Annual Report

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OUR MISSION STATEMENT

To maintain our pioneer status in the agricultural textiles sector of Pakistan by continuing to play an effective and positive role in the economic development of our country through provision of finest quality products at most reasonable rates to our clients and sustained investment in research and development.

OUR VISION STATEMENT

Our vision is an economically strong and prosperous agricultural sector of Pakistan, capable of meeting all of our country's food and agri-based raw material needs from its own land, and contributing to country's socio-economic development.

STATEMENT OF VALUES

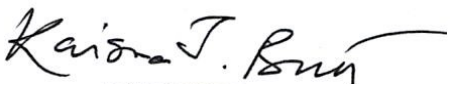
Our Company is committed to conducting all its operations ethically, transparently and in strict compliance with all laws, ensuring to maintain a healthy balance between the interest of all of its stakeholders, including shareholders, employees, business associates and the society at large

MESSAGE FROM THE CHAIRPERSON

Expansion in production capacity made in past two years was sustained in the year under report. However, the market situation was seriously affected by economic conditions prevailing in the country. Our sales increased by 10% but due to tight market condition, we had to control sales prices which lead to a 28% drop in gross earnings from Rs 119.6m last year to Rs 86.1m in year under report. This made it necessary for us to rationalize our product mix, in order to sustain our margins. As a result, our sales in quantity terms in the year at 1,506,031 kgs increased by only 0.2% over the sales quantity of previous year (1,503,091 kgs) while our sales revenue increased from Rs 833,801,274 (2023-24) to Rs 858,693,123 in 2024-25, an improvement of 3.0%. However, due to higher competition in the market, coupled with generally dampened demand for agricultural support products caused by climatic and financial constraint faced by farmers at large, our gross profit margin last year was only 13.85% in comparison with 16.08% in the previous financial year.

The impact of global climatic changes continued to be felt by Pakistan, particularly in the agricultural sector. Coupled with continued economic constraints, the business environments in the country remained subdued. However, while we were able to increase our sales revenue, our gross profit and net earnings could not be sustained due to several constraints on marketing and pricing policies caused by growing number of our competitors and weakened purchasing power of farmers. However, having gone through a difficult year, and after rationalizing our production mix with our preferred products' fields, we are optimistic that your Company will continue its journey on the path of progress with diligence and caution, to not only stay viable in financial terms but also to help the agricultural sector of the country attain greater self-sufficiency through reduction in reliance on imported agricultural support products.

I take this opportunity to thank all our suppliers, customers, employees, associates and professional consultants who have helped us reach thus far – and look forward to their continued support in years to come.



Mrs Kaisra Jabeen Butt
Chairperson

MESSAGE FROM CHIEF EXECUTIVE OFFICER

Dear Shareholders,

The year under review presented a challenging operating environment for Pakistan's industrial sector. For our Company, these challenges were particularly evident in the agricultural textile and support-products market, where economic uncertainty, volatility in the availability and cost of imported raw materials, exchange-rate pressures, rising energy and production costs, and constrained purchasing power across our customer base affected overall business conditions. At the same time, increasing competition from smaller manufacturers intensified pricing pressures across several product categories, placing further pressure on margins and profitability.

Despite these challenges, our confidence in the long-term potential of Pak Agro Packaging Limited remains strong. During the year, we continued to consolidate our production capabilities, improve operating processes and maintain a diversified product portfolio to serve the evolving requirements of our customers. We also reassessed our production capacity utilization and product priorities with a view to improving operating efficiency and sustaining margins in a challenging market environment.

The Company continued to strengthen its asset base during the year. Net fixed assets increased from Rs. 501.99 million to Rs. 586.05 million, while total assets increased from Rs. 718.813 million to Rs. 788.077 million. Although the rate of increase remained moderate, maintaining this growth trajectory in the prevailing economic environment reflects the resilience of our operations and our continued investment in the long-term capabilities of the business.

An important area of progress has been our expansion into the fishing-net segment. Commercial production of fishing nets commenced during the previous financial years as part of our broader expansion program, and the response from the market has been encouraging. Demand for our fishing-net products continues to develop as customers recognize their quality and performance. We are particularly encouraged by the market acceptance of our locally manufactured products in a segment traditionally served to a significant extent by imported alternatives. This provides us with an opportunity to progressively expand our presence and contribute towards import substitution in this product category.

Raw-material costs remained a significant challenge throughout the year. A substantial proportion of our principal raw materials is petroleum-based and, therefore, remains sensitive to movements in international oil and energy prices. This exposure was further compounded by fluctuations in the value of the Pakistani Rupee, particularly in relation to imported inputs. These factors continued to exert pressure on our production costs.

Our principal customers in the agricultural sector also faced difficult conditions. Climatic disruptions, pressure on farm economics and constrained purchasing power affected the ability of many customers to invest in agricultural support and crop-protection products. In this environment, passing the full impact of increases in raw-material, energy and other operating costs to customers was neither commercially practical nor consistent with our objective of maintaining competitive pricing.

We therefore continued to focus on measures within our control. These included improving operational efficiency, optimizing capacity utilization, rationalizing labour deployment, increasing sales volumes

where commercially viable and pursuing economies of scale across our operations. These initiatives were directed towards maintaining price stability for our customers while protecting the financial sustainability of the Company.

Looking ahead, we remain committed to strengthening our core agricultural textile business while developing opportunities in newer product segments. We will continue to focus on product quality, manufacturing efficiency, market development and prudent investment in production capabilities. Our objective remains to provide reliable and competitively priced products that support Pakistan's agricultural and related sectors while creating sustainable long-term value for our shareholders and other stakeholders.

Pak Agro Packaging has built its position through a sustained commitment to quality, innovation and understanding of the requirements of the markets we serve. We believe that maintaining high standards of production and responding proactively to changing customer needs will remain fundamental to the Company's future development.

I would like to express my sincere appreciation to our employees for their dedication and hard work throughout a demanding year. I also extend my gratitude to our customers, distributors, suppliers, financial institutions, business partners and shareholders for their continued confidence and support.

We enter the coming year with determination, a clear focus on operational excellence and confidence in the long-term potential of the Company.



Dr. Safdar Ali Butt
Chief Executive Officer

COMPANY PROFILE – OUR JOURNEY SO FAR

The Company

Pak Agro Packaging (Private) Limited (PAPL) commenced operations in May 2001**,** pioneering the introduction and supply of agricultural textile products to the local market. Since its inception, the Company has focused on providing products and solutions designed to meet the evolving requirements of Pakistan's agricultural sector.

The Company's Corporate Head Office is located in Islamabad**,** the capital of Pakistan, while its manufacturing facility is situated at Hattar Industrial Estate, Haripur, Khyber Pakhtunkhwa (KPK)**.** The Head Office serves as the central hub for the Company's key corporate functions, including administration, finance and marketing. To support its market outreach and maintain closer interaction with customers and distribution partners, the Company also maintains a presence in selected locations across the country through its marketing representatives.

The Company's manufacturing facility at Hattar produces the majority of the products marketed and distributed by PAPL. Certain products and production processes are also undertaken through carefully selected and contracted vendors, enabling the Company to supplement its in-house manufacturing capabilities and efficiently respond to market requirements.

Strategically located at Hattar Industrial Estate, the manufacturing facility is well positioned to serve the major agricultural regions of Pakistan. Its access to an established road network provides convenient connectivity with key agricultural markets and commercial centers across the country.

PAPL markets its products through an established nationwide network of Authorized Distributors. As a general policy, local sales are primarily conducted through these authorized distribution channels, enabling the Company to maintain an organized and efficient route to market. Authorized Distributors may also appoint sub-dealers, in consultation with the Company, to further strengthen product availability and market coverage.

Through its manufacturing capabilities, distribution network and continued focus on the agricultural sector, PAPL seeks to provide reliable products and services while strengthening its presence across Pakistan's agricultural value chain.

Company History

The Company was originally incorporated in February 1989 under the name Kohsar Tyres Limited**.** Following its incorporation, the Company acquired a two-acre industrial plot in Phase IV, Hattar Industrial Estate, Haripur, then in the North-West Frontier Province (now Khyber Pakhtunkhwa).

Kohsar Tyres Limited did not commence commercial operations and was subsequently acquired by another group of shareholders, following which its name was changed to Mian and Khan Industries (Private) Limited**.** The Company remained non-operational during this period and the industrial land at Hattar continued to represent its principal asset.

The present management subsequently acquired the entire share capital of the Company (Mian and Khan Industries Private Limited), including ownership and possession of the industrial property at Hattar. As part of the restructuring and establishment of a new business direction, the Company was renamed Pak Agro Packaging (Private) Limited (PAPL**)** on 24 August 2000**.**

Its Memorandum of Association was also amended to reflect the proposed change in the nature of business, with a principal focus on the manufacture of net bags and other agricultural textiles, including packaging materials and protective and support products for Pakistan's agricultural sector.

Commencement and Expansion of Manufacturing Operations

The Company commenced commercial production towards the end of 2000 with a modest manufacturing setup comprising two machines: a stretch-bag manufacturing machine and a Raschel knitting machine for the production of net bags. At the initial stage, flat yarn required for production was sourced from an external vendor.

As operations expanded, management recognized the importance of controlling the quality, consistency and reliability of its principal production inputs. Accordingly, the Company acquired its own flat-yarn manufacturing equipment in 2001, strengthening its in-house production capabilities and reducing dependence on external suppliers.

With increasing market acceptance of the Company's products, production capacity was progressively expanded. In 2002**,** an additional Raschel machine was installed to enhance the production capacity for net bags and greenhouse shade nets.

Continuous assessment of market requirements subsequently identified growing demand for wider and heavier greenhouse shade nets, including products manufactured from round yarn and in widths of up to three meters. In response to this opportunity, the Company imported and installed additional manufacturing equipment in the later years**,** enabling it to broaden its product range and serve higher-value segments of the agricultural textile market.

Over the subsequent years, the Company continued to develop its manufacturing capabilities, diversify its product portfolio and strengthen its presence in the domestic agricultural textile market.

Transformation into a Public Listed Company

A significant milestone in the Company's corporate history was achieved in 2021, when Pak Agro Packaging converted from a private limited company into a public limited company as part of its strategy to support future growth and broaden its access to capital.

In November 2021, the Company became the first company to be listed on the Growth Enterprise Market (GEM) Board of the Pakistan Stock Exchange. Through its Initial Public Offering (IPO), the Company raised approximately Rs. 198 million in fresh capital.

The proceeds supported the Company's expansion program, including the installation of additional production machinery, construction of a new production hall and enhancement of working-capital capacity to support higher levels of operations and maintain adequate inventory throughout the year.

Since its modest beginnings with two production machines, the Company has progressively evolved into a diversified manufacturer of agricultural textile, packaging and related netting products. Information relating to the Company's Board of Directors and senior management is provided separately in this Annual Report.

Product Portfolio
The Company's current product portfolio includes:

- **Greenhouse Shade Nets** – available in various specifications to address different agricultural and climatic requirements;
- **Plant Support Nets** – designed to provide support for growing crops and plants;
- **Bale Nets** – used for agricultural baling and related applications;
- **Anti-Insect Nets** – designed to provide physical protection to crops against insects and pests;
- **Anti-Bird Nets** – used to protect crops and produce from bird-related damage;
- **Anti-Hail Nets** – designed to provide protection against potential crop damage caused by hail;
- **Agricultural Packaging Materials** – including stretch nets and knitted netting used for packaging a variety of fruits and vegetables; and
- **Fishing Nets** – manufactured in various specifications to meet requirements ranging from inland and lake fishing to deep-sea fishing applications.

The Company continues to assess market requirements and opportunities for product development, with a focus on expanding its product portfolio, improving manufacturing capabilities and providing practical textile and netting solutions for the agricultural and related sectors.

The Factory

Location
The Company's manufacturing facility is located at Plots 22 and 23, Phase IV, Hattar Industrial Estate, Haripur, Khyber Pakhtunkhwa (KPK**)**, approximately 40 kilometres from Islamabad**.** Its strategic location provides convenient access to major agricultural markets and commercial centres across Punjab, Khyber Pakhtunkhwa and other parts of the country.

The facility benefits from established road connectivity and supporting industrial infrastructure. Essential utilities and services available at the site include electricity, water and gas, together with road and telecommunication connectivity, drainage facilities and access to the local workforce. The location therefore provides an appropriate operating base for the Company's manufacturing and distribution activities.

Manufacturing Facilities
The Company's old manufacturing facility is situated on approximately two acres of land, with a total constructed area of approximately 90,000 square feet. The facility comprises dedicated production halls, storage areas for raw materials, spare parts and finished goods, an administrative office block, and accommodation facilities for workers.

During the year, the Company further strengthened its manufacturing infrastructure by acquiring an additional one-acre plot under a 15-year lease arrangement and constructing a 17,000-square-foot prefabricated production hall**.** This expansion has enhanced the Company's operational capacity and

provides additional infrastructure to support increased production requirements and prevailing market demand.

The factory premises also include a mosque for employees and designated green areas**,** reflecting the Company's continued emphasis on maintaining an organized and conducive working environment.

The Plant

The Company has progressively developed its manufacturing capabilities through the installation of machinery and equipment sourced from specialized and reputable international suppliers. Machinery selection is undertaken with due consideration to product quality, production efficiency, reliability and the evolving requirements of the Company's target markets.

The manufacturing plant comprises a balanced range of production equipment capable of manufacturing various agricultural textile, packaging and netting products. Its production capabilities include greenhouse shade nets, net bags, agricultural packaging nets, plant support nets and fishing nets, together with other specialized netting products required by the domestic market.

The Company continues to evaluate opportunities for modernization, capacity enhancement and technological improvement of its manufacturing facilities. Investments in plant and machinery are directed towards improving product quality, enhancing production efficiency, broadening the Company's product portfolio and strengthening its ability to respond to changing customer and market requirements.

Quality Control

Key Principles

The Company is committed to maintaining high standards of product quality and consistency and to strengthening its position as a pioneer in the supply of agricultural textile, packaging, support and marine netting products in Pakistan. Quality considerations are incorporated throughout the manufacturing process, from the procurement and inspection of raw materials to production, testing and release of finished goods.

The Company seeks to continuously improve its manufacturing processes and product specifications in response to customer requirements, technological developments and evolving market needs.

Key Quality Control Measures

The Company has established quality control procedures covering key stages of its manufacturing operations. Principal measures include:

- documentation of key production processes and operating procedures;
- inspection and testing of incoming raw materials before acceptance and issuance for production;
- monitoring of materials and production parameters during the manufacturing process;
- inspection and testing of finished products against prescribed specifications before their transfer to the finished goods warehouse; and
- ongoing product and process development through the Company's Research and Development function.

These measures are designed to promote consistency in product quality, minimize production deficiencies and ensure that products released for sale meet the Company's prescribed quality requirements.

The Market

Pakistan's substantial agricultural sector provides a broad underlying market for agricultural packaging, crop protection and support products. The production and movement of fruits and vegetables across the country create continuing demand for practical and cost-effective packaging solutions, including net bags and other specialized packaging materials.

The Company believes that net-based packaging offers a number of functional advantages for suitable agricultural produce, including ventilation, visibility of packed contents and ease of handling. As awareness of appropriate post-harvest handling and packaging practices develops, management believes that opportunities exist for further penetration of net-based packaging solutions in domestic agricultural markets.

The market for greenhouse shade nets, plant support nets, anti-insect nets, anti-bird nets, anti-hail nets, bale nets and related agricultural textile products also presents opportunities for continued growth. Increasing awareness among growers of crop protection, controlled cultivation and improved agricultural practices has contributed to the development of demand for these products.

The Company has been active in developing awareness of agricultural netting products in Pakistan and continues to focus on expanding their application across relevant agricultural segments. Its domestic manufacturing capabilities also provide an opportunity to offer locally produced alternatives to imported products in selected categories.

In the fishing-net segment, the Company continues to develop its market presence by focusing on appropriate raw-material selection, product quality and efficient manufacturing processes. Management believes that the domestic fishing-net market offers further opportunities for expansion as the Company develops its product range, production capacity and customer base.

Marketing and Distribution Network

The Company has developed an extensive distribution network to facilitate the availability of its products across Pakistan. For marketing and distribution purposes, the country is divided into principal geographic regions covering Punjab, Sindh, Balochistan, Khyber Pakhtunkhwa and Azad Jammu & Kashmir**.**

The larger markets of Punjab and Sindh are further divided into zones to facilitate more effective market coverage, distributor management and customer support. The Company's distribution structure currently comprises nine marketing zones, which are further divided into individual territories.

Authorized distributors are appointed in designated territories to provide local market coverage and facilitate efficient product availability. The distribution network enables the Company to maintain closer contact with customers, respond to regional market requirements and make its products conveniently available across major agricultural markets.

Export Potential
While the Company's primary focus remains on serving the domestic market, management recognizes the potential for selected products to be supplied to international markets.

Agricultural packaging products, particularly net bags, have indirect export potential through their use in the packaging of fruits and vegetables exported from Pakistan. The Company's net bags have previously been used for packing export consignments of agricultural produce, including potatoes and onions.

As production capabilities expand, the Company intends to continue exploring suitable export opportunities for its agricultural textile, packaging and netting products, subject to commercial viability, international quality requirements, available production capacity and prevailing market conditions.

Market Strategy
The Company's market strategy is centered on maintaining broad product availability, developing long-term relationships with distributors and customers, increasing awareness of specialized agricultural textile products and providing appropriate technical and commercial support to the market.

A nationwide network of authorised distributors has been established across major markets in Pakistan. This distribution network is supported by the Company's sales and marketing team based at the Head Office, which provides product information, customer support and assistance to distributors and end users.

Sales and marketing personnel undertake regular market visits to engage with distributors, dealers and customers, assess market developments, obtain feedback and identify emerging product requirements and business opportunities.

The Company's sales incentive structure incorporates performance-linked elements designed to align the interests of the sales team with the Company's commercial objectives. Distributor incentives are also structured with reference to sales volumes and other relevant commercial considerations, with the objective of encouraging market development, improving product availability and supporting sustainable sales growth.

Going forward, the Company intends to further strengthen its distribution network, increase market awareness, broaden its customer base and develop new applications for its products while continuing to emphasize product quality, customer service and sustainable growth.

