in provision for obselete and slow moving stores and spares are as follows:**			
	Balance as at July 01,		47,796	40,688
	Charge during the year	32	519	7,108
	Balance as at June 30,		48,315	47,796

		Note	2026	2025
			(Rupees in thousands)	
11	STOCK-IN-TRADE			
	Raw material	32.1	57,212	29,086
	Packing material	32.2	30,781	26,281
	Work-in-process	32	245,526	6,783
	Finished goods	32	38,246	88
			371,765	62,238
12	TRADE DEBTS			
	Unsecured			
	Considered good	12.1	303,975	166,786
	Considered doubtful	12.2	76,174	75,340
			380,149	242,126
	Less: Allowance for expected credit losses	12.3	(76,292)	(75,760)
			303,857	166,366
12.1	The aging of local unsecured balances at the reporting date is as follows:			
	Within 30 days		163,256	19,316
	Past due from 31 to 60 days		105,188	58,539
	Past due from 61 to 90 days		31,953	15,218
	Past due from 91 to 360 days		2,736	70,065
	Past due for more than 360 days	12.2	77,016	78,988
			380,149	242,126

12.2 This includes balance Rs. 72.028 million (2025: Rs. 74.210 million) outstanding for more than ten years. Management contends that the amount recoverable from cement stockiest were misappropriated and certain unauthorized excessive rebates were allowed by collusion of certain personnel of the Company whose services had been terminated, when the Company was operating under State Cement Corporation of Pakistan (SCCP). Accordingly, Management had lodged references for the recovery of misappropriated amount with the National Accountability Bureau (NAB). The NAB had recovered an amount of Rs.4.458 million in preceding years. The Company is continuously following with NAB officials for early realization of amount owed to the Company and has also written letters in this regard for which reply has not yet been received, therefore, provision has been maintained in respect of outstanding amount as a matter of prudence and abundant precaution.

12.3	**The movement in allowance for expected credit loss are as follows:**		
	Balance as at July 01,	75,760	75,340
	Charge for the year	532	420
	Balance as at June 30,	76,292	75,760

		Note	2026	2025
			(Rupees in thousands)	
13	ADVANCES			
	Unsecured-considered good			
	To vendors		214,277	88,088
	Against LCs		289,946	73,875
	Others		77	87
			504,300	162,050
14	RECEIVABLE FROM GRATUITY FUND	14.1	83,100	123,100

14.1 The Board of Directors, via resolution passed on December 30, 2022, approved discontinuation of the Company's Employees' Gratuity Fund and the liability towards eligible employees was frozen at terminal values as of the discontinuation date. The Fund, however, remains active under the management of trustees, who are discharging their responsibilities to manage the Fund.

This represents receivable from Gratuity fund as at the reporting date upon revaluation of planned assets restricted to Rs. 75.433 million over its frozen liability out of which 115.433 million received during the year, from the Gratuity Fund.

15	DEPOSITS AND PREPAYMENTS			
	Deposits		4,010	3,810
	Prepayments		10,660	7,507
			14,670	11,317
16	LOAN TO SUBSIDIARIES			
	Unsecured			
	Thatta Power (Private) Limited	16.1	523,800	-
	Minsk Works Tractor & Assembling (Private) Limited	16.2	582,760	-
			1,106,560	-

16.1 This represents unsecured short term loan provided to Thatta Power (Private) Limited to meet the working capital and financial obligations. The loan is provided for the period of one year which can be renewed further with mutual consent of both parties. The loan carries mark-up at rate of 3 months KIBOR plus 2.62% payable quarterly in arrears. The limit of the loan is 750 million out of which 523.8 million has been utilized. The maximum balance receivable at any of the month during the year amounting to Rs. 690 million (2025: Nil).

The aging of Loan to Thatta Power (Private) Limited balances at the reporting date is as follows:

	2026	2025
	(Rupees in thousands)	
Within 30 days	8,800	-
Past due from 31 to 60 days	130,000	-
Past due from 61 to 90 days	231,000	-
Past due from 91 to 360 days	154,000	-
	523,800	-

16.2 This represents unsecured short term loan provided to Minsk Work Tractor & Assembling (Private) Limited to meet the working capital requirements. The loan is provided for the period of one year which can be renewed further with mutual consent of both parties. The loan carries mark-up at rate of 3 months KIBOR plus 2.62% payable quarterly in arrears. The limit of the loan is 750 million out of which 582.760 million has been utilized. The maximum balance receivable at any of the month during the year amounting to Rs. 705 million (2025: Nil).

The aging of Loan to Minsk Work Tractor & Assembling (Private) Limited balances at the reporting date is as follows:

Within 30 days	-	-
Past due from 31 to 60 days	-	-
Past due from 61 to 90 days	392,760	-
Past due from 91 to 360 days	190,000	-
	582,760	-

17 SHORT TERM INVESTMENT- AT FVTPL

Listed equity securities	426,140	-

Particulars	As at July 1, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized (diminution) / appreciation as at June 30, 2026
	Number of shares				(Rs in 000)		
Investment in shares							
International Steels Limited	-	1,000,000	205,000	795,000	85,614	72,139	(13,475)
Mari Energies Limited	-	525,000	-	525,000	379,990	354,001	(25,989)
Total as at June 30, 2026	-	1,525,000	205,000	1,320,000	465,604	426,140	(39,464)

		Note	2026	2025
			(Rupees in thousands)	
18	OTHER RECEIVABLES AND ACCRUED MARKUP			
	Receivables from Thatta Power (Private) Limited	18.1	134,476	191,104
	Accured markup from subsidiaries	18.2	40,539	-
	Dividend receivable from Thatta Power Private Limited	18.3	350,000	-
	Others		1,746	1,706
			526,761	192,810

18.1 This represents balance receivable from Thatta Power (Private) Limited on sale of waste heat and provision of business support services The maximum balance receivable at any of the month during the year amounting to Rs. 169.022 million (2025: Rs. 191.104 million).

The aging of receivable from Thatta Power (Private) Limited balances at the reporting date is as follows:

Within 30 days	10,838	37,526
Past due from 31 to 60 days	14,581	13,660
Past due from 61 to 90 days	9,077	33,784
Past due from 91 to 360 days	99,980	106,134
	134,476	191,104

18.2 This represents interest receivable against loan provided to Thatta Power (Private) Limited amounting to Rs. 16.558 million (2025: Nil) and Minsk Work Tractor and Assembling (Private) Limited amounting to 23.981 million (2025: Nil).The maximum balance receivable at any of the month during the year amounting to Rs. 61.790 million (2025: Nil).

The aging of interest receivable from subsidiaries balances at the reporting date is as follows:

Within 30 days	5,586	-
Past due from 31 to 60 days	15,127	-
Past due from 61 to 90 days	6,062	-
Past due from 91 to 360 days	13,764	-
	40,539	-

18.3 This represents dividend receivable from Thatta Power (Private) Limited amounting to Rs. 350 million (2025: Nil) .The maximum balance receivable at any of the month during the year amounting to Rs. 350 million (2025: Nil).

The aging of dividend receivable from subsidiary balances at the reporting date is as follows:

Within 30 days	350,000	-

		Note	2026 (Rupees in thousands)	2025
19	**TAXATION - NET**			
	Advance Income Tax		644,180	435,359
	Less: Provision for taxation		(859,573)	(1,001,614)
			(215,393)	(566,255)
20	**CASH AND BANK BALANCES**			
	Cash in hand			
	Local currency		222	149
	Foreign currency		1,728	3,328
			1,950	3,476
	Cash at bank			
	Current accounts	20.1	19,924	10,225
	Saving accounts	20.2	1,607,942	4,056,028
			1,627,866	4,066,253
			1,629,816	4,069,729

20.1 This includes unclaimed dividend amounting to Rs. 9.80 million (2025: 9.80 million) kept in a separate bank account.

20.2 These carry Markup at rates ranging from 7.4% - 10.0% (2025: 9.5% - 19.5%) per annum.

21 **SHARE CAPITAL**

2026	2025		2026	2025
-----Number of Shares-----			(Rupees in thousands)	
Authorized share capital				
1,000,000,000	1,000,000,000	Ordinary shares of Rs. 2/- each	2,000,000	2,000,000

Issued, subscribed and paid-up share capital			2026 (Rupees in thousands)	2025
447,090,625	447,090,625	Ordinary shares of Rs. 2/- each shares allotted for consideration paid in cash	894,181	894,181
51,500,000	51,500,000	Ordinary shares of Rs. 2/- each shares allotted for consideration other than cash.(21.2)	103,000	103,000
(75,000,000)	(75,000,000)	Treasury Shares	(150,000)	(150,000)
423,590,625	423,590,625		847,181	847,181

21.1 The Company has only one class of ordinary shares which carries no right to fixed income. The shareholders are entitled to receive dividend as declared from time to time and are entitled to one vote per share at Annual General Meetings (AGM) of the Company. All shares rank equally with regard to the Company's residual assets and right of first refusal.

21.2 The shareholders of the Company, in the Extraordinary General Meeting held on May 29,2025, resolved that the existing capital of the company, including authorized, issued and paidup capital, is hereby altered in a manner that each ordinary share of the Company having facevalue of Rs 10/- be and is hereby subdivided into five ordinary shares of Rs 2/- each.Accordingly, in accordance with the financial reporting framework the weighted averagenumber of ordinary shares outstanding during the period and for all periods presented havebeen adjusted in the ratio of 5:1.

	Note	2026 (Rupees in thousands)	2025
22 RESERVES			
Capital Reserve			
Share premium		99,718	99,718
Revenue Reserve			
Unappropriated profit		7,760,146	5,751,552
		7,859,864	5,851,270

23 LONG TERM FINANCING

	Markup rate per annum	Installments		2026 (Rupees in thousands)	2025
		Number	Commence from		
Sukuks	6 month KIBOR +2.5% p.a	8 half yearly	Apr-26	4,756,030	-
Less: Current maturity				(1,354,936)	-
				3,401,094	-

23.1 During the year, the Company issued Sukuks bonds of Rs. 5,500 million (including green shoe option of Rs. 500 million) to eligible institutions and other investors by way of private placement and listing on Pakistan Stock Exchange (PSX). These are repayable over a period of 4 years in eight equal semi-annual installments commencing from April 13, 2026 based on KIBOR Plus 2.5% on the outstanding amount. These are secured by way of Pari Passu charge on the present and future current and fixed asset of the Company with a 35% margin from the issue date.

		Note	2026 (Rupees in thousands)	2025
24	**LONG TERM DEPOSITS**			
	Dealers	24.1	3,110	3,110
	Customers	24.2	677	677
			3,787	3,787

24.1 These represent interest free security deposits, received from dealers, suppliers and contractors. These are repayable / adjustable on cancellation or withdrawal of dealership and completion of contract in case of suppliers and contractors.

24.2 These also include deposits pertaining to dealers against whom recovery proceedings are in process with National Accountability Bureau (NAB) and are adjustable against the amount owed by them to the Company (refer note 12.2).

25 **DEFERRED TAXATION**

	Note	2026	2025
		(Rupees in thousands)	
Taxable temporary differences arising in respect of			
Accelerated tax depreciation		760,636	732,277
Deductible temporary differences arising in respect of			
Other provisions - for doubtful debts and stores		(69,860)	(50,257)
Remeasurement of defined benefit liability		(1,911)	(1,911)
	25.1	688,865	680,109

25.1 **Movement in deferred tax**

	Opening balance	Charge / (adjustment) to profit or loss	Charge / (adjustment) to other comprehensive	Closing balance
2026		(Rupees in thousands)		
Deferred tax liabilities				
Accelerated tax depreciation	732,277	28,359	-	760,636
Deferred tax asset				
Other provisions - for doubtful debts and stores	(50,257)	(19,603)	-	(69,860)
Remeasurement of defined benefit liability	(1,911)	-	-	(1,911)
	680,109	8,756	-	688,865

	Opening balance	Charge / (adjustment) to profit or loss	Charge / (adjustment) to other comprehensive	Closing balance
2025		(Rupees in thousands)		
Deferred tax liabilities				
Accelerated tax depreciation	400,219	332,058	-	732,277
Other provisions - for doubtful debts and stores	(48,944)	(1,313)	-	(50,257)
Remeasurement of defined benefit liability	(1,911)	-	-	(1,911)
	349,364	330,745	-	680,109

		Note	2026	2025
			(Rupees in thousands)	
26	TRADE AND OTHER PAYABLES			
	Trade creditors		844,837	604,592
	Accrued liabilities	26.1	139,782	164,034
	Royalty payable	26.2	90,972	91,685
	Contract liability	26.3	147,396	131,122
	Excise duty and sales tax payable		60,188	69,925
	Workers' Profit Participation Fund	26.4	31,072	195,454
	Workers' Welfare Fund	26.5	58,697	74,272
	Other liabilities	26.6	20,540	18,057
			1,393,484	1,349,140

26.1 This includes amount of Rs. Nil (2025: Rs. 34.218 million) payable to Thatta Power (Private) Limited.

26.2 This represents royalty relating to Lime Stone and Clay Shale, payable to Director General Mines and Mineral Development, Government of Sindh.

The Company has filed a Constitutional Petition (CP) No. 5382 before the Honorable High Court of Sindh (The Court) on September 06, 2021 against arbitrary increase in the royalty rates through impugned notification No. T.O/M&MDD/15-3/2021 dated June 30, 2021 issued by Ministry of Mines and Minerals Development Department, Government of Sindh. The Company legal consultants have attended several hearings and presented their point of view before the Honorable High Court of Sindh. On October 17, 2022, the Honorable High Court of Sindh dismissed the petition on the grounds that the relevant forums as per Sindh Mining Concession Rules, 2002 were not approached. However, in the prior year, the Company filed for the adjudication in the Honorable Supreme Court of Pakistan against the judgment of the Court and the case is pending for adjudication. The management is confident that the Company has an arguable case on merits. The Company on a prudent basis had recorded provision in the unconsolidated financial statements amounts to Rs. 234.723 million, reflecting the overall impact of the increase in royalty rates, till June 30, 2024.

Department of Minerals and Mines development Govt. of Sindh made downward revision in the rates of Lime stone and Shale Clay amounting to Rs. 52 and 42 per one thousand kg respectively vide notification DMD/S/Misc.-(09)/24 dated Sept 13, 2024. Moreover, the above department vide its letter dated November 25, 2024 has worked out an outstanding liability regarding arrears pertaining from FY 2022 to FY 2024 by using the current rates. Therefore, last year the management of the company has reversed an excess provision of Rs. 150.84 million in respect of Royalty.

26.3 Advances received from customer are recognized as revenue when the performance obligation is satisfied in accordance with the policy as described in note 5.16 to these unconsolidated financial statements is satisfied. Revenue for an amount of Rs. 143.836 million (2025: Rs. 113.847 million) has been recognized in current year in respect of advances from customers at the beginning of the year.

		Note	2026	2025
			(Rupees in thousands)	
26.4	**Workers' Profit Participation Fund**			
	Balance as at July 01,		195,454	132,823
	Charge for the year	35	31,072	195,454
	Interest on opening balance	37	7,735	6,539
			234,261	334,816
	Payments made during the year		(203,189)	(139,362)
	Balance as at June 30,		31,072	195,454
26.5	**Workers' Welfare Fund**			
	Balance as at July 01,		74,272	50,473
	Allocation for the year		58,697	74,272
			132,969	124,745
	Payments made during the year		(74,272)	(50,473)
	Balance as at June 30,		58,697	74,272

26.6 This include withholding tax payable amounting to Rs 16.953 million (2025: Rs 10.412 million).

27 SHORT TERM BORROWINGS

From banking companies - secured			
NBP Running Finance	27.1	85,150	85,150
Sindh Bank Running Finance	27.2	64,377	64,377
Bank Makaramah Running Finance	27.3	48,329	48,329
		197,856	197,856

27.1 This represents running finance facility from National Bank of Pakistan as at June 30, 2026 amounting to Rs. 100 million (2025: Rs.100 million) out of which Rs. 14.850 million (2025: Rs. 14.850 million) remained unutilized at the year end. The facility is secured by way of first pari passu charge and ranking charge of hypothecation over all present and future plant and machinery of the Company to the extent of PKR 153.85 million inclusive of 35% margin. The facility is renewable annually and carry mark-up at 3-month KIBOR plus 3.0% per annum (2025: 3-months KIBOR plus 2.0%).

27.2 This represents running finance facility from Sindh Bank Limited as at June 30, 2026 amounting to Rs. 250 million (2025: Rs. 250 million). The facility is secured by way of first pari passu charge over current asset with 25% margin and Ranking charges on fixed assets with 25% margin .The facility is renewable annually and carry mark-up at 3-month KIBOR plus 3% per annum (2025: 3-months KIBOR plus 3%) .

27.3 This represents running finance facility from Bank Makaramah (formally Summit Bank Limited) as at June 30, 2026 amounting to Rs. 50 million (2025: Rs.50 million) out of which 1.671 million (2025: Rs. 1.671 million) remained unutilized at the year end. The facility is secured by way of first pari passu charge on current assets of the company with 25% margin. .The facility is renewable annually and carry mark-up at 3-month KIBOR plus 2.5% per annum (2025: 3-months KIBOR plus 2.5%) .

		2026	2025
		(Rupees in thousands)	
28	ACCRUED MARK-UP		
	Long term financing	284,547	-
	Short term borrowings	15,379	8,937
		299,926	8,937
29	UNCLAIMED DIVIDEND	1,933	1,933

29.1 This represents unclaimed dividend amounting to Rs. 1.933 million (2025: Rs. 1.933 million) outstanding for more than 3 years from the date of declaration. Such unclaimed dividend is payable to the Federal Government as per the Companies Act, 2017 subject to fulfilment / clarification on certain pre-conditions specified in the Companies Act, 2017.

30	UNPAID DIVIDEND	8,623	8,623

31 CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

31.1.1 In respect of tax periods from July 2012 to December 2014, an Order in Original (ONO) has been issued by an Officer of Sales Tax in 2014-15 against the Company raising a demand of Rs. 244.274 million which is mainly based on comparison of industry average for fuel and power consumption with that of the Company and thereby presuming the production quantities which in the view of tax authorities have not been subject to Sales Tax and Federal Excise Duty. Accordingly, the Company has filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) against the ONO passed by Officer of Sales Tax. However, CIR-A decided the case against the Company. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A.

Moreover, recovery proceedings were also initiated by tax authorities in the matter for an aggregate demand amount of Rs 488.548 million including 100% penalty on the principal amount as aforesaid. Therefore, the Company filed a stay application against the said aggregate demand before the honorable High Court of Sindh. The Sindh High Court has allowed ad interim relief against recovery of demand and refrained tax authorities to take any adverse action in this respect. In 2017, Appellate Tribunal Inland Revenue (ATIR) has passed an order in favor of the Company. In the year 2018, the CIR has filed an appeal in the Honorable High Court of Sindh against the order passed by ATIR in favor of the Company and the matter is pending for adjudication. In view of Company's legal counsel, the case sounds in law; however, an outcome cannot be predicted with any degree of certainty. Hence, no provision has been recorded in unconsolidated financial statements.

31.1.2 In Year 2018, an order in original (ONO) has been issued by Deputy Commissioner Inland Revenue (DCIR) against the Company in respect of tax periods from July 2013 to August 2017 raising a demand of Rs. 56.632 million by disallowing certain input tax claimed by the Company in its sales tax returns for the aforesaid tax periods. The Company has filed an appeal on March 28, 2018 against the ONO passed by DCIR before Commissioner Inland Revenue - Appeals (CIR-A). The appeal was decided in favor of the Company.

The Commissioner Inland Revenue has filed an appeal in Appellate Tribunal Inland Revenue (ATIR) against the order passed by CIR(A) in favor of the Company. The matter is pending for adjudication. The Company is confident based on its legal opinion that decision will come in its favour, hence no provision has been recorded in unconsolidated financial statements.

31.1.3 During the year, the Company received an amended assessment order for Tax Year 2023 under Section 122(5A) of the Income Tax Ordinance, 2001, dated December 30, 2025. The amended assessment involved the disallowance of refund adjustment claimed against other tax years amounting to Rs. 47.426 million, prior year minimum tax adjustment of Rs. 11.148 million due to lack of supporting evidence, and repair allowance of Rs. 0.441 million claimed against rental income. Consequently, taxable income was assessed at Rs. 393.155 million, and normal tax liability of Rs. 114.015 million was determined, being higher than the minimum tax liability. The Company has filed a second appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of the Commissioner Inland Revenue (Appeals-II). The matter is pending adjudication.The Company is confident based on the view of tax advisor that decision will come in its favour, hence no provision has been recorded in unconsolidated financial statements.

31.1.4 During the year, the Company received an amended assessment order for Tax Year 2023 under Section 122(5A) of the Income Tax Ordinance, 2001, dated December 30, 2025.. The amendment related to the rectification and restructuring of depreciation and amortization schedules, including claims for First Year Allowance on eligible assets. Consequently, the Company's taxable income was assessed at Rs. 2,410.807 million, resulting in a normal tax liability of Rs. 699.134 million and a tax demand of Rs. 90.072 million. The Company has filed a second appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of the Commissioner Inland Revenue (Appeals-II). The matter is pending adjudication.The Company is confident based on view of its tax advisor that decision will come in its favour, hence no provision has been recorded in unconsolidated financial statements.

31.1.5 In 2018, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 161/205 of the Income Tax Ordinance, 2001 (the Ordinance) in respect of tax year 2017 raising a tax demand of Rs. 94.670 million including default surcharge and penalty aggregating to Rs 15.208 million on the ground that Company has not deducted applicable withholding taxes while making payments for purchases and certain expenses and hence, made default under section 161/205 of the Ordinance. The Company has filed an appeal on May 4, 2018 before Commissioner Inland Revenue - Appeals (CIR-A) against the order passed by DCIR. The CIR-A has passed an order in favor of the Company.

However, Commissioner Inland Revenue (CIR) has filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of Commissioner Inland Revenue - Appeals (CIR-A) passed in favor of the Company. The Company is confident based on its legal opinion that decision will come in its favour, hence no provision has been recorded in these unconsolidated financial statements.

31.1.6 In the year 2019, Assistant Commissioner Inland Revenue (ACIR) has passed an order under section 122(1) of the Income Tax Ordinance, 2001 (the Ordinance) in relation to tax audit conducted under section 177 of the Ordinance, in respect of tax year 2016. Through the said order, ACIR has disallowed deduction of certain expenses, deductible allowance of WPPF and tax credit claimed under section 65B of the Ordinance amounting to Rs 28.497 million, Rs 35.768 million and Rs 16.915 million respectively. The Company has filed an appeal on September 13, 2018 before Commissioner Inland Revenue - Appeals (CIR-A) against the order passed by ACIR. While deciding the appeal, CIR-A has allowed deduction of Rs 28.497 million whereas deduction allowance of WPPF and tax credit under section 65B were upheld by CIR-A. Therefore, the Company has filed an appeal on November 12, 2018 before the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A on the said disallowances which is pending for hearing. In view of Company's tax consultant, favorable outcome of such appeal is anticipated; hence no provision is required to be made in these unconsolidated financial statements.

31.1.7 The Deputy Commissioner Inland Revenue (DCIR) issued an order-in-original (ONO) dated June 28, 2019 in respect of sales tax audit for the tax period from July 2017 to June 2018 raising a demand of Rs. 7.452 million (including default surcharge and penalty) by disallowing certain input tax claimed by the Company in its sales tax return for the aforesaid tax period.

The Company filed an appeal before Commissioner Inland Revenue-Appeals (CIR-A) against ONO issued by DCIR. While deciding appeal, CIR-A has deleted the disallowances of input tax amounting to Rs. 7.086 million and confirmed disallowance amounting to Rs. 0.011 million. The Department has filed an appeal against the CIR-A's Order before the Appellate Tribunal Inland Revenue Karachi (ATIR). The case is not yet fixed for hearing. The Company is confident based on its legal opinion that decision will come in its favour hence, no provision has been recorded in unconsolidated financial statements.

31.1.8 The Additional Commissioner Inland Revenue (ACIR) had issued Showcase notice u/s 122 (5A) of the Income Tax Ordinance, 2001 dated February 15, 2019 containing observations relating to self-assessment order u/s 120 of the Income Tax Ordinance, 2001 for the tax year 2017. The Company explained observations and attended hearings from time to time. However, learned ACIR passed Amended Assessment Order dated July 02, 2019 raising a demand of Rs. 34.094 million by disallowing certain expenses and tax credits. Such disallowances include fuel adjustment of Rs. 3.678 million, reduction in carry forward tax credit u/s 65B of Income Tax Ordinance, 2001 (the Ordinance) relating to tax year 2016 and disallowance of WPPF contribution. Management of the Company has filed the appeal against the impugned order before Commissioner Inland Revenue-Appeals (CIR-A). The CIR-Appeals annulled the assessment order vide his order no. 18 dated September 06, 2019.

On November 21, 2019, ACIR issued notice to the company for further clarification/explanation regarding fuel adjustment, WPPF and WWF to pass the appeal effect order. The management of the Company provided the required clarification/explanation, however, appeal effect order has not yet been passed by ACIR.

31.1.9 Sales tax affairs relating to tax year 2017 were selected for audit u/s 25 of the Sales Tax Act, 1990 (the 'Act'). Show cause notice (SCN) dated February 22, 2019 was issued by Deputy Commissioner Inland Revenue (DCIR), Audit Unit-01, Zone II, LTU for which management of the company provided documents in supports, explanations required and attended hearings from time to time. Learned DCIR passed order creating demand of Rs 5.414 million.

However, the management of the Company had filed appeal against the impugned order before Commissioner Inland Revenue (Appeals). The Hon'ble CIR-Appeals confirmed the disallowance of input tax amounting to Rs 4.771 million and default surcharge applied on sales tax chargeable on advance received from customers amounting to Rs 0.272 million. The management has preferred an appeal against the CIR-A's order before Appellate Tribunal Inland Revenue Karachi and expect favorable outcome based on merits of the case.

31.1.10 The Additional Commissioner Inland Revenue (ACIR) issued an order against the Company regarding the adjustment of minimum tax amounting to Rs. 23.59 million for the tax year 2021. The Company's management has filed an appeal against this order before the Appellate Tribunal Inland Revenue (ATIR), Karachi however, no hearing has taken place during the period. Based on legal advice, the Company is confident of a favorable outcome therefore, no provision has been recorded in these unconsolidated financial statements.

31.1.11 The Deputy Commissioner Inland Revenue (DCIR), through an order dated May 17, 2025, raised an aggregate sales tax demand of Rs. 122.97 million for the period July 1, 2015 to June 30, 2016 by disallowing certain input tax claimed by the Company in its sales tax return for the said period. The Company filed an appeal against this order before the Appellate Tribunal Inland Revenue (ATIR), Karachi, which is currently pending for adjudication. In view of Company's tax consultant, favorable outcome of such appeal is anticipated; hence no provision is required to be made in these unconsolidated financial statements.

31.1.12 The Company filed a petition before the Islamabad High Court challenging S.R.O. No. 746(1)/2025 dated April 4, 2025, issued by the Federal Board of Revenue, which prescribed a minimum retail price of cement for sales tax purposes based on the "Average National Retail Price" published by the Pakistan Bureau of Statistics. Subsequently, the said S.R.O. was superseded by S.R.O. No. 1126(1)/2026 dated June 27, 2026. The petition remains pending for adjudication before the Islamabad High Court.

31.1.13 The Company filed a petition in the Islamabad High Court challenging the imposition of Super Tax under Section 4C of the Income Tax Ordinance, 2001, for the year ended June 30, 2024. The Islamabad High Court decided the matter in favor of the Company. However, the Federation of Pakistan has filed an appeal before the Hon'ble Supreme Court of Pakistan against the High Court's decision but due to change in legislation the same was transferred before the Hono'ble Federal Constitution Court at Islamabad for hearing and decision and same along with all the connected thousands of cases were disposed off by the Federal Constitutional Court Islamabad vide its Order dated January 01, 2026 and declared the Super Tax is in accordance with the law. The Company filed the review petitions before the Hon'ble Federal Constitutional Court at Islamabad and same is still pending adjudication.The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these unconsolidated financial statements.

31.1.14 M/s Lucky Cement filed a case before the Intellectual Property Tribunal, Karachi, challenging the use of the trademark "Black Star" and sought a stay order against the Company's use of the mark. The Tribunal dismissed Lucky Cement's stay application. Subsequently, Lucky Cement filed an appeal before the High Court of Sindh, Karachi, against the dismissal of the stay application, which is currently pending for adjudication.

31.1.15 An ex-employee of the Company had filed CP # 86/2013 on May 21, 2013 for recovery of Rs. 2.10 million out of which an amount of Rs. 0.248 million has been claimed on account of 60 days gratuity and numerous other false and fabricated claims of short payments of Rs. 1.86 million. The Company is confident based on its legal opinion that decision will come in its favour hence, no provision has been recorded in these unconsolidated financial statements.

31.1.16 In the year 2000, two cement dealers had filed Suit no. 150/2001 & 151/2001 against the Company for Rs. 6.5 million and Rs. 1.5 million respectively being value of trucks which were handed over to the Company in lieu of outstanding dues from these dealers.Subsequently, the amount originally reported at Rs. 6.5 million and 1.5 million has been revised to Rs. 2 million following progress in the matter, as confirmed by the Company's legal counsel. The matters are pending for filing of objections by the respondents and are fixed for hearing on October 8, 2026.The matter is pending for adjudication before the Learned IX Additional District Judge, Karachi West. In view of the Company's legal counsel, no unfavorable outcome can be estimated.

31.1.17 In the year 2018, an ex-employee of the Company filed a Suit no. 1272/2018 against the Company for recovery of outstanding balance in provident fund and other dues amounting to Rs. 50 million in the High Court of Sindh (The Court). The outstanding provident fund and other dues were settled in 1999 and the claim of such dues is false and fabricated. The Company is confident based on its legal opinion that decision will come in its favour hence, no provision has been recorded in these unconsolidated financial statements.

31.1.18 In the year 2021, some of the ex-employees of the Company had filed case # 301/2021 amount of Rs. 13.335 million before Workmen Compensation & Authority Under Payment of Wages Act, Hyderabad has been claimed on account of gratuity and numerous false and fabricated claims. The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these unconsolidated financial statements.

31.1.19 In the year 2022, some of the ex-employees of the Company had filed case # 159/2022 amount of Rs. 2.136 million before Workmen Compensation & Authority Under Payment of Wages Act, Hyderabad has been claimed on account of gratuity and numerous false and fabricated claims. The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these unconsolidated financial statements.

31.1.20 In the year 2022, some of the ex-employees of the Company had filed CP # D-641/2022 before High Court of Sindh (The Court) has been claimed on account of all legal dues i.e. gratuity/ Golden Handshake 2000 & 2004. The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these unconsolidated financial statements.

31.1.21 As per section 5A of the Income Tax Ordinance, 2001, in case of a public company which does not distributes 20% of its after tax profit for the year within six months of the end of the tax year through cash, a tax rate of additional 5% of its accounting profit before tax shall be imposed. The Company earned a profit after tax of Rs. 213.522 million for the year ended June 30, 2019, however, keeping in view the lower profitability and foreseeing the challenging conditions faced by cement sector in the year ahead, the Board of Directors did not recommended any dividend for the year ended June 30, 2019.

The Company filed a Constitutional Petition (CP) before the Honourable Sindh High Court challenging the vires of Section 5A of the Income Tax Ordinance, 2001. The Hon'ble Sindh High Court while deciding the petition declared that Section 5A ultra vires of Constitution and is hereby struck down. However, Federal Board of Revenue (FBR) has filed in the Supreme Court of Pakistan against the decision of Sindh High Court. However, till date no such proceeding has been initiated.

In the view of Company's management, favorable outcome is anticipated. Hence no provision for the tax liability in this respect has been recorded by the Company in these unconsolidated financial statements.

31.2 Commitments

31.2.1 Guarantee given by a commercial bank to Sui Southern Gas Company Limited on behalf of the Company amounting to Rs. 45 million (2025: Rs. 45 million).

31.2.2 Irrevocable letter of credit under capital expenditure as at reporting date against wind mill is amounting to Rs. 732.565 million (2025: Nil) and against import of stores and spares is amounting to Rs. 191.102 (2025: 76.635) million.

31.2.3 Other outstanding guarantees given on behalf of the Company by banks amounting to Rs. 3 million (2025: Rs. 1.5 million).

		Note	2026	2025
			(Rupees in thousands)	
32	COST OF SALES			
	Raw material consumed	32.1	369,075	625,561
	Packing material consumed	32.2	284,170	378,058
	Stores, spare parts and loose tools		254,309	261,239
	Fuel and power		4,017,732	3,387,408
	Salaries, wages and other benefits	32.3	335,247	321,724
	Insurance		22,731	21,101
	Repairs and maintenance		53,938	12,938
	Depreciation	6.1.2	218,063	166,695
	Vehicle hire, running and maintenance		18,199	17,539
	Communication		2,869	2,219
	Entertainment		3,823	3,095
	Provision for obsolete and slow moving of stores and spares	10.1	519	7,108
	Other production overheads		14,448	8,238
	Cost of production		5,595,123	5,212,923
	Work-in-process			
	Balance as at July 01,		6,783	146,166
	Balance as at June 30,	11	(245,526)	(6,783)
			(238,743)	139,383
	Cost of goods manufactured		5,356,380	5,352,306
	Finished goods			
	Balance as at July 01,		88	63,494
	Balance as at June 30,	11	(38,246)	(88)
			(38,158)	63,406
			5,318,222	5,415,712

32.1 Raw material consumed

Balance as at July 01,		29,086	12,959
Purchases / Extracted		397,201	641,688
		426,287	654,647
Balance as at June 30,	11	(57,212)	(29,086)
Consumption during the year	32.1.1	369,075	625,561

32.1.1 It includes royalty amounting to Rs. 37.534 million (2025: Rs. 34.853 million) relating to Lime Stone and Clay Shale, payable to Director General Mines and Mineral Development, Government of Sindh. (Refer note 26.2)

	Note	2026	2025
		(Rupees in thousands)	
32.2 Packing material consumed			
Balance as at July 01,		26,281	21,322
Purchases		288,670	383,017
		314,951	404,339
Balance as at June 30,	11	(30,781)	(26,281)
Consumption during the year		284,170	378,058

32.3 This includes employees' retirement benefits amounting to Rs. 7.243 million (2025: Rs. 7.890 million).

33 SELLING AND DISTRIBUTION COST

Salaries, wages and other benefits	33.1	4,546	3,791
Vehicle running expenses		322	157
Travelling and conveyance		206	241
Communication		476	275
Entertainment		323	330
Repair and maintenance		17	13
Rent, rates and taxes		4,102	3,798
Utilities		812	1,390
Advertisements		-	100
Freight charges - local sale		30,793	13,063
Certification charges		4,310	4,117
Depreciation	6.1.2	784	757
Marking fee expense		6,454	7,368
Loading and others		11,888	10,076
Miscellaneous		769	401
		65,802	45,877

33.1 This includes employees' retirement benefit amounting to Rs. 0.226 million (2025: Rs. 0.058 million).

34 ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits	34.1	89,073	76,808
Director's fees		7,750	7,750
Vehicle running expenses		12,300	5,424
Travelling and conveyance		4,687	3,272
Advertisements		6,828	2,189

	Note	2026	2025
		(Rupees in thousands)	
Communication, postage, telegram		1,550	2,389
Printing and stationery		374	481
Rent, rates and taxes		7,018	6,454
Entertainment		1,210	1,833
Legal and professional charges		11,459	12,873
Insurance		891	891
Repairs and maintenance		1,533	821
Utilities		1,507	2,911
Fees and subscription		7,238	7,396
Corporate expenses		1,469	1,671
Charity and donation	34.2	28,150	1,474
Auditors' remuneration	34.3	2,862	2,483
Other consultants' remuneration	34.4	2,707	2,815
Depreciation on property, plant and equipment	6.1.2	8,766	8,534
Amortization of intangible assets	7.1	1,170	1,170
Staff welfare expenses		4,181	1,451
Provision for loss allowance	12.3	532	420
Miscellaneous		644	379
		203,899	151,889

34.1 This includes employees' retirement benefit amounting to Rs. 3.249 million (2025: Rs. 3.182 million).

34.2 This includes donation to Ziauddin Patients Welfare Society amounting to 27.5 million.None of the directors or their spouses have any interest in any donee's fund to which donation was made.

34.3 Auditor's remuneration

Annual audit fee	2,034	1,849
Half yearly review fee	300	261
Audit fee for consolidated financial statements	94	85
Fee for Code of Corporate Governance and other services	84	45
Out of pocket expenses	350	205
	2,862	2,445

34.4 Other consultant's remuneration

Cost audit fee	397	402
Internal audit fee	2,100	2,057
Out of pocket expenses	210	356
	2,707	2,815

		Note	2026	2025
			(Rupees in thousands)	
35	OTHER EXPENSES			
	Workers' Welfare Fund	26.5	58,697	74,272
	Workers' Profit Participation Fund	26.4	31,072	195,454
	Exchange loss		81	-
	Un-realized loss on short term investment		39,464	-
			129,314	269,726
36	OTHER INCOME			
	Income from financial assets			
	Income on bank deposit accounts		130,069	368,675
	Interest income from TDR's		-	113,154
	Gain on disposal of short term investment	36.3	35,797	63,921
	Dividend income	36.2	1,733,243	600,369
	Interest income on loan to subsidiaries	36.4	76,724	-
	Reversal of provision for slow moving of major stores and spares		7,914	2,999
			1,983,747	1,149,118
	Income from non-financial assets			
	Management fee	36.1	37,661	34,237
	Waste heat recovery	36.5	237,485	270,384
	Rental income		2,957	2,695
	Gain on disposal of property, plant and equipment		3,669	1,800
	Scrap sales		12,720	66,265
	Reversal of provision of royalty	26.2	-	150,844
	Gratuity income	14.1	75,443	300,000
	Contract liability not payable		-	23,064
	Exchange Gain		-	193
	Others		-	567
			369,935	850,049
			2,353,682	1,999,167

36.1 This represents management fee charged to the Thatta Power (Private) Limited Company for business support services. Service fee charged is amounting to Rs. 3.138 million per month plus applicable taxes payable in arrears and is subject to increase of 10% per annum with mutual consent of both the parties.

36.2 This includes dividend income received from its subsidiary Thatta Power (Private) Limited Company amounting to Rs. 1,722 million (2025: 562 million).

36.3 This represents income on short term investments in shares amount to Rs. 35.797 million.

36.4 This represents interest income against Loan provided by the Company to its subsidiaries (Refer note 16).

36.5 This represents the sale of waste heat to its subsidiary Thatta Power (Private) Limited Company under the arrangement mutually agreed between both parties and are approved by the board of directors.

	Note	2026	2025
		(Rupees in thousands)	
37 FINANCE COST			
Mark-up on short term borrowings		26,698	34,180
Mark-up on Workers' Profit Participation Fund		7,735	6,539
Mark-up on long term financing		547,934	-
Bank charges and commission		722	2,313
		583,089	43,032
38 TAXATION			
Current		825,572	815,399
Prior		5,051	(63,382)
Deferred		8,756	330,745
	38.1	839,379	1,082,762

38.1 Relationship between tax expense and accounting profit

Profit before tax	2,847,973	3,639,345
Tax at 29%	825,912	1,055,410
Tax effect of		
(admissible) / inadmissible expenses in determining taxable income - net	(25,201)	(329,311)
Prior year tax charge	5,051	(63,382)
Income subject to Final Tax Regime (FTR)	(247,666)	(94,651)
Tax effect on taxable temporary differences - net	8,756	330,745
Super Tax @ 10% (2025: 10%)	272,527	183,950
	839,379	1,082,762

Numerical reconciliation between the applicable tax rate and average effective tax rate is as follows:

	2026	2025
	%	%
Applicable tax rate	29.00	29.00
Final Tax	(8.70)	(2.60)
Super tax	9.57	5.05
Others	(0.40)	(1.69)
	0.47	0.76
Average effective rate	29.47	29.76

	2026	2025
	(Rupees in thousands)	

39 EARNINGS PER SHARE - BASIC AND DILUTED

39.1 Basic earnings per share

Profit for the year (Rupees)	2,008,594	2,556,583
Weighted average number of ordinary shares	423,590,625	423,590,625
Earnings per share - basic and diluted (Rupees) per share	4.74	6.04

39.2 Diluted earnings per share

Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2026 and June 30, 2025 which would have any effect on the earnings per share if the option to convert is exercised.

40 RECONCILIATION OF MOVEMENT OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES

Description	2026	2026	2026	Total
	Long term financing	Short term borrowings	Unpaid Dividend	
	Rupees in thousands			
Balance as at July 1, 2025	-	197,856	10,556	208,412
Received during the year	5,424,360	-	-	
Interest expense	391,525	-	-	
Repayments	(1,059,855)	-	-	
Balance as at June 30,2026	4,756,030	197,856	10,556	4,964,442

Description	2025	2025	2025	Total
	Long term financing	Short term borrowings	Unpaid Dividend	
	Rupees in thousands			
Balance as at July 1, 2024	-	197,649	1,933	199,582
Received during the year	-	207		207
Dividend payable	-	-	67,320	67,320
Dividend paid	-	-	(58,697)	(58,697)
Balance as at June 30, 2025	-	197,856	10,556	208,412

		Note	2026	2025
			(Rupees in thousands)	
41	CASH AND CASH EQUIVALENTS			
	Cash and bank balances	20	1,629,816	4,069,729
	Short term running finance	27	(197,856)	(197,856)
			1,431,960	3,871,873
42	CAPACITY AND ACTUAL PRODUCTION			
	Production capacity - clinker (tons)	42.1	660,000	660,000
	Actual production - clinker (tons)	42.1	438,813	415,850
	Production capacity - cement (tons)	42.2	693,000	693,000
	Actual production - cement (tons)	42.2	450,150	502,985

42.1 The production capacity utilization of clinker during the year has remained at 66.48% (2025: 63.01%).

42.2 Cement from clinker is produced in accordance with the market demand.

43 RELATED PARTY TRANSACTIONS AND BALANCES

The related parties comprises of subsidiaries and other associated companies, key management personnel and staff retirement funds. The Company continues to have a policy whereby all transactions with related parties are entered into at approved terms as approved by Board of Directors. Service Level Agreement for business support services with the Subsidiary Company for which the basis are also approved by the Board of Directors.