COMPANY INFORMATION

Board of Directors:	**Mrs Kaisra Jabeen Butt** *Chairperson / Non-executive Director* **Dr. Safdar Ali Butt** *Executive Director / CEO* **Dr. Tariq Javed** *Executive Director / CFO* **Dr. Mubarak Hussain Haider** *Independent Director* **Mohammad Javed** *Independent Director* **Mr Iftkhar Mahmood** *Independent Director* **Mr Nazir Ahmed Shaheen** *Independent Director*
Company Secretary	**Mr. Rana Muhammad Faraz**
External Auditor	**ILYAS SAEED & CO**. *Chartered Accountants* OFFICE # 26, 2ND FLOOR, ROSE PLAZA, I – 8 MARKAZ, ISLAMABAD, PH: (+92) 051 – 4938026 & 051 – 4938027,
Share Registrar	**CDC Share Registrar Services Limited**, CDC House, 99-B, Block 'B', SMCHS Main Shahra-e-Faisal, Karachi-74400 Phone: +92 21 111 111 500; Fax: +92 21 34326053 Website: www.cddcsrsl.com
Legal Advisor	**Mr Abid Hussain Mirza** Islamabad
Registered Office & Factory	Plot # 22-23 Phase – IV Hattar Industrial Estate, Hattar KPK. Phone: +92 995 352547
Corporate Head Office	Third Floor, Green Trust Tower Jinnah Avenue, Blue Area, Islamabad. Phone: +92 51 8311645, Whatsapp: +92 333 5234 110
Contact us:	Phone: +92 51 8311645 www.pakagro.com info@pakagro.com

DIRECTORS REPORT

The Directors of Pak Agro Packaging Limited ("PAPL" or the "Company") are pleased to present Annual Report along with audited financial statements for the year ended June 30, 2026.

Significant Events

The following significant developments took place during the financial year ended 30 June 2026:

a. Rationalization of Production Capacity

Following the BMR program, the Company rationalized its production facilities to improve operational efficiency and align capacity with market demand. Capacity allocated to lower-contribution products was optimized, while production capacity for higher-contribution product categories was enhanced. Factory staffing was also rationalized in line with increased automation and the installation of additional machinery.

b. Expansion of Factory Premises

To support growing production requirements and provide additional space for future operational needs, the Company acquired the use of an additional one-acre industrial plot under a 15-year lease arrangement. The additional premises will support the Company's expanding manufacturing and related operational requirements and provide greater flexibility for future capacity enhancement.

c. Addition of Monofilament Yarn Production Capacity

In response to available market demand and to further strengthen its in-house manufacturing capabilities, the Company acquired a new monofilament yarn-making machine during the year. The investment is expected to enhance production capacity, improve control over the availability and quality of an important production input, and support the manufacture of the Company's expanding range of netting products.

d. Expansion of Shade Net Production Capacity

The Company also acquired two new shade-net manufacturing machines with the maximum available production width to cater to growing market demand for wider and specialized shade-net products. The additional machinery will enable the Company to broaden its product specifications, improve production flexibility and enhance its ability to serve larger and more technically demanding applications.

e. Increase in Minimum Wage

During the year, the Government of Khyber Pakhtunkhwa**,** through the Finance Bill 2025–26**,** increased the minimum monthly wage from Rs. 40,000 to Rs. 45,000**.** As the Company's manufacturing operations are labour-intensive, the revision resulted in a significant increase in direct labour costs and production overheads. While the Company continued to pursue productivity improvements and operational efficiencies to mitigate the impact, the higher wage cost placed additional pressure on production costs and operating margins during the year.

These investments reflect the Company's continued focus on market-driven capacity expansion, operational efficiency and product diversification. The additional land, machinery and energy

infrastructure provide a stronger platform for meeting existing demand while positioning the Company to capitalize on future growth opportunities.

Global Economic Review:

The global economy showed resilience in 2025 despite heightened trade tensions and persistent policy uncertainty. Trade tensions eased somewhat during the year, with the US effective tariff rate estimated at 13.5 percent by April 2026, compared with 18.7 percent in the October 2025 forecast. Supply chains also adjusted gradually, helping sustain global economic activity. Financial conditions remained broadly accommodative despite episodes of market volatility and rising sovereign bond yields.

As a result, global growth was estimated at 3.4 percent in 2025, slightly higher than 3.3 percent in 2024. However, the global outlook weakened in early 2026 following the outbreak of conflict in the Middle East. Disruptions in energy supply routes and damage to critical production facilities increased uncertainty in global energy markets and added downside risks to growth. At the same time, renewed trade tensions, elevated public debt, and concerns regarding slowing productivity growth continued to weigh on the global economic outlook.

According to the World Economic Outlook (April 2026), global growth is projected to moderate to 3.1 percent in 2026, while global headline inflation is expected to rise to 4.4 percent from 4.1 percent in 2025. Among advanced economies, the US economy grew by 2.1 percent in 2025 but projected to increase to 2.3 percent in 2026, supported by expansionary fiscal policy, monetary easing, and continued momentum in the technology sector. China's growth remained at 5.0 percent in 2025 but projected to moderate to 4.4 percent in 2026 due to the adverse effects of higher US tariffs on exports.

In the UK, growth was estimated at 1.3 percent in 2025 and expected to slow to 0.8 percent in 2026 amid slower monetary easing. Similarly, growth in the Euro Area was estimated at 1.4 percent in 2025 and projected at 1.1 percent in 2026 due to continued weakness in manufacturing activity and pressures arising from euro appreciation. Growth in emerging market and developing economies is projected to slow to 3.9 percent in 2026 from 4.4 percent in 2025.

The impact of Middle East conflict is expected to vary across countries depending on their energy dependence, trade exposure, remittance linkages, and financial vulnerabilities. Global trade remained resilient in 2025. According to IMF estimates, the volume of global trade in goods and services expanded by 5.1 percent during the year.

However, trade growth is projected to moderate to 2.8 percent in 2026 amid persistent geopolitical tensions and continued uncertainty in the global trade environment. Reconfiguration of supply chains and changing trade patterns continued to reshape global trade dynamics, particularly in Asia.

For PAPL, developments in global energy, commodity and foreign exchange markets remain particularly important due to the petroleum-based and imported nature of key raw materials. Volatility in petroleum prices, exchange rates, freight costs and international supply chains may therefore directly affect raw material costs, production expenses and operating margins. Management continues to closely monitor these developments and take appropriate measures to mitigate their impact.

Pakistan Economic Review

The economy accelerated its growth momentum in FY 2026 and recorded a growth of 3.70 percent compared to 3.18 percent last year. The improvement owes to effective macroeconomic management, better fiscal account, and growth in Large Scale Manufacturing (LSM) sector, resilience of the agriculture sector to floods of 2025, exchange rate stability and reforms under the IMF Extended Fund Facility (EFF) Programme. Inflation rose from 7.3 percent in March 2026 to 10.9 percent in April 2026 due to rise in global oil prices and supply disruptions amid Middle East crisis. Average inflation for July-April FY 2026 was recorded at 6.2 percent, higher than 4.7 percent recorded during the same period of previous year.

Fiscal discipline improved as substantiated by a marked reduction in fiscal deficit to 0.7 percent of GDP during July-March FY 2026 from 2.6 percent of GDP during the same period last year. The improvement is attributed to growth in both tax and non-tax revenues and a significant decline in mark-up expenditure. Primary surplus rose to 3.2 percent of GDP from 3.0 percent recorded during the same period last year. On the external front, the current account recorded a marginal surplus of US $ 72 million during July-March FY 2026 compared to a surplus of US $ 1.7 billion in the same period last year. Workers' remittances remained a key source of external sector support, rising by 8.2 percent to US $ 30.3 billion.

For PAPL, the improvement in domestic economic activity provides a supportive operating environment; however, higher energy and petroleum-related input costs, inflationary pressures and the purchasing capacity of the agricultural sector remain important considerations. Management continues to focus on cost efficiency, prudent pricing and operational productivity while responding to evolving market conditions.

Pakistan and Agriculture

Agriculture plays an important role in Pakistan's economy by supporting food security, employment, poverty reduction, and the supply of raw materials to industry. The sector contributes 23.4 percent to national GDP and accounts for 33.1 percent of employment. The production and availability of food crops remain important for national food security. In this context, continued attention to climate conditions, water resources, precipitation patterns, and farm input costs is important for sustaining sectoral performance.

Recognizing the importance of agriculture, the government is pursuing pro-agriculture policies to maximize sectoral benefits, including the uninterrupted and affordable supply of inputs and productivity enhancement initiatives. In this regard, formulation of National Agriculture & Food Security Council (NAFSC) and National Meat Sector Transformation & Export Council under the leadership of Prime Minister are the most significant developments for ensuring food security and boosting agriculture exports.

During 2025-26, the agriculture sector recorded a growth of 2.89 percent, compared to 1.53 percent during the same period last year. Government initiatives and timely support measures helped the crop sub-sector demonstrate resilience in the wake of the 2025 floods, enabling it to perform better than expected. The sub-sector recorded growth of 1.44 percent, compared with a contraction of 1.01 percent in 2024-25, mainly on account of better production of important crops. Notably, Kharif crops performed relatively well, as flood related damages remained lower than initially anticipated and production levels generally exceeded those of 2024-25, except for cotton and maize.

Important crops, including cotton, rice, sugarcane, maize, and wheat, registered an overall growth of 0.65 percent compared to last year. Better performances in sugarcane, wheat, and rice ultimately offset production declines in cotton and maize. Sugarcane registered the highest growth at 6.2 percent (rising from 84.24 to 89.45 million tonnes), followed by wheat at 4.3 percent (increasing from 28.40 to 29.61 million tonnes), and rice at 2.8 percent (up from 9.72 to 9.99 million tonnes).

However, maize and cotton production contracted by 2.7 percent and 0.5 percent, respectively. Other crops recorded growth of 2.43 percent despite flood-related disruptions, mainly supported by higher production of pulses, vegetables, and fruits, which increased by 31.4 percent, 12.6 percent, and 2.8 percent, respectively. This improvement helped offset relatively subdued performance in certain crop categories. Cotton ginning and miscellaneous having share of 1.04 percent in agriculture and 0.24 percent in GDP registered a marginal growth of 0.07 percent mainly due to lower cotton production.

As agriculture represents an important end-market for PAPL**,** the performance of the sector has a direct bearing on demand for the Company's agricultural packaging, crop protection and support products. Improving agricultural activity presents opportunities for growth; however, climate-related disruptions, water availability, rising farm input costs and pressure on farmers' purchasing power remain important factors affecting market demand.

Inflation

Inflation remained broadly manageable during FY 2026, reflecting the continuation of macroeconomic stability and improved coordination of policy and administrative measures. During July-April FY 2026, average CPI inflation stood at 6.2 percent, compared with 4.7 percent in the corresponding period last year, following the exceptionally low inflation environment observed in the previous year. Price pressures remained largely contained on account of prudent macroeconomic management, improved supply conditions, strengthened market oversight, and measures to curb hoarding and smuggling. However, renewed geopolitical tensions in the Middle East toward the end of February 2026 introduced fresh external pressures, particularly through global energy prices, with the initial impact becoming more visible in the Sensitive Price Indicator (SPI).

The Government continued to pursue a coordinated policy response to preserve price stability and protect vulnerable segments of the population. The policy mix included prudent fiscal management, a calibrated monetary stance, improved monitoring of essential commodity markets, measures to support smooth supply, rationalization of import duties on selected items, and continued efforts to curb market distortions. These measures, along with relative exchange rate stability and improved supply chain coordination, helped moderate the pass-through of external shocks to domestic prices.

For PAPL, inflationary pressures remain particularly relevant due to the petroleum-based nature of key raw materials and the Company's exposure to energy, transportation and labour costs. At the same time, higher inflation affects the purchasing capacity of customers, particularly in the agricultural sector, limiting the Company's ability to fully pass increased costs through to selling prices. Management therefore continues to focus on cost control, production efficiency and prudent pricing to mitigate the impact on operating margins while maintaining product competitiveness.

Energy

The energy sector remains a fundamental pillar of Pakistan's economy, serving as a critical enabler of economic growth, industrial development, and social progress. Reliable and affordable access to energy is essential for sustaining industrial production, enhancing agricultural productivity, facilitating trade and commerce, and supporting the delivery of essential services. As economies become increasingly integrated and technology-driven, energy has evolved beyond a mere input for production to become a key driver of economic competitiveness, investment attractiveness, productivity enhancement, and long-term economic resilience.

During the first nine months of FY 2026, Pakistan's energy sector continued to navigate a challenging and operational landscape shaped by the competing objectives of energy affordability, supply concerns, economic efficiency, and environmental sustainability. The sector remained under pressure to ensure reliable energy availability while addressing structural challenges and advancing the transition toward a cleaner and more diversified energy mix. Nevertheless, ongoing reforms, capacity additions, and evolving patterns in the energy composition reflected gradual progress toward building a more resilient, efficient, and sustainable energy system.

For PAPL**,** reliable and competitively priced energy is particularly important for maintaining uninterrupted production and controlling manufacturing costs. Energy prices therefore remain a key factor affecting the Company's production overheads and operating margins.

To reduce its exposure to rising energy costs and improve supply reliability, the Company continued to expand its renewable energy capacity. During the year, Rs. 29.7 million was invested in additional solar power generation capacity. This investment supports the Company's objective of reducing dependence on conventional energy sources, improving energy cost efficiency and strengthening the reliability and sustainability of its manufacturing operations.

Climate Change

Climate change has become a defining global challenge, with far-reaching implications for human well-being, economic stability and sustainable development. Widespread and rapid changes have already been experienced in the atmosphere, oceans, cryosphere and biosphere. According to the Intergovernmental Panel on Climate Change Sixth Assessment Report (IPCC AR6)1, human-induced climate change is intensifying weather and climate extremes in every region of the world. This has caused widespread losses and damages to both natural and human systems.

As per the report, approximately 3.3 to 3.6 billion people currently live in highly climate-vulnerable environments, where structural development constraints further amplify exposure and reduce adaptive capacity. Although vulnerable populations contribute the least to global emissions, they are affected the most by climate change. Between 2010 and 2020, mortality caused by floods, droughts and storms is estimated to be fifteen times higher in highly vulnerable regions compared to those with less vulnerability.

The continued greenhouse emissions are expected to drive the global warming to 1.5 °C2 in the near term (2021-2040). Every additional increase in temperature intensifies concurrent hazards, including compound heatwaves, droughts and extreme precipitation events. These dynamics are driving a more volatile global water cycle, marked by heightened variability and increasingly frequent extremes of both wet and dry conditions. Climate change is further transforming rare and recurring hazards into a 'new

normal' of persistent risks, as highlighted in the Climate Risk Index (CRI)3 2026. Similarly, Global Risks Report4 2026 by World Economic Forum ranked extreme weather events among the top five global risks in the short term (1-2 years) and projected extreme weather events as the highest-ranked long-term risk over a 10-year horizon.

Together, these projections establish climate change as a systemic global threat, which requires collective action. Consequently, the human and economic costs of insufficient climate action continue to escalate. According to CRI5 2026, more than 832,000 lives were lost and nearly US $ 4.5 trillion in direct economic damages was recorded from over 9,700 extreme weather events between 1995-2024, globally.

Pakistan stands as one of the most severely affected countries. Climate change is no longer a distant or abstract threat to the country but a present reality and an escalating challenge to the country's economy and population. Although Pakistan is a minor contributor to global emissions at less than 1 percent and historic emissions at 0.4 percent6, the country bears a disproportionately high burden of global climate change.

Coupled with this, the country's vulnerability is also linked to its geography, spans from the world's second-highest peaks in the north to low-lying coastal areas in the south. The Hindu Kush, Himalaya and Karakoram ranges contain the largest non-polar glacial reserves, while the Arabian Sea coastline further amplifies the country's sensitivity to climatic shifts, resulting in wide-ranging and spatially uneven effects of climate change. In the last 50 years, the annual mean temperature in Pakistan has increased by approximately 0.5 °C7 , with projections indicating a further rise by 3 °C to 5 °C by the end of this century. In particular, for the year 2025, northern regions have warmed more intensively, temperature anomalies reached +1.24 °C in Gilgit-Baltistan (GB), +1.29 °C in Khyber Pakhtunkhwa and +1.56 °C in Azad Jammu & Kashmir (AJK), all ranked 1st highest during the past 65 years.

These rising temperature records are therefore accelerating glacial melt, increasing the risk of glacier lake outburst floods while intensifying atmospheric moisture, resulting in intensified rainfall variability in the country. This rainfall variability has been increasingly pronounced due to changing monsoon dynamics of Pakistan. Notably, there has been a decrease in the number of rainy days, accompanied by an increase in rainfall intensity, resulting in more frequent and extreme precipitation events.

Additionally, the monsoon patterns are also shifting geographically, with increasing concentration in southern regions, thereby altering flood risk profile of the country. Over the past decade, excessive heat and rainfall have led to several major and minor floods. The 2022 floods appeared as one of the most devastating climate disasters in the country's history. Similarly, the recent 2025 floods emerged as one of the most widespread climate-related disasters, as it hit all four provinces; Punjab, Sindh, Khyber Pakhtunkhwa and Balochistan as well as AJK.

Beyond immediate disaster impacts, climate change has become a systemic risk to Pakistan's economic and social stability. Rising sea levels and saline intrusion in the Indus Delta are degrading coastal ecosystems, including mangroves and fisheries, while increasing cyclonic activity threatens coastal populations. At the same time, deteriorating air quality, climate-affected communities and water scarcity are compounding existing socioeconomic pressures. Thus, Pakistan's climate crisis is not a future threat but a present and escalating reality already unfolding across multiple sectors. With adaptive capacity still

developing and high exposure to climate risks, the country remains on the frontline of a global crisis it has contributed little to create.

For PAPL**,** climate change is particularly relevant due to the Company's close linkage with the agricultural sector. Extreme temperatures, floods, changing rainfall patterns and water availability can affect agricultural activity, farmers' purchasing capacity and demand for the Company's products. At the same time, these conditions may increase the need for agricultural protection solutions, including shade nets, anti-hail nets, anti-insect nets and other crop-protection products**.** The Company therefore continues to monitor climate-related risks and opportunities while improving operational efficiency and expanding its use of renewable energy.

Geopolitical Environment and Input Cost Pressure

The continuing conflict involving Iran and heightened geopolitical tensions in the Middle East have further increased uncertainty in global energy and commodity markets. The resulting volatility in international petroleum prices, together with potential disruptions to regional supply chains and movements in the Pak Rupee, remains particularly relevant to PAPL, given the petroleum-based nature of a significant proportion of our raw materials.

These developments have the potential to exert further pressure on raw material, energy, transportation and overall production costs. Against this backdrop, management remains focused on maintaining operational and financial resilience through disciplined procurement, prudent inventory management, tighter cost controls and continued improvement in production efficiency. We will continue to respond proactively to changing market conditions, with a clear objective of protecting operating margins, maintaining the quality and competitiveness of our products, and safeguarding the Company's long-term financial strength and sustainable growth.

During the financial year ended 30 June 2026**,** higher international petroleum prices increased the cost of our petroleum-based raw materials and exerted pressure on production costs. Given prevailing market conditions and constrained purchasing power, particularly in the agricultural sector, the Company was unable to pass on the full impact of these increases to customers. Consequently, a significant portion of the additional cost was absorbed by the Company, placing pressure on margins. Management responded through disciplined cost management, improved production efficiencies and prudent pricing, while maintaining product quality and market competitiveness.