Further, contribution to defined contribution plan (provident fund) is made as per the terms of employment and trust deed. Detail of transactions during the year ended June 30, 2026 and outstanding balances as at June 30, 2026 with related parties are as follows:

43.1 Transactions with related parties other than disclosed else where in the Financial Statements are summarized as follows:

Related Party	Basis of Relationship	Nature of transactions	2026	2025
			(Rupees in thousands)	
Thatta Power (Private) Limited	Subsidiary			
		Common shared expenses	5,665	5,832
		Receipts on account of common shared expenses	15,352	-
		Sales / (purchase) of store items (inclusive of GST) - net	-	91
		(Receipt) / payment on account of purchase of store items -net	-	-
		Purchase of electricity (inclusive of GST)	215,535	1,436,623
		Payment on account of electricity (inclusive of GST)	249,755	2,412,450
		Management fee claimed (inclusive of SST)	43,311	39,373
		Management fee received (inclusive of SST)	109,062	-
		Receipt against LC	165,093	177,057
		Paid on behalf against LC	228,756	113,394
		Sale of waste heat (inclusive of GST)	280,232	319,053
		Receipts on account of sale of waste heat (inclusive of GST)	197,294	543,816
		Payment of short term loan to subsidiary	1,099,800	-
		Receipt of short term loan from subsidiary	576,000	-
		Interest accured on short term loan	24,983	-
		Receipt of interest from subsidiary on loan	8,425	-
Minsk Work Tractor and Assembling (Private) Limited	Subsidiary	Purchase of shares	-	500,000
		Payment of short term loan to subsidiary	1,157,760	-
		Receipt of short term loan from subsidiary	575,000	-
		Interest accured on short term loan	51,741	-
		Receipt of interest from subsidiary on loan	27,760	-
Other related parties		Contribution to Employees' Provident Fund	10,719	11,131
		Income from Employees' Gratuity Fund	75,443	300,000
		Receipt from Employees' Gratuity Fund	115,443	200,000
		Education expenses - Model Terbiat School	3,550	1,451

43.2 Year end balances

Thatta Power (Private) Limited	Subsidiary			
		Payable against purchase of electricity (inclusive of GST)	-	34,220
		Receivable against management fee (inclusive of SST)	-	65,750
		Receivable against common shared expenses	-	9,688
		Receivable against LC	-	63,663
		Receivable against sale/purchase of store items-net	462	462
		Receivable against sale of waste heat (inclusive of GST)	134,475	51,537
		Short term loan to subsidiary	523,800	
		Interest receivable from Subsidiary	16,558	-
Minsk Work Tractor and Assembling (Private) Limited	Subsidiary			
		Short term loan to subsidiary	582,760	-
		Interest receivable from Subsidiary	23,981	-
Staff retirement benefits	Fund			
		Receivable from Gratuity Fund	83,100	123,100

43.3 All transactions with related parties have been carried out on commercial terms and conditions as approved by the Board of Directors.

43.4 There are no transactions with key management personnel other than under their terms of employment.

44 REMUNERATION OF CHIEF EXECUTIVE , DIRECTORS AND EXECUTIVES

The aggregate amounts charged during the year in the unconsolidated financial statements for remuneration, including all benefits to Chief Executive and Executives of the Company were as follows:

	2026		2025	
	Chief Executive	Executives	Chief Executive	Executives
	(Rupees in thousands)		(Rupees in thousands)	
Managerial remuneration	16,800	58,381	16,800	52,924
Bonus	-	5,365	-	4,963
Retirement benefits	1,018	2,793	1,018	2,682
Other benefits	1,165	27,814	1,413	25,348
Total	18,983	94,353	19,231	85,917
Number of persons	1	19	1	19

44.1 The Chief Executive and Executives are provided with car monetization and other benefits in accordance with their entitlement as per rules of the Company.

44.2 An aggregate amount of Rs. 7.750 million (2025: Rs. 7.750 million) was paid to Non-Executive Directors/Members during the year on account of Board, Audit Committee and Human Resource & Remuneration Committee meeting fee.

45 OPERATING SEGMENTS

45.1 These unconsolidated financial statements have been prepared on the basis of single reportable segment.

45.2 Revenue from sale of cement and clinker represents 100% (2025: 100%) of the total revenue of the Company.

45.3 100% (2025: 100%) sales of the Company relates to customers in Pakistan.

45.4 All non-current assets of the Company as at June 30, 2026 are located in Pakistan.

46 FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

Taken as a whole the Company's risk arising from financial instruments is limited as there is no significant exposure to price and cash flow risk in respect of such instruments. Financial instruments of the Company are as under:

	Note	2026	2025
		(Rupees in thousands)	
Financial assets			
Long term deposits	9	5,170	5,125
Trade debts	12	303,857	166,366
Trade deposits	15	4,010	3,810
Loan to subsidiary	16	1,106,560	-
Short term investment	17	426,140	
Other receivables	18	526,761	192,810
Receivables from gratuity fund	14	83,100	123,100
Cash and bank balances	20	1,629,816	4,069,729
		4,085,414	4,560,940
Financial liabilities			
Long term deposits	24	3,787	3,787
Long term financing	23	4,756,030	-
Trade and other payables	26	1,096,132	878,368
Unclaimed dividend	29	1,933	1,933
Accrued mark-up	28	299,926	8,937
Short term borrowings	27	197,856	197,856
		6,355,664	1,090,881

46.1 Financial risk management objectives

The Company has exposure to the following risks:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

The Board of Directors (the Board) of the Company has the overall responsibility for establishment and oversight of the Company's risk management framework. To assist the Board in discharging its oversight responsibility, the management is made responsible for identifying, monitoring and managing the Company's financial risk exposure. The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance.

a) Credit risk

Credit risk is a risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of financial instruments or contracts are entered into with same party, or when counter parties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly effected by change in economics, political or other conditions. Concentration of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

At the reporting date, the Company's total credit risk was concentrated in the following industrial / economic sectors:

	2026		2025	
	Rupees in thousands	%	Rupees in thousands	%
Banks	1,627,866	40%	4,066,253	89%
Others	2,457,548	60%	494,687	11%
	4,085,414	100%	4,560,940	100%

The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed a policy of obtaining advance payment from its customers against sale of cement. Except for customers relating to the Government and certain credit worthy customers, the management strictly adheres to this policy. For any balance receivable from such Government and credit worthy customers, the management continuously monitors the credit exposure towards them and make provisions against those balances considered doubtful. Cash is held only with banks with high quality credit worthiness. There is no significant risk exposure to loan and advances and other receivables.

The maximum exposure to credit risk at the reporting date is:

	Note	2026	2025
		(Rupees in thousands)	
Long term deposits	9	5,170	5,125
Trade debts	12	303,857	166,366
Trade deposits	15	4,010	3,810
Loan to subsidiaries	16	1,106,560	-
Short term investment	17	426,140	-
Other receivables and accrued interest	18	526,761	192,810
Bank balances	20	1,627,866	4,066,253
		4,000,364	4,434,364

Financial assets that are neither past due nor impaired

The credit quality of assets that are neither past due nor impaired can be assessed by reference to historical information and external credit ratings or to historical counterparty default rates. As at June 30, 2026 trade debts of Rs. 303.974 million (2025: Rs. 166.786 million) were neither past due but not impaired. These relates to a number of independent customers for whom there is no recent history of default. The aging analysis of these trade debts is as follows:

	2026	2025
	(Rupees in thousands)	
Not past due		
- within 30 days	163,256	19,316
- 31 to 90 days	137,141	73,757
- 91 to 180 days	2,736	65,186
- over 180 days	841	8,527
	303,974	166,786

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties.

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The credit quality of cash at bank (in Current, PLS and deposit accounts) as per credit rating agencies is as follows:

Name of Banks	Rating agency	Ratings	
		Short-term	Long-term
National Bank of Pakistan	PACRA	A1+	AAA
Bank Alfalah Limited	PACRA	A1+	AA+
MCB Bank Limited	PACRA	A1+	AAA
Al Baraka Islamic Bank Limited	JCR-VIS	A-1	A+
Silk Bank Limited	JCR-VIS	A-	A-2
Summit Bank Limited	JCR-VIS	N/A	N/A
Faysal Bank Limited	PACRA	A1+	AA

Due to Company's long standing relationship with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligation to the Company. For trade debts, internal risk assessment process determines the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are fixed based on internal or external ratings in accordance with limits set by the management. The utilization of said limits is regularly monitored.

Credit Rating of the Company

During the year, VIS Credit Rating Company Limited (VIS) has upgraded the entity ratings of Thatta Cement Company Limited at A/A-2 (Single A / A Two) from A-/A-2 (Single A Minus / A Two) with a stable outlook.

Financial assets that are past due or impaired

The credit quality of financial assets that are past due or impaired can be assessed by reference to note 12.1. The aging analysis of these impaired trade debts is as follows:

	2026	2025
	(Rupees in thousands)	
Below five years	4,264	3,312
Over five years	72,028	72,028
	76,292	75,340

b) **Liquidity risk management**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or may face difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

The Company is exposed to liquidity risk in respect of non-current interest bearing liabilities, long term deposit, short term borrowings, trade and other payable and mark-up accrued.

The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

Maturity analysis for financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to maturity date and represents the undiscounted cash flows. The amounts in the table are the gross nominal undiscounted cash flows (including interest payments).

		2026				
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	More than one year
		(Rupees in thousands)				
Non-derivative Financial liabilities	Note					
Long term financing	23	4,756,030	(6,158,354)	(1,028,143)	(979,636)	(4,150,575)
Long term deposits	24	3,787	(3,787)	-	-	(3,787)
Trade and other payables	26	1,246,088	(1,246,088)	(1,246,088)	-	-
Short term borrowing	27	197,856	(197,856)	(197,856)	-	-
Accrued mark up	28	299,926	(299,926)	(299,926)	-	-
		6,503,687	(7,906,011)	(2,772,013)	(979,636)	(4,154,362)

		2025				
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	More than one year
		(Rupees in thousands)				
Non-derivative	Note					
Financial liabilities						
Long term deposits	24	3,787	(3,787)	-	-	(3,787)
Trade and other payables	26	1,218,019	(1,218,019)	(1,218,019)		
Short term borrowing	27	197,856	(197,856)	(197,856)	-	-
Accrued mark up	28	8,937	(8,937)	(8,937)	-	-
		1,428,599	(1,428,599)	(1,424,812)	-	(3,787)

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective at the reporting date.

c) **Market risk**

Market risk is the risk that changes in market interest rates, foreign exchange rates and other 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 the return on risk.

d) **Interest / mark-up rate risk management**

Interest / mark-up rate risk management arises from the possibility of changes in interest/mark-up rates which may affect the value of financial instruments. The Company has long term finance and short term borrowing at variable rates. The Company is exposed to interest / mark-up rates risk on long term financing, where interest rate risk is covered by holding "Prepayment option" which can be exercised upon any adverse movement in the underlying interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments is as follows:

	Carrying amount	
	2026	2025
Variable rate instruments	(Rupees in thousands)	
Financial assets	1,607,942	4,056,028
Financial liabilities	4,953,886	197,856

Fair value sensitivity analysis for fixed rate instruments:

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, change in interest rates at the reporting date would not affect unconsolidated statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments:

Financial assets

If interest rate had fluctuated by 100 basis points with all other variables held constant, profit / (loss) before tax for the year would have been Rs. 26.72 million (2025: Rs 40.56 million) higher / lower, mainly as a result of higher / lower interest income from these financial assets.

Financial liabilities

If interest rate had fluctuated by 100 basis points with all other variables held constant, profit before tax for the year would have been Rs. 49.54 million (2025: Rs. 1.98 million) higher / lower, mainly as a result of higher / lower interest expense on these financial liabilities.

A summary of the Company's interest rate gap position, categorized by the earlier of contractual re-pricing or maturity dates at the end of year is as follows:

	Note	2026				
		Mark-up / return (%)	Less than 6 months	6 months to 1 year	More than 1 year	Total
			(Rupees in thousands)			
Assets						
Bank balance in PLS accounts	20	7.4% to 10.0%	1,607,942	-	-	1,607,942
Loan to Subsidiaries	16	13.19% to 14.96%	1,106,560	-	-	1,106,560
Total assets			2,714,502	-	-	2,714,502
Liabilities						
Short term borrowings	27	13.13% to 14.49%	(197,856)	-	-	(197,856)
Long term financing	23	13.67% to 14.06%	(677,459)	(677,459)	(3,401,036)	(4,755,954)
Total liabilities			(875,315)	(677,459)	(3,401,036)	(4,953,810)
On-balance sheet gap			1,839,187	(677,459)	(3,401,036)	(2,239,308)
Total interest risk sensitivity gap			1,839,187	1,161,728	(2,239,308)	(2,239,308)

	Note	2025				
		Mark-up / return (%)	Less than 6 months	6 months to 1 year	More than 1 year	Total
			(Rupees in thousands)			
Assets						
Bank balance in PLS accounts	20	9.5% to 19.5%	4,056,028	-	-	4,056,028
Total assets			4,056,028	-	-	4,056,028
Liabilities						
Short term borrowings	27	14.14% to 23.24%	(197,856)	-	-	(197,856)
Total liabilities			(197,856)	-	-	(197,856)
On-balance sheet gap			3,858,172	-	-	3,858,172
Total interest risk sensitivity gap			3,858,172	3,858,172	3,858,172	3,858,172

e) **Foreign exchange risk**

Foreign exchange risk is the risk that the value of financial asset or a liability will fluctuate due to change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies. Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable/payable from/to the foreign entities and outstanding letters of credit and bills payable.

Therefore, the Company does not obtain forward cover against the exposure. However, the following significant rates applied during the year:

	2026	2025	2026	2025
	Average Rate		Balance sheet date rate	
US Dollar to PKR	280.64	283.96	278.16	283.76

f) **Fair value of financial instruments**

Fair value of the financial instrument is the amount for which an asset could be sold or exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction.

The carrying amount of all financial assets and liabilities reflected in the unconsolidated financial statements approximate their fair values. The methods used for determining fair value of each class of financial assets and liabilities are disclosed in respective policy notes.

g) **Fair value hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 quoted (unadjusted) prices in active markets for identical assets and liabilities.
Level 2 other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly.
Level 3 techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

	As at June 30, 2026			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
- Listed equity securities	426,140	-	-	426,140
LIABILITIES				
-Sukuks	-	2,748,420	-	2,748,420
	426,140	2,748,420	-	3,174,560

	As at June 30, 2025			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
- Listed equity securities	-	-	-	-
LIABILITIES				
-Sukuks	-	-	-	-

h) Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitor the level of dividend to ordinary shareholders. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

The Company's objectives when managing capital are:

(i) 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

(ii) to provide an adequate return to shareholders.

	2026	2025
Debt to equity ratio	0.60	0.03
Debt to asset ratio	0.29	0.02
Current ratio	1.56	2.41
Quick Ratio	1.32	2.22

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. The Company finances its operations through equity, borrowing and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

47 NUMBER OF EMPLOYEES

The total number of employees at the year end were 401 (2025: 408) and average number of employees during the year were 403 (2025: 401).

48 Shariah Disclosures under Clause VII of Part I of Schedule IV of the Companies Act, 2017

	2026	2025
	(Rupees in thousands)	
Disclosures required in relation to the Statement of Financial Position-Liability		
Long term financing as per islamic mode	4,756,030	-
Markup accured on conventional loans	15,379	8,937
Disclosures required in relation to the Statement of Financial Position-Liability		
Long term and short term shariah compliant investment	7,839,036	936,658
Bank balances that are Shariah compliant	1,196,750	55,678
Disclosures required in relation to profit and loss and other comprehensive income		
Revenue earned from Shariah-compliant business segment	6,794,617	7,566,414
Late payments or diquidated damages	-	-
Gain/(loss) or dividend earned from shariah compliant investments or share of profit from shariah compliant associate	1,383,243	600,369
Exchange gain earned from actual currency	-	-
Exchange gains earned suing conventional derivative financial instruments	-	-
Profit paid on islamic mode of financing	547,934	-
Total Interest earned on conventional loan to associate undertaking	36,185	-
Breakup of Other income		
Shariah Compliant		
Dividend Income	1,733,243	600,369
Sale of waste heat	237,485	270,384
Profit earned on saving accounts from shariah-compliant bank	58,086	8,975
Management fee	37,661	34,237
Gain on disposal of fixed asset	3,669	1,800
Gain on disposal of short term investment	35,797	63,921
Scrap sales	12,720	66,265
miscellaneous	-	567
Non Shariah Compliant		
Markup earned on saving accounts from conventional banks	71,983	359,153
	-	-
Markup earned on loan to associate undertaking	76,724	-
Markup earned on TDRS	-	113,154
Miscellaneous	-	-

Relationship with Shariah Compliant Institutions

Name	Relationship
Dubai Islamic Bank	Bank Balances
Allied Bank	Bank Balances
Pak-Qatar Family Takaful	Group and Health Takaful

49 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on 04 NOV, 2026 have proposed final cash dividend Rs. 0.5 per share (2025: nil) in respect of year ended June 30, 2026.

50 DATE OF AUTHORIZATION

These unconsolidated financial statements were authorized for issue on 04 NOV 2026 by the Board of Directors of the Company.

51 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, no significant reclassification has been made during the year.

52 GENERAL

Amounts have been rounded off to the nearest thousands of Rupees.

CHIEF FINANCIAL OFFICER | CHIEF EXECUTIVE | DIRECTOR

CONSOLIDATED FINANCIAL STATEMENTS
OF
THATTA CEMENT COMPANY LIMITED
FOR THE YEAR ENDED
JUNE 30, 2026

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THATTA CEMENT COMPANY LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the annexed consolidated financial statements of THATTA CEMENT COMPANY LIMITED (THCCL) and its subsidiaries namely THATTA POWER (PRIVATE) LIMITED (TPPL) and MINSK WORK TRACTOR AND ASSEMBLING (PRIVATE) LIMITED (MWTPL) together referred to as (the Group), which comprise the consolidated statement of financial position as at June 30, 2026, and the consolidated statement of the profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

In our opinion except for the Basis for Qualified Opinion section of our report, the 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 Qualified Opinion

As disclosed in Note 10.2.1 to the accompanying financial statements, the Group has not accounted for its investment in an associate using the equity method of accounting as required by International Accounting Standard (IAS) 28, "Investments in Associates and Joint Ventures". Accordingly, the carrying amount of the investment has not been adjusted to recognize the Group's share of the post-acquisition changes in the net assets of the associate. Furthermore, the Group's share of the associate's profit or loss and other comprehensive income has not been recognized in the Group's statement of profit or loss and other comprehensive income, as applicable.

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 qualified opinion.

Emphasis of Matters

a) We draw attention to Note 23.1 to the financial statements, which states that the TPPL had defaulted in payment of instalments due under the loan agreements with commercial banks, resulting in a breach of the terms and conditions and the outstanding loans becoming payable on demand so being classified as current liabilities. Additionally, as of reporting date, TPPL is under negotiations with another commercial bank to restructure its long-term loan.

b) We draw attention to note 27.3.1 and 27.4.1 to the consolidated financial statements which states one of the Subsidiary Company, TPPL has not recognized liabilities in respect of Workers' Profit Participation and Workers' Welfare Fund post financial year 2015 nor has discharged the recorded liability till such date based on a legal advice.

Our opinion is not modified in respect of the above matters.

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 year. 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.

Following are the Key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	Contingencies and litigations	
	As disclosed in note 33.1 to the consolidated financial statements. The Holding Company has contingencies and litigations in respect of income and sales tax matters, which are pending adjudication at different levels with the taxation authorities and other legal forums. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Holding Company for disclosure and recognition and measurement of any provision that may be required against such contingencies. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered contingencies litigations, a key audit matter.	Our audit procedures, amongst others, included the followings: 1. Discussed the progress of each case and the Holding Company's estimate of the cost involved; 2. Reviewed the key elements and basis used by management while challenging reasonableness of the cost estimates; 3. Obtained confirmations from legal advisors for current status on pending previous cases and any new case filed during the year; 4. Checked orders by relevant authority on previous lawsuits / cases which are being disclosed in the consolidated financial statement; 5. Made an assessment of likelihood of occurrence of such events and impact on the consolidated financial statements; and 6. Reviewed the adequacy of the related disclosures in the consolidated financial statements in accordance with applicable financial reporting framework.

Information Other than the Consolidated and Unconsolidated 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 consolidated and unconsolidated 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 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 the requirements of Companies Act, 2017 (XIX of 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 are 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 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 05 NOV 2026

UDIN: AR202610166o6vlrM5Wz

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

THATTA CEMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026	2025
		----- (Rupees in thousands) ------	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	5,332,894	5,290,120
Intangibles	8	585	1,755
Long term deposits	9	5,170	5,125
Long term investment	10	6,476,238	-
		11,814,887	5,297,000
CURRENT ASSETS			
Stores, spare parts and loose tools	11	493,580	394,222
Stock-in-trade	12	1,550,973	558,533
Trade debts	13	2,254,171	1,226,288
Advances	14	550,752	167,086
Receivable from gratuity fund	15	83,100	123,100
Deposits and prepayments	16	227,993	217,840
Short term investment	17	426,141	-
Other receivables and accrued mark-up	18	3,663	38,040
Short term loan	19	-	250,000
Sales tax refundable		290,130	134,644
Cash and bank balances	20	1,795,581	4,229,291
		7,676,084	7,339,044
TOTAL ASSETS		19,490,971	12,636,044
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		2,000,000	2,000,000
Issued, subscribed and paid-up capital	21	847,181	847,181
Reserves	22	9,168,420	7,134,572
Equity attributable to the owners of the Holding Company		10,015,601	7,981,753
Non-controlling interests		197,795	178,713
		10,213,396	8,160,466
NON CURRENT LIABILITIES			
Long term financing	23	3,454,020	-
Accrued markup on long term loan	24	141,108	-
Long term deposits	25	3,787	3,787
Deferred taxation	26	688,865	680,109
		4,287,780	683,896
CURRENT LIABILITIES			
Trade and other payables	27	2,070,280	1,864,408
Short term borrowings	28	197,856	197,856
Current maturity of long term financing	23	1,853,671	751,329
Unclaimed dividend	29	1,933	1,933
Unpaid dividend	30	54,007	8,623
Accrued mark-up	31	625,755	478,827
Taxation- net	32	186,293	488,706
		4,989,795	3,791,682
TOTAL EQUITY AND LIABILITIES		19,490,971	12,636,044
CONTINGENCIES AND COMMITMENTS	33		

The annexed notes from 1 to 56 form an integral part of these consolidated financial statements.

CHIEF FINANCIAL OFFICER CHIEF EXECUTIVE DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		------- (Rupees in thousands) --------	
Sales - gross		16,156,433	13,348,273
Sales tax and federal excise duty		(4,225,795)	(3,904,435)
Sales - net	34	11,930,638	9,443,838
Cost of sales	35	(8,084,498)	(6,492,697)
Gross profit		3,846,140	2,951,141
Selling and distribution expenses	36	(66,560)	(45,877)
Administrative expenses	37	(213,508)	(167,947)
Other expenses	38	(129,314)	(269,726)
Other income	39	487,999	1,173,765
Operating profit		3,924,757	3,641,356
Finance cost	40	(681,268)	(202,724)
Profit before levy and taxation		3,243,489	3,438,632
Levy	41	(114,770)	-
Profit before taxation		3,128,719	3,438,632
Taxation	42	(852,465)	(1,094,419)
Profit for the year		2,276,254	2,344,213
Profit for the year attributable to:			
- Equity holders of the Holding Company		2,033,848	2,396,086
- Non-controlling interests		242,406	(51,873)
		2,276,254	2,344,213
Earnings per share - basic and diluted (Rupees)	43	4.80	5.66

The annexed notes from 1 to 56 form an integral part of these consolidated financial statements.

CHIEF FINANCIAL OFFICER | CHIEF EXECUTIVE | DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	------- (Rupees in thousands) --------	
Profit for the year	2,276,254	2,344,213
Other comprehensive income	-	-
Total comprehensive income for the year	2,276,254	2,344,213
Total comprehensive income for the year attributable to:		
- Equity holders of the Holding Company	2,033,848	2,396,086
- Non-controlling interests	242,406	(51,873)
	2,276,254	2,344,213

The annexed notes from 1 to 56 form an integral part of these consolidated financial statements.

CHIEF FINANCIAL OFFICER | CHIEF EXECUTIVE | DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital	Reserves			Non-controlling Interest	Total
		Capital reserve	Revenue reserve			
		Share Premium	Unappropriated profit	Sub total		
	(Rupees in thousands)					
Balance as at July 1, 2024	847,181	99,718	4,325,669	4,425,387	821,280	6,093,848
Total comprehensive income for the year						
Profit for the year	-	-	2,396,086	2,396,086	(51,873)	2,344,213
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	2,396,086	2,396,086	(51,873)	2,344,213
Further investment in subsidiary	-	-	380,419	380,419	(517,919)	(137,500)
Investment in subsidiary	-	-	-	-	100	100
Final cash dividend @ Rs. 1 per share for the year ended June 30, 2024	-	-	(33,660)	(33,660)	-	(33,660)
Interim cash dividend @ Rs. 0.5 per share for the quarter ended September 30, 2024	-	-	(16,830)	(16,830)	-	(16,830)
Interim cash dividend @ Rs. 0.5 per share for the quarter ended December 31, 2024	-	-	(16,830)	(16,830)	-	(16,830)
Interim cash dividend @ Rs. 3.75 per share for the quarter ended March 31, 2025	-	-	-	-	(20,625)	(20,625)
Interim cash dividend @ Rs. 9.50 per share for the quarter ended June 30, 2025	-	-	-	-	(52,250)	(52,250)
	-	-	(67,320)	(67,320)	(72,875)	(140,195)
Balance as at June 30, 2025	847,181	99,718	7,034,854	7,134,572	178,713	8,160,466
Balance as at July 1, 2025	847,181	99,718	7,034,854	7,134,572	178,713	8,160,466
Total comprehensive income for the year						
Profit for the year	-	-	2,033,848	2,033,848	242,406	2,276,254
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	2,033,848	2,033,848	242,406	2,276,254
Transactions with owners:						
Interim cash dividend of 14.61/share for the three months period ended September 30, 2025	-	-	-	-	(80,360)	(80,360)
Interim cash dividend of 8.35/share for the six month period ended December 31, 2025	-	-	-	-	(45,920)	(45,920)
Interim cash dividend of 9.39/share for the nine month period ended March 31, 2026	-	-	-	-	(51,660)	(51,660)
Interim cash dividend of 8.25/share for the twelve month period ended June 30, 2026	-	-	-	-	(45,384)	(45,384)
	-	-	-	-	(223,324)	(223,324)
Balance as at June 30, 2026	847,181	99,718	9,068,702	9,168,420	197,795	10,213,396

The annexed notes from 1 to 56 form an integral part of these consolidated financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

THATTA CEMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		3,128,719	3,438,632
Adjustment for:			
Levy	41	114,770	-
Depreciation on property, plant and equipment	7	340,296	298,185
Amortization on intangibles	8	1,170	1,170
Reversal for obsolete and slow moving of major stores and spares	39	(7,914)	(2,999)
Provision for obsolete and slow moving stores and spares	35	1,433	7,570
Finance cost	40	681,268	202,724
Gain on plan assets	39	(75,443)	(300,000)
Provision for expected credit loss	37	532	420
Workers' Welfare Fund	38	58,697	74,272
Workers' Profit Participation Fund	38	31,072	195,454
Gain on disposal of short term investment	39	(35,797)	-
Unrealized loss on investments	38	39,464	-
Income on extinguishment of financial liability	39	(118,607)	-
Gain on sale of property, plant and equipment	39	(67,292)	(1,800)
		963,649	474,996
Operating cash flows before working capital changes		4,092,368	3,913,628
(Increase) in current assets			
Stores, spare parts and loose tools		(108,705)	(179,885)
Stock-in-trade		(992,440)	(307,831)
Trade debts		(1,028,415)	(481,683)
Advances		(383,666)	(128,600)
Deposits and prepayments		(10,153)	15,662
Other receivable and accrued mark-up		34,377	(8,302)
Sales tax refundable		(155,486)	(94,248)
		(2,644,488)	(1,184,887)
Increase in current liabilities			
Trade and other payables		385,829	354,560
Cash generated from operations		1,833,709	3,083,301
Finance cost paid		(308,058)	(65,446)
Proceeds from gratuity fund		115,443	200,000
Workers' Welfare Fund paid		(74,272)	(50,473)
Workers' Profit Participation Fund paid		(195,454)	(139,362)
Income tax paid- net		(1,260,893)	(925,036)
Net cash flows generated from operating activities		110,475	2,102,984
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property plant and equipment	7.1	(414,843)	(1,521,369)
Short term investment		(429,808)	1,190,825
Short term loan	19	250,000	(250,000)
Long term deposit		(45)	(19,000)
Investment in associate/subsidiary		(6,476,238)	(137,500)
Proceeds from sale of property, plant and equipment		114,894	1,800
Net cash flows (used in) investing activities		(6,956,040)	(735,244)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(177,940)	(131,572)
Proceeds from long term financing		4,589,795	-
Net cash used in financing activities		4,411,855	(131,572)
Net increase in cash and cash equivalents		(2,433,710)	1,236,168
Cash and cash equivalents at the beginning of the year		4,031,435	2,795,267
Cash and cash equivalents at the end of the year	45	1,597,725	4,031,435

The annexed notes from 1 to 56 form an integral part of these consolidated financial statements.

CHIEF FINANCIAL OFFICER | CHIEF EXECUTIVE | DIRECTOR

THATTA CEMENT COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 STATUS AND NATURE OF BUSINESS

1.1 The Group consists of Thatta Cement Company Limited (the Holding Company), Thatta Power (Private) Limited (TPPL) and Minsk Work Tractors and Assembling (Private) Limited (MWTAPL), (together referred to as the Group).

2 STATUS, GEOGRAPHICAL LOCATION AND ADDRESSES OF THE HOLDING COMPANY AND ITS SUBSIDIARY COMPANIES.

Holding Company

Thatta Cement Company Limited

Thatta Cement Company Limited (the Holding Company) was incorporated in Pakistan in 1980 under repealed companies Act,1913 (repealed Companies ordinance, 1984 and now Companies Act, 2017) as a public limited company. The shares of the Holding Company are quoted at the Pakistan Stock Exchange. The Holding Company's main business activity is manufacturing and marketing of cement.

Following are the addresses of the registered office and the production facility:

i) The registered office of the Holding Company is situated at CL/5-4, State Life Building No. 10, Abdullah Haroon Road, Karachi, Pakistan.

ii) The production facility of the Holding Company is located at Ghulamullah Road, Makli, District Thatta, Sindh.

Subsidiary Companies

Thatta Power (Private) Limited -(TPPL)

Thatta Power (Private) Limited (the Subsidiary Company) is a 88.52% owned subsidiary of the Holding Company as at June 30, 2026 (2025: 88.52%). The principal business of the subsidiary Company is generation and sale of electric power. As at June 30, 2026, the subsidiary Company has authorized and issued, subscribed and paid up capital of Rs. 500 million and Rs. 479.16 million divided into 50,000,000 (2025: 50,000,000) ordinary shares and 47,915,830 (2025: 47,915,830) ordinary shares respectively. The registered office and generation facility of the subsidiary Company is situated at Ghulamullah Road, Makli, District Thatta, Sindh, which comprises of 3 acres.

Minsk Work Tractors and Assembling (Private) Limited -(MWTAPL)

Minsk Work Tractors and Assembling (Private) Limited is 99.98% owned subsidiary. The Company has acquired 50,000,000 shares at Rs. 10 per share. The subsidiary was incorporated in Pakistan on August 22, 2024 under the provisions of the Companies Act, 2017, with its registered office located at Plot No. A1-150, Nazar Chowrangi, Hub Industrial Trading Estate (HITE), Hub District Lasbela, Balochistan. The principal activity of the subsidiary is to import, assemble, and sale of completely built-up (CBU) units of tractors.

3 BASIS OF PREPARATION

3.1 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 as applicable in Pakistan comprise of:

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

- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

These financial statements are the consolidated financial statements of the Group, in which investments in associates are accounted for using the equity method, less accumulated impairment losses, if any.

3.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis, except as disclosed in the relevant accounting policies in note 6 to the consolidated financial statements.

3.3 Accounting estimates, assumptions and judgments.

The preparation of consolidated financial statements in conformity with the accounting and reporting standards requires management to make estimates, assumptions and judgments that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

Estimates, assumptions and judgments are evaluated at each reporting date and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively, commencing from the period of revision.

Judgments and estimates made by management that are significant to the consolidated financial statements are as follows:

- depreciation method, useful lives , residual values and impairment of property, plant and equipment (notes 6.1 & 7.1.1);
- amortization method, useful lives, residual values and impairment of intangibles (notes 6.2 & 8);
- provision of slow moving and obsolete stores, spares and loose tools (note 6.3);
- allowance for expected credit losses (notes 6.19.1);
- levy and taxation (notes 6.13);
- contingencies and provisions (notes 6.17 and 33.1);

3.4 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees (PKR), which is the Group's functional and presentation currency.

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the consolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Consolidated Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their consolidated financial statements.

4.2 **New accounting standards, amendments and interpretations that are not yet effective**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's consolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4.3 Waiver from application of standards and interpretations

The SECP vide SRO 986(I)/2019 dated September 2, 2019 partially modified its previously issued SRO 24(I)/2012 dated January 16, 2012 and granted exemption to all companies that have executed their power purchase agreements before January 1, 2019 from requirements of the following:

-IFRS 16 'Leases' to the extent of the power purchase agreements;

-IAS 21 'The Effects of Changes in Foreign Exchange Rates' to the extent of capitalisation of exchange differences;

-Application of IFRIC 12 'Service Concession Agreement'; and

-In case of capitalisation of exchange differences, recognition of embedded derivative under IFRS 9 'Financial Instruments' shall not be permitted.

Accordingly, Group / TPPL has applied the requirements of IAS – 39 "Financial Instruments: Recognition and Measurement" in these consolidated financial statements with respect to calculation of impairment loss in respect of the aforementioned financial assets.

5 BASIS OF CONSOLIDATION

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group 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. Specifically, the Group controls an investee if, and only if, the Group has:

-power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);

-exposure, or rights, to variable returns from its involvement with the investee; and

-the ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

-the contractual arrangement(s) with the other shareholders having voting rights of the investee;

-rights arising from other contractual arrangements; and

-the Group's voting rights and potential voting rights.

The Group re–assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non–controlling interest. The excess of the cost of acquisition is recorded as goodwill. If the cost of acquisition is less than fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill acquired in a business combination is, on the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination. Goodwill is tested annually or whenever there is an indication of impairment exists. Impairment loss in respect of goodwill is recognised in the statement of profit or loss and is not reversed in future periods.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in these consolidated financial statements.

Subsidiaries have same reporting period as that of the Holding Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non–controlling interests, even if this results in the non–controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

6 MATERIAL ACCOUNTING POLICY INFORMATION

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

6.1 Property, plant and equipment

a) Operating fixed assets

These are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land and capital work–in–progress which are stated at cost less impairment losses, if any. Cost in relation to certain items in operating fixed assets and capital work–in–progress, signifies historical cost and financial charges on borrowings, in case of qualifying assets.

Depreciation is charged to profit or loss applying the straight line method except for plant and machinery on which depreciation is charged 'Units of Production method'. Depreciation is charged at the rates mentioned in note 7.1.1 to these consolidated financial statements. Depreciation on addition is charged from the month when the asset is available for use and no depreciation is charged in the month of disposal.

The assets' residual values, the method of depreciation and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Repair and maintenance expenses are charged to the consolidated statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Group.

Gains and losses on disposal of operating fixed assets, if any, are included in the consolidated statement of profit or loss.

b) Capital work-in-progress (CWIP)

Capital work-in-progress is stated at cost including, where relevant, related financing costs less impairment losses, if any. These costs are transferred to operating fixed assets as and when assets are available for use.

6.2 Intangible assets

These are stated at cost less accumulated amortization and impairment losses, if any.

Amortization is charged to statement of profit and loss on straight line basis over its economic useful life at the rate given in note 8 to these consolidated financial statements. Amortization on additions is charged from the month in which an intangible asset is available for use while no amortization is charged for the month in which an intangible asset is disposed.

b) Internally generated

The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by the management. After initial recognition, internally generated intangible assets are carried at cost less accumulated amortization and impairment losses, if any. These are amortized using the straight-line basis over the useful life of asset. Amortization on addition is charged from the month following the month in which the asset is available for use and on disposals upto the month preceding the month of disposal.

Expenditure on research (or the research phase of an internal project) is recognized as an expense in the year in which it is incurred.

Development costs incurred on specific projects are capitalized when all the following conditions are satisfied:

a) completion of the intangible asset is technically feasible so that it will be available for use or sale;
b) the Group intends to complete the intangible asset and use or sell it;
c) the Group has the ability to use or sell the intangible asset;
d) the intangible asset will generate probable future economic benefits. Among other things this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or if it is to be used internally, the asset will be used in
e) there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
f) the expenditure attributable to the intangible asset during its development can be measured reliably.

6.3 **Impairment of non-financial assets**

The carrying amounts of non–financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value–in–use. Value–in–use is ascertained through discounting of the estimated future cash flows using an appropriate discount rate. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash–generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

6.4 **Non-controlling interests (NCI)**

NCI are measured at their proportionate share of the acquirer's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary , except those part of the initial acquisition transaction, that do not result in a loss of control are accounted for as equity transactions.

6.5 Goodwill

Goodwill is initially measured as at the acquisition date, being the excess of (a) the aggregate of the consideration transferred, the amount of any non–controlling interest in the acquiree; and (b) the net of the acquisition date amount of the identifiable assets acquired and the liabilities assumed.

In case the fair value attributable to the Group's interest in the identifiable net assets exceeds the fair value of consideration, the Group recognises the resulting gain in the profit or loss on the acquisition date.

Goodwill acquired in a business combination is measured, subsequent to initial recognition, at cost less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating unit (CGU) (or the groups of CGUs) that are expected to benefit from the synergies of the operations irrespective of whether other assets or liabilities of the acquiree are assigned to these units or group of units.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on pro rata based on the carrying amount of each asset in the CGU. Any impairment loss for goodwill is recognised directly in the consolidated profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

6.6 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Holding Company.

6.7 Capital stores, spare parts and loose tools

These are valued at lower of weighted average cost and net realizable value except items in transit, which are stated at invoice value plus other charges incurred thereon as on the reporting date.

The provision of slow moving stores is made based on items used since seven years and on managements assessment for items which are not utilized, whichever is earlier.

6.8 Stock-in-trade

Stock of raw materials, work in process and finished goods are valued at the lower of cost and net realisable value. Cost is calculated using the weighted average method and comprises of direct material, direct labour and appropriate manufacturing overheads. Net realisable value signifies estimated selling price less estimated cost of completion and estimated cost to sell. The Group reviews the carrying amount of stock in trade on a regular basis and provision is made for obsolescence. Items in–transit are valued at cost comprising invoice value plus other charges incurred thereon up to the reporting date.

6.9 **Trade debts and other receivables**

These are recognised initially are carried at original invoice amount being the fair value of the consideration to be received in future. An allowance for Expected Credit Loss (ECL) is made against trade debts on the basis of lifetime expected credit loss model as explained in note 6.19.1 . The amount of provision against ECL is charged to the statement of profit or loss.

Trade debts and other receivables considered irrecoverable are written-off.

6.10 **Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand and balance with banks. Cash and cash equivalents also include bank overdrafts / short term financing that are repayable on demand and form an integral part of the Group's cash management.

6.11 **Employees benefits - Defined contribution plan**

The Holding company operates an approved contributory provident fund for all its permanent employees to which equal monthly contributions are made, both by the Holding Company and the employees at the rate of 10% of basic salary.

6.12 **Borrowing Cost**

Borrowing cost and other related costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred. For power generation segment, borrowing costs include exchange differences arising on foreign currency borrowings, obtained for acquisition, construction or production of qualifying assets, in accordance with SECP SRO referred to in note 4.3.

6.13 **Taxation**

a) **- Current**

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with the tax laws, after taking into account tax credit available, if any.

TPPL's profits and gains from power generation are exempt from tax under clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance). TPPL is also exempt from minimum tax on turnover under clause 11A of part IV of the Second Schedule to the Ordinance.

b) -Deferred

Deferred tax is recognised, using the balance sheet liability method, on all temporary differences arising at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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 the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

6.14 Levy

As per the IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, the Group recognises minimum tax or final tax paid, if any, on gross amount of revenue or other basis as levy within the scope of IFRIC 21 / IAS 37 and recognise it as an operating expense, except for taxes on dividends on the Group's investments in associates which are specifically within the scope of IAS 12 and hence these continue to be categorised as current income tax. Any excess over the amount designated as levy is then recognised as current income tax expense falling under the scope of IAS 12.

6.15 Trade and other payables

Liabilities for trade and other amounts payable are carried at fair value of the consideration to be paid in future for goods and services received, whether or not invoiced to the Group.

A contract liability is recognised if a payment is received from a customer before the Group transfers the related goods. Contract liabilities are recognised as revenue when the Group transfers control of the related goods to the customer.

6.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of 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 current best estimate.

6.17 Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset 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. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

6.18 Revenue recognition

Thatta Cement Company Limited

Revenue is recognized when control of a promised goods passes to a customer. It is measured at the fair value of the consideration received or receivable, sales tax and other duties collected on behalf of third parties are not taken into account.

The Company primarily generates revenue from sale of cement and recognized when control passes to the customer at a specific point in time.