Financial Performance

Despite a challenging operating environment, the Company recorded sales of Rs. 947.105 million in FY2026, representing an increase of 10.29% from Rs. 858.693 million in FY2025**.** This growth was achieved primarily through rationalization of the product mix.

Gross profit declined by 27.9% to Rs. 86.107 million, compared with Rs. 119.550 million in the previous year. Consequently, the gross profit margin decreased from 13.92% in FY2025 to 9.09% in FY2026**.** The decline was principally attributable to increases in production and input costs which, due to prevailing market conditions and pressure on customers' purchasing capacity, could not be fully passed on through selling prices.

Administrative expenses increased by 32.78% during the year, while selling and distribution expenses increased in line with the Company's sales and market activities. Finance costs declined by 14.59%**,** mainly due to repayment of borrowings obtained in connection with the ongoing BMR program.

Profit before tax for FY2026 amounted to Rs. 33.690 million**,** representing a decline of 44.57% from the previous year, reflecting the impact of lower gross margins and higher operating costs. Profit after tax declined by 73.00% to Rs. 8.594 million**,** primarily due to the combined impact of lower profitability and taxation. Accordingly**,** earnings per share decreased from Rs. 1.60 in FY2025 to Rs. 0.43 in FY2026**.**

As at 30 June 2026**,** non-current liabilities increased by Rs. 123.8 million to Rs. 211.570 million, mainly due to additional lease financing and an increase in deferred tax liabilities arising from capital expenditure. Current liabilities declined primarily due to the settlement of running finance facilities and movements in taxation-related liabilities. Inventory levels increased during the year as the Company aligned its stock holdings with the revised product mix, production requirements and anticipated market demand.

Highlights of financial performance
These are as follows:

	Year ended 30 June		Variance Positive/ (Negative)
	2026	2025	
	PKR'000		% age
Net Sales	947,105	858,693	10.30%
Gross Profit	86,107	118,896	(27.58)%
GP % of sales	9%	14%	(35.71)%
Operating Profit	50,884	92,458	(44.97)%
Net Profit before Tax	33,697	60,179	(44.01)%
Net profit after Tax	8,594	31,672	(72.87)%
Earnings Per Share: Rs	0.43	1.58	(72.78)%

Operational Performance

The Company's principal product categories comprise Agricultural Textiles, Packaging Bags and Fishing Nets**,** each serving distinct market requirements and contributing to the diversification of the Company's product portfolio.

Agricultural Textiles

The Agricultural Textiles category comprises greenhouse shade nets, bale nets, anti-insect nets, anti-hail nets, anti-bird nets and other agricultural protection and support products. This category remains a major contributor to the Company's turnover. During the year, quantitative sales recorded only marginal growth, primarily due to constrained purchasing power within the farming community and challenging conditions in the agricultural sector.

Packaging Bags
The Packaging Bags category comprises stretch net bags used for sports goods and certain food products, as well as woven and knitted bags used primarily for packaging fruits and vegetables. This category represents approximately 10% of the Company's quantitative sales volume and revenue and continued to record steady demand during the year.

Fishing Nets
Fishing Nets represent a relatively new and developing product category for the Company. Following investment in production machinery in the previous year, the Company intensified its marketing efforts during FY2026**,** resulting in a steady increase in sales and encouraging market acceptance.

Profitability within this category remained constrained during its initial development phase, partly due to depreciation associated with the newly installed machinery and the time required to build production volumes. Nevertheless, the installed capacity provides a strong platform for future growth as market penetration increases. The Company sees considerable potential to expand its presence in the domestic fishing-net market and contribute to import substitution**,** thereby reducing reliance on imported products and conserving foreign exchange.

Management of Liquid Resources
Effective cash and liquidity management remains an integral part of the Company's financial and strategic decision-making, including procurement, marketing initiatives and capital expenditure. The budgeting and planning function operates under the supervision of the Chief Financial Officer**,** with responsibility for strategic planning, budgeting, forecasting and liquidity management.

Cash flows are projected and monitored through periodic forecasts, while working capital requirements are managed through appropriate control over trade receivables, payables, inventory levels and financing arrangements. The Company also maintains adequate funded and non-funded banking facilities to support its operational requirements. These measures enable the Company to maintain adequate liquidity while managing financing costs and associated financial risks.

Capital expenditure is subject to evaluation of expected returns, strategic benefits and associated risks in accordance with the Company's approved policies. Major investments are periodically reviewed by management and, where appropriate, the Board and its committees to monitor implementation, cost and expected outcomes.

During FY2026**,** the Company incurred capital expenditure of Rs. 76.6 million on plant, machinery and related infrastructure, and 9.4 million is in capital work in progress.

Contribution to National Exchequer
During FY2026**,** the Company contributed above Rs 210 million to the national exchequer in the form of import duties, sales tax and income tax, reflecting its contribution to government revenues and the formal economy.

Appropriation of Profits
In determining the appropriation of profits for the year, the Board considered the prevailing economic environment, the impact of recent climatic events on the agricultural sector, the Company's working

capital requirements and its planned investments and growth initiatives. The Board considers it prudent to maintain adequate liquidity to support the Company's operations and future growth.

Accordingly, at its meeting held on 05 October 2026**,** the Board decided not to recommend any further cash or stock dividend for FY2026**.** The interim cash dividend already declared and paid during the year will therefore constitute the final dividend for the financial year ended 30 June 2026**.**

Material Changes and Commitments

There have been no material changes or commitments affecting the financial position of the Company between 30 June 2026 and the date of this report**,** other than those disclosed in the financial statements or elsewhere in this Annual Report.

The Company did not default on the payment of any debt during the year. The financial statements have been prepared in accordance with the accounting and reporting standards applicable in Pakistan**,** and the statutory auditors have expressed an unqualified opinion on the financial statements for the year ended 30 June 2026**.**

The Company has complied with the applicable requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019**,** and there has been no material departure from the applicable corporate governance requirements, except as disclosed, if any, in the relevant compliance statement.

Compliance with the Code of Corporate Governance

The mandatory requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 have been duly complied with and a Statement of Compliance to this effect is annexed in the Annual Report.

External Auditors

The present auditors, M/s Ilyas Saeed & CO., Chartered Accountants, retire and offer themselves for re-appointment. They have confirmed achieving satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) and compliance with the Guidelines on the Code of Ethics of the International Federation of Accountants (IFAC) as adopted by ICAP. As suggested by the Audit Committee, the Board of Directors has recommended their reappointment as Auditors of the Company for the year ending June 30, 2027, at a fee to be mutually agreed.

Pattern of Shareholding

A statement of the pattern of shareholding of certain class of shareholders as at June 30, 2026, whose disclosure is required under the reporting framework, is included in the annexed shareholders' information.

The Board oversees the Company's risk management framework through its various committees, each of which is entrusted with specific oversight responsibilities within its respective area of expertise.

Audit Committee

The Audit Committee supports the Board in promoting transparency, accountability and sound corporate governance. It oversees matters relating to financial reporting, internal controls, regulatory compliance and other associated risks. The Committee also reviews the effectiveness of the Company's control and compliance environment to ensure that material risks are appropriately identified, assessed and managed. The Audit Committee meets on a quarterly basis, or more frequently where circumstances so require.

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee assists the Board in overseeing human resource, remuneration and succession-related matters. The Committee assesses compensation and incentive arrangements to ensure that they are aligned with the Company's objectives and do not encourage excessive or inappropriate risk-taking. It also oversees succession planning on an ongoing basis to ensure the availability and development of suitably qualified and competent personnel for critical positions across the Company's operations.

Adequacy of Internal Controls

The Board of Directors remains committed to maintaining high standards of corporate governance and ensuring the adequacy and effectiveness of the Company's internal control framework. The Company has established a sound system of internal controls that is integrated across its key functions, effectively implemented and subject to ongoing monitoring and review.

The Board Audit Committee periodically reviews the adequacy and effectiveness of the Company's internal control system to ensure that appropriate controls and procedures are in place for safeguarding the Company's assets, preventing and detecting errors and fraud, ensuring compliance with applicable laws and regulations, and maintaining the accuracy, completeness and reliability of financial reporting.

The Company recognizes the importance of an independent and effective internal audit function in further strengthening its governance and control environment. Accordingly, the Company is in the process of establishing an in-house Internal Audit Department, which is expected to become operational during the forthcoming financial year. The establishment of this function is intended to further enhance the systematic evaluation of internal controls, risk management and governance processes across the Company.

Risk Management

The Company recognizes effective risk management as an integral part of its governance framework and decision-making processes. A comprehensive Risk Management Policy is in place, defining the respective roles and responsibilities of the Board of Directors, its committees and senior management in identifying, assessing, monitoring and managing risks that may affect the achievement of the Company's strategic and operational objectives.

The Board of Directors, supported by the Audit Committee**,** maintains oversight of the Company's risk management framework and periodically reviews the key risks identified through the risk assessment process. These risks are evaluated with reference to their likelihood of occurrence and potential impact on the Company. Senior management, led by the Chief Executive Officer and Chief Financial Officer, is responsible for implementing appropriate risk mitigation measures and presenting significant risk matters and proposed responses to the Board and its relevant committees for consideration.

The nature of the Company's operations exposes it to various financial risks, including market risk**,** comprising foreign currency risk, other price risk and interest rate risk, as well as credit risk and liquidity risk**.** The Company's overall financial risk management approach is designed to address uncertainties arising from financial markets and to minimize, where practicable, their potential adverse impact on the Company's financial position, performance and cash flows.

Financial risk management activities are primarily undertaken by the Company's Finance Department in accordance with policies and parameters approved by the Board of Directors. The Finance Department regularly evaluates the Company's financial risk exposures and, where considered appropriate and practicable, takes suitable measures to manage or hedge such exposures.

The Board establishes the overall principles governing financial risk management and approves policies relating to specific areas, including foreign currency risk, other price risk, interest rate risk, credit risk, liquidity risk and the management and investment of surplus liquidity. Treasury-related activities are undertaken within the approved limits, authorities and parameters established under these policies.

The Company's internal control and assurance processes further support the risk management framework by ensuring that appropriate checks and controls are applied to significant transactions, in addition to routine procedural and compliance reviews. These mechanisms are intended to strengthen accountability, safeguard the Company's assets and facilitate the timely identification and management of material risks.

Credit Risk

Credit risk represents the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company generally does not extend significant credit to its customers and, accordingly, its exposure to credit risk arising from trade receivables remains limited.

In respect of financial assets, the carrying amounts reported in the financial statements generally represent the Company's maximum exposure to credit risk. The Company does not consider itself to be exposed to any significant concentration of credit risk.

Credit risk relating to cash, bank balances and investments is managed through prudent counterparty selection and diversification. The Company places its funds primarily with reputable banks and financial institutions having satisfactory credit ratings and monitors such exposures on an ongoing basis. These measures are intended to minimize counterparty risk while maintaining an appropriate balance between security, liquidity and return.

Liquidity Risk

Liquidity risk represents the risk that the Company may encounter difficulty in meeting its financial obligations as they fall due. The Company manages liquidity risk by maintaining adequate cash and bank balances, closely monitoring projected and actual cash flows, and ensuring the availability of sufficient committed credit facilities.

The Company's liquidity management strategy places emphasis on generating adequate cash flows from its operations while maintaining access to external financing facilities, where required. The Company presently has no long-term borrowings and maintains short-term financing arrangements with its principal banking partners.

The Company maintains sufficient liquidity and available credit lines to meet its contractual and operational commitments as they become due. Management regularly monitors the Company's liquidity position, financing requirements and availability of banking facilities to ensure that adequate financial resources remain available to support ongoing operations.

Foreign Exchange Risk

Foreign exchange risk arises from transactions denominated in currencies other than the Company's functional currency. The Company's principal exposure to foreign currency risk arises from the import of raw materials and other purchases denominated primarily in United States Dollars (USD), resulting in exposure to fluctuations in the USD/PKR exchange rate.

As part of its foreign exchange risk management approach, the Company generally prefers the use of sight letters of credit for the import of raw materials, thereby limiting the duration of its foreign currency exposure. The Finance Department monitors foreign currency exposures and prevailing exchange-rate movements to assess their potential impact on the Company's costs and cash flows.

Exchange differences arising from foreign currency transactions are accounted for in accordance with the applicable financial reporting framework. Where such differences are directly attributable to the acquisition of qualifying assets or otherwise meet the applicable capitalization criteria, they are treated in accordance with the relevant accounting requirements. All other foreign exchange gains or losses are recognized in the financial statements in accordance with the applicable accounting standards.

Policies and Procedures

The Company remains committed to strengthening its governance and internal control framework through the development, documentation and implementation of comprehensive policies and procedures. During the previous financial year, on the direction of the Board of Directors and its relevant Committees, the Company initiated a structured exercise to review and formally document its key policies, procedures and operational processes.

The objective of this exercise is to establish a consistent and well-defined framework across the Company and to integrate documented policies and procedures into the overall risk governance framework. This is intended to facilitate effective management of financial, operational and compliance risks, while promoting accountability, consistency and efficiency in the Company's operations.

During the year, the Company's significant Balancing, Modernization and Replacement (BMR) program resulted in changes to certain operational processes and control requirements. Consequently, a number of policies and procedures required further review and revision to ensure their continued relevance and alignment with the Company's evolving operational environment.

Considerable progress has been made in this regard, with a substantial portion of the documentation and review process completed during the year. The remaining policies and procedures are expected to be finalized and implemented during the forthcoming financial year. Thereafter, these documents will be subject to periodic review and updating, as appropriate, to ensure their continued effectiveness and alignment with the Company's operations, regulatory requirements and risk management framework.

Sustainability and Corporate Social Responsibility (CSR)

The Company recognizes its responsibility to contribute positively to society and to consider the social and environmental implications of its business activities. While a formal Corporate Social Responsibility (CSR) and sustainability framework has not yet been established, primarily due to resource constraints and the Company's current operational priorities, the Board remains mindful of the importance of responsible and sustainable business practices.

The Company continues to contribute to social welfare initiatives on an informal basis, including financial support to deserving charitable and community organizations. As the Company grows and additional resources become available, it intends to develop a more structured approach towards CSR and sustainability, including appropriate oversight arrangements within its governance framework.

PAPL's business activities are closely associated with Pakistan's agricultural sector, which plays an important role in the country's economy, food security and rural livelihoods. By providing products and solutions that support agricultural activities, the Company seeks to contribute to the development and sustainability of this important sector while maintaining responsible business practices.

Going forward, the Company intends to progressively develop and formalize its sustainability and CSR initiatives in line with its financial capacity, business priorities and stakeholder expectations. The proposed framework will seek to establish defined areas of focus, appropriate governance arrangements and mechanisms for monitoring the effectiveness of relevant initiatives.

Environment, Health & Safety

The Company considers environmental protection and the health and safety of its employees to be important components of responsible operations. Appropriate measures and controls are incorporated into production and operational processes with the objective of minimizing potential adverse impacts on the environment and reducing occupational health and safety risks.

The Company maintains relevant safety procedures, protective measures and emergency-response arrangements at its operational facilities. Necessary equipment is maintained to facilitate an appropriate response to potential health, safety and environmental incidents.

Management continues to monitor workplace health and safety practices and seeks to promote awareness and compliance with applicable requirements across the organization. The Company remains committed to continuously improving its Environment, Health and Safety (EHS) practices in line with operational requirements, applicable laws and evolving industry practices.

The Company maintains appropriate policies and procedures for the identification, review, approval and disclosure of transactions with related parties. All related party transactions, where applicable, are undertaken in accordance with the requirements of applicable laws, regulations and the Company's governance framework, and the necessary disclosures are made in the financial statements.

As a matter of policy, the Company seeks to avoid entering into contracts for the procurement of goods or services with persons or entities related to members of the Board or senior management, unless such transactions are considered necessary or beneficial to the Company and are undertaken on appropriate commercial terms. Where any such transaction is entered into, the prescribed approval, documentation and disclosure requirements are followed to ensure transparency and appropriate management of potential conflicts of interest.

Threshold for Consideration as Executives

The Board of Directors has established the criteria for determining employees who shall be classified as Executives of the Company for reporting and disclosure purposes.

For this purpose, Executives include the Chief Executive Officer, Chief Financial Officer, Heads of Departments**,** and such other employees as may be identified by the Human Resource and Remuneration Committee, having regard to the nature and scope of their responsibilities, decision-making authority and their ability to materially influence the achievement of the Company's key objectives.

Subject to the above criteria, employees drawing a monthly remuneration package of Rs. 100,000 or above may also be classified as Executives where their roles and responsibilities meet the criteria established by the Board and the Human Resource and Remuneration Committee. The threshold and related criteria may be reviewed periodically to ensure their continued relevance in light of changes in the Company's organizational structure, remuneration levels and applicable regulatory requirements.

Names of Directors of the Company during the Financial Year

1. Ms. Kaisra Jabeen Butt (Chairperson & Non-Executive Director);
2. Dr. Safdar Ali Butt (CEO & Executive Director);
3. Dr Tariq Javed (CFO & Executive Director);
4. Mr. Mohammad Javed (Non-Executive, Independent Director);
5. Mr. Iftikhar Mahmood (Non-Executive, Independent Director);
6. Mr. Nazir Ahmed Shaheen (Non-Executive, Independent Director);
7. Dr. Mubarak Hussain (Non-Executive, Independent Director);

Composition of Board at the Time of Directors' Report
The Composition of the Board at the time of Directors' Report is as following;
The total number of directors are 7 including 6 male and 1 female director.

The composition of board, on basis of type of directorship held, is as follows:

a) Independent Non-Executive Directors: 04
b) Non-Executive Director: 01 (female director)
c) Executive Directors: 02

Directors' Training

The Company recognizes the importance of continuous professional development of its directors to enable them to effectively discharge their responsibilities and remain abreast of evolving regulatory, governance and business requirements.

All directors of the Company have either attended or obtained the requisite certification under the Directors' Training Program conducted by the Pakistan Institute of Corporate Governance (PICG) or other institutions approved by the relevant regulatory authorities. The Company remains committed to facilitating appropriate training and development opportunities for its directors to further strengthen the effectiveness of the Board.

Evaluation of Board and Committees' Performance

The Company has established a formal process for the annual evaluation of the performance and effectiveness of the Board of Directors, its Committees and individual directors. The evaluation process is conducted internally and is designed to assess the effectiveness of the Board's governance, oversight, decision-making and overall performance, as well as the contribution of individual directors and Board Committees.

The results of the evaluation for the year under review were satisfactory. Individual directors achieved an average evaluation score of 4.50 out of 5.00**,** while the Board Committees achieved an average score of 4.40 out of 5.00**.** The overall performance of the Board was assessed at an average score of 4.30 out of 5.00**.**

The evaluation process also provides an opportunity to identify areas for further improvement and to strengthen the overall effectiveness of the Board and its Committees. The Board remains committed to continuously enhancing its governance practices, oversight responsibilities and collective effectiveness.