The revenue is recorded on the basis of the consideration defined in the contract with the customer, including variable consideration such as discount, volume rebates or other contractual price reductions; if any.

Interest, rentals and other incomes are recognized on accrual basis.

Thatta Power (Private) Limited

The Company has entered into Power Purchase Agreements with its customers for supply of electricity. The transmission of electricity is considered single performance obligation. The Company recognizes revenue at point of time when control of electricity is transferred to customer. Control is considered to be transferred when the electricity is directly transmitted in the customer terminals.

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable and is recognised when the Company satisfies its performance obligation. Performance obligation is satisfied when goods are dispatched and invoiced to the customers.

6.19 Financial assets and liabilities

6.19.1 Financial assets

a) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flow represents solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

b) Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income 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 other comprehensive income is reclassified to profit or loss, except for the investments in equity instruments as explained in the ensuing paragraphs.

c) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using the fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in the profit or loss in the period in which it arises.

Equity instrument financial assets are measured at fair value and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in the profit or loss. Dividends from such investments continue to be recognised in the profit or loss when the Group's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to the profit or loss following the derecognition of the investment.

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortised cost or cost as the case may be. Any gain or loss on the recognition and de–recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

All purchases and sales of financial assets are recognised on the trade date which is the date on which the Group commits to purchase or sell the financial asset.

Financial assets are derecognised when the Group loses control of the contractual rights that comprise the financial asset. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Group.

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets. The Group applies the simplified approach to recognise lifetime expected credit losses for trade debts, other receivables and contract assets.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

The Group recognises in profit or loss, as an impairment loss (or reversal), the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For TPPL,the SECP through S.R.O 25(1)/2026 dated January 06, 2026 extended the exemption of application of Expected Credit Loss model under IFRS- 9 "Financial Instruments" in respect of financial assets due from Government of Pakistan up to December 31, 2026. Accordingly, the TPPL has applied the requirements of IAS- 39 "Financial Instruments: Recognition and Measurement" in these financial statements with respect to determination of impairment loss in respect of due from the Government of Pakistan.

6.19.2 Financial liabilities

Financial liabilities are recognised at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

6.19.3 Offsetting of financial assets and financial liabilities

A financial asset and financial liability is off–set and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to set–off the transaction and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

6.20 Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items, if any, mainly comprises of corporate assets, head office expenses and tax assets and liabilities. Management has determined that the Group has a single reportable segment and therefore it has only presented entity wide disclosures.

6.21 Foreign currency transactions

Transactions in foreign currencies are translated into Pakistan Rupees using the exchange rates prevailing on the date of each transaction. Monetary assets and liabilities in foreign currencies are reported in Pakistan Rupees using the exchange rates prevailing on the reporting date. All exchange differences are taken into consolidated statement of profit or loss.

6.22 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. 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, if any.

6.23 Dividends and appropriations

Dividend and appropriation to reserves are recognised in these consolidated financial statements in the year in which these are approved.

		Note	2026	2025
			(Rupees in thousands)	
7	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets	7.1	5,224,422	5,018,856
	Capital stores and spares	7.2	92,561	45,541
	Capital work in progress	7.3	15,911	225,723
			5,332,894	5,290,120

7.1 Operating fixed assets

Description	Freehold land	Leasehold improvements	Quarries and improvements	Factory building on freehold land	Electrical and gas installations	Housing colonies	Office building on freehold land	Cooling towers	Plant and machinery	Quarry equipment	Railway sidings	Vehicles	Furniture and fixtures	Office equipment	Medical equipment	Laboratory equipment	Computer equipment	Total
	(Rupees in thousands)																	
Year ended June 30, 2026																		
Net carrying value basis																		
Opening net book value	6,422	2,475	81	243,862	1,674,150	8,905	2,667	10,798	3,028,003	-	-	29,254	1,756	1,906	-	6,259	2,318	5,018,856
Additions during the year	-	-	-	-	173,354	-	30,332	2,853	353,552	-	-	17,093	-	4,613	-	11,218	448	593,463
Adjustments- NBV	-	-	-	-	-	-	-	-	43,877	-	-	3,724	-	-	-	-	-	47,601
Less: Depreciation charge	-	1,292	9	22,634	67,021	990	718	5,377	223,298	-	-	7,802	518	2,237	-	6,569	1,831	340,296
Closing net book value	6,422	1,183	72	221,228	1,780,483	7,915	32,281	8,274	3,114,380	-	-	34,821	1,238	4,282	-	10,908	935	5,224,422
Gross carrying value basis																		
Cost	6,422	9,044	11,963	651,294	1,919,996	74,096	53,382	77,998	6,245,066	19,296	14,905	119,852	13,842	26,370	629	90,823	29,328	9,364,306
Less: Accumulated depreciation	-	7,861	11,891	430,066	139,513	66,181	21,101	69,724	3,130,686	19,296	14,905	85,031	12,604	22,088	629	79,915	28,393	4,139,884
Net book value	6,422	1,183	72	221,228	1,780,483	7,915	32,281	8,274	3,114,380	-	-	34,821	1,238	4,282	-	10,908	935	5,224,422
Year ended June 30, 2025																		
Net carrying value basis																		
Opening net book value	6,422	3,767	90	266,496	379,285	9,895	2,879	14,026	3,061,588	-	-	31,038	2,274	3,026	-	5,838	3,844	3,790,468
Additions during the year	-	-	-	-	1,326,417	-	-	1,910	186,188	-	-	5,489	-	810	-	5,564	195	1,526,573
Less: Depreciation charge	-	1,292	9	22,634	31,552	990	212	5,138	219,773	-	-	7,273	518	1,930	-	5,143	1,721	298,185
Closing net book value	6,422	2,475	81	243,862	1,674,150	8,905	2,667	10,798	3,028,003	-	-	29,254	1,756	1,906	-	6,259	2,318	5,018,856
Gross carrying value basis																		
Cost	6,422	9,044	11,963	651,294	1,746,642	74,096	23,050	75,145	5,935,391	19,296	14,905	106,483	13,842	21,757	629	79,605	28,880	8,818,444
Less: Accumulated depreciation	-	6,569	11,882	407,432	72,492	65,191	20,383	64,347	2,907,388	19,296	14,905	77,229	12,086	19,851	629	73,346	26,562	3,799,588
Net book value	6,422	2,475	81	243,862	1,674,150	8,905	2,667	10,798	3,028,003	-	-	29,254	1,756	1,906	-	6,259	2,318	5,018,856
7.1.1 Annual depreciation rates (in %)	-	20	5	10	5/4	5	5	7	*Uop	20	10	20	10	10	10	10	30	

		Note	2026	2025
			(Rupees in thousands)	
7.1.2	Allocation of depreciation			
	The depreciation charge for the year has been allocated as under:			
	Cost of sales	35	330,746	288,894
	Selling and distribution expense	36	784	757
	Administrative expenses	37	8,766	8,534
			340,296	298,185

* uop = units of production

7.1.3 The immoveable property of the Holding Company comprises of 233 acres of land is located at Ghulamullah Road, Makli, District Thatta, Sindh.

		Note	2026	2025
			(Rupees in thousands)	
7.2	**Capital stores and spares**			
	Net carrying value basis			
	Opening net book value (NBV)		95,286	86,329
	Additions during the year		111,233	127,045
	Transferred during the year		(72,127)	(118,088)
			134,392	95,286
	Accumulated impairment	7.2.1	(41,831)	(49,745)
	Closing net book value (NBV)		92,561	45,541
	Gross carrying value basis			
	Cost		134,392	95,286
	Accumulated impairment		(41,831)	(49,745)
	Net carrying value		92,561	45,541
7.2.1	Accumulated impairment			
	Balance as at July 01,		(49,745)	(52,744)
	Impairment charge for the year	39	7,914	2,999
	Balance as at June 30,		(41,831)	(49,745)

7.3 Capital work in progress

Description	Solar Panel System	Wind Turbine Project	Makli Shed Extension	Balochistan Project	Lime Stone Shed	New Clinker Crusher Project	Total
	(Rupees in thousands)						
Balance as at July 01, 2025	171,674	-	2,211	640	10,185	41,013	225,723
Capital expenditures incurred during the year	-	2,875	-	-	-	-	2,875
Transferred to property, plant, and equipment	(171,674)	-	-	-	-	(41,013)	(212,687)
Balance as at June 30, 2026	-	2,875	2,211	640	10,185	-	15,911
Balance as at July 01, 2024	-	226,885	2,211	603	10,185	-	239,884
Capital expenditures incurred during the year	171,674	1,096,282	-	37	-	41,013	1,309,006
Transferred to property, plant, and equipment	-	(1,323,167)	-	-	-	-	(1,323,167)
Balance as at June 30, 2025	171,674	-	2,211	640	10,185	41,013	225,723

8 INTANGIBLES

ERP Software		
Net carrying value basis		
Opening net book value (NBV)	1,755	2,925
Amortization charged	(1,170)	(1,170)
Closing net book value (NBV)	585	1,755

	Note	2026	2025
		(Rupees in thousands)	
Gross carrying value basis			
Cost		5,850	5,850
Accumulated amortization		(5,265)	(4,095)
Net book value		585	1,755
Amortization rate (% per annum)		20	20

8.1 Amortization charged on ERP software has been allocated to administrative expenses (note 37) amounting to Rs. 1.170 million (2025: Rs. 1.170 million).

9 LONG TERM DEPOSITS

Long term deposits	5,170	5,125

10 LONG TERM INVESTMENT-Associate

Pakistan Services Limited (PSEL)	10.1 to 10.3	6,476,238	-

10.1 Pakistan Services Limited (PSEL)

Investment at cost	6,476,238	-
Share of profit during the year	-	-
Other comprehensive income / (loss)	-	-
Dividend received during the year	(-)	(-)
	6,476,238	-

10.2 The Group's interest in net assets of PSEL's is as follows:

Non–current assets	-	-
Current assets excluding cash and cash equivalents	-	-
Cash and cash equivalents	-	-
Liabilities	-	-
10.2.1	-	-

10.2.1 As of reporting date, books of accounts and other records of an Associate are not available to the Company. Therefore, equity accounting as per IAS-28 is not possible in the absence of information.

10.3 The Holding Company acquired 9,107,800 shares in Pakistan Services Limited (PSEL) representing 28% shareholding, at an aggregate consideration of Rs. 6,476.238 million. These shares were acquired at a price of Rs. 710 per share by open market on October 14, 2025. The estimated fair value of PSEL as at reporting date approximates to Rs. 944 per share.

Subsequent to the acquisition of above securities, a petition has been field under Section 126 of the Companies Act, 2017 by the previous shareholders in Honorable Islamabad High Court (The Court) which, inter alia, alleges that the such transfer of securities was expressly prohibited from being sold, assigned or disposed off to any third party.

The Court issued order inter alia to the Holding Company to appear and answer all mentioned questions relating to the case which is pending adjudication as at reporting date.

The management, based on legal advisor's view, concluded that the Holding Company lawfully possesses and holds the title of these securities. Therefore, subject to any contrary interpretation by any court of law, prima facie, the investments made by the Holding Company being duly recorded with CDC enjoys statutory protection. Accordingly, the interim order does not invalidate the share transfers but merely places a restraint on certain consequences of the sale / purchase of shares.

	Note	2026	2025
		(Rupees in thousands)	
11 STORES, SPARE PARTS AND LOOSE TOOLS			
Coal and other fuels		52,506	42,008
Stores and spare parts		492,044	402,041
Loose tools		352	62
		544,902	444,111
Provision for obsolete stores		(12,042)	(12,239)
Provision for slow moving stores and spares		(39,280)	(37,650)
	11.1	(51,322)	(49,889)
		493,580	394,222
11.1 Movement in provision			
Balance as at July 01,		(49,889)	(42,319)
Provision reversed during the year	35	(1,433)	(7,570)
Balance as at June 30,		(51,322)	(49,889)

		Note	2026	2025
			(Rupees in thousands)	
12	STOCK-IN-TRADE			
	Raw material	35.1	57,212	29,086
	Packing material	35.2	30,781	26,281
	Work-in-process	35	243,206	6,627
	Finished goods	35	1,219,774	496,539
			1,550,973	558,533
13	TRADE DEBTS			
	Considered good			
	Local - secured		-	286,710
	Local - unsecured		2,254,289	939,998
		13.1 & 13.2	2,254,289	1,226,708
	Considered doubtful			
	Local - unsecured	13.3	76,174	75,340
			2,330,463	1,302,048
	Allowance for expected credit losses	13.4	(76,292)	(75,760)
			2,254,171	1,226,288

13.1 The aging of trade debts at the reporting date is as follows:

Within 30 days	234,081	360,036
Past due from 31 to 60 days	149,703	158,800
Past due from 61 to 90 days	709,974	132,125
Past due from 91 to 360 days	657,655	70,065
Past due for more than 360 days	579,050	581,022
	2,330,463	1,302,048

13.2 The TPPL entered into Power Purchase Agreement (PPA) with HESCO on May 14, 2011 to sell electricity at rates agreed in the said agreement. The agreement was executed in accordance with the Policy Framework for New - Captive Power Producers (N-CPPs).

Subsequently, NEPRA issued an order dated January 9, 2013 revising the tariff formula resulting in reduced tariff. In view of the said order, HESCO intimated to pay its dues for electricity purchased as per the revised tariff formula. In response, the TPPL filed a petition No. 132 before the Honourable High Court of Sindh (the court) on February 8, 2013, against HESCO, on the grounds that HESCO failed to pay the dues to the TPPL as per Power Purchase Agreement (PPA). The Court disposed off the petition filed by the TPPL with the direction to HESCO to pay the TPPL against purchase of electricity as per the rates stipulated in PPA until February 01, 2012 and thereafter on the rates determined by NEPRA. In view of the adverse order and according to the advice of the legal counsel the TPPL had filed CA No. 1133/2015 in CP No. 476-K/2015 before the Honorable Supreme Court of Pakistan (SCP) on October 28, 2015 against the order passed by the Court. Consequently, HESCO & NEPRA have also filed appeals before the SCP against the same order, which are pending for adjudication.

The total balance recoverable pertaining to PPA amounting to Rs. 502.034 million (2025: 502.034) included in the trade receivable balance.

However, as the matter is pending before the SCP and the legal advisor expects a successful outcome of the case, Therefore, the management strongly feels that under the terms of the PPA, the above amount of above outstanding balance Rs 502.034 million is likely to be recovered by the TPPL.

Moreover from January 2017, the TPPL has resumed supplying power to HESCO and has been issuing monthly invoices based on the PPA tariff. However, HESCO continues to make payments according to NEPRA's tariff determinations. Following the promulgation of the Sindh New Captive Power Plants Subsidy Act 2017, the Government of Sindh (GOS) has been providing tariff differential support to captive power plants.

13.3 This includes balance Rs. 72.028 million (2025: Rs. 74.210 million) outstanding for more than ten years. Management contends that the amount recoverable from cement stockiest were misappropriated and certain unauthorized excessive rebates were allowed by collusion of certain personnel of the Holding Company whose services had been terminated, when the Holding Company was operating under State Cement Corporation of Pakistan (SCCP). Accordingly, Management had lodged references for the recovery of misappropriated amount with the National Accountability Bureau (NAB). The NAB had recovered an amount of Rs.4.458 million in preceding years. The Holding Company is continuously following with NAB officials for early realization of amount owed to the Holding Company and has also written letters in this regard for which reply has not yet been received, therefore, provision has been maintained in respect of outstanding amount as a matter of prudence and abundant precaution.

		Note	2026	2025
			(Rupees in thousands)	
13.4	**Allowance for expected credit losses**			
	Balance as at July 01,		75,760	75,340
	Allowance for expected credit losses		532	420
	Balance as at June 30,		76,292	75,760
14	**ADVANCES**			
	Considered good - unsecured			
	to vendors		260,729	93,124
	Against LCs		289,946	73,875
	Others		77	87
			550,752	167,086
15	**RECEIVABLE FROM GRATUITY FUND**	15.1	83,100	123,100

15.1 The Board of Directors, via resolution passed on December 30, 2022, approved discontinuation of the Holding Company's Employees' Gratuity Fund and the liability towards eligible employees was frozen at terminal values as of the discontinuation date. The Fund, however, remains active under the management of trustees, who are discharging their responsibilities to manage the Fund.

This represents receivable from Gratuity fund as at the reporting date upon revaluation of planned assets restricted to Rs. 75.443 million over its frozen liability out of which 115.443 million received during the year.

16	**DEPOSITS AND PREPAYMENTS**		
	Against bank guarantee - Sui Southern		
	Company limited	209,448	206,448
	Others	7,885	3,885
	Prepayments	10,660	7,507
		227,993	217,840

		Note	2026	2025
			(Rupees in thousands)	
17	SHORT TERM INVESTMENT			
	At Fair value through profit or loss:			
	Investment in listed equity securities	17.1	426,141	-

17.1

Particulars	As at July 1, 2025	Purchased during the period	Sold during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized (diminution) / appreciation as at June 30, 2026
	Number of shares				(Rs in thousand)		
Investment in shares							
International Steels Limited	-	1,000,000	205,000	795,000	85,614	72,139	(13,475)
Mari Energies Limited	-	525,000	-	525,000	379,990	354,001	(25,989)
Total as at June 30, 2026	-	1,525,000	205,000	1,320,000	465,604	426,141	(39,464)

		Note	2026	2025
			(Rupees in thousands)	
18	OTHER RECEIVABLES AND ACCRUED MARKUP			
	Interest receivable from banks		-	31,669
	Others		3,663	6,371
			3,663	38,040
19	SHORT TERM LOAN			
	Secured -considered good			
	Omni Power (Private) Limited	19.1	-	70,000
	Shikarpur Power (Private) Limited	19.2	-	80,000
	Dadu Energy (Private) Limited	19.3	-	100,000
			-	250,000

19.1 The represents short term loan of Rs. 70 million provided in October 2024, for a period of one year. The loan carries mark-up at rate of 3 months KIBOR plus 150 bps and secured against personal guarantees of directors of Omni Power (Private) Limited.

19.2 The represents short term loan of Rs.80 million provided in October 2024, for a period of one year. The loan carries mark-up at rate of 3 months KIBOR plus 150 bps and secured against personal guarantees of directors of Shikarpur Power (Private) Limited.

19.3 The represents short term loan of Rs. 100 million provided in October 2024, for a period of one year. The loan carries mark-up at rate of 3 months KIBOR plus 150 bps and secured against personal guarantees of directors of Dadu Energy (Private) Limited.

20 CASH AND BANK BALANCES

	Note	2026	2025
		(Rupees in thousands)	
Cash in hand		2,446	3,979
Cash at bank			
Current account	20.1	28,111	10,257
Profit and loss sharing (PLS) accounts	20.2	1,765,024	4,215,055
		1,793,135	4,225,312
		1,795,581	4,229,291

20.1 This includes unclaimed dividend amounting to Rs. 9.80 million (2025: 9.80 million) kept in a separate bank account.

20.2 During the year, the profit rates on saving accounts are 7.4% - 10.0% (2025: 9.5% - 19.5%) per annum.

21 SHARE CAPITAL

2026	2025		2026	2025
Issued, subscribed and paid-up capital				
Number of shares			(Rupees in thousands)	
447,090,625	447,090,625	Ordinary shares of Rs. 2/- each shares allotted for consideration paid in cash	894,181	894,181
51,500,000	51,500,000	Ordinary shares of Rs. 2/- each shares allotted for consideration other than cash (21.2)	103,000	103,000
(75,000,000)	(75,000,000)	Treasury Shares	(150,000)	(150,000)
423,590,625	423,590,625		847,181	847,181

21.1 The Holding Company has only one class of ordinary shares which carries no right to fixed income. The shareholders are entitled to receive dividend as declared from time to time and are entitled to one vote per share at Annual General Meetings (AGM) of the Holding Company. All shares rank equally with regard to the Holding Company's residual assets and right of first refusal.

21.2 This represents shares issued against plant and machinery as consideration.

21.3 The shareholders of the Holding Company, in the Extraordinary General Meeting held on May 29,2025, resolved that the existing capital of the Holding Company, including authorized, issued and paidup capital, is hereby altered in a manner that each ordinary share of the Holding Company having facevalue of Rs. 10/- be and is hereby subdivided into five ordinary shares of Rs. 2/- each.Accordingly, in accordance with the financial reporting framework the weighted average number of ordinary shares outstanding during the period and for all periods presented havebeen adjusted in the ratio of 5:1.

22 RESERVES	Note	2026 (Rupees in thousands)	2025
Capital Reserve			
Share premium		99,718	99,718
Revenue Reserve			
Unappropriated profit		9,068,702	7,034,854
		9,168,420	7,134,572

23 LONG TERM FINANCING			
Conventional			
Syndicated term finance facility II	23.1	551,661	751,329
Islamic			
Sukuks	23.2	4,756,030	-
Current Maturity			
overdue balance-Conventional		(425,402)	(751,329)
classified as current liability-Conventional		(73,333)	-
classified as current liability-Islamic		(1,354,936)	-
		(1,853,671)	(751,329)
		3,454,020	-

23.1 This represents syndicated term finance facility-II obtained from syndicate of banks comprising of National Bank of Pakistan, Sindh Bank Limited and Bank Makramah Limited. The facility carried markup at rate 3 months KIBOR plus 2.5% annualized basis. The tenure of financing was 6 years including grace period of 18 months and the facility was payable in 18 equal quarterly installments of Rs. 62.61 million starting from April 2020.

The TPPL was granted deferment of principal installment for further one year under State Bank's Banking Policy and Regulatory Department (BPRD) circular letter no. 13 of 2020 by member banks of this syndicate facility-II. There are no other changes in the terms of revised agreement. In year 2023, the TPPL had repaid its first quarter installment and defaulted in paying other installment on due dates. This results in breach of terms and conditions of the agreement, due to which outstanding loan was made payable on demand and was reclassified as current liability.

During the year, the TPPL entered into a Restructuring Agreement with its Sindh Bank Limited to modify the terms of certain existing financing arrangements. Under the revised terms, repayment of outstanding principal and related markup was deferred and the repayments are rescheduled.

Further a restructuring agreement was executed with National Bank of Pakistan on April 27, 2026, subject to the passing of a consent decree by the Hounorable High Court of Sindh (the court). Subsequent to the reporting date, the consent decree was passed on September 02, 2026, pursuant to the compromise arrangement between both parties and the TPPL made its first payment under the settlement arrangement on September 10, 2026.

The TPPL is renegotiating with Bank Makramah Limited for restructuring of the loan agreement and final agreement will be renewed in due course.

a) Following are the conditions of resulting agreement with Sindh Bank Limited:

-The TPPL, shall pay upfront payment Rs.150,000,000/- Rupees (One Hundred Fifty Million only). The said upfront payment to be adjusted against principal outstanding.

-The TPPL, shall pay its remaining principal and markup outstanding in seven (7) years, comprising:

(i) three (3) years for principal repayment;
(ii) four (4) years for current markup outstanding repayment (Rs. 214.850 million) approx as on September 30, 2025) be treated as frozen amount plus;
(iii) markup to be accrued during restructuring /rescheduling period /till full adjustment of principal outstanding Rs.326 million.

Balance Principal Repayment of Rs176 million to be repaid in twelve (12) equal quarterly installments of Rs14.66m each.

Markup Repayment at 3 month kibor+2.5% per annum. in respect of accrued and current markup accumulated on principal to be paid in sixteen (16) equal quarterly installments, commencing upon completion of the principal repayment.

-Rate of markup, currently applicable at 3 month kibor+2.5% p.a. to remain unchanged.
-No collateral, existing securities are to be released until full recovery of all dues as per the above terms.
-Current rescheduling/ restructuring does not involve any write-off and/or waiver of markup.

b) The conditions resulting from agreement with National Bank Limited:

-The TPPL, shall pay upfront payment Rs.20 million (Twenty Million only), which the TPPL duly paid subsequent to year end. The said upfront payment to be adjusted against principal outstanding.

-The TPPL, shall pay its remaining principal and markup outstanding in seven (7) years, comprising:

(i) four (4) years for principal repayment;
(ii) three (3) years for current markup outstanding repayment
(iii) 'markup to be accrued during restructuring /rescheduling period /till full adjustment of principal outstanding Rs.260 million.

Balance Principal Repayment of Rs. 240 million to be repaid in sixteen (16) equal quarterly installments of Rs15 million each.

Markup Repayment at 3 month kibor+2.5% per annum. in respect of accrued and current markup accumulated on principal to be paid in twelve (12) equal quarterly installments, commencing upon completion of the principal repayment.

As security for the Syndicate Finance Facility, the TPPL has agreed to create multiple charges and mortgages in favor of the Syndicate, comprising:

(1) 1% Token Registered Mortgage over land of the company including building, First Pari Passu charge by way of hypothecation on all present and future moveable fixed assets (other than land and building) of the TPPL with 25% margin;

(2) First Pari Passu mortgage over land and building with a 25% margin pursuant to a memorandum of constructive deposit of title deeds;

(3) First Joint Pari Passu hypothecation Charge over all present and future current assets of the TPPL with 25% margin, implementation of a collection mechanism pursuant to which (i) all receivables from HESCO, (ii) amounts received pursuant to a call under the HESCO SBLCs, and (iii) receivables due from the holding company shall be deposited in a designated collection account (funds shared on a pro rata basis between STFF-1 lenders and the Syndicate), with amounts deposited held under lien of the Syndicate; and First Joint Pari Passu lien over Project Accounts between the Obligor, relevant Bank Account, and the Lenders.

23.2 During the year, the Holding Company has issued Sukuks bonds of Rs. 5,500 million (including green shoe option of Rs. 500 million) to eligible institutions and other investors by way of private placement and listing on Pakistan Stock Exchange (PSX). These are repayable over a period of 4 years in eight equal semi-annual installments including profit based on KIBOR + 2.5% on the outstanding amount. These are secured by way of Pari Passu charge on the present and future current and fixed asset of the Holding Company with a 35% margin from the issue date.

	Note	2026	2025
		(Rupees in thousands)	
24 ACCRUED MARKUP ON LONG TERM LOAN			
Accrued interest - restructured	24.1	141,108	-

24.1 This represents markup freezed accumulated and markup accrued on restructured principal to be paid in sixteen (16) equal quarterly installments (Refer note-23.1)

25 LONG TERM DEPOSITS			
Dealers	25.1	3,110	3,110
Customers	25.2	677	677
		3,787	3,787

25.1 These represent interest free security deposits, received from dealers, suppliers and contractors. The contract does not have any specific clause on usability of these deposits. These are repayable / adjustable on cancellation or withdrawal of dealership and completion of contract in case of suppliers and contractors.

25.2 These also include deposits pertaining to dealers against whom recovery proceedings are in process with National Accountability Bureau (NAB) and are adjustable against the amount owed by them to the Holding Company (refer note 13.3).

26 DEFERRED TAXATION			
Taxable temporary differences arising in respect of			
Accelerated tax depreciation		760,636	732,277
Deductible temporary differences arising in respect of			
Other provisions - for doubtful debts and stores		(69,860)	(50,257)
Remeasurement of defined benefit liability		(1,911)	(1,911)
	26.1	688,865	680,109

26.1 Movement in deferred tax

	Opening balance	Charge / (adjustment) to profit or loss	Charge / (adjustment) to other comprehensive income	Closing balance
2026		(Rupees in thousands)		
Deferred tax liabilities				
Accelerated tax depreciation	732,277	28,359	-	760,636
Deferred tax asset				
Other provisions - for doubtful debts and stores	(50,257)	(19,603)	-	(69,860)
Remeasurement of defined benefit liability	(1,911)	-	-	(1,911)
	680,109	8,756	-	688,865

	Opening balance	Charge / (adjustment) to profit or loss	Charge / (adjustment) to other comprehensive income	Closing balance
2025		(Rupees in thousands)		
Deferred tax liabilities				
Accelerated tax depreciation	400,219	332,058	-	732,277
Deferred tax asset				
Other provisions - for doubtful debts and stores	(48,944)	(1,313)	-	(50,257)
Remeasurement of defined benefit liability	(1,911)	-	-	(1,911)
	349,364	330,745	-	680,109

27 TRADE AND OTHER PAYABLES

	Note	2026	2025
		(Rupees in thousands)	
Trade creditors		858,198	533,962
Accrued liabilities		306,792	492,281
Royalty payable	27.1	90,972	91,685
Contract liability	27.2	589,096	333,872
Excise duty and sales tax payable		60,188	69,925
Workers' Profit Participation Fund	27.3	70,728	235,110
Workers' Welfare Fund	27.4	73,766	89,341
Other liabilities		20,540	18,233
		2,070,280	1,864,408

27.1 This represents royalty relating to Lime Stone and Clay Shale, payable to Director General Mines and Mineral Development, Government of Sindh.

The Holding Company has filed a Constitutional Petition (CP) No. 5382 before the Honorable High Court of Sindh (The Court) on September 06, 2021 against arbitrary increase in the royalty rates through impugned notification No. T.O/M&MDD/15-3/2021 dated June 30, 2021 issued by Ministry of Mines and Minerals Development Department, Government of Sindh. The Holding Company legal consultants have attended several hearings and presented their point of view before the Honorable High Court of Sindh. On October 17, 2022, the Honorable High Court of Sindh dismissed the petition on the grounds that the relevant forums as per Sindh Mining Concession Rules, 2002 were not approached. However, in the prior year, the Holding Company filed for the adjudication in the Honorable Supreme Court of Pakistan against the judgment of the Court and the case is pending for adjudication. The management is confident that the Holding Company has an arguable case on merits. The Holding Company on a prudent basis had recorded provision in the consolidated financial statements amounts to Rs. 234.723 million, reflecting the overall impact of the increase in royalty rates, till June 30, 2024.

Department of Minerals and Mines development Govt. of Sindh made downward revision in the rates of Lime stone and Shale Clay amounting to Rs. 52 and 42 per one thousand kg respectively vide notification DMD/S/Misc-(09)/24 dated Sept 13, 2024. Moreover, the above department vide its letter dated November 25, 2024 has worked out an outstanding liability regarding arrears pertaining from FY 2022 to FY 2024 by using the current rates. Therefore, last year the management of the Holding Company has reversed an excess provision of Rs. 150.84 million in respect of Royalty.

27.2 Advances received from customer are recognised as revenue when the performance obligation is satisfied in accordance with the policy as described in note 6.18 to these consolidated financial statements is satisfied. Revenue for an amount of Rs. 143.836 million (2025: Rs. 113.847 million) has been recognised in current year in respect of advances from customers at the beginning of the year.

	Note	2026	2025
		(Rupees in thousands)	
27.3 Workers' Profit Participation Fund (WPPF)			
Balance as at July 01		235,110	172,479
Charge for the year	38	31,072	195,454
Interest on balance as at July 01		7,735	6,539
		273,917	374,472
Payments made during the year		(203,189)	(139,362)
Balance as at June 30	27.3.1	70,728	235,110

27.3.1 This includes liability amounting to Rs. 39.656 million (2025: Rs. 39.656 million) accrued till 2015 by the TPPL and thereafter no such liabilities have been recognised based on legal opinion.

		Note	2026	2025
			(Rupees in thousands)	
27.4	Workers' Welfare Fund			
	Balance as at July 01		89,341	65,542
	Allocation for the year	38	58,697	74,272
			148,038	139,814
	Payments made during the		(74,272)	(50,473)
	Balance as at June 30	27.4.1	73,766	89,341

27.4.1 This includes liability amounting to Rs. 15.069 million (2025: Rs. 15.069 million) accrued till 2015 by the TPPL and thereafter no such liabilities have been recognised based on legal opinion.

28 SHORT TERM BORROWINGS

From banking companies - secured			
NBP Running Finance	28.1	85,150	85,150
Sindh Bank Running Finance	28.2	64,377	64,377
Summit Bank Running Finance	28.3	48,329	48,329
		197,856	197,856

28.1 The running finance facility available from National Bank of Pakistan as at June 30, 2026 amounting to Rs. 100 million (2025: Rs.100 million) out of which Rs. 14.850 million (2025: Rs. 14.850 million) remained unutilized at the year end. The facility is secured by way of first pari passu charge and ranking charge of hypothecation over all present and future plant and machinery of the Holding Company to the extent of PKR 153.85 million inclusive of 35% margin. The facility is renewable annually and carry mark-up at 3-month KIBOR plus 3.0% per annum (2025: 3-months KIBOR plus 2.0%).

28.2 The running finance facility available from Sindh Bank Limited as at June 30, 2026 amounting to Rs. 250 million (2025: Rs. 250 million). The facility is secured by way of first pari passu charge over current asset with 25% margin and Ranking charges on fixed assets with 25% margin .The facility is renewable annually and carry mark-up at 3-month KIBOR plus 3% per annum (2025: 3-months KIBOR plus 3%) .

28.3 The running finance facility available from Bank Makaramah (formaly Summit Bank Limited) as at June 30, 2026 amounting to Rs. 50 million (2025: Rs.50 million) out of which 1.671 million (2025: Rs. 1.671 million) remained unutilized at the year end. The facility is secured by way of first pari passu charge on current assets of the Holding Company with 25% margin. .The facility is renewable annually and carry mark-up at 3-month KIBOR plus 2.5% per annum (2025: 3-months KIBOR plus 2.5%) .

		2026	2025
		(Rupees in thousands)	
29	Unclaimed dividend	1,933	1,933

This represents unclaimed dividend amounting to Rs. 1.933 million (2025: Rs. 1.933 million) outstanding for more than 3 years from the date of declaration. Such unclaimed dividend is payable to the Federal Government as per the Companies Act, 2017 subject to fulfilment / clarification on certain pre-conditions specified in the Companies Act, 2017.

30	UNPAID DIVIDEND	54,007	8,623

31 ACCRUED MARK-UP

Long term loan	610,376	469,890
Short term borrowing	15,379	8,937
	625,755	478,827

32 TAXATION- NET

Advance income tax	801,227	524,565
Provision	(987,520)	(1,013,271)
	(186,293)	(488,706)

33 CONTINGENCIES AND COMMITMENTS

33.1 Contingencies

Holding Company

33.1.1 In respect of tax periods from July 2012 to December 2014, an Order in Original (ONO) has been issued by an Officer of Sales Tax in 2014-15 against the Company raising a demand of Rs. 244.274 million which is mainly based on comparison of industry average for fuel and power consumption with that of the Company and thereby presuming the production quantities which in the view of tax authorities have not been subject to Sales Tax and Federal Excise Duty. Accordingly, the Company has filed an appeal before Commissioner Inland Revenue - Appeals (CIR-A) against the ONO passed by Officer of Sales Tax. However, CIR-A decided the case against the Company. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A.

Moreover, recovery proceedings were also initiated by tax authorities in the matter for an aggregate demand amount of Rs 488.548 million including 100% penalty on the principal amount as aforesaid. Therefore, the Company filed a stay application against the said aggregate demand before the honorable High Court of Sindh. The Sindh High Court has allowed ad interim relief against recovery of demand and refrained tax authorities to take any adverse action in this respect. In 2017, Appellate Tribunal Inland Revenue (ATIR) has passed an order in favor of the Company. In the year 2018, the CIR has filed an appeal in the Honorable High Court of Sindh against the order passed by ATIR in favor of the Company and the matter is pending for adjudication. In view of Company's legal counsel, the case sounds in law; however, an outcome cannot be predicted with any degree of certainty. Hence, no provision has been recorded in consolidated financial statements.

33.1.2 In Year 2018, an order in original (ONO) has been issued by Deputy Commissioner Inland Revenue (DCIR) against the Company in respect of tax periods from July 2013 to August 2017 raising a demand of Rs. 56.632 million by disallowing certain input tax claimed by the Company in its sales tax returns for the aforesaid tax periods. The Company has filed an appeal on March 28, 2018 against the ONO passed by DCIR before Commissioner Inland Revenue - Appeals (CIR-A). The appeal was decided in favor of the Company.

The Commissioner Inland Revenue has filed an appeal in Appellate Tribunal Inland Revenue (ATIR) against the order passed by CIR(A) in favor of the Company. The matter is pending for adjudication. The Company is confident based on its legal opinion that decision will come in its favour, hence no provision has been recorded in consolidated financial statements.

33.1.3 During the year, the Company received an amended assessment order for Tax Year 2023 under Section 122(5A) of the Income Tax Ordinance, 2001, dated December 30, 2025. The amended assessment involved the disallowance of refund adjustment claimed against other tax years amounting to Rs. 47.426 million, prior year minimum tax adjustment of Rs. 11.148 million due to lack of supporting evidence, and repair allowance of Rs. 0.441 million claimed against rental income. Consequently, taxable income was assessed at Rs. 393.155 million, and normal tax liability of Rs. 114.015 million was determined, being higher than the minimum tax liability. The Company has filed a second appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of the Commissioner Inland Revenue (Appeals-II). The matter is pending adjudication.The Company is confident based on its legal opinion that decision will come in its favour, hence no provision has been recorded in consolidated financial statements.

33.1.4 During the year, the Company received an amended assessment order for Tax Year 2023 under Section 122(5A) of the Income Tax Ordinance, 2001, dated December 30, 2025.. The amendment related to the rectification and restructuring of depreciation and amortization schedules, including claims for First Year Allowance on eligible assets. Consequently, the Company's taxable income was assessed at Rs. 2,410.807 million, resulting in a normal tax liability of Rs. 699.134 million and a tax demand of Rs. 90.072 million. The Company has filed a second appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of the Commissioner Inland Revenue (Appeals-II). The matter is pending adjudication.The Company is confident based on its legal opinion that decision will come in its favour, hence no provision has been recorded in consolidated financial statements.

33.1.5 In 2018, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 161/205 of the Income Tax Ordinance, 2001 (the Ordinance) in respect of tax year 2017 raising a tax demand of Rs. 94.670 million including default surcharge and penalty aggregating to Rs 15.208 million on the ground that Company has not deducted applicable withholding taxes while making payments for purchases and certain expenses and hence, made default under section 161/205 of the Ordinance. The Company has filed an appeal on May 4, 2018 before Commissioner Inland Revenue - Appeals (CIR-A) against the order passed by DCIR. The CIR-A has passed an order in favor of the Company.

However, Commissioner Inland Revenue (CIR) has filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order of Commissioner Inland Revenue - Appeals (CIR-A) passed in favor of the Company. The Company is confident based on its legal opinion that decision will come in its favour, hence no provision has been recorded in these consolidated financial statements.

33.1.6 In the year 2019, Assistant Commissioner Inland Revenue (ACIR) has passed an order under section 122(1) of the Income Tax Ordinance, 2001 (the Ordinance) in relation to tax audit conducted under section 177 of the Ordinance, in respect of tax year 2016. Through the said order, ACIR has disallowed deduction of certain expenses, deductible allowance of WPPF and tax credit claimed under section 65B of the Ordinance amounting to Rs 28.497 million, Rs 35.768 million and Rs 16.915 million respectively. The Company has filed an appeal on September 13, 2018 before Commissioner Inland Revenue - Appeals (CIR-A) against the order passed by ACIR. While deciding the appeal, CIR-A has allowed deduction of Rs 28.497 million whereas deduction allowance of WPPF and tax credit under section 65B were upheld by CIR-A. Therefore, the Company has filed an appeal on November 12, 2018 before the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR-A on the said disallowances which is pending for hearing. In view of Company's tax consultant, favorable outcome of such appeal is anticipated; hence no provision is required to be made in these consolidated financial statements.

33.1.7 The Deputy Commissioner Inland Revenue (DCIR) issued an order-in-original (ONO) dated June 28, 2019 in respect of sales tax audit for the tax period from July 2017 to June 2018 raising a demand of Rs. 7.452 million (including default surcharge and penalty) by disallowing certain input tax claimed by the Company in its sales tax return for the aforesaid tax period.

The Company filed an appeal before Commissioner Inland Revenue-Appeals (CIR-A) against ONO issued by DCIR. While deciding appeal, CIR-A has deleted the disallowances of input tax amounting to Rs. 7.086 million and confirmed disallowance amounting to Rs. 0.011 million. The Department has filed an appeal against the CIR-A's Order before the Appellate Tribunal Inland Revenue Karachi (ATIR). The case is not yet fixed for hearing. The Company is confident based on its legal opinion that decision will come in its favour hence, no provision has been recorded in consolidated financial statements.

33.1.8 The Additional Commissioner Inland Revenue (ACIR) had issued Showcause notice u/s 122 (5A) of the Income Tax Ordinance, 2001 dated February 15, 2019 containing observations relating to self-assessment order u/s 120 of the Income Tax Ordinance, 2001 for the tax year 2017. The Company explained observations and attended hearings from time to time. However, learned ACIR passed Amended Assessment Order dated July 02, 2019 raising a demand of Rs. 34.094 million by disallowing certain expenses and tax credits. Such disallowances include fuel adjustment of Rs. 3.678 million, reduction in carry forward tax credit u/s 65B of Income Tax Ordinance, 2001 (the Ordinance) relating to tax year 2016 and disallowance of WPPF contribution. Management of the Company has filed the appeal against the impugned order before Commissioner Inland Revenue-Appeals (CIR-A). The CIR-Appeals annulled the assessment order vide his order no. 18 dated September 06, 2019.

On November 21, 2019, ACIR issued notice to the company for further clarification/explanation regarding fuel adjustment, WPPF and WWF to pass the appeal effect order. The management of the Company provided the required clarification/explanation, however, appeal effect order has not yet been passed by ACIR.

33.1.9 Sales tax affairs relating to tax year 2017 were selected for audit u/s 25 of the Sales Tax Act, 1990 (the 'Act'). Show cause notice (SCN) dated February 22, 2019 was issued by Deputy Commissioner Inland Revenue (DCIR), Audit Unit-01, Zone II, LTU for which management of the company provided documents in supports, explanations required and attended hearings from time to time. Learned DCIR passed order creating demand of Rs 5,414,205/=.

However, the management of the Company had filed appeal against the impugned order before Commissioner Inland Revenue (Appeals). The Hon'ble CIR-Appeals confirmed the disallowance of input tax amounting to Rs 4,770,777 /- and default surcharge applied on sales tax chargeable on advance received from customers amounting to Rs 271,881/= The management has preferred an appeal against the CIR-A's order before Appellate Tribunal Inland Revenue Karachi and expect favourable outcome based on merits of the case.