Directors' Remuneration Policy

In accordance with the applicable requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019**,** an extract of the Company's Directors' Remuneration Policy is presented below.

The Human Resource and Remuneration Committee (HRRC) of the Board has been entrusted with the responsibility of reviewing the Directors' Remuneration Policy and overseeing its implementation. The formal Directors' Remuneration Policy was approved by the Board of Directors at its meeting held on 10 July 2021.

The principal objectives of the Policy are to attract, motivate and retain directors of appropriate caliber, competence and commercial experience necessary to support the Company's strategic objectives, while ensuring compliance with applicable laws, regulations and governance requirements relating to directors' remuneration.

In determining the overall remuneration framework, the Policy takes into consideration:

- the Company's strategic objectives and long-term goals;
- the Company's commitment to corporate social responsibility and responsible business practices;
- the Company's core principles of integrity and sound corporate governance;
- prevailing market conditions and the availability of appropriately qualified and experienced individuals;
- the need to maintain an environment conducive to effective decision-making, professional judgment, motivation and achievement of corporate objectives; and
- remuneration practices for directors of comparable companies, including organizations operating in similar businesses and companies of a comparable size in Pakistan.

The overall limits relating to remuneration, fees and benefits payable to directors are determined and approved in accordance with the applicable statutory and regulatory requirements and, where required, within the limits approved by the shareholders of the Company.

In determining the remuneration of an individual director, due consideration is given to the director's qualifications, relevant professional and commercial experience, responsibilities and stature; prevailing market practices for individuals possessing comparable skills and experience; and the nature of the director's association with the Company, including the category and responsibilities of the directorship held.

In the case of Independent Directors**,** remuneration is restricted to the fees payable for attending Board and Committee meetings, together with such other payments or reimbursements as may be permissible under applicable laws, regulations and the Company's approved policies.

The HRRC periodically reviews the Directors' Remuneration Policy and may recommend appropriate revisions to the Board to ensure that it remains aligned with the Company's requirements, prevailing market practices and applicable regulatory requirements.

Gender Pay Gap Statement

In accordance with the applicable disclosure requirements under SECP Circular No. 10 of 2024**,** the Company has assessed its gender pay gap for the year under review, which stands at NIL.

The Company is committed to providing equal remuneration opportunities without discrimination on the basis of gender. Remuneration is determined based on factors such as job grade, nature and scope of responsibilities, qualifications, experience and other relevant role-related considerations, irrespective of gender.

Accordingly, the Company maintains the principle of equal pay for work of equal value and endeavors to ensure fairness, consistency and transparency in its remuneration practices.

Board's Efforts Towards Understanding the Views of Shareholders

The Board recognizes the importance of maintaining effective and transparent engagement with the Company's shareholders, including minority shareholders, and remains mindful of its responsibility to consider their legitimate interests and concerns.

The Board and senior management maintain appropriate channels of communication with shareholders, institutional investors and other market participants, including brokerage houses, to better understand matters of interest and concern to the investment community. Such engagement also provides an opportunity to communicate the Company's strategy, performance, business outlook and long-term objectives, subject to applicable legal and regulatory requirements relating to disclosure of information.

The Company seeks to maintain an informed and engaged shareholder base by facilitating timely access to relevant information and encouraging constructive dialogue between shareholders, the Board and management.

Members of the Board also engage directly with shareholders through the Company's Annual General Meeting (AGM). During the AGM held on 25 October 2025**,** members of the Board participated virtually and interacted with shareholders, providing them with an opportunity to express their views and raise matters concerning the Company. The Board intends to continue such engagement at the forthcoming AGM and through other appropriate communication channels to further strengthen shareholder participation and transparency.

First Interim Dividend to Minority Shareholders

During the year, the Company declared and paid its first interim dividend, reflecting the Board's commitment to delivering value to its shareholders. In a significant initiative aimed at extending the benefit of the distribution to minority shareholders, the majority shareholders voluntarily waived/forewent their entitlement to the interim dividend**,** thereby enabling the dividend distribution to benefit the minority shareholders. This initiative demonstrates the majority shareholders' support for the interests of minority shareholders and reflects the Company's broader commitment to equitable shareholder engagement and value creation.

Acknowledgements

The Board of Directors wishes to place on record its sincere appreciation for the dedication, commitment and hard work of the Company's employees, management, consultants and business associates. Their collective efforts and continued contribution have enabled the Company to navigate a challenging economic and business environment and achieve satisfactory results during the year under review.

The Board also extends its sincere gratitude to all stakeholders, including the Company's shareholders, customers, suppliers, financial institutions, business partners and regulatory authorities, for their continued support, cooperation and confidence in the Company.

In particular, the Board acknowledges the continued trust and loyalty of the Company's customers and remains committed to delivering quality products and services, creating sustainable value for stakeholders and pursuing the Company's long-term objectives.

Website of the Company

All the information as required to be placed on Company's website under statutory/regulatory requirements is appropriately placed at www.pakagro.com





Dr Safdar Ali Butt
(Chief Executive)

Dr Tariq Javed
Executive Director

Islamabad, October 05, 2026

ڈائریکٹرز کی رپورٹ

پاک ایگرو پیکیجنگ لمیٹڈ (”کمپنی“) کے ڈائریکٹرز 30 جون 2026 کو ختم ہونے والے سال کی سالانہ رپورٹ، آڈٹ شدہ مالیاتی گوشواروں کے ساتھ، پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

اہم واقعات

30 جون 2026 کو ختم ہونے والے مالی سال کے دوران درج ذیل اہم پیش رفت ہوئی:

الف۔ پیداواری صلاحیت کی معقول تنظیم

BMR پروگرام کے بعد کمپنی نے عملی کارکردگی بہتر بنانے اور پیداواری صلاحیت کو مارکیٹ کی طلب کے مطابق ڈھالنے کے لیے اپنی پیداواری سہولیات کو معقول انداز میں منظم کیا۔ کم منافع بخش مصنوعات کے لیے مختص پیداواری صلاحیت کو بہتر بنایا گیا، جبکہ زیادہ منافع بخش مصنوعات کی اقسام کے لیے پیداواری صلاحیت میں اضافہ کیا گیا۔ بڑھتی ہوئی خودکاری اور اضافی مشینری کی تنصیب کے مطابق فیکٹری میں افرادی قوت کی تنظیم بھی نو کی گئی۔

ب۔ فیکٹری کے احاطے میں توسیع

بڑھتی ہوئی پیداواری ضروریات کو پورا کرنے اور مستقبل کی عملی ضروریات کے لیے اضافی جگہ فراہم کرنے کی غرض سے کمپنی نے 15 سالہ لیز کے تحت ایک ایکڑ اضافی صنعتی پلاٹ کے استعمال کا حق حاصل کیا۔ یہ اضافی احاطہ کمپنی کی بڑھتی ہوئی تیاری اور متعلقہ عملی ضروریات میں معاون ہوگا اور مستقبل میں پیداواری صلاحیت بڑھانے کے لیے زیادہ لچک فراہم کرے گا۔

ج۔ مونو فلامنٹ یارن کی پیداواری صلاحیت میں اضافہ

مارکیٹ میں موجود طلب کے پیش نظر اور اندرونِ ادارہ تیاری کی صلاحیت مزید مضبوط بنانے کے لیے کمپنی نے سال کے دوران مونو فلامنٹ یارن بنانے کی نئی مشین حاصل کی۔ توقع ہے کہ اس سرمایہ کاری سے پیداواری صلاحیت بڑھے گی، ایک اہم پیداواری خام مال کی دستیابی اور معیار پر بہتر کنٹرول حاصل ہوگا، اور کمپنی کی بڑھتی ہوئی نیٹنگ مصنوعات کی تیاری میں مدد ملے گی۔

د۔ شیڈ نیٹ کی پیداواری صلاحیت میں توسیع

کمپنی نے وسیع اور خصوصی شیڈ نیٹ مصنوعات کی بڑھتی ہوئی مارکیٹ طلب پوری کرنے کے لیے زیادہ سے زیادہ دستیاب پیداواری چوڑائی والی دو نئی شیڈ نیٹ مشینیں بھی حاصل کیں۔ اضافی مشینری کمپنی کو مصنوعات کی خصوصیات کا دائرہ وسیع کرنے، پیداوار میں لچک بہتر بنانے اور بڑی و زیادہ تکنیکی نوعیت کی ضروریات پوری کرنے کے قابل بنائے گی۔

ہ۔ کم از کم اجرت میں اضافہ

سال کے دوران حکومتِ خیبر پختونخوا نے فنانس بل 2025-26 کے ذریعے کم از کم ماہانہ اجرت 40,000 روپے سے بڑھا کر 45,000 روپے کر دی۔ چونکہ کمپنی کی پیداواری سرگرمیاں افرادی قوت پر زیادہ انحصار کرتی ہیں، اس لیے اس تبدیلی سے براہِ راست مزدوری لاگت اور پیداواری بالائی اخراجات میں نمایاں اضافہ ہوا۔ کمپنی نے اس اثر کو کم کرنے کے لیے پیداواری صلاحیت اور عملی کارکردگی بہتر بنانے کی کوششیں جاری رکھیں، تاہم زیادہ اجرتی لاگت نے سال کے دوران پیداواری اخراجات اور عملی منافع کے مارجن پر اضافی دباؤ ڈالا۔

یہ سرمایہ کاریاں مارکیٹ کی طلب کے مطابق پیداواری صلاحیت بڑھانے، عملی کارکردگی بہتر بنانے اور مصنوعات میں تنوع لانے پر کمپنی کی مسلسل توجہ کی عکاسی کرتی ہیں۔ اضافی زمین، مشینری اور توانائی کا بنیادی ڈھانچہ موجودہ طلب پوری کرنے کے ساتھ مستقبل کے ترقیاتی مواقع سے فائدہ اٹھانے کے لیے مضبوط بنیاد فراہم کرتا ہے۔

عالمی معاشی جائزہ

بڑھتی ہوئی تجارتی کشیدگی اور پالیسی سے متعلق مسلسل غیر یقینی صورتِ حال کے باوجود 2025 میں عالمی معیشت نے لچک دکھائی۔ سال کے دوران تجارتی کشیدگی میں کسی حد تک کمی آئی اور اپریل 2026 تک امریکہ کی مؤثر ٹیرف شرح 13.5 فیصد تخمینہ کی گئی، جو اکتوبر 2025 کی پیش گوئی میں 18.7 فیصد تھی۔ سپلائی چینز نے بھی بتدریج خود کو حالات کے مطابق ڈھالا،

جس سے عالمی معاشی سرگرمی برقرار رکھنے میں مدد ملی۔ مارکیٹ میں اتار چڑھاؤ اور سرکاری بانڈز کی بڑھتی ہوئی منافع شرحوں کے باوجود مالی حالات مجموعی طور پر سازگار رہے۔

اس کے نتیجے میں 2025 میں عالمی شرح نمو 3.4 فیصد تخمینہ کی گئی، جو 2024 کے 3.3 فیصد سے معمولی زیادہ تھی۔ تاہم مشرقِ وسطیٰ میں تنازع شروع ہونے کے بعد 2026 کے اوائل میں عالمی منظرنامہ کمزور ہوا۔ توانائی کی ترسیل کے راستوں میں خلل اور اہم پیداواری سہولیات کو نقصان نے عالمی توانائی منڈیوں میں غیر یقینی بڑھائی اور شرح نمو کے لیے منفی خطرات پیدا کیے۔ اسی دوران نئی تجارتی کشیدگی، بلند سرکاری قرض اور پیداواری نمو میں سست روی سے متعلق خدشات عالمی معاشی منظرنامے پر دباؤ ڈالتے رہے۔

عالمی معاشی منظرنامہ (اپریل 2026) کے مطابق 2026 میں عالمی شرح نمو کم ہو کر 3.1 فیصد رہنے جبکہ مجموعی عالمی افراطِ زر 2025 کے 4.1 فیصد سے بڑھ کر 4.4 فیصد ہونے کی توقع ہے۔ ترقی یافتہ معیشتوں میں امریکی معیشت 2025 میں 2.1 فیصد بڑھی اور توسیعی مالیاتی پالیسی، مالیاتی نرمی اور ٹیکنالوجی شعبے کی رفتار کے باعث 2026 میں 2.3 فیصد تک بڑھنے کی توقع ہے۔ چین کی شرح نمو 2025 میں 5.0 فیصد رہی مگر برآمدات پر زیادہ امریکی ٹیرف کے منفی اثرات کے باعث 2026 میں 4.4 فیصد تک کم ہونے کی توقع ہے۔

برطانیہ میں شرح نمو 2025 میں 1.3 فیصد تخمینہ کی گئی اور نسبتاً سست مالیاتی نرمی کے باعث 2026 میں 0.8 فیصد رہنے کی توقع ہے۔ یورو ایریا میں 2025 کی شرح نمو 1.4 فیصد رہی اور مینوفیکچرنگ کی مسلسل کمزوری اور یورو کی قدر میں اضافے کے دباؤ کے باعث 2026 میں 1.1 فیصد متوقع ہے۔ ابھرتی ہوئی اور ترقی پذیر معیشتوں کی شرح نمو 2025 کے 4.4 فیصد سے کم ہو کر 2026 میں 3.9 فیصد رہنے کا امکان ہے۔

مشرقِ وسطیٰ کے تنازع کا اثر مختلف ممالک پر ان کی توانائی پر انحصار، تجارتی روابط، ترسیلاتِ زر اور مالی کمزوریوں کے مطابق مختلف ہوگا۔ 2025 میں عالمی تجارت مضبوط رہی اور IMF کے اندازوں کے مطابق اشیا و خدمات کی عالمی تجارت کے حجم میں 5.1 فیصد اضافہ ہوا۔ تاہم مسلسل جغرافیائی سیاسی کشیدگی اور عالمی تجارتی ماحول میں غیر یقینی کے باعث 2026 میں تجارتی نمو کم ہو کر 2.8 فیصد رہنے کی توقع ہے۔ سپلائی چینز کی نئی تشکیل اور بدلتے تجارتی رجحانات خصوصاً ایشیا میں عالمی تجارت کی نوعیت تبدیل کرتے رہے۔

PAPL کے لیے عالمی توانائی، اجناس اور زرمبادلہ منڈیوں کی پیش رفت خاص اہمیت رکھتی ہے کیونکہ اہم خام مال پٹرولیم پر مبنی اور درآمدی نوعیت کا ہے۔ پٹرولیم قیمتوں، شرح مبادلہ، فریٹ اخراجات اور بین الاقوامی سپلائی چینز میں اتار چڑھاؤ خام مال کی لاگت، پیداواری اخراجات اور عملی منافع کے مارجن کو براہِ راست متاثر کر سکتا ہے۔ انتظامیہ ان پیش رفتوں کی مسلسل نگرانی کرتی ہے اور اثرات کم کرنے کے لیے مناسب اقدامات کرتی ہے۔

پاکستانی معیشت کا جائزہ

مالی سال 2026 میں معیشت نے ترقی کی رفتار تیز کی اور گزشتہ سال کی 3.18 فیصد شرح کے مقابلے میں 3.70 فیصد نمو ریکارڈ کی۔ اس بہتری کی اہم وجوہ میں مؤثر میکرو اکنامک انتظام، بہتر مالیاتی کھاتے، بڑے پیمانے کی صنعت (LSM) میں نمو، 2025 کے سیلاب کے مقابل زرعی شعبے کی مزاحمت، شرح مبادلہ میں استحکام اور IMF کی Extended Fund Facility کے تحت اصلاحات شامل ہیں۔ مشرقِ وسطیٰ کے بحران کے دوران عالمی تیل کی قیمتوں میں اضافے اور رسد میں خلل کے باعث افراطِ زر مارچ 2026 کے 7.3 فیصد سے بڑھ کر اپریل 2026 میں 10.9 فیصد ہوگیا۔ جولائی تا اپریل مالی سال 2026 میں اوسط افراطِ زر 6.2 فیصد رہا، جو گزشتہ سال اسی مدت میں 4.7 فیصد تھا۔

مالی نظم و ضبط میں بہتری آئی اور جولائی تا مارچ مالی سال 2026 میں مالی خسارہ GDP کے 0.7 فیصد تک کم ہوگیا، جو گزشتہ سال اسی مدت میں 2.6 فیصد تھا۔ اس بہتری کی وجہ ٹیکس اور غیر ٹیکس آمدنی میں اضافہ اور مارک اپ اخراجات میں نمایاں کمی تھی۔ بنیادی سرپلس 3.0 فیصد سے بڑھ کر GDP کے 3.2 فیصد ہوگیا۔ بیرونی شعبے میں جولائی تا مارچ مالی سال 2026 کے دوران جاری کھاتے میں 72 ملین امریکی ڈالر کا معمولی سرپلس رہا، جبکہ گزشتہ سال اسی مدت میں 1.7 ارب امریکی ڈالر کا سرپلس تھا۔ کارکنوں کی ترسیلاتِ زر 8.2 فیصد بڑھ کر 30.3 ارب امریکی ڈالر ہوگئیں۔

PAPL کے لیے ملکی معاشی سرگرمی میں بہتری ایک معاون کاروباری ماحول فراہم کرتی ہے، تاہم توانائی اور پٹرولیم سے متعلق خام مال کی زیادہ لاگت، افراطِ زر کے دباؤ اور زرعی شعبے کی قوتِ خرید اہم عوامل ہیں۔ انتظامیہ بدلتے ہوئے مارکیٹ حالات کے مطابق لاگت میں کفایت، محتاط قیمت گذاری اور عملی پیداواری صلاحیت پر توجہ جاری رکھے ہوئے ہے۔

پاکستان اور زراعت

زراعت پاکستان کی معیشت میں غذائی تحفظ، روزگار، غربت میں کمی اور صنعت کو خام مال کی فراہمی کے ذریعے اہم کردار ادا کرتی ہے۔ یہ شعبہ قومی GDP میں 23.4 فیصد حصہ ڈالتا ہے اور 33.1 فیصد روزگار فراہم کرتا ہے۔ غذائی فصلوں کی پیداوار اور دستیابی قومی غذائی تحفظ کے لیے اہم ہے۔ اس تناظر میں موسمی حالات، آبی وسائل، بارش کے رجحانات اور زرعی مداخل کی لاگت پر مسلسل توجہ شعبے کی کارکردگی برقرار رکھنے کے لیے ضروری ہے۔