33.1.10 During the year, the Additional Commissioner Inland Revenue (ACIR) has issued an order against the Company regarding the adjustment of minimum tax amounting to Rs. 23.59 million for the tax year 2021. The Company's management has filed an appeal against this order before the Appellate Tribunal Inland Revenue (ATIR), Karachi however, no hearing has taken place during the period. Based on legal advice, the Company is confident of a favorable outcome therefore, no provision has been recorded in these consolidated financial statements.

34.1.11 During the year, the Deputy Commissioner Inland Revenue (DCIR), through an order dated May 17, 2025, has raised an aggregate sales tax demand of Rs. 122.97 million for the period July 1, 2015 to June 30, 2016 by disallowing certain input tax claimed by the Company in its sales tax return for the said period. The Company has filed an appeal against this order before the Appellate Tribunal Inland Revenue (ATIR), Karachi, which is currently pending for adjudication. In view of Company's tax consultant, favorable outcome of such appeal is anticipated; hence no provision is required to be made in these consolidated financial statements.

33.1.12 The Company filed a petition before the Islamabad High Court challenging S.R.O. No. 746(1)/2025 dated April 4, 2025, issued by the Federal Board of Revenue, which prescribed a minimum retail price of cement for sales tax purposes based on the "Average National Retail Price" published by the Pakistan Bureau of Statistics. Subsequently, the said S.R.O. was superseded by S.R.O. No. 1126(1)/2026 dated June 27, 2026. The petition remains pending for adjudication before the Islamabad High Court.

33.1.13 The Company filed a petition in the Islamabad High Court challenging the imposition of Super Tax under Section 4C of the Income Tax Ordinance, 2001, for the year ended June 30, 2024. The Islamabad High Court decided the matter in favor of the Company. However, the Federation of Pakistan has filed an appeal before the Hon'ble Supreme Court of Pakistan against the High Court's decision but due to change in legislation the same was transferred before the Hono'ble Federal Constitution Court at Islamabad for hearing and decision and same along with all the connected thousands of cases were disposed off by the Federal Constitutional Court Islamabad vide its Order dated January 01, 2026 and declared the Super Tax is in accordance with the law. The Company filed the review petitions before the Hono'ble Federal Constitutional Court at Islamabad and same is still pending adjudication. The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these consolidated financial statements.

33.1.14 M/s Lucky Cement filed a case before the Intellectual Property Tribunal, Karachi, challenging the use of the trademark "Black Star" and sought a stay order against the Company's use of the mark. The Tribunal dismissed Lucky Cement's stay application. Subsequently, Lucky Cement filed an appeal before the High Court of Sindh, Karachi, against the dismissal of the stay application, which is currently pending for adjudication.

33.1.15 An ex-employee of the Company had filed CP # 86/2013 on May 21, 2013 for recovery of Rs. 2.10 million out of which an amount of Rs. 0.248 million has been claimed on account of 60 days gratuity and numerous other false and fabricated claims of short payments of Rs. 1.86 million. The Company is confident based on its legal opinion that decision will come in its favour hence, no provision has been recorded in these consolidated financial statements.

33.1.16 In the year 2000, two cement dealers had filed Suit no. 150/2001 & 151/2001 against the Company for Rs. 6.5 million and Rs. 1.5 million respectively being value of trucks which were handed over to the Company in lieu of outstanding dues from these dealers.Subsequently, the amount originally reported at Rs. 6.5 million and 1.5 million has been revised to Rs. 2 million following progress in the matter, as confirmed by the Company's legal counsel. The matters are pending for filing of objections by the respondents and are fixed for hearing on October 8, 2026.The matter is pending for adjudication before the Learned IX Additional District Judge, Karachi West. In view of the Company's legal counsel, no unfavorable outcome can be estimated.

33.1.17 In the year 2018, an ex-employee of the Company filed a Suit no. 1272/2018 against the Company for recovery of outstanding balance in provident fund and other dues amounting to Rs. 50 million in the High Court of Sindh (The Court). The outstanding provident fund and other dues were settled in 1999 and the claim of such dues is false and fabricated. The Company is confident based on its legal opinion that decision will come in its favour hence, no provision has been recorded in these consolidated financial statements.

33.1.18 In the year 2021, some of the ex-employees of the Company had filed case # 301/2021 amount of Rs. 13,334,867/- before Workmen Compensation & Authority Under Payment of Wages Act, Hyderabad has been claimed on account of gratuity and numerous false and fabricated claims. The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these consolidated financial statements.

33.1.19 In the year 2022, some of the ex-employees of the Company had filed case # 159/2022 amount of Rs. 2,135,562/- before Workmen Compensation & Authority Under Payment of Wages Act, Hyderabad has been claimed on account of gratuity and numerous false and fabricated claims. The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these consolidated financial statements.

33.1.20 In the year 2022, some of the ex-employees of the Company had filed CP # D-641/2022 before High Court of Sindh (The Court) has been claimed on account of all legal dues i.e. gratuity/ Golden Handshake 2000 & 2004. The Company is confident based on its legal opinion that decision will come in its favour. Hence, no provision has been recorded in these consolidated financial statements.

33.1.21 As per section 5A of the Income Tax Ordinance, 2001, in case of a public company which does not distributes 20% of its after tax profit for the year within six months of the end of the tax year through cash, a tax rate of additional 5% of its accounting profit before tax shall be imposed. The Company earned a profit after tax of Rs. 213.522 million for the year ended June 30, 2019, however, keeping in view the lower profitability and foreseeing the challenging conditions faced by cement sector in the year ahead, the Board of Directors did not recommended any dividend for the year ended June 30, 2019.

The Company filed a Constitutional Petition (CP) before the Honourable Sindh High Court challenging the vires of Section 5A of the Income Tax Ordinance, 2001. The Honourable Sindh High Court while deciding the petition declared that Section 5A ultra vires of Constitution and is hereby struck down. However, Federal Board of Revenue (FBR) has filed in the Supreme Court of Pakistan against the decision of Sindh High Court. However till date no such proceeding has been initiated yet.

In the view of Company's management, favourable outcome is anticipated. Hence no provision for the tax liability in this respect has been recorded by the Company in these consolidated financial statements.

Subsidiary company - Thatta Power (Private) Limited

33.1.22 The Commissioner Inland Revenue has filed an appeal, I.T.R.A No. 303 of 2017, before the court, challenging the order dated May 3, 2017, passed by the Appellate Tribunal Inland Revenue (ATIR) for the tax year 2013 on various matters involving an amount of Rs. 10.646 million. The case remains pending adjudication, and the Company based on its legal opinion is confident that decision will come in its favour.

33.1.23 The Company has received an intimation from the Federal Board of Revenue (FBR) regarding the filing of an appeal before the ATIR against the sales tax assessment for the year 2014–2015, challenging Order-in-Appeal No. 1969 dated May 31, 2018. The case is currently pending for adjudication, and the Company based on its legal opinion is confident that decision will come in its favour.

33.1.24 The Additional Commissioner Inland Revenue (ADCIR) of FBR has passed order u/s 122(5A) of the Income Tax Ordinance, 2001 (the 'Ordinance') wherein WWF amounting to Rs 123,882 is determined as payable for tax year 2016. The Commissioner (Appeals) vide his order 487 dated April 10, 2023 confirmed the amended order. The management of the Company has requested adjust the amount of tax payable with pending income tax refunds.

33.1.25 The Company has received notices u/s 221(2) of the ITO, 2001 from FBR relating to adjustment of tax payable for tax year 2020 and 2021 refunds. The management of the Company responded the notice within due time and explained the legal justification for doing so. No response from Deputy Commissioner Inland Revenue (DCIR) received as of the date. The Company based on its legal opinion is confident that decision will come in its favour.

33.1.26 The Company has received notice u/s 221 in respect of tax years 2018 for not charging WWF as tax payable amounting to Rs 0.181 million. The management of the Company responded the notice within due time and explained the legal justification for doing so. No response from DCIR received till the date of this letter. The Company based on its legal opinion is confident that decision will come in its favour.

33.1.27 The Commissioner (CIR-Appeals) Hyderabad vide his order dated June 26, 2023 confirmed the order passed u/s 161/124 for tax year 2019 which includes amount of Rs. 25.017 million on withholding of tax. The management of the Company has filed 2nd Appeal before Appellate Tribunal Inland Revenue (ATIR) on September 13, 2023. However the case was remanded back by the Appellate Tribunal IR vide order dated December 7, 2023 in ITA 2606/KB/2023. The Company based on its legal opinion is confident that decision will come in its favour.

33.1.28 The Assistant Commissioner (AC) of Sindh Revenue Board has passed an order Order-in-Original No. 716/2019 dated October 15, 2019 and claimed principle amount of Rs. 9.135 million along with penalties of Rs. 0.224 million against non-payment of Sindh Workers Participation Fund (SWPF) for the accounting year June 30, 2013. The Company has filed an appeal to the Commissioner Appeals (CIR-appeals) against the said order based on the grounds that, the AC wrongly relied upon the judgment dated February 12, 2018 in CP. No. D-1313 of 2013 of the Hon'ble High Court of Sindh as the Company has no direct, indirect or contractual workers besides other grounds. Further the Company has also challenged the jurisdiction of AC. The case is still pending. However,the management is confident that the case will be decided in the Company's favour.

33.2 **Commitments**

Holding Company

33.2.1 Guarantee given by a commercial bank to Sui Southern Gas Company Limited on behalf of the Company amounting to Rs. 45 million (2025: Rs. 45 million).

33.2.2 Irrevocable letter of credit under capital expenditure as at reporting date against asset import is amounting to Rs. 732.565 million (2025: Nil) and against import of stores and spares is amounting to Rs. 191.102 (2025: 76.635) million.

33.2.3 Other outstanding guarantees given on behalf of the Company by banks amounting to Rs. 3 million (2025: Rs. 1.5 million).

	Note	2026	2025
		(Rupees in thousands)	
Subsidiary Company			
Thatta Power (Private) Limited			
33.2.4 Guarantee issued by a bank on behalf of the subsidiary Company		247,238	232,238

34 **SALES - NET**

Gross Sales			
Local		16,156,433	13,348,273
		16,156,433	13,348,273
Less:			
Federal excise duty		(2,100,135)	(2,034,052)
Sales tax		(2,125,660)	(1,870,383)
		(4,225,795)	(3,904,435)
		11,930,638	9,443,838

35 **COST OF SALES**

Raw material consumed	35.1	369,075	625,561
Cost of tractors imported		1,172,240	704,708
Packing material consumed	35.2	284,170	378,058
Stores, spare parts and loose tools		323,061	351,803
Fuel and power		6,067,953	3,996,476
Salaries, wages and other benefits	35.3	335,247	321,724
Insurance		41,786	35,680
Repairs and maintenance		79,264	37,522
Depreciation	7.1.2	330,745	288,894

	Note	2026	2025
		(Rupees in thousands)	
Vehicle hire, running and maintenance		18,199	17,539
Communication		2,869	2,219
Entertainment		3,822	3,095
Provision for obsolete and slow moving of stores and spares	11.1	1,433	7,570
Other production overheads		14,448	8,593
Cost of production		9,044,312	6,779,442
Work-in-process			
Balance as at July 01,		6,627	151,865
Balance as at June 30,	12	(243,206)	(6,627)
		(236,579)	145,238
Cost of goods manufactured		8,807,733	6,924,680
Finished goods			
Balance as at July 01,		496,539	64,556
Balance as at June 30,	12	(1,219,774)	(496,539)
		(723,235)	(431,983)
		8,084,498	6,492,697

35.1 Raw material consumed

Balance as at July 01,		29,086	12,959
Purchases		397,201	641,688
		426,287	654,647
Balance as at June 30,	12	(57,212)	(29,086)
	35.1.1	369,075	625,561

35.1.1 It includes royalty amounting to Rs. 37.534 million (2025: Rs. 34.853 million) relating to Lime Stone and Clay Shale, payable to Director General Mines and Mineral Development, Government of Sindh. (Refer note 27.1)

35.2 Packing material consumed

Balance as at July 01,		26,281	21,322
Purchases		288,670	383,017
		314,951	404,339
Balance as at June 30,	12	(30,781)	(26,281)
		284,170	378,058

35.3 This includes employees' retirement benefits amounting to Rs. 7.243 million (2025: Rs. 7.890 million).

	Note	2026	2025
		(Rupees in thousands)	

36 SELLING AND DISTRIBUTION EXPENSES

Salaries, wages and other benefits	36.1	4,546	3,791
Vehicle running expenses		322	157
Travelling and conveyance		206	241
Communication		476	275
Entertainment		323	330
Repair and maintenance		17	13
Rent, rates and taxes		4,822	3,798
Utilities		812	1,390
Advertisements		39	100
Freight charges - local sale		30,793	13,063
Certification charges		4,310	4,117
Depreciation	7.1.2	784	757
Marking fee expense		6,454	7,368
Loading and others		11,888	10,076
Miscellaneous		768	401
		66,560	45,877

36.1 This includes employees' retirement benefit amounting to Rs. 0.226 million (2025: Rs. 0.058 million).

37 ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits	37.1	89,073	76,808
Director's fees		7,750	7,750
Vehicle running expenses		12,300	5,424
Travelling and conveyance		5,084	3,285
Advertisements		6,828	2,189
Communication, postage, telegram		1,550	2,389
Printing and stationery		374	500
Rent, rates and taxes		7,618	7,054
Entertainment		2,147	1,944
Legal and professional charges		12,954	14,690
Insurance		891	891
Repairs and maintenance		1,769	1,024
Utilities		1,507	2,911
Fees and subscription		10,516	14,614
Corporate expenses		1,469	1,671
Charity and donation	37.2	28,150	1,474
Auditors' remuneration	37.3	4,539	3,424

	Note	2026	2025
		(Rupees in thousands)	
Other consultants' remuneration	37.4	3,282	3,446
Depreciation on property, plant and equipment	7.1.2	8,766	8,534
Amortization of intangibles	8.1	1,170	1,170
Education expenses		4,181	1,451
Provision for loss allowance		532	420
Miscellaneous		1,058	4,884
		213,508	167,947

37.1 This includes employees' retirement benefit amounting to Rs. 3.249 million (2025: Rs. 3.182 million).

37.2 This includes donation to Ziauddin patients welfare society amounting to 27.5 million. None of the directors or their spouses have any interest in any donee's fund to which donation was made.

37.3 **Auditor's remuneration**

Annual audit fee	3,573	2,713
Half yearly review fee	300	261
Audit fee for consolidated financial statements	94	85
Fee for Code of Corporate Governance and other services	84	53
Out of pocket expenses	488	312
	4,539	3,424

37.4 **Other consultant's remuneration**

Cost audit fee	397	402
Internal audit fee	2,624	2,630
Out of pocket expenses	261	414
	3,282	3,446

38 **OTHER EXPENSES**

Workers' Welfare Fund	27.4	58,697	74,272
Workers' Profit Participation Fund	27.3	31,072	195,454
Un-realized loss on Short term investment		39,464	
Exchange loss		81	-
		129,314	269,726

		Note	2026	2025
			(Rupees in thousands)	
39	OTHER INCOME			
	Income from financial assets			
	Income on bank deposit accounts		151,272	384,382
	Interest income from TDR's		-	113,154
	Income on short term loan		6,693	26,882
	Gain on disposal of short term investment	39.1	35,797	63,921
	Dividend income		11,183	38,360
	Income on extinguishment of financial liability		118,607	-
	Reversal of provision for obsolete and slow moving of stores and spares		7,914	2,999
			331,466	629,698
	Income from non-financial assets			
	Rental income		1,078	986
	Gain on sale of property, plant and equipment		67,292	1,800
	Scrap sales		12,720	66,602
	Reversal of provision of royalty	27.1	-	150,844
	Gratuity income	15.1	75,443	300,000
	Contract liability not payable		-	23,064
	Exchange Gain		-	204
	Others		-	567
			156,533	544,067
			487,999	1,173,765

39.1 This represents income on short term investments in shares amount to Rs. 35.797 million.

40	FINANCE COST		
	Mark-up on long term financing	643,251	133,714
	Mark-up on short term borrowings	26,698	57,629
	Mark-up on Workers' Profit Participation Fund	7,735	6,539
	Bank charges and commission	3,583	4,842
		681,268	202,724

41	LEVY			
	Income tax levy under IFRIC 21/IAS 37	41.1	114,770	-

41.1 This represents minimum taxes paid by MWTPL under Section 148 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

	Note	2026	2025
		(Rupees in thousands)	
42 TAXATION			
Current		837,171	827,056
Prior		6,538	(63,382)
Deferred		8,756	330,745
	42.1	852,465	1,094,419

42.1 Relationship between tax expense and accounting profit

Profit before levy and tax	3,243,489	3,438,632
Tax at 29%	940,612	997,203
Tax effect of		
Admissible / inadmissible expenses in determining taxable income - net	(25,200)	(259,446)
Alternate Corporate Tax u/s 113(c) & Minimum Taxes	114,770	-
Prior year tax charge	6,537	(63,382)
Income subject to Final Tax Regime (FTR)	(247,666)	(94,651)
Tax effect of exempt income	(100,947)	-
Tax effect on taxable temporary differences - net	6,601	330,745
Super Tax @ 10% (2025: 10%)	272,527	183,950
	967,234	1,094,419

Numerical reconciliation between the applicable tax rate and average effective tax rate is as follows:

	2026 %	2025 %
Applicable tax rate	29.00	29.00
Final Tax	(7.64)	(2.75)
Super tax	8.40	5.35
Others	0.05	0.23
	0.82	2.83
Average effective rate	29.81	31.83

43 EARNINGS PER SHARE - BASIC AND DILUTED

43.1 Basic earnings per share

Profit for the year (Rupees in thousands)	2,033,848	2,396,086

	2026	2025
	(Rupees in thousands)	
Number of ordinary shares	423,590,625	423,590,625
Earnings per share - basic and diluted (Rupees) per share	4.80	5.66

43.2 Diluted earnings per share

Diluted earnings per share has not been presented as the Group did not have any convertible instruments in issue as at June 30, 2026 and June 30, 2025 which would have any effect on the earnings per share if the option to convert is exercised.

44 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

Description	2026			Total
	Unclaimed Dividend	Long term financing	Current portion of term financing / Short term financing	
	Rupees in thousands			
Balance as at July 1, 2025	10,556	751,329	197,856	959,741
Declared / received during the year	223,324	5,424,360	-	5,647,684
Interest expense	-	391,525	-	391,525
Repayments	(177,940)	(1,259,523)	-	(1,437,463)
Balance as at June 30, 2026	55,940	5,307,691	197,856	5,561,487

Description	2025			Total
	Unclaimed Dividend	Long term financing	Current portion of term financing / Short term financing	
	Rupees in thousands			
Balance as at July 1, 2024	1,933	-	948,978	950,911
Dividend payable	67,320	-	207	67,527
Dividend paid	(58,697)	-	-	(58,697)
Balance as at June 30, 2025	10,556	-	949,185	959,741

45 CASH AND CASH EQUIVALENTS

	Note	2026	2025
		(Rupees in thousands)	
Cash and bank balances	20	1,795,581	4,229,291
Short term running finance	28	(197,856)	(197,856)
		1,597,725	4,031,435

	Note	2026	2025
		(Rupees in thousands)	

46 CAPACITY AND ACTUAL PRODUCTION

46.1 Thatta Cement Company Limited

Production capacity - clinker (tons)	46.1.1	660,000	660,000
Actual production - clinker (tons)	46.1.1	438,813	415,850
Production capacity - cement (tons)	46.1.2	693,000	693,000
Actual production - cement (tons)	46.1.2	450,150	502,985

46.1.1 The production capacity utilization of clinker during the year has remained at 66.48% (2025: 63.01%).

46.1.2 Cement from clinker is produced in accordance with the market demand.

46.2 Thatta Power Private Limited

Installed Capacity-kWh	237,422,280	237,422,280
Total output-kWh	82,574,725	67,095,956
Load factor	34.78%	28.26%

46.2.1 Installed capacity has been computed on the basis of 8,760 hours (2025: 8,760 hours).

47 RELATED PARTY TRANSACTIONS AND BALANCES

The related parties comprises of associated undertakings, directors of the Group, key management personnel and staff retirement funds. The Group continues to have a policy whereby all related party transactions are entered into at mutually agreed terms as approved by Board of Directors.

Further, contribution to defined contribution plan (provident fund) is made as per the terms of employment and trust deed. Detail of transactions during the year ended June 30, 2026 and outstanding balances as at June 30, 2025 with related parties are as follows:

47.1 Transactions with related parties are summarized as follows:

Related Party	Nature of transactions	2026	2025
		(Rupees in thousands)	
Staff retirement benefits			
	Contribution to Employees' Gratuity Fund	-	-
	Income from Employees' Gratuity Fund	75,443	300,000
	Receipt from Employees' Gratuity Fund	115,443	200,000
	Contribution to Employees' Provident Fund	10,719	11,131
Other related parties			
	Education expenses - Model Terbiat School	3,550	1,451

47.2 **Year end balances**

Related Party	Nature of transactions	2026	2025
		(Rupees in thousands)	
Staff retirement benefits			
	Receivable from Gratuity Fund	83,100	123,100

47.3 All transactions with related parties have been carried out on commercial terms and conditions as approved by the Board of Directors.