زراعت کی اہمیت کے پیش نظر حکومت زرعی شعبے کے فوائد زیادہ سے زیادہ کرنے کے لیے زراعت دوست پالیسیوں پر عمل پیرا ہے، جن میں مداخل کی بلا تعطل اور مناسب قیمت پر فراہمی اور پیداواری صلاحیت بڑھانے کے اقدامات شامل ہیں۔ اس سلسلے میں وزیراعظم کی قیادت میں National Agriculture & Food Security Council (NAFSC) and National Meat Sector Transformation & Export Council کا قیام غذائی تحفظ اور زرعی برآمدات بڑھانے کے لیے اہم پیش رفت ہے۔
2025-26 میں زرعی شعبے نے 2.89 فیصد نمو ریکارڈ کی، جبکہ گزشتہ سال اسی مدت میں یہ 1.53 فیصد تھی۔ حکومتی اقدامات اور بروقت معاونت نے 2025 کے سیلاب کے بعد فصلوں کے ذیلی شعبے کو توقع سے بہتر کارکردگی دکھانے میں مدد دی۔ اس ذیلی شعبے نے 1.44 فیصد نمو ریکارڈ کی، جبکہ 2024-25 میں 1.01 فیصد سکڑاؤ ہوا تھا۔ خریف کی فصلوں نے نسبتاً بہتر کارکردگی دکھائی کیونکہ سیلاب سے نقصان ابتدائی اندازوں سے کم رہا اور کپاس و مکئی کے علاوہ پیداوار عمومی طور پر 2024-25 سے زیادہ رہی۔

کپاس، چاول، گنا، مکئی اور گندم سمیت اہم فصلوں نے مجموعی طور پر 0.65 فیصد نمو ریکارڈ کی۔ گنے کی پیداوار میں سب سے زیادہ 6.2 فیصد اضافہ ہوا (84.24 سے 89.45 ملین ٹن)، گندم میں 4.3 فیصد (28.40 سے 29.61 ملین ٹن) اور چاول میں 2.8 فیصد (9.72 سے 9.99 ملین ٹن) اضافہ ہوا۔ اس کے برعکس مکئی اور کپاس کی پیداوار بالترتیب 2.7 فیصد اور 0.5 فیصد کم ہوئی۔ دیگر فصلوں میں سیلابی رکاوٹوں کے باوجود 2.43 فیصد نمو ہوئی، جس میں دالوں، سبزیوں اور پھلوں کی پیداوار بالترتیب 31.4 فیصد، 12.6 فیصد اور 2.8 فیصد بڑھی۔

چونکہ زراعت پاک ایگرو کی ایک اہم آخری منڈی ہے، اس لیے اس شعبے کی کارکردگی کمپنی کی زرعی پیکیجنگ، فصلوں کے تحفظ اور معاون مصنوعات کی طلب پر براہِ راست اثر ڈالتی ہے۔ زرعی سرگرمی میں بہتری ترقی کے مواقع فراہم کرتی ہے، تاہم موسمیاتی رکاوٹیں، پانی کی دستیابی، بڑھتے زرعی مداخل کے اخراجات اور کسانوں کی قوتِ خرید پر دباؤ مارکیٹ کی طلب کو متاثر کرنے والے اہم عوامل ہیں۔

افراطِ زر

مالی سال 2026 کے دوران افراطِ زر مجموعی طور پر قابلِ انتظام رہا، جس کی وجہ میکرو اکنامک استحکام اور پالیسی و انتظامی اقدامات میں بہتر ہم آہنگی تھی۔ جولائی تا اپریل مالی سال 2026 میں اوسط CPI افراطِ زر 6.2 فیصد رہا، جبکہ گزشتہ سال اسی مدت میں 4.7 فیصد تھا۔ محتاط میکرو اکنامک انتظام، بہتر رسد، مارکیٹ کی مضبوط نگرانی اور ذخیرہ اندوزی و اسمگلنگ کی روک تھام کے اقدامات کے باعث قیمتوں کا دباؤ بڑی حد تک محدود رہا۔ تاہم فروری 2026 کے آخر میں مشرقِ وسطیٰ میں نئی جغرافیائی سیاسی کشیدگی نے خصوصاً عالمی توانائی قیمتوں کے ذریعے بیرونی دباؤ پیدا کیا، جس کا ابتدائی اثر Sensitive Price Indicator میں نمایاں ہوا۔

حکومت نے قیمتوں کے استحکام اور کمزور طبقات کے تحفظ کے لیے مربوط پالیسی ردعمل جاری رکھا، جس میں محتاط مالی انتظام، متوازن مالیاتی پالیسی، ضروری اشیا کی منڈیوں کی بہتر نگرانی، رسد کی روانی، منتخب اشیا پر درآمدی ڈیوٹی میں معقولیت اور مارکیٹ میں بگاڑ کی روک تھام شامل تھی۔ نسبتاً مستحکم شرح مبادلہ اور بہتر سپلائی چین ہم آہنگی نے بیرونی جھٹکوں کے مقامی قیمتوں پر اثر کو محدود رکھنے میں مدد دی۔

پاک ایگرو کے لیے افراطِ زر کا دباؤ خاص طور پر اہم ہے کیونکہ اہم خام مال پٹرولیم پر مبنی ہے اور کمپنی توانائی، نقل و حمل اور مزدوری کے اخراجات سے متاثر ہوتی ہے۔ زیادہ افراطِ زر خصوصاً زرعی شعبے میں صارفین کی قوتِ خرید کم کرتا ہے

اور کمپنی کے لیے بڑھتی لاگت مکمل طور پر فروخت قیمتوں میں منتقل کرنا مشکل بناتا ہے۔ انتظامیہ عملی منافع کے مارجن کو محفوظ رکھنے اور مصنوعات کی مسابقت برقرار رکھنے کے لیے لاگت پر قابو، پیداواری کارکردگی اور محتاط قیمت گذاری پر توجہ جاری رکھتی ہے۔

توانائی

توانائی کا شعبہ پاکستان کی معیشت کا بنیادی ستون ہے اور معاشی نمو، صنعتی ترقی اور سماجی پیش رفت کے لیے نہایت اہم ہے۔ قابلِ اعتماد اور مناسب قیمت پر توانائی صنعتی پیداوار، زرعی پیداواری صلاحیت، تجارت اور ضروری خدمات کے لیے لازم ہے۔ ٹیکنالوجی پر مبنی اور باہم مربوط معیشتوں میں توانائی محض پیداواری مداخل نہیں رہی بلکہ معاشی مسابقت، سرمایہ کاری، پیداواری صلاحیت اور طویل مدتی معاشی استحکام کا اہم محرک بن چکی ہے۔

مالی سال 2026 کے پہلے نو ماہ میں پاکستان کا توانائی شعبہ توانائی کی استطاعت، رسد، معاشی کارکردگی اور ماحولیاتی پائیداری جیسے باہم متقابل مقاصد کے باعث مشکل عملی ماحول سے گزرا۔ قابلِ اعتماد توانائی کی دستیابی یقینی بنانے، ساختی مسائل حل کرنے اور صاف و متنوع توانائی کی طرف منتقلی کے لیے دباؤ برقرار رہا۔ اس کے باوجود اصلاحات، صلاحیت میں اضافے اور توانائی کے امتزاج میں تبدیلی نے زیادہ مضبوط، مؤثر اور پائیدار توانائی نظام کی جانب بتدریج پیش رفت ظاہر کی۔

پاک ایگرو کے لیے مسلسل پیداوار اور پیداواری لاگت پر قابو رکھنے کے لیے قابلِ اعتماد اور مسابقتی قیمت والی توانائی اہم ہے۔ بڑھتی توانائی لاگت سے نمٹنے اور رسد کی قابلِ اعتمادیت بہتر بنانے کے لیے کمپنی نے قابلِ تجدید توانائی کی صلاحیت میں اضافہ جاری رکھا۔ سال کے دوران اضافی شمسی بجلی پیدا کرنے کی صلاحیت پر 29.7 ملین روپے سرمایہ کاری کی گئی، جس سے روایتی توانائی ذرائع پر انحصار کم، توانائی لاگت کی کارکردگی بہتر اور پیداواری سرگرمیوں کی پائیداری مضبوط ہوگی۔

موسمیاتی تبدیلی

موسمیاتی تبدیلی ایک فیصلہ کن عالمی چیلنج بن چکی ہے جس کے انسانی فلاح، معاشی استحکام اور پائیدار ترقی پر دور رس اثرات ہیں۔ فضا، سمندروں، برفانی خطوں اور حیاتیاتی نظام میں وسیع اور تیز تبدیلیاں پہلے ہی رونما ہو چکی ہیں۔ CCIP کی چھٹی جائزہ رپورٹ (AR6) کے مطابق انسانی سرگرمیوں سے پیدا ہونے والی موسمیاتی تبدیلی دنیا کے ہر خطے میں شدید موسمی واقعات کو بڑھا رہی ہے، جس سے قدرتی اور انسانی نظاموں کو بڑے پیمانے پر نقصان پہنچا ہے۔

تقریباً 3.3 سے 3.6 ارب افراد انتہائی موسمیاتی خطرات سے دوچار ماحول میں رہتے ہیں۔ 2010 سے 2020 کے دوران سیلاب، خشک سالی اور طوفانوں سے اموات انتہائی کمزور خطوں میں نسبتاً کم کمزور خطوں کے مقابلے میں تقریباً پندرہ گنا زیادہ رہیں۔ مسلسل گرین ہاؤس گیس اخراج کے باعث قریب المدت عرصے 2021-2040 میں عالمی حدت 1.5°C تک پہنچنے کی توقع ہے۔ ہر اضافی درجہ حرارت مرکب گرمی کی لہروں، خشک سالی اور شدید بارش جیسے خطرات کو بڑھاتا ہے۔

1995 سے 2024 کے دوران دنیا بھر میں 9,700 سے زیادہ شدید موسمی واقعات سے 832,000 سے زائد جانیں ضائع ہوئیں اور تقریباً 4.5 ٹریلین امریکی ڈالر کے براہِ راست معاشی نقصانات ہوئے۔ پاکستان عالمی اخراج میں ایک فیصد سے بھی کم اور تاریخی اخراج میں تقریباً 0.4 فیصد حصہ رکھنے کے باوجود موسمیاتی تبدیلی سے سب سے زیادہ متاثر ممالک میں شامل ہے۔

پاکستان کی جغرافیائی ساخت بھی اس کی کمزوری بڑھاتی ہے؛ شمال میں بلند پہاڑی سلسلوں اور غیر قطبی دنیا کے بڑے برفانی ذخائر سے لے کر جنوب میں نشیبی ساحلی علاقوں تک ملک موسمیاتی تبدیلی کے مختلف اثرات سے دوچار ہے۔ گزشتہ 50 سال میں پاکستان کا اوسط سالانہ درجہ حرارت تقریباً 0.5°C بڑھا ہے اور صدی کے اختتام تک مزید 3°C سے 5°C اضافے کی پیش گوئی ہے۔ 2025 میں گلگت بلتستان، خیبر پختونخوا اور آزاد جموں و کشمیر میں درجہ حرارت کے غیر معمولی اضافے گزشتہ 65 سال میں بلند ترین سطحوں میں شامل رہے۔

بڑھتا درجہ حرارت گلیشیئرز کے پگھلاؤ، گلیشیائی جھیلوں کے پھٹنے سے سیلاب، بارش کے شدید اتار چڑھاؤ اور بدلتے مون سون رجحانات کو بڑھا رہا ہے۔ گزشتہ دہائی میں شدید گرمی اور بارش نے متعدد بڑے و چھوٹے سیلاب پیدا کیے؛ 2022 کے سیلاب ملکی تاریخ کی بدترین موسمی آفات میں شامل تھے جبکہ 2025 کے سیلاب نے چاروں صوبوں اور آزاد جموں و کشمیر کو متاثر کیا۔ سمندر کی سطح میں اضافہ، دریائے سندھ کے ڈیلٹا میں نمکیات، ساحلی ماحولیاتی نظام کی خرابی، سمندری طوفان، خراب فضائی معیار اور پانی کی کمی معاشی و سماجی دباؤ بڑھا رہے ہیں۔

پاک ایگرو کے لیے موسمیاتی تبدیلی اس کے زرعی شعبے سے قریبی تعلق کی وجہ سے خاص اہمیت رکھتی ہے۔ شدید درجہ حرارت، سیلاب، بدلتی بارش اور پانی کی دستیابی زرعی سرگرمی، کسانوں کی قوتِ خرید اور کمپنی کی مصنوعات کی طلب کو متاثر کر سکتی ہے۔ دوسری جانب انہی حالات سے شیڈ نیٹس، اینٹی ہیل نیٹس، اینٹی انسیکٹ نیٹس اور دیگر فصل تحفظ مصنوعات کی ضرورت بڑھ سکتی ہے۔ کمپنی موسمیاتی خطرات اور مواقع کی نگرانی کے ساتھ عملی کارکردگی اور قابلِ تجدید توانائی کے استعمال میں اضافہ جاری رکھے ہوئے ہے۔

جغرافیائی سیاسی ماحول اور پیداواری لاگت کا دباؤ

ایران سے متعلق جاری تنازع اور مشرقِ وسطیٰ میں بڑھتی جغرافیائی سیاسی کشیدگی نے عالمی توانائی اور اجناس منڈیوں میں غیر یقینی مزید بڑھا دی ہے۔ بین الاقوامی پٹرولیم قیمتوں میں اتار چڑھاؤ، علاقائی سپلائی چین میں ممکنہ رکاوٹیں اور پاکستانی روپے کی قدر میں تبدیلی PAPL کے لیے خاص اہمیت رکھتی ہیں کیونکہ خام مال کا نمایاں حصہ پٹرولیم پر مبنی ہے۔
یہ پیش رفت خام مال، توانائی، نقل و حمل اور مجموعی پیداواری لاگت پر مزید دباؤ ڈال سکتی ہے۔ انتظامیہ منظم خریداری، محتاط انوینٹری انتظام، سخت لاگت کنٹرول اور پیداواری کارکردگی میں مسلسل بہتری کے ذریعے عملی و مالی استحکام برقرار رکھنے پر توجہ دے رہی ہے۔ مقصد عملی منافع کے مارجن، مصنوعات کے معیار و مسابقت اور کمپنی کی طویل مدتی مالی مضبوطی و پائیدار ترقی کا تحفظ ہے۔

30 جون 2026 کو ختم ہونے والے مالی سال میں بلند بین الاقوامی پٹرولیم قیمتوں نے پٹرولیم پر مبنی خام مال کی لاگت بڑھائی اور پیداواری اخراجات پر دباؤ ڈالا۔ مارکیٹ حالات اور خصوصاً زرعی شعبے کی محدود قوتِ خرید کے باعث کمپنی یہ اضافہ مکمل طور پر صارفین کو منتقل نہ کر سکی، جس کے نتیجے میں اضافی لاگت کا نمایاں حصہ کمپنی نے برداشت کیا اور مارجن متاثر ہوئے۔ انتظامیہ نے منظم لاگت انتظام، بہتر پیداواری کارکردگی اور محتاط قیمت گذاری کے ذریعے ردعمل دیا جبکہ مصنوعات کا معیار اور مارکیٹ مسابقت برقرار رکھی۔

مالی کارکردگی

مشکل عملی ماحول کے باوجود کمپنی نے مالی سال 2026 میں 947.105 ملین روپے کی فروخت ریکارڈ کی، جو مالی سال 2025 کے 858.693 ملین روپے کے مقابلے میں 10.29 فیصد اضافہ ہے۔ یہ نمو بنیادی طور پر مصنوعات کے امتزاج کو معقول بنانے سے حاصل ہوئی۔

مجموعی منافع 27.9 فیصد کم ہو کر 86.107 ملین روپے رہا، جبکہ گزشتہ سال 119.550 ملین روپے تھا۔ نتیجتاً مجموعی منافع کا مارجن مالی سال 2025 کے 13.92 فیصد سے کم ہو کر مالی سال 2026 میں 9.09 فیصد ہوگیا۔ اس کمی کی بنیادی وجہ پیداواری اور خام مال کی لاگت میں اضافہ تھا جسے مارکیٹ حالات اور صارفین کی قوتِ خرید پر دباؤ کے باعث فروخت قیمتوں میں مکمل طور پر منتقل نہیں کیا جا سکا۔

انتظامی اخراجات میں سال کے دوران 32.78 فیصد اضافہ ہوا، جبکہ فروخت اور تقسیم کے اخراجات کمپنی کی فروخت اور مارکیٹ سرگرمیوں کے مطابق بڑھے۔ مالیاتی اخراجات 14.59 فیصد کم ہوئے، جس کی بنیادی وجہ جاری BMR پروگرام کے سلسلے میں حاصل کردہ قرضوں کی ادائیگی تھی۔

مالی سال 2026 میں قبل از ٹیکس منافع 33.690 ملین روپے رہا، جو گزشتہ سال کے مقابلے میں 44.57 فیصد کمی ہے۔ بعد از ٹیکس منافع 73.00 فیصد کم ہو کر 8.594 ملین روپے رہا۔ فی حصص آمدنی مالی سال 2025 کے 1.60 روپے سے کم ہو کر مالی سال 2026 میں 0.43 روپے ہوگئی۔

30 جون 2026 کو غیر جاری واجبات 123.8 ملین روپے بڑھ کر 211.570 ملین روپے ہوگئے، جس کی بنیادی وجوہ اضافی لیز فنانسنگ اور سرمایہ جاتی اخراجات سے پیدا ہونے والی مؤخر ٹیکس واجبات میں اضافہ تھیں۔ جاری واجبات میں کمی بنیادی طور پر رننگ فنانس سہولیات کی ادائیگی اور ٹیکس سے متعلق واجبات میں تبدیلی کے باعث ہوئی۔ کمپنی نے مصنوعات کے نظرثانی شدہ امتزاج، پیداواری ضروریات اور متوقع مارکیٹ طلب کے مطابق انوینٹری کی سطح بڑھائی۔

مالی کارکردگی کی نمایاں جھلکیاں

تفصیل	(000'PKR) 2026	(000'PKR) 2025	تبدیلی
خالص فروخت	947,105	858,693	%10.30
مجموعی منافع	86,107	118,896	%(27.58)
فروخت کے تناسب سے GP	%9	%14	%(35.71)
عملی منافع	50,884	92,458	%(44.97)
قبل از ٹیکس خالص منافع	33,697	60,179	%(44.01)
بعد از ٹیکس خالص منافع	8,594	31,672	%(72.87)
فی حصص آمدنی (روپے)	0.43	1.58	%(72.78)

عملی کارکردگی

کمپنی کی بنیادی مصنوعات کی اقسام زرعی ٹیکسٹائل، پیکیجنگ بیگز اور فشنگ نیٹس پر مشتمل ہیں، جو مختلف مارکیٹ ضروریات پوری کرتی اور کمپنی کے مصنوعات کے پورٹ فولیو میں تنوع پیدا کرتی ہیں۔