47.4 There are no transactions with key management personnel other than under their terms of employment.

48 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged during the year in the financial statements for remuneration, including all benefits to Chief Executive and Executives of the Group were as follows:

	2026		2025	
	Chief Executive	Executives	Chief Executive	Executives
	(Rupees in thousands)			
Managerial remuneration	16,800	58,381	16,800	52,924
Bonus	-	5,365	-	4,963
Retirement benefits	1,018	2,793	1,018	2,682
Other benefits	1,165	27,814	1,413	25,348
Total	18,983	94,354	19,231	85,917
Number of persons	1	19	1	19

48.1 The Chief Executive and Executives are provided with car monetization and other benefits in accordance with their entitlement as per rules of the Company.

48.2 An aggregate amount of Rs. 7.750 million (2025: Rs. 7.750 million) was paid to Non-Executive Directors/Members during the year on account of Board, Audit Committee and Human Resource & Remuneration Committee meeting fee.

49 **Shariah Disclosures under Clause VII of Part I of Schedule IV of the Companies Act, 2017**

	2026	2025
Disclosures required in relation to the Statement of Financial Position-Liability	(Rupees in thousands)	
Long term financing as per islamic mode	4,756,030	-
Markup accured on conventional loans	482,316	-
Disclosures required in relation to the Statement of Financial Position-Assets		
Long term and short term shariah compliant investment	7,839,036	936,658
Bank balances that are Shariah compliant	1,196,750	55,678
Disclosures required in relation to profit and loss and other comprehensive income		
Revenue earned from Shariah-compliant business segme	11,930,638	9,443,838
Late payments or diquidated damages	-	-
Gain/(loss) or dividend earned from shariah compliant investments or share of profit from shariah compliant	1,383,243	600,369
Exchange gain earned from actual currency	-	-
Exchange gains earned suing conventional derivative financial instruments	-	-
Profit paid on islamic mode of financing	547,934	-
Total Interest earned on conventional loan to associate undertaking	36,185	-
Breakup of Other income		
Shariah Compliant		
Dividend Income	-	-
Sale of waste heat	-	-
Profit earned on saving accounts from shariah-compliant bank	547,934	-
Management fee	-	-
Gain on disposal of fixed asset	67,292	1,800
Gain on disposal of short term investment	35,797	63,921
Scrap sales	12,720	66,265
miscellaneous	-	567
Non Shariah Compliant		
Markup earned on saving accounts from conventional banks	71,983	359,153
Markup earned on loan to associate undertaking	-	-
Markup earned on TDRS	-	-
Miscellaneous	-	113,154

Relationship with Shariah Compliant Institutions

Name	Relationship
Dubai Islamic Bank	Bank Balances
Allied Bank	Bank Balances
Pak-Qatar Family Takaful	Group and Health Takaful

50 OPERATING SEGMENTS

For management purposes the Group is organized into following major business segments.

Cement	Engaged in manufacturing and marketing of cement.
Power	Engaged in generation and sale of electric power.
Tractor	Engaged in import and sale of tractors.

50.1

Year ended June 30, 2026	Cement	Power	Tractor	Intra group adjustment	Consolidated
Revenues	---------- Rupees in thousands ----------				
Sales - net	6,794,617	4,763,620	546,360	(173,959)	11,930,638
Cost of sales	(5,318,222)	(2,690,274)	(486,843)	410,841	(8,084,498)
Gross profit	1,476,395	2,073,346	59,517	236,882	3,846,140
Selling and distribution cost	(65,802)	-	(759)	-	(66,561)
Administrative expenses	(203,899)	(45,037)	(2,232)	37,661	(213,507)
Other operating expenses	(129,314)	-	-	-	(129,314)
Other income	2,353,682	222,222	12,733	(2,100,638)	487,999
Operating profit	3,431,063	2,250,531	69,258	(1,826,095)	3,924,757
Finance cost	(583,089)	(123,038)	(76,693)	101,553	(681,268)
Segment results	2,847,974	2,127,493	(7,435)	(1,724,542)	3,243,489
Unallocated expenditures	-	-	-	-	-
Profit/(loss) before levy and taxation	2,847,974	2,127,493	(7,435)	(1,724,542)	3,243,489
Levy	-	-	(114,770)	-	(114,770)
Profit/(loss) before taxation	2,847,974	2,127,493	(122,205)	(1,724,542)	3,128,719
Taxation	(839,380)	(13,085)	-	-	(852,465)
Profit/(loss) for the year	2,008,594	2,114,408	(122,205)	(1,724,542)	2,276,254

Year ended June 30, 2025					
Revenues					
Sales - net	7,566,414	2,803,374	233,553	(1,159,503)	9,443,838
Cost of sales	(5,415,712)	(2,293,406)	(208,256)	1,424,677	(6,492,697)
Gross profit	2,150,702	509,968	25,297	265,174	2,951,141
Selling and distribution cost	(45,877)	-	-	-	(45,877)
Administrative expenses	(151,889)	(46,072)	(4,222)	34,236	(167,947)
	1,952,936	463,896	21,075	299,410	2,737,317
Other operating expenses	(269,726)	-	-	-	(269,726)
Other income	1,999,167	35,095	7,842	(868,339)	1,173,765
	3,682,377	498,991	28,917	(568,929)	3,641,356
Finance cost	(43,032)	(136,223)	(23,469)	-	(202,724)
Segment results	3,639,345	362,768	5,448	(568,929)	3,438,632
Unallocated expenditures	-	-	-	-	-
Profit/(loss) before levy and taxation	3,639,345	362,768	5,448	(568,929)	3,438,632
Levy	-	-	-	-	-
Profit/(loss) before taxation	3,639,345	362,768	5,448	(568,929)	3,438,632
Taxation	(1,082,762)	(10,077)	(1,580)	-	(1,094,419)
Profit/(loss) for the year	2,556,583	352,691	3,868	(568,929)	2,344,213

50.2 **Year ended June 30, 2026**

Other information	Cement	Power	Tractor	Intra group adjustment	Consolidated
	---------- Rupees in thousands ----------				
Segment assets	16,272,941	4,388,133	1,456,302	(2,626,405)	19,490,971
Unallocated corporate assets	-	-	-	-	-
Total assets	16,272,941	4,388,133	1,456,302	(2,626,405)	19,490,971
Segment liabilities	7,565,897	2,322,640	1,074,540	(1,685,503)	9,277,574
Unallocated corporate liabilities	-	-	-	-	-
Total liabilities	7,565,897	2,322,640	1,074,540	(1,685,503)	9,277,574
Capital expenditure	416,793	176,670	-	-	593,463
Depreciation	227,614	112,682	-	-	340,296
Non-cash expenses other than depreciation	5,693	914	-	-	6,607

Year ended June 30, 2025

Segment assets	9,515,091	3,619,829	664,865	(1,163,741)	12,636,044
Unallocated corporate assets	-	-	-	-	-
Total assets	9,515,091	3,619,829	664,865	(1,163,741)	12,636,044
Segment liabilities	2,816,540	1,723,360	160,998	(225,320)	4,475,578
Unallocated corporate liabilities	-	-	-	-	-
Total liabilities	2,816,540	1,723,360	160,998	(225,320)	4,475,578
Capital expenditure	1,378,775	142,595	-	-	1,521,370
Depreciation	175,986	122,199	-	-	298,185
Non-cash expenses other than depreciation	5,699	462	-	-	6,161

50.3 Reconciliation of reportable segment revenues, profit or loss, assets and liabilities .

	2026	2025
	(Rupees in thousands)	
50.3.1 Operating revenues		
Total revenue of reportable segments	12,104,597	10,603,341
Elimination of intra group revenue	(173,959)	(1,159,503)
Consolidated revenue	11,930,638	9,443,838
50.3.2 Profit or loss		
Total profit before levy and taxation of reportable segment	4,968,032	4,007,561
Adjustment of unrealized profit	(1,724,542)	(568,929)
Consolidated profit before taxation	3,243,489	3,438,632
50.3.3 Assets		
Total assets of reportable segments	22,117,376	13,799,785
Elimination of intra group balances	(2,409,409)	(1,162,138)
Reclassification for consolidation purposes	(216,996)	(1,603)
Consolidated assets	19,490,971	12,636,044
50.3.4 Liabilities		
Total liabilities of reportable segments	10,963,077	4,700,998
Elimination of intra group balances	(1,470,110)	(225,320)
Reclassification for consolidation purposes	(215,393)	-
Consolidated liabilities	9,277,574	4,475,678

50.4 Geographical segment analysis

Year ended June 30, 2026	**Local**	**Export**
Revenue	11,930,638	-
Total Assets	19,490,971	-
Net Assets	10,213,397	-
	41,635,006	-
Year ended June 30, 2025		
Revenue	9,443,838	-
Total Assets	12,636,044	-
Net Assets	8,160,366	-
	30,240,248	-

50.5 **Information about major**

Major customers for cement segment are various individual dealers, builders & developers whereas major customer for power segment is Hyderabad Electric Supply Company limited and for tractor segment are various individual dealers.

51 FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

The Group finances its operations through equity, borrowing and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. Taken as a whole the Group's risk arising from financial instruments is limited as there is no significant exposure to price and cash flow risk in respect of such instruments. Financial instruments of the Group are as under:

51.1 Financial instruments by category:

	Note	2026	2025
		(Rupees in thousands)	
Financial assets			
Long term deposits	9	5,170	5,125
Trade debts	13	2,254,171	1,226,288
Trade deposits	16	217,333	210,333
Short term investment	17	426,141	-
Other receivables and accrued mark-up	18	3,663	38,040
Cash and bank balances	20	1,795,581	4,229,291
		4,702,059	5,709,077
Financial liabilities			
Long term financing (including current maturity)	23	5,307,691	751,329
Long term deposits	25	3,787	3,787
Trade and other payables	27	1,276,502	1,136,261
Unclaimed dividend	29	1,933	1,933
Unpaid dividend	30	54,007	8,623
Accrued mark-up	31	625,755	478,827
Short term borrowings	28	197,856	197,856
		7,467,531	2,578,616

51.2 Financial risk management objectives

The Group has exposure to the following risks:

- credit risk
- liquidity risk
- market risk
- operational risk

The Board of Directors (the Board) of the Group has the overall responsibility for establishment and oversight of the Group's risk management framework. To assist the Board in discharging its oversight responsibility, the management has been made responsible for identifying, monitoring and managing the Group's financial risk exposure. The Group's overall risk management program seeks to minimize potential adverse effects on the Group's financial performance.

a) **Credit risk**

Credit risk is a risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of financial instruments or contracts are entered into with same party, or when counter parties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly effected by change in economics, political or other conditions. Concentration of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

At the reporting date, the Group's total credit risk was concentrated in the following industrial / economic sectors:

	2026		2025	
	Rupees in thousands	%	Rupees in thousands	%
Banks	1,793,135	38%	4,225,312	72%
Others	2,908,924	62%	1,606,865	28%
	4,702,059	100%	5,832,177	100%

The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Group has developed a policy of obtaining advance payment from its customers against sale of cement. Except for customers relating to the Government and certain credit worthy customers, the management strictly adheres to this policy. For any balance receivable from such Government and credit worthy customers, the management continuously monitors the credit exposure towards them and make provisions against those balances considered doubtful. Cash is held only with banks with high quality credit worthiness. There is no significant risk exposure to loan and advances and other receivables.

The maximum exposure to credit risk at the reporting date is:

	Note	2026	2025
		(Rupees in thousands)	
Long term deposits	9	5,170	5,125
Trade debts	13	2,254,171	1,226,288
Trade deposits	16	217,333	210,333
Short term investment	17	426,141	-
Other receivables and accrued interest	18	3,663	38,040
Bank balances	20	1,793,135	4,225,312
		4,699,613	5,705,098

Financial assets that are neither past due nor impaired

The credit quality of assets that are neither past due nor impaired can be assessed by reference to historical information and external credit ratings or to historical counterparty default rates. As at June 30, 2026 trade debts of Rs. 1,236.705 million (2025: Rs. 575.327 million) were past due but not impaired. These relates to a number of independent customers for whom there is no recent history of default. The aging analysis of these trade debts is as follows:

Not past due	2026	2025
	(Rupees in thousands)	
- within 30 days	234,081	360,036
- 31 to 90 days	859,677	290,925
- 91 to 180 days	657,655	70,065
- over 180 days	579,050	505,262
	2,330,463	1,226,288

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties.

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The credit quality of cash at bank (in Current, profit or loss share account and deposit accounts) as per credit rating agencies is as follows:

Name of Banks	Rating agency	Ratings	
		Short-term	Long-term
National Bank of Pakistan	PACRA	A1+	AAA
Bank Alfalah Limited	PACRA	A1+	AA+
MCB Bank Limited	PACRA	A1+	AAA
Al Baraka Islamic Bank Limited	JCR-VIS	A-1	A+
Silk Bank Limited	JCR-VIS	A-	A-2
Summit Bank Limited	JCR-VIS	N/A	N/A
Faysal Bank Limited	PACRA	A1+	AA

Due to Group's long standing relationship with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligation to the Group. For trade debts, internal risk assessment process determines the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are fixed based on internal or external ratings in accordance with limits set by the management. The utilization of said limits is regularly monitored.

Financial assets that are past due or impaired

The credit quality of financial assets that are past due or impaired can be assessed by reference to note 13.1. The aging analysis of these impaired trade debts is as follows:

	2026	2025
	(Rupees in thousands)	
Below five years	4,264	3,732
Over five years	72,028	72,028
	76,292	75,760

b) **Liquidity risk management**

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Group could be required to pay its liabilities earlier than expected or may face difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

The Group is exposed to liquidity risk in respect of non-current interest bearing liabilities, long term deposit, short term borrowings, trade and other payable and mark-up accrued.

The Group's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management closely monitors the Group's liquidity and cash flow position. This includes maintenance of liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

Maturity analysis for financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to maturity date and represents the undiscounted cash flows. The amounts in the table are the gross nominal undiscounted cash flows (including interest payments).

		2026				
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	More than one year
		(Rupees in thousands)				
Non-derivative	Note					
Financial liabilities						
Long term financing (including current maturity)	23	5,307,691	(6,730,419)	(1,541,544)	(994,302)	(4,194,573)
Long term deposits	25	3,787	(3,787)	-	-	(3,787)
Trade and other payables	27	1,276,502	(1,276,502)	(1,276,502)	-	-
Short term borrowing	28	197,856	(197,856)	(98,928)	(98,928)	-
Accrued mark up	31	766,863	(896,633)	(642,313)	-	(254,320)
		7,552,699	(9,105,197)	(3,559,287)	(1,093,230)	(4,452,680)

		2025				
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	More than one year
		(Rupees in thousands)				
Non-derivative						
Financial liabilities						
Long term financing	23	751,329	(751,329)	(751,329)	-	-
Long term deposits	25	3,787	(3,787)	-	-	(3,787)
Trade and other payables	27	1,530,637	(1,530,637)	(1,530,637)	-	-
Short term borrowing	28	197,856	(197,856)	(98,928)	(98,928)	-
Accrued mark up	31	478,827	(478,827)	(478,827)	-	-
		2,962,436	(2,962,436)	(2,859,721)	(98,928)	(3,787)

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective at the reporting date.

c) Market risk

Market risk is the risk that changes in market interest rates, foreign exchange rates and other prices will affect the Group'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 the return on risk.

d) Interest / mark-up rate risk management

Interest / mark-up rate risk management arises from the possibility of changes in interest/mark-up rates which may affect the value of financial instruments. The Group has long term finance and short term borrowing at variable rates. The Group is exposed to interest / mark-up rates risk on long term financing, where interest rate risk is covered by holding "Prepayment option" which can be exercised upon any adverse movement in the underlying interest rates. At the reporting date the interest rate profile of the Group's interest bearing financial instruments is as follows:

	Carrying amount	
	2026	2025
	(Rupees in thousands)	
Fixed rate instruments		
Financial assets	-	-
Variable rate instruments		
Financial assets	1,765,024	4,215,055
Financial liabilities	5,505,547	949,185

Fair value sensitivity analysis for fixed rate instruments:

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, change in interest rates at the reporting date would not affect consolidated statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments:

Financial assets

If interest rate had fluctuated by 100 basis points with all other variables held constant, profit / (loss) before tax for the year would have been Rs. 17.65 million (2025: Rs 42.15 million) higher / lower, mainly as a result of higher / lower interest income from these financial assets.

Financial liabilities

If interest rate had fluctuated by 100 basis points with all other variables held constant, profit before tax for the year would have been Rs. 55.06 million (2025: Rs. 9.49 million) higher / lower, mainly as a result of higher / lower interest expense on these financial liabilities.

A summary of the Group's interest rate gap position, categorized by the earlier of contractual re-pricing or maturity dates at the end of year is as follows:

	Note	2026				
		Mark-up / return (%)	Less than 6 months	6 months to 1 year	More than 1 year	Total
			(Rupees in thousands)			
Assets						
Bank balance in PLS accounts	20	7.4% to 10%	1,765,024	-	-	1,765,024
Total assets			1,765,024	-	-	1,765,024
Liabilities						
Short term borrowings	28	13.13% to 14.14%	(197,856)	-	-	(197,856)
Long term financing	23	13.67% to 14.06%	(5,307,691)	-	-	(5,307,691)
Total liabilities			(5,505,547)	-	-	(5,505,547)
On-balance sheet gap			(3,740,523)	-	-	(3,740,523)
Total interest risk sensitivity gap			(3,740,523)	-	-	(3,740,523)

	Note	2025				
		Mark-up / return (%)	Less than 6 months	6 months to 1 year	More than 1 year	Total
			(Rupees in thousands)			
Assets						
Bank balance in PLS accounts	20	9.5% to 19.5%	4,215,055	-	-	4,215,055
Total assets			4,215,055	-	-	4,215,055
Liabilities						
Short term borrowings	28	21.46% to 25.5%	(197,856)	-	-	(197,856)
Long term financing			(751,329)	-	-	(751,329)
Total liabilities			(949,185)	-	-	(949,184)
On-balance sheet gap			3,265,870	-	-	3,265,871
Total interest risk sensitivity gap			3,265,870	-		3,265,871

e) **Foreign exchange risk management**

Foreign exchange risk is the risk that the value of financial asset or a liability will fluctuate due to change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies. Currently, the Group's foreign exchange risk exposure is restricted to the amounts receivable/payable from/to the foreign entities and outstanding letters of credit and bills payable.

The Group does not have any exposure to foreign currency risk at the reporting date.

Therefore, the Group does not obtain forward cover against the exposure. However, the following significant rates applied during the year:

	2026	2025	2026	2025
	Average Rate		Balance sheet date rate	
US Dollar to PKR	280.64	283.96	278.16	283.76

f) **Fair value of financial instruments**

Fair value of the financial instrument is the amount for which an asset could be sold or exchanged, or a liability can be settled, between knowledgeable willing parties in an arm's length transaction.

The carrying amount of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values. The methods used for determining fair value of each class of financial assets and liabilities are disclosed in respective policy notes.

g) **Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 quoted (unadjusted) prices in active markets for identical assets and liabilities.

Level 2 other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly.

Level 3 techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

	As at June 30, 2026			
	Level 1	Level 2	Level 3	Total
	(Rupees in 'thousands)			
ASSETS				
- Listed equity securities	426,141	-	-	426,141
LIABILITIES				
-Sukuks	-	4,756,030	-	4,756,030
	426,141	4,756,030	-	5,182,171

	As at June 30, 2025			
	Level 1	Level 2	Level 3	Total
	(Rupees in 'thousands)			
ASSETS				
- Listed equity securities	-	-	-	-
LIABILITIES				
-Sukuks	-	-	-	-
	-	-	-	-

h) Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Group defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitor the level of dividend to ordinary shareholders. There were no changes to the Group's approach to capital management during the year and the Group is not subject to externally imposed capital requirements.

The Group's objectives when managing capital are:

(i) 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

(ii) to provide an adequate return to shareholders.

	2026	2025
	(Rupees in thousands)	
Debt to equity ratio	0.91	0.55
Debt to asset ratio	0.48	0.35
Current ratio	1.54	1.94
Quick Ratio	1.13	1.68

The Group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. The Group finances its operations through equity, borrowing and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

52 NUMBER OF EMPLOYEES

The total number of employees at the year end were 401 (2025: 408) and average number of employees during the year were 403 (2025: 401).

53 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on 04 NOV, 2026 have proposed final cash dividend Rs. 0.5 per share (2025: Rs. Nil per Share) in respect of year ended June 30, 2026.

54 DATE OF AUTHORIZATION

These consolidated financial statements were authorized for issue on 04 NOV 2026 by the Board of Directors of the Group.

55 CORRESPONDING FIGURES

Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation the effects of which are not material

56 GENERAL

Amounts have been rounded off to the nearest thousands of Rupees.

CHIEF FINANCIAL OFFICER | CHIEF EXECUTIVE | DIRECTOR