زرعی ٹیکسٹائل

اس زمرے میں گرین ہاؤس شیڈ نیٹس، بیل نیٹس، اینٹی انسیکٹ نیٹس، اینٹی ہیل نیٹس، اینٹی برڈ نیٹس اور دیگر زرعی تحفظ و معاون مصنوعات شامل ہیں۔ یہ کمپنی کے کاروباری حجم میں ایک اہم حصہ رکھتا ہے۔ سال کے دوران مقداری فروخت میں معمولی اضافہ ہوا، جس کی بنیادی وجہ کسان برادری کی محدود قوتِ خرید اور زرعی شعبے کے مشکل حالات تھے۔

پیکیجنگ بیگز

اس زمرے میں کھیلوں کے سامان اور بعض غذائی مصنوعات کے لیے استعمال ہونے والے اسٹریچ نیٹ بیگز اور پھلوں و سبزیوں کی پیکیجنگ کے لیے بنے ہوئے اور نِٹڈ بیگز شامل ہیں۔ یہ زمرہ کمپنی کی مقداری فروخت اور آمدنی کا تقریباً 10 فیصد ہے اور سال کے دوران طلب مستحکم رہی۔

فشنگ نیٹس

فشنگ نیٹس کمپنی کے لیے نسبتاً نیا اور ترقی پذیر زمرہ ہے۔ گزشتہ سال پیداواری مشینری میں سرمایہ کاری کے بعد مالی سال 2026 میں مارکیٹنگ کی کوششیں تیز کی گئیں، جس سے فروخت میں مسلسل اضافہ اور حوصلہ افزا مارکیٹ قبولیت حاصل ہوئی۔ ابتدائی ترقیاتی مرحلے میں نئی مشینری کی فرسودگی اور پیداواری حجم بڑھانے کے لیے درکار وقت کے باعث منافع محدود رہا، تاہم نصب شدہ صلاحیت مستقبل کی ترقی کے لیے مضبوط بنیاد فراہم کرتی ہے۔ کمپنی ملکی فشنگ نیٹ مارکیٹ میں توسیع اور درآمدی متبادل کے ذریعے زرمبادلہ بچانے کے نمایاں امکانات دیکھتی ہے۔

نقد وسائل کا انتظام

مؤثر نقد اور لیکویڈیٹی انتظام کمپنی کے مالی اور تزویراتی فیصلوں، بشمول خریداری، مارکیٹنگ اقدامات اور سرمایہ جاتی اخراجات، کا لازمی حصہ ہے۔ بجٹنگ اور منصوبہ بندی کا شعبہ چیف فنانشل آفیسر کی نگرانی میں تزویراتی منصوبہ بندی، بجٹنگ، پیش گوئی اور لیکویڈیٹی انتظام کا ذمہ دار ہے۔ نقد بہاؤ کی باقاعدہ پیش گوئی اور نگرانی کی جاتی ہے جبکہ تجارتی وصولیوں، ادائیگیوں، انوینٹری اور فنانسنگ انتظامات کے مناسب کنٹرول کے ذریعے ورکنگ کیپیٹل کی ضروریات منظم کی جاتی ہیں۔ کمپنی اپنی عملی ضروریات کے لیے مناسب بینکاری سہولیات بھی برقرار رکھتی ہے۔ سرمایہ جاتی اخراجات کو متوقع منافع، تزویراتی فوائد اور متعلقہ خطرات کی بنیاد پر منظور شدہ پالیسیوں کے مطابق جانچا جاتا ہے۔ مالی سال 2026 میں پلانٹ، مشینری اور متعلقہ بنیادی ڈھانچے پر 76.6 ملین روپے کے سرمایہ جاتی اخراجات ہوئے جبکہ 9.4 ملین روپے زیرِ تکمیل سرمایہ جاتی کام میں ہیں۔

قومی خزانے میں حصہ

مالی سال 2026 کے دوران کمپنی نے درآمدی ڈیوٹی، سیلز ٹیکس اور انکم ٹیکس کی مد میں قومی خزانے میں 210 ملین روپے سے زائد جمع کرائے، جو سرکاری آمدنی اور رسمی معیشت میں کمپنی کے کردار کی عکاسی کرتا ہے۔

منافع کی تخصیص

سال کے منافع کی تخصیص طے کرتے ہوئے بورڈ نے موجودہ معاشی ماحول، حالیہ موسمی واقعات کے زرعی شعبے پر اثرات، کمپنی کی ورکنگ کیپیٹل ضروریات اور منصوبہ بند سرمایہ کاری و ترقیاتی اقدامات کو مدنظر رکھا۔ بورڈ مناسب لیکویڈیٹی برقرار رکھنا کمپنی کے آپریشنز اور مستقبل کی ترقی کے لیے ضروری سمجھتا ہے۔ چنانچہ 05 اکتوبر 2026 کے اجلاس میں بورڈ نے مالی سال 2026 کے لیے مزید نقد یا اسٹاک ڈیویڈنڈ تجویز نہ کرنے کا فیصلہ کیا۔ سال کے دوران پہلے سے اعلان اور ادا کیا گیا عبوری نقد ڈیویڈنڈ ہی 30 جون 2026 کو ختم ہونے والے مالی سال کا حتمی ڈیویڈنڈ ہوگا۔

اہم تبدیلیاں اور ذمہ داریاں

30 جون 2026 سے اس رپورٹ کی تاریخ تک کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی اہم تبدیلی یا ذمہ داری واقع نہیں ہوئی، سوائے ان امور کے جو مالیاتی گوشواروں یا سالانہ رپورٹ میں ظاہر کیے گئے ہیں۔ کمپنی نے سال کے دوران کسی قرض کی ادائیگی میں نادہندگی نہیں کی۔ مالیاتی گوشوارے پاکستان میں قابلِ اطلاق اکاؤنٹنگ اور رپورٹنگ معیارات کے مطابق تیار کیے گئے ہیں اور قانونی آڈیٹرز نے 30 جون 2026 کو ختم ہونے والے سال کے مالیاتی گوشواروں پر غیر مشروط رائے دی ہے۔ کمپنی نےCode of Corporate Governance) Regulations, 2019 کی قابلِ اطلاق شرائط کی تعمیل کی ہے۔

ضابطۂ کارپوریٹ گورننس کی تعمیل

Code of Corporate Governance) Regulations, 2019 کی لازمی شرائط کی باقاعدہ تعمیل کی گئی ہے اور اس ضمن میں Statement of Compliance سالانہ رپورٹ کے ساتھ منسلک ہے۔

بیرونی آڈیٹرز

موجودہ آڈیٹرز M/s Ilyas Saeed & CO., Chartered Accountantsاپنی مدت مکمل ہونے پر دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔ انہوں نے Institute of Chartered Accountants of Pakistan (ICAP)کی تسلی بخش درجہ بندی اور Code of Ethics of the International Federation of Accountants (IFAC)کے ضابطۂ اخلاق کی ہدایات کی تعمیل کی تصدیق کی ہے۔ آڈٹ کمیٹی کی تجویز پر بورڈ نے 30 جون 2027 کو ختم ہونے والے سال کے لیے باہمی طور پر طے شدہ فیس پر ان کی دوبارہ تقرری کی سفارش کی ہے۔

حصص داری کا نمونہ

30 جون 2026 کو بعض اقسام کے حصص یافتگان کی حصص داری کا بیان، جس کا افشا رپورٹنگ فریم ورک کے تحت لازم ہے، منسلک حصص یافتگان کی معلومات میں شامل ہے۔

آڈٹ کمیٹی

آڈٹ کمیٹی شفافیت، جواب دہی اور مضبوط کارپوریٹ گورننس کے فروغ میں بورڈ کی معاونت کرتی ہے۔ یہ مالیاتی رپورٹنگ، اندرونی کنٹرولز، ضابطہ جاتی تعمیل اور متعلقہ خطرات کی نگرانی کرتی ہے اور اس امر کا جائزہ لیتی ہے کہ اہم خطرات مناسب طور پر شناخت، جانچ اور منظم کیے جا رہے ہیں۔ کمیٹی سہ ماہی بنیاد پر، یا حالات کے تقاضے کے مطابق زیادہ مرتبہ، اجلاس کرتی ہے۔

انسانی وسائل اور معاوضہ کمیٹی

یہ کمیٹی انسانی وسائل، معاوضہ اور جانشینی سے متعلق امور کی نگرانی میں بورڈ کی معاونت کرتی ہے۔ معاوضہ اور مراعات کے انتظامات کا جائزہ لیا جاتا ہے تاکہ وہ کمپنی کے مقاصد سے ہم آہنگ ہوں اور غیر ضروری یا نامناسب خطرہ مول لینے کی حوصلہ افزائی نہ کریں۔ کمیٹی اہم عہدوں کے لیے مناسب اہل اور قابل افراد کی دستیابی و ترقی یقینی بنانے کے لیے جانشینی منصوبہ بندی کی بھی مسلسل نگرانی کرتی ہے۔

اندرونی کنٹرولز کی موزونیت

بورڈ اعلیٰ معیار کی کارپوریٹ گورننس اور کمپنی کے اندرونی کنٹرول نظام کی موزونیت و مؤثریت برقرار رکھنے کے لیے پُرعزم ہے۔ کمپنی نے اہم شعبوں میں مربوط، مؤثر طور پر نافذ اور مسلسل زیرِ نگرانی مضبوط اندرونی کنٹرول نظام قائم کیا ہے۔ بورڈ آڈٹ کمیٹی وقتاً فوقتاً اس نظام کا جائزہ لیتی ہے تاکہ اثاثوں کا تحفظ، غلطیوں اور دھوکہ دہی کی روک تھام و نشاندہی، قوانین

کی تعمیل اور مالیاتی رپورٹنگ کی درستگی، مکملیت اور قابلِ اعتمادیت یقینی بنائی جا سکے۔ کمپنی ایک Internal Audit Department قائم کرنے کے عمل میں ہے، جو آئندہ مالی سال میں فعال ہونے کی توقع ہے۔

خطرات کا انتظام

کمپنی مؤثر risk managementکو اپنے گورننس فریم ورک اور فیصلہ سازی کا لازمی حصہ سمجھتی ہے۔ جامع بورڈ، اس کی کمیٹیوں اور سینئر انتظامیہ کی ذمہ داریاں متعین کرتی ہے۔ بورڈ، آڈٹ کمیٹی کی معاونت سے، اہم خطرات کی نگرانی کرتا اور ان کے امکان و ممکنہ اثر کی بنیاد پر جائزہ لیتا ہے۔ CEO اور CFO کی قیادت میں سینئر انتظامیہ مناسب تدارکی اقدامات نافذ کرنے اور اہم خطرات و مجوزہ ردعمل بورڈ کے سامنے پیش کرنے کی ذمہ دار ہے۔ کمپنی کو مارکیٹ رسک، زرمبادلہ، قیمت، شرح سود، کریڈٹ اور لیکویڈیٹی سمیت مختلف مالی خطرات کا سامنا ہے۔ بورڈ کی منظور شدہ پالیسیوں کے مطابق ان خطرات کا جائزہ اور جہاں مناسب ہو انتظام کرتا ہے۔

کریڈٹ رسک

کریڈٹ رسک سے مراد یہ خطرہ ہے کہ کسی مالی آلے کا فریق اپنی معاہداتی ذمہ داری پوری نہ کرے اور کمپنی کو مالی نقصان ہو۔ کمپنی عموماً صارفین کو نمایاں کریڈٹ فراہم نہیں کرتی، اس لیے تجارتی وصولیوں سے پیدا ہونے والا خطرہ محدود ہے۔ نقد، بینک بیلنس اور سرمایہ کاری سے متعلق کریڈٹ رسک معتبر اور مناسب کریڈٹ ریٹنگ والے بینکوں و مالی اداروں کے محتاط انتخاب اور تنوع کے ذریعے منظم کیا جاتا ہے۔

لیکویڈیٹی رسک

لیکویڈیٹی رسک سے مراد یہ خطرہ ہے کہ کمپنی اپنی مالی ذمہ داریاں مقررہ وقت پر پوری کرنے میں مشکل محسوس کرے۔ کمپنی مناسب نقد و بینک بیلنس، متوقع و حقیقی نقد بہاؤ کی قریبی نگرانی دستیابی کے ذریعے یہ خطرہ منظم کرتی ہے۔ کمپنی کے پاس اس وقت طویل مدتی قرض نہیں اور اپنے اہم بینکاری شراکت داروں کے ساتھ قلیل مدتی فنانسنگ انتظامات موجود ہیں۔

زرمبادلہ کا خطرہ

زرمبادلہ کا خطرہ ان لین دین سے پیدا ہوتا ہے جو کمپنی کی فعلی کرنسی کے علاوہ دیگر کرنسیوں میں ہوں۔ کمپنی کا بنیادی زرمبادلہ خطرہ خام مال اور دیگر خریداری کی درآمد سے متعلق ہے جو زیادہ تر امریکی ڈالر میں ہوتی ہے، جس سے USD/PKR شرح مبادلہ میں تبدیلی کا اثر پڑتا ہے۔ کمپنی عموماً خام مال کی درآمد کے لیے letters of credit کو ترجیح دیتی ہے تاکہ زرمبادلہ خطرے کی مدت محدود رہے۔ Finance Department شرح مبادلہ اور غیر ملکی کرنسی کی نمائش کی نگرانی کرتا ہے۔ شرح مبادلہ کے فرق کا حساب قابلِ اطلاق مالیاتی رپورٹنگ فریم ورک کے مطابق کیا جاتا ہے۔

پالیسیاں اور طریقۂ کار

کمپنی جامع پالیسیوں اور طریقۂ کار کی تیاری، دستاویز بندی اور نفاذ کے ذریعے گورننس اور اندرونی کنٹرول نظام مضبوط بنانے کے لیے پُرعزم ہے۔ گزشتہ مالی سال میں بورڈ اور متعلقہ کمیٹیوں کی ہدایت پر اہم پالیسیوں، طریقۂ کار اور عملی عمل کا باقاعدہ جائزہ اور دستاویز بندی شروع کی گئی۔ BMR پروگرام کے باعث بعض عملی عمل اور کنٹرول ضروریات میں تبدیلی ہوئی، اس لیے متعدد پالیسیوں پر مزید نظرثانی ضروری ہوئی۔ سال کے دوران نمایاں پیش رفت ہوئی اور باقی دستاویزات آئندہ مالی سال میں مکمل و نافذ ہونے کی توقع ہے، جس کے بعد ان کا وقتاً فوقتاً جائزہ لیا جائے گا۔

پائیداری اور کارپوریٹ سماجی ذمہ داری (CSR)

کمپنی معاشرے میں مثبت کردار اور اپنی کاروباری سرگرمیوں کے سماجی و ماحولیاتی اثرات کو اہم سمجھتی ہے۔ وسائل کی محدودیت اور موجودہ عملی ترجیحات کے باعث ابھی باضابطہ CSR اور sustainability frameworkقائم نہیں ہوا، تاہم بورڈ ذمہ دار اور پائیدار کاروباری طریقوں کی اہمیت سے آگاہ ہے۔ کمپنی مستحق فلاحی اور سماجی اداروں کو مالی معاونت سمیت غیر رسمی سماجی بہبود اقدامات جاری رکھتی ہے۔ وسائل میں اضافے کے ساتھ CSR اور پائیداری کے لیے زیادہ منظم طریقہ اپنانے کا ارادہ ہے۔ PAPL کی سرگرمیاں پاکستان کے زرعی شعبے سے قریبی وابستہ ہیں اور کمپنی زرعی سرگرمیوں کی معاون مصنوعات کے ذریعے اس اہم شعبے کی ترقی اور پائیداری میں کردار ادا کرنے کی کوشش کرتی ہے۔

ماحول، صحت اور حفاظت

کمپنی ماحولیاتی تحفظ اور ملازمین کی صحت و حفاظت کو ذمہ دارانہ آپریشنز کے اہم اجزا سمجھتی ہے۔ پیداواری اور عملی عمل میں مناسب اقدامات و کنٹرول شامل ہیں تاکہ ماحول پر منفی اثرات اور پیشہ ورانہ صحت و حفاظت کے خطرات کم کیے جا سکیں۔ کمپنی اپنی سہولیات پر متعلقہ حفاظتی طریقۂ کار، حفاظتی اقدامات، ہنگامی ردعمل کے انتظامات اور ضروری آلات برقرار رکھتی ہے۔ انتظامیہ کی نگرانی اور قابلِ اطلاق شرائط کی آگاہی و تعمیل بڑھانے کے لیے کام کرتی ہے۔

متعلقہ فریقوں کے ساتھ معاہدے اور لین دین

کمپنی متعلقہ فریقوں کے ساتھ لین دین کی شناخت، جائزہ، منظوری اور افشا کے لیے مناسب پالیسیاں و طریقۂ کار رکھتی ہے۔ تمام متعلقہ فریق لین دین قابلِ اطلاق قوانین، ضوابط اور کمپنی کے گورننس فریم ورک کے مطابق کیے جاتے ہیں اور ضروری افشا مالیاتی گوشواروں میں کیا جاتا ہے۔ اصولی طور پر کمپنی بورڈ یا سینئر انتظامیہ سے متعلق افراد یا اداروں سے اشیا یا خدمات کی خریداری کے معاہدوں سے گریز کرتی ہے، الا یہ کہ ایسا لین دین کمپنی کے لیے ضروری یا فائدہ مند ہو اور مناسب تجارتی شرائط پر کیا جائے۔

ایگزیکٹو قرار دینے کی حد

بورڈ نے رپورٹنگ اور افشا کے لیے ان ملازمین کے تعین کے معیار مقرر کیے ہیں جنہیں کمپنی کے ایگزیکٹو شمار کیا جائے گا۔ ان میں چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، محکموں کے سربراہان، اور ایسے دوسرے ملازمین جن کی شناخت ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے ذریعہ کی جاسکتی ہے،

کی جانب سے ذمہ داریوں، فیصلہ سازی کے اختیار اور کمپنی کے اہم مقاصد پر اثر کی بنیاد پر شناخت کردہ دیگر ملازمین شامل ہیں۔ مذکورہ معیار کے تحت 100,000 روپے یا اس سے زائد ماہانہ معاوضہ پانے والے ملازمین بھی، اگر ان کے کردار و ذمہ داریاں معیار پر پورا اتریں، Executives قرار دیے جا سکتے ہیں۔

مالی سال کے دوران کمپنی کے ڈائریکٹرز
1. محترمہ قیصرہ جبین بٹ — چیئرپرسن اور نان ایگزیکٹو ڈائریکٹر
2. ڈاکٹر صفدر علی بٹ — CEO اور ایگزیکٹو ڈائریکٹر
3. ڈاکٹر طارق جاوید — CFO اور ایگزیکٹو ڈائریکٹر
4. جناب محمد جاوید — نان ایگزیکٹو، آزاد ڈائریکٹر
5. جناب افتخار محمود — نان ایگزیکٹو، آزاد ڈائریکٹر
6. جناب نذیر احمد شاہین — نان ایگزیکٹو، آزاد ڈائریکٹر
7. ڈاکٹر مبارک حسین — نان ایگزیکٹو، آزاد ڈائریکٹر

ڈائریکٹرز رپورٹ کے وقت بورڈ کی تشکیل

ڈائریکٹرز رپورٹ کے وقت بورڈ میں کل 7 ڈائریکٹرز شامل ہیں، جن میں 6 مرد اور 1 خاتون ڈائریکٹر ہیں۔ تشکیل: (الف) آزاد نان ایگزیکٹو ڈائریکٹرز: 04؛ (ب) نان ایگزیکٹو ڈائریکٹر: 01 (خاتون)؛ (ج) ایگزیکٹو ڈائریکٹرز: 02۔

ڈائریکٹرز کی تربیت

کمپنی ڈائریکٹرز کی مسلسل پیشہ ورانہ ترقی کو اہم سمجھتی ہے تاکہ وہ اپنی ذمہ داریاں مؤثر طور پر ادا کریں اور بدلتی ضابطہ جاتی، گورننس اور کاروباری ضروریات سے باخبر رہیں۔ تمام ڈائریکٹرز Pakistan Institute of Corporate Governance یا Directors' Training Program کے متعلقہ ریگولیٹری اداروں سے منظور شدہ دیگر اداروں میں شرکت یا مطلوبہ سرٹیفکیشن حاصل کر چکے ہیں۔

بورڈ اور کمیٹیوں کی کارکردگی کا جائزہ

کمپنی نے بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز کی سالانہ کارکردگی و مؤثریت کے جائزے کا باقاعدہ عمل قائم کیا ہے۔ زیرِ جائزہ سال کے نتائج تسلی بخش رہے۔ انفرادی ڈائریکٹرز کا اوسط اسکور 5.00 میں سے 4.50، بورڈ کمیٹیوں کا 4.40 اور مجموعی بورڈ کارکردگی کا اوسط 4.30 رہا۔ یہ عمل مزید بہتری کے شعبوں کی شناخت اور بورڈ و کمیٹیوں کی مجموعی مؤثریت مضبوط بنانے کا موقع بھی فراہم کرتا ہے۔

ڈائریکٹرز کی معاوضہ پالیسی

Directors' Remuneration Policy کا خلاصہ پیش کیا جاتا ہے۔ بورڈ کی Human Resource and Remuneration Committee اس پالیسی کے جائزے اور نفاذ کی نگرانی کی ذمہ دار ہے۔ باضابطہ پالیسی 10 جولائی 2021 کے بورڈ اجلاس میں منظور ہوئی۔ اس کے بنیادی مقاصد کمپنی کے تزویراتی اہداف کے لیے مناسب قابلیت، مہارت اور تجارتی تجربہ رکھنے والے ڈائریکٹرز کو راغب، متحرک اور برقرار رکھنا اور قابلِ اطلاق قوانین و گورننس تقاضوں کی تعمیل یقینی بنانا ہیں۔ پالیسی کمپنی کے طویل مدتی مقاصد، CSR، دیانت و مضبوط گورننس، مارکیٹ حالات، اہل افراد کی دستیابی، مؤثر فیصلہ سازی کے ماحول اور پاکستان میں مماثل کمپنیوں کے معاوضہ طریقوں کو مدنظر رکھتی ہے۔ آزاد ڈائریکٹرز کا معاوضہ بورڈ و کمیٹی اجلاسوں کی فیس اور قانوناً جائز دیگر ادائیگیوں یا اخراجات کی واپسی تک محدود ہے۔ Human Resource and Remuneration Committee وقتاً فوقتاً پالیسی کا جائزہ لے کر مناسب تبدیلیاں تجویز کر سکتی ہے۔

صنفی اجرت کے فرق کا بیان

SECP Circular No. 10 of 2024کے قابلِ اطلاق افشا تقاضوں کے مطابق کمپنی نے زیرِ جائزہ سال کے لیے صنفی اجرت کے فرق کا جائزہ لیا، جو صفر (NIL) ہے۔ کمپنی جنس کی بنیاد پر امتیاز کے بغیر مساوی معاوضے کے مواقع فراہم کرنے کے لیے پُرعزم ہے۔ معاوضہ job grade، ذمہ داریوں کی نوعیت و دائرہ، قابلیت، تجربہ اور متعلقہ کردار کے دیگر عوامل کی بنیاد پر طے کیا جاتا ہے۔ کمپنی مساوی قدر کے کام کے لیے مساوی اجرت کے اصول کو برقرار رکھتی ہے۔

حصص یافتگان کی آرا سمجھنے کے لیے بورڈ کی کوششیں

بورڈ تمام حصص یافتگان، بشمول اقلیتی حصص یافتگان، کے ساتھ مؤثر اور شفاف رابطے کی اہمیت تسلیم کرتا ہے۔ بورڈ اور سینئر انتظامیہ حصص یافتگان، ادارہ جاتی سرمایہ کاروں سمیت مارکیٹ کے دیگر شرکا سے مناسب رابطہ برقرار رکھتے ہیں تاکہ سرمایہ کاری برادری کے مفادات اور خدشات کو بہتر طور پر سمجھا جا سکے۔ کمپنی بروقت معلومات تک رسائی اور تعمیری مکالمے کے ذریعے باخبر اور فعال رکھنے کی کوشش کرتی ہے۔ 25 اکتوبر 2025 کو ہونے والی AGM میں بورڈ کے اراکین نے آن لائن شرکت کی اور حصص یافتگان سے براہِ راست تبادلہ خیال کیا۔

اقلیتی حصص یافتگان کے لیے پہلا عبوری ڈیویڈنڈ

سال کے دوران کمپنی نے اپنا پہلا عبوری ڈیویڈنڈ اعلان اور ادا کیا۔ اقلیتی حصص یافتگان تک اس تقسیم کا فائدہ پہنچانے کے لیے اکثریتی حصص یافتگان نے رضاکارانہ طور پر اپنے عبوری ڈیویڈنڈ کے حق سے دستبرداری اختیار کی، جس سے تقسیم کا فائدہ اقلیتی حصص یافتگان کو پہنچا۔ یہ اقدام اقلیتی حصص یافتگان کے مفادات کے لیے اکثریتی حصص یافتگان کی حمایت اور منصفانہ قدر پیدا کرنے کے عزم کی عکاسی کرتا ہے۔

اظہارِ تشکر

بورڈ آف ڈائریکٹرز کمپنی کے ملازمین، انتظامیہ، مشیران اور کاروباری ساتھیوں کی محنت، وابستگی اور خلوص کے لیے دلی قدردانی ریکارڈ پر لانا چاہتا ہے۔ ان کی اجتماعی کوششوں نے کمپنی کو مشکل معاشی و کاروباری ماحول سے نمٹنے اور زیرِ جائزہ سال میں تسلی بخش نتائج حاصل کرنے کے قابل بنایا۔ بورڈ تمام stakeholders، بشمول حصص یافتگان، صارفین، سپلائرز، مالیاتی اداروں، کاروباری شراکت داروں اور ریگولیٹری حکام، کے مسلسل تعاون، اعتماد اور حمایت پر بھی تہہ دل سے شکر گزار ہے۔ بالخصوص بورڈ صارفین کے مسلسل اعتماد اور وفاداری کا اعتراف کرتا ہے اور معیاری مصنوعات و خدمات کی فراہمی، stakeholders کے لیے پائیدار قدر پیدا کرنے اور کمپنی کے طویل مدتی مقاصد کے حصول کے لیے پُرعزم ہے۔

کمپنی کی ویب سائٹ

قانونی اور ضابطہ جاتی تقاضوں کے تحت کمپنی کی ویب سائٹ پر رکھنا لازم تمام معلومات مناسب طور پر www.pakagro.com پر موجود ہیں۔



ڈاکٹر طارق جاوید
ایگزیکٹو ڈائریکٹر



ڈاکٹر صفدر علی بٹ
(چیف ایگزیکٹو)

DIRECTORS' PROFILES

Mrs Kaisra Jabeen Butt.
Chairperson / Non-Executive Director

She holds a master's degree in literature in English and is an experienced academician and administrator. She takes a keen interest in her social responsibilities and serves as a director on a board of a large-scale social welfare organization, engaged in human and institutional development, immunization, and mother/child health care programs. She has completed her DTP held by PICG during the year under review. She has been on the board of Pak Agro Packaging Limited as a Non-Executive Director since 2003.

Dr. Safdar Ali Butt
Chief Executive / Executive Director

Dr. Butt is a financial expert, an experienced corporate official, an academician and an entrepreneur. He holds a master's degree in Commerce from Karachi University and a doctorate in financial management from Canada. He is a member of several professional bodies in Accounting, Finance and management. He has also completed Directors' Education program of Pakistan Institute of Corporate Governance.

Dr. Butt worked in senior financial positions with multinational companies overseas like Johnson & Johnson and Caltex Oil Corporation. He has worked as Director Finance / CFO with Army Welfare Trust, and served on the boards of directors of Askari Bank, Askari Leasing, Askari General Insurance, Askari Cement and several other companies functioning under AWT's ambit. He also served as a director of Bank of Azad Jammu & Kashmir as a nominee of AJK government for over 8 years. He is currently an independent director of Unity Foods Ltd., a company engaged in manufacturing food products including but not limited to cereals, cooking oil, flour mills, rice processing mills, baking plants, etc. It has several subsidiaries and its operations are spread all over Pakistan. Dr. Butt is also engaged in Ujala Education Foundation.

Dr. Tariq Javed
Director Finance

Dr. Tariq Javed holds a PhD in financial management from UPSI, Malaysia. He also holds a CPA and PIPFA qualifications. He has over twenty years industrial and commercial experience including 12 years with Pak Agro Packaging Ltd. He also has academic experience, teaching at MBA and MS levels in several universities. He is well-versed with the requirements of the present-day finance department and corporate compliance procedures.

Dr. Mubarak Hussain Haider
Independent Director

Dr. Mubarak Hussain Haider is an experienced business manager and entrepreneur, with around thirty years' corporate experience. He holds a PhD in human resource management and has considerable academic experience at university level. He is currently a principal shareholder and CEO of Quantum Energy, a firm engaged in manufacture, installation, and maintenance of Solar Systems. Dr Mubarak also runs a managerial training firm called "BRAINS IN BRAIN" in Islamabad.

Mohammad Javed
Independent Director

Mr Mohammad Javed is an engineer by qualification and a marketing guru by profession. He has over 28 years' experience at senior managerial level and as an advisor and consultant in ICT, public safety and smart technologies, with large Pakistani and European corporate organizations. He has worked in both public and private sector companies and was until recently a director general in one of the country's largest semi-governmental corporations. He has been instrumental in shaping marketing policies and strategies at national level. As an independent director, Mr Javed provides useful insights into the world of technology and marketing strategy building.

Mr Iftkhar Mahmood
Independent Director

Mr Iftkhar Mahmood is a qualified civil engineer and engaged in his construction business for over twenty years. Earlier, he had served in important technical and managerial positions with large construction firms, being involved in development of large scales housing estates. He contributes significantly toward engineering and labor relation matters of the company.

Mr Nazir Ahmed Shaheen
Independent Director

Mr Shaheen holds MA, LLB and FCMA qualifications and over three decades of governance and regulatory experience. He is considered an authority on Company Law in Pakistan, having written several books on various aspects of this subject. He has completed his DTP from ICMA and currently runs a consultancy firm, offering professional services in company law, taxation, financial management and related areas.

B.3

BOARD COMMITTEES

The Company attained listed status in November 2021 and has since continued to strengthen its corporate governance framework in line with its evolving organizational requirements and applicable regulatory requirements. At present, the Board has constituted two Board Committees**,** as detailed in this Report. The Board intends to progressively establish such additional committees as may be considered appropriate or required, taking into account the Company's size, nature of operations, governance requirements and applicable laws and regulations.

Board Audit Committee

The Board Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities in relation to financial reporting, internal controls, risk management, regulatory compliance and the external audit process. The Committee performs its responsibilities in accordance with its approved Terms of Reference and the applicable requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019**,** as amended from time to time.

The principal responsibilities of the Board Audit Committee include, among others:

- reviewing the quarterly, half-yearly and annual financial statements of the Company prior to their consideration and approval by the Board of Directors, with particular focus on significant accounting matters, judgments, estimates and disclosures;
- reviewing appropriate measures for safeguarding the Company's assets and assessing the adequacy and effectiveness of the Company's internal control framework;
- reviewing the adequacy of financial and operational controls, accounting systems and financial reporting processes and recommending improvements where considered necessary;
- facilitating the external audit process and discussing with the external auditors' significant findings and observations arising from the audit and review engagements;
- reviewing the external auditors' management letter, together with management's responses and the status of corrective actions, where applicable;
- reviewing the Company's compliance with applicable statutory and regulatory requirements relevant to the Committee's responsibilities;
- making recommendations to the Board regarding the appointment, reappointment, remuneration and terms of engagement of the external auditors and considering matters relating to their resignation or removal;
- assessing the independence, objectivity and effectiveness of the external auditors and overseeing the relationship between the Company and its external auditors; and
- performing such other functions and responsibilities as may be assigned to the Committee by the Board or required under applicable laws and regulations.

Composition of the Board Audit Committee

The current composition of the Board Audit Committee is as follows:

1. **Dr. Mubarak Hussain Haider,** Independent Director, Chairman
2. **Mr. Nazeer A. Shaheen,** Non-Executive Director, Member
3. **Mr. Iftikhar Mahmood,** Independent Director, Member

The Committee meets at least once in every quarter and additionally whenever considered necessary for the effective discharge of its responsibilities. Among other matters, it reviews the Company's periodic

financial statements before their presentation to the Board of Directors and considers matters relating to financial reporting, internal controls, compliance and external audit falling within its mandate.

Following its deliberations, the Committee reports significant matters to the Board and makes such recommendations as it considers appropriate for strengthening the Company's financial reporting, governance and control environment.

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee (HRRC) assists the Board of Directors in fulfilling its responsibilities relating to human resource management, remuneration, performance evaluation, succession planning and other matters concerning the development and retention of the Company's human capital.

The Committee operates in accordance with its approved Terms of Reference and the applicable requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, as amended from time to time.

The principal responsibilities of the HRRC include, among others:

- reviewing and recommending the Company's overall human resource, compensation and benefits policies and ensuring their alignment with the Company's strategic objectives;
- reviewing and recommending to the Board the selection, evaluation, compensation and succession planning of the Chief Executive Officer and other key management positions, as applicable;
- reviewing the performance of senior management and recommending appropriate remuneration arrangements having regard to responsibilities, performance, market practices and the Company's overall remuneration framework;
- overseeing succession planning for key management and critical positions to support continuity of leadership and availability of appropriately qualified personnel;
- reviewing organizational structure and human resource requirements, where appropriate, to ensure alignment with the Company's operational and strategic needs;
- overseeing the implementation and periodic review of the Company's remuneration policies and practices;
- considering the appointment of external remuneration, human resource or compensation consultants where specialist advice is considered necessary and making appropriate recommendations in this regard;
- supporting the Board in matters relating to directors' remuneration in accordance with the Company's approved Directors' Remuneration Policy and applicable regulatory requirements; and
- undertaking such other human resource and remuneration-related responsibilities as may be assigned by the Board or required under applicable laws and regulations.

Composition of the Human Resource and Remuneration Committee

The current composition of the HRRC is as follows:

1. Mr. Mohammad Javed, Independent Director, Chairman
2. Mr. Iftikhar Mahmood, Independent Director, Member
3. Mrs. Kaisra Jabeen Butt, Non-Executive Director, Member

The composition of the Committee is maintained in accordance with the applicable corporate governance requirements, with appropriate representation of non-executive and independent directors.

During the year under review, the HRRC held one meeting**,** during the latter half of the financial year. The Committee considered matters falling within its mandate, including human resource management, remuneration and other related matters, and made appropriate recommendations to the Board where required.

The Committee continues to focus on strengthening the Company's human resource framework, developing appropriate succession arrangements for key positions and ensuring that remuneration and human resource practices remain aligned with the Company's operational requirements and long-term objectives.

B.4

STATEMENT OF COMPLIANCE

The company has complied with the requirements of the regulations in the following manner:

The total number of Directors is 07 as shown below:

Male:	06
Female:	01

The composition of the Board is as follows:

Category	*No of Directors*	*Names*
Independent Directors	04	Dr Mubarak Hussain Haider
		Mr. Mohammad Javed
		Mr. Iftikhar Mahmood
		Mr. Nazir Ahmed Shaheen
Non-Executive Directors	01	Mrs Kaisra Jabeen Butt
Executive Directors	02	Dr. Safdar Ali Butt
		Dr Tariq Javed

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company

- 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.

- 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.

- All the powers of the board have been fully exercised and decisions on relevant matters have been taken by the board / shareholders as empowered by the relevant provisions of the Companies Act 2017 and these regulations.

- The meetings of the board were presided over by the Chairperson. The board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

- The board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

- The board remained compliant with the provision of the Regulations pertaining to the directors' training program. All of the seven directors on the board have already attended the Directors' Training program.

- During the period no change occurred in the positions of Chief Financial Officer, and Head of Internal Audit. Their remuneration and terms and conditions of employment complied with relevant requirements of the regulations.

- During the financial year ended June 2026, there was a change in Company Secretary.

- Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board.

Status of Board Committee is as follows:

The board has an Audit Committee, comprising members given below:

i.	Dr Mubarak Hussain Haider	Independent Director / Chairman
ii.	Mr. Nazeer A. Shaheen	Non-executive Director / Member
iii.	Mr Iftikhar Mahmood	Independent Director / Member

The board has a Human Resources Committee, comprising of the following members:

i.	Mr Mohammad Javed	Independent Director / Chairman
ii.	Mr. Iftikhar Mahmood	Non-Executive Director / Member
iii.	Mrs Kaisra Jabeen Butt	Non-Executive Director / Member

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

- The frequency of meetings of the committee were as follows:
  Audit committee (04)
  Board meetings (04)
  Human Resource Committee (01)

- The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality review program of the Institute of the Chartered Accountants of Pakistan.

- 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 requirements.

- Quarterly financial results and accounts have been submitted to PSX and are also available on Company's website.

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

Mrs. Kaisra Jabeen Butt
Chairperson

C.1

PATTERN OF SHAREHOLDING

Pattern of Shareholding as on 30 June 2025			
No of Shareholders	Shareholding		Total Share Held
	From	To	
8	1	100	465
12	101	500	5,553
7	501	1,000	5,793
5	1,001	5,000	19,866
6	5,001	10,000	50,275
14	10,001	20,000	229,139
10	20,001	30,000	253,245
6	30,001	40,000	222,320
3	40,001	50,000	141,947
9	50,001	100,000	666,092
8	100,001	150,000	984,378
1	150,001	200,000	188,500
2	200,001	300,000	547,998
5	300,001	400,000	1,868,323
2	400,001	500,000	947,606
1	500,001	1,000,000	650,000
1	1,000,001	2,000,000	1,197,500
-	2,000,001	3,000,000	-
2	3,000,001	4,000,000	6,953,500
1	4,000,001	8,000,000	5,067,500
103			20,000,000

C.2

CATEGORIES OF SHAREHOLDERS

Category of Shareholders	Number	Percentage of Category	Shares Held
Employee Provident Fund	1	0.25%	50,500
Individuals	93	91.35%	18,270,500
Joint Stock Companies	7	6.23%	1,246,000
Mutual Fund	2	2.17%	433,000
Total	103		20,000,000

Shareholding 5% or Above		
Name of Shareholder	**Shares Held**	**Percentage**
Dr. Safdar Ali Butt	5,067,500	25%
Mrs. Samina Khalid Butt	3,600,000	18%
Dr. Tariq Javed	3,354,000	17%
Mrs. Kaisra Jabeen Butt	1,197,500	6%

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 5th Annual General Meeting of Pak Agro Packaging Ltd; will be held at 14:00 on October 27, 2026, to transact the following business at company's registered office at Plot 22-23, Phase – IV, Hattar Industrial Estate, Hattar. KPK. To enhance the reach, shareholders can also attend the Meeting online as per the instructions given in Notes.

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2026 together with the Directors' and Auditors' reports thereon.
- To appoint Auditors for the term ending at the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors Ilyas Saeed & Co. Chartered Accountants being eligible have offered themselves for reappointment.

ANY OTHER BUSINESS

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

NOTES

i) Share Transfer Books of Pak Agro Packaging Limited ("Company") shall remain closed from October 26, 2026 to October 28, 2026 (both days inclusive) and no transfer will be registered during that time. Share transfer deeds received in order with the Share Registrar of the Company, i.e. CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 at the close of business on October 25, 2026 will be treated in time for all legal entitlements.

ii) A member entitled to attend and vote at the Annual General Meeting ("Meeting") is entitled to appoint another member as a proxy to attend and vote on his/ her behalf. In case of a corporate entity, being a member, may appoint as its proxy any of its official or any other person whether a member of the Company or not through Board Resolution/ Power of Attorney.

iii) The instrument appointing a proxy duly stamped/ signed and witnessed, and must be received at the Corporate Office of the Company at 302, 3rd Floor, Green Trust Tower, Jinnah Avenue, Blue Area, Islamabad, Pakistan, not later than forty-eight (48) hours before the Meeting.

iv) Shareholders whose shares are registered in their account/sub-account with Central Depository System (CDS) are requested to e-mail copy CNIC along with their account number in CDS and participants ID number for verification. In case of appointment of proxy by such account holders, it must be accompanied with participants' ID number and Account/Sub-account number along with attested photocopies of CNIC or the Passport of the beneficial owner. Representatives of Corporate Members should e-mail the usual documents required for such purposes through the e-mail address communicated in Proxy Form through which they are appointed as Proxy of the respective Shareholder.

v) Members should quote their Folio. / CDS Account number in all correspondence with the Company and at the time of attending the Annual General Meeting.

vi) Shareholders are requested to notify the change of address, and any other relevant details, if any, immediately to our Share Registrar.

vii) In case of joint holders, only one member whose name will appear as main title shareholder in our list of shareholders, will be allowed to attend the General Meeting.

TRANSMISSION OF ANNUAL REPORT:

The Audited Financial Statements of the Company for the year ended June 30, 2026 have been made available on the Company's website (https://www.pakagro.com) in addition to the quarterly financial statements for the prior periods. Further, Annual Report of the Company for the year ended June 30, 2026 has been e-mailed to the respective shareholders who have provided their valid e-mail IDs to the Share Registrar of the Company (CDSRSL). Those members who require a hard copy of the Company's Annual Report are requested to provide us their latest address to enable us send these by courier / post.

PHYSICAL / ONLINE PARTICIPATION IN AGM:

The physical avenue has been given earlier in the notice. For those unable to attend in person, the Company has also made arrangements for conducting the above Shareholders' Meeting online. The shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices from their homes or any convenient location after completing all the formalities required for the verification and identification of the shareholders. In this regard, shareholders are required to update their valid e-mail addresses with the Company Secretary Office (info@pakagro.com) latest by October 10, 2025. A detailed procedure shall be communicated through e-mail directly to the shareholders who have provided their valid e-mail IDs and same shall be placed at the Company's website (https://www.pakagro.com) in investor relations section. The shareholders' who have already updated their valid e-mail addresses with the Company or its Share Registrar (CDCSRSL) and are interested to attend AGM may send below information at info@pakagro.com for the shareholders/ appointed proxy's verification from their duly registered valid e-mail address for the registration purposes latest by October 12, 2026

In case of appointment of a proxy, please communicate above information for the

FOLIO / CDC ACCOUNT NO.	TOTAL SHARES	PRINCIPAL SHAREHOLDER		JOINT SHAREHOLDER(S)	
		NAME AND CNIC NO.	SHAREHOLDING PROPORTION (NO. OF SHARES)	NAME AND CNIC NO.	SHAREHOLDING PROPORTION (NO. OF SHARES)

C.4

FORM OF PROXY

I / we _____ a member of Pak Agro Packaging Limited and holder of _____ shares as per Shares Register Folio # / CDC Participant I.D Participant ID # Sub A/C # / Investor A/C # _____ do hereby appoint _____ of _____ or failing him _____ of _____ who is also member of the Company vide Registered Folio # _____ as my / our proxy to attend, speak and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on Monday the October 26, 2026 at 14.00 hours and at any adjournment thereof.

As witness my / our hand this _____ day of October 2026 at _____

Signature Of Witness 1	Affix Revenue Stamp of Rs 50/-
Name	
CNIC No	
Address	

Signature Of Witness 2	Member's Signature
Name	
CNIC No	
Address	

Date: _____ Place _____

Notes:

- A member entitled to attend and vote at the AGM is entitled to appoint another member as a proxy to attend and vote instead of him / her. The instrument appointing a proxy must be received at the registered office of the company not less than 48 hours before the time fixed for AGM.
- In case of individuals, the account holder and / or sub-account holder, whose registration details are uploaded as per the CDC Regulations, shall submit scan / photo of the proxy form as per above requirements.
- The proxy form shall be (i) dully stamped with adhesive revenue tickets of Rs.50/- and (ii) witness by two persons, whose names addresses and CNIC numbers shall be mentioned on the proxy form.
- Attested copies of CNIC of the Passport of beneficial owners and of the proxy shall be furnished with the proxy form
- The proxy shall submit scan/photo of his original CNIC of Passport at the time of login to the Video Link / Zoom application for attending online AGM.
- In case of corporate entity, scan/photo of the Board's resolution / power of attorney with specimen signature thereon shall be submitted online (unless it has been provided earlier) along with proxy form to the company at the time of login to the Video-Link / Zoom application for attending online AGM.

Notice is hereby given that the 5th Annual General Meeting of Pak Agro Packaging Ltd; will be held at 14:00 on October 27, 2026, to transact the following business at company's registered office at Plot 22-23, Phase – IV, Hattar Industrial Estate, Hattar. KPK. To enhance the reach, shareholders can also attend the Meeting online as per the instructions given in Notes.

INDEPENDENT AUDITOR'S REPORT D.1

To the Members of Pak Agro Packaging Limited

Opinion

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

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

Basis For Opinion

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

Key Audit Matter

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

Followings are the Key audit matters:

S. #	Key Audit Matter	How the matter was addressed in our report
1.	**Revenue and advance from customers** (Refer notes 4.8, 4.11, 4.15, 14 & 27 to the financial statements) As disclosed in above mentioned notes to the financial statements, the Company has reported net sales of Rs. 947,105,530/- (2025: Rs. 858,693,123/-) and related trade debts balances as at the reporting date amounting to Rs. Nil (2025: Nil) and advance from customers amounting to Rs. 29,721,954/- (2025: Nil). During the year, the Company has reported an increase in revenue. The revenue, related trade debts and advances from customers are largely susceptible to the risk of completeness / accuracy and existence / valuation respectively, which may misstate Company's reported financial performance and position as at the reporting date. Moreover, trade debts balances are also subject to management's estimates to ascertain expected credit losses, if any, as at the reporting date. Therefore, given the risks involved, we identified revenue recognition along with related change in trade debts and advance from customers a key audit matter.	Our audit procedures included the following: We performed a range of audit procedures including the following: • We obtained an understanding of the process relating to recording of revenue from contracts with customers and testing the design and operating effectiveness of relevant key internal controls implemented around sales, trade receivables and advance from customers' cycle; • We performed test of details on revenue recognized during the year, on a sample basis, including review of order receipt, invoicing and dispatches; • We performed cut-off procedures on transactions occurring either immediately before or after the year end to assess the recording of revenue in correct accounting period; • We performed analytical procedures to ascertain the reasoning of major fluctuations; • We scanned for any journal entries relating to revenue recorded during the year, particularly at year-end, which were considered to be material or met other specific risk-based criteria for inspecting underlying documentation; and • We considered the adequacy of the related disclosures presented in the financial statements and assessed these in accordance with applicable accounting standards and requirements of the Companies Act, 2017.
2.	**Inventories** (Refer notes 4.7 & 21 to the annexed financial statements) As disclosed in the above-mentioned notes to the financial statements, the Company has stock-in-trade amounting to Rs. 149,451,082/- as at June 30, 2026 (2025: Rs. 120,360,765/-) which represents approximately 18.96% (2025: 16.74%) of the Company's total assets. The valuation of stock-in-trade requires significant audit attention, particularly in	Our audit procedures included the following: • We obtained an understanding of the Company's process for recording, safeguarding and valuing stock-in-trade and tested the design and operating effectiveness of relevant key internal controls over the inventory cycle; • As we were appointed as auditors subsequent to the year end and, accordingly, could not attend the physical inventory count as at June 30, 2026, we performed alternative audit procedures, including examination of subsequent movements

	determining the appropriate write-down, if any, to its net realizable value (NRV), having regard to the age, condition and expected selling prices of the inventories. We identified stock-in-trade as a key audit matter because of its materiality to the financial statements, the inherent risk associated with its valuation and the significance of management's assessment of NRV. Furthermore, we were appointed as auditors subsequent to June 30, 2026 and, accordingly, were unable to attend the physical inventory count conducted at the reporting date.	and supporting documentation, to obtain audit evidence regarding the existence of inventory at the reporting date; • We performed test of details on purchases and issues / sales of inventory on a sample basis, including examination of purchase invoices, goods received notes, sales invoices and dispatch documentation; • We performed cut-off procedures on inventory purchases and sales occurring immediately before and after year end date to assess whether inventory and the related purchases / sales were recorded in the appropriate accounting period; • We assessed the valuation of inventory by comparing the carrying amounts with estimated net realizable values (NRV), including examination of subsequent sales, purchases, purchase prices and other relevant supporting documentation; • We assessed the adequacy of the Company's disclosures relating to stock-in-trade in the financial statements.

Information Other Than The Financial Statements And Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with 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 were not provided with any other information; whatsoever, and thus, we have nothing to report in this regard.

Responsibilities Of the Management for The Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and financial reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such

internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities For The Audit Of The Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report On Other Legal And Regulatory Requirements

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

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

- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes 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;

- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

- Zakat deductible at source has been deducted but not yet deposited under the Zakat & Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statement for the previous year were audited by another firm of chartered accountants who expressed an unmodified opinion vide their report dated 02/09/2025.
Engagement partner on the audit resulting in this independent auditor's report is Bushra Sana.

_____
CHARTERED ACCOUNTANTS
UDIN: AR202610278mrlOE5pzb
ISLAMABAD:

FINANCIAL STATEMENTS

PAK AGRO PACKAGING LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

EQUITY AND LIABILITIES	NOTES	2026 RUPEES	2025 RUPEES
SHARE CAPITAL AND RESERVES			
Authorized share capital	5	**400,000,000**	400,000,000
Share capital	5	**200,000,000**	200,000,000
Capital reserves	6	**107,283,257**	107,283,257
Unappropriated profit	SOCE	**142,046,906**	136,654,174
		449,330,163	443,937,431
NON-CURRENT LIABILITIES			
Lease liability	7	**79,435,320**	57,733,014
Term finance	8	**62,460,433**	-
Deferred taxation	9	**69,674,323**	60,428,941
Employees' gratuity fund	10	-	4,213,846
Payable against vehicle	11	-	1,604,860
		211,570,077	123,980,661
CURRENT LIABILITIES			
Short term bank borrowings	12	-	79,011,004
Current maturity of long term liabilities	13	**51,458,698**	25,785,390
Advances from customer	14	**29,721,954**	-
Accrued and other liabilities	15	**30,211,775**	24,685,085
Provision for taxation	16	**15,784,906**	21,413,855
		127,177,332	150,895,334
Contingencies and commitments	17	-	-
TOTAL EQUITY AND LIABILITIES		**788,077,572**	718,813,426
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	18	**574,028,746**	468,966,112
Long term deposits	19	**2,624,811**	33,031,435
Capital Work in Progress - CWIP	20	**9,400,000**	-
		586,053,557	501,997,547
CURRENT ASSETS			
Stock in trade	21	**149,451,082**	120,360,765
Advances, deposits and other receivables	22	**17,579,558**	19,256,678
Refund due from government	23	**4,931,453**	33,933,631
Prepayments	24	**3,894,623**	4,026,863
Prepaid asset - advance tax	25	**21,608,390**	18,900,032
Cash and bank balances	26	**4,558,908**	20,337,910
		202,024,015	216,815,879
TOTAL ASSETS		**788,077,572**	718,813,426

The annexed notes (1) to (52) form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR** **Chief Financial Officer**

PAK AGRO PACKAGING LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

PARTICULARS	NOTES	2026 RUPEES	2025 RUPEES
Sales	27	947,105,530	858,693,123
Cost of sales	28	(860,997,836)	(739,137,239)
Gross profit		86,107,694	119,555,884
Administrative	29	(34,591,214)	(26,050,372)
Selling and distribution	30	(632,127)	(388,430)
		(35,223,341)	(26,438,802)
Operating profit		50,884,353	93,117,082
Other income	31	7,402,906	-
Financial expenses	32	(21,668,630)	(25,370,546)
Other charges	33	(2,921,304)	(6,953,855)
		(17,187,028)	(32,324,401)
Profit for the year before levies & taxation		33,697,325	60,792,681
Levies	34	(110,640)	-
Profit for the year before taxation		33,586,685	60,792,681
Taxation	35	(24,992,203)	(28,858,072)
PROFIT FOR THE YEAR		8,594,482	31,934,608
Basic and diluted earnings per share	36	0.43	1.60

The annexed notes (1) to (52) form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

Chief Financial Officer

PAK AGRO PACKAGING LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

PARTICULARS	NOTES	2026 RUPEES	2025 RUPEES
Profit for the year after taxation		**8,594,482**	31,934,608
Other comprehensive income:			
Items that will not classified to profit or loss			
Remeasurement gain on staff retirement benefit plan		-	642,484
TOTAL COMPREHENSIVE INCOME FOR YEAR		**8,594,482**	32,577,092

The annexed notes (1) to (52) form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR** **Chief Financial Officer**

PAK AGRO PACKAGING LIMITED
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2026

PARTICULARS	NOTES	2026 RUPEES	2025 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating profit before working capital changes	37.1	**105,431,630**	126,051,056
Working capital changes:			
(Increase) / decrease in Stock in trade	21	**(29,090,317)**	49,589,375
(Increase) / decrease in Advances, deposits and other	22	**1,677,120**	(9,629,288)
(Increase) / decrease in Refund due from government	23	**29,002,178**	(35,406,672)
(Increase) / decrease in Pre-payments	24	**132,240**	86,097
Increase / (decrease) in Advances from customer	14	**29,721,954**	-
Increase / (decrease) in Accrued and other liabilities	15	**4,356,690**	(6,964,818)
Cash flows generated from operating activities		**141,231,494**	123,725,750
Income tax paid	25	**(24,194,769)**	(15,588,225)
Net Cash Flow From Operating Activities	(A)	**117,036,726**	108,137,525
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures	18.1	**(41,041,626)**	(76,612,386)
Right of use of asset	18.2	**(136,241,050)**	-
Long term deposits	19	**30,406,624**	(12,242,126)
Proceeds from Asset Disposal	18	**10,000,000**	-
Capital work in progress	20	**(9,400,000)**	-
Net Cash Flow From Operating Activities	(B)	**(146,276,052)**	(88,854,512)
CASH FLOWS FROM INVESTING ACTIVITIES			
Asset subject to finance lease	7	**37,600,317**	26,063,045
Term Finance	8	**80,000,000**	-
Payment of term finance	8.1	**(9,556,000)**	-
Short term bank borrowings	12	**(79,011,004)**	(46,752,246)
Long term payable against vehicle	11	**(3,851,664)**	1,604,860
Employees' gratuity fund	10	**(8,519,574)**	1,601,390
Dividend paid	SOCE	**(3,201,750)**	-
Net Cash Flow From Financing Activities	(C)	**13,460,325**	(17,482,951)
Net Changes In Cash & Equivalents	(A+B+C)	**(15,779,002)**	1,800,062
Cash & Equivalents At The Beginning Of The Year		**20,337,910**	18,537,848
CASH & EQUIVALENT AT END OF YEAR	26	**4,558,908**	20,337,910

The annexed notes (1) to (52) form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR** **Chief Financial Officer**

PAK AGRO PACKAGING LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30, 2026

PARTICULARS	SHARE CAPITAL	CAPITAL RESERVES	ACCUMULATED PROFITS	TOTAL
	RUPEES	RUPEES	RUPEES	RUPEES
Balance as at June 30, 2024	200,000,000	107,283,257	104,077,082	411,360,339
Total comprehensive income for the year	-	-	32,577,092	32,577,092
Balance as at June 30, 2025	**200,000,000**	**107,283,257**	**136,654,174**	**443,937,431**
Total comprehensive income for the year	-	-	8,594,482	8,594,482
Dividend - Interim 2026 @ Rs. 0.5 per share (Minority Shareholders)	-	-	(3,201,750)	(3,201,750)
BALANCE AS AT JUNE 30, 2026	**200,000,000**	**107,283,257**	**142,046,906**	**449,330,163**

The annexed notes (1) to (52) form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

Chief Financial Officer

PAK AGRO PACKAGING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND OPERATIONS

The company was incorporated initially with the name and style 'Kohsar Tyres (Private) Limited' under the Companies Ordinance, 1984 (now repealed the Companies Act, 2017) on February 18, 1989 under CUIN # 0019224. The name of the company was thereafter changed to Mian & Khan Industries (Private) Limited on December 31, 1999 and again changed as 'Pak Agro Packaging (Private) Limited' on August 24, 2000. The status of company was converted from private limited to public limited company on June 19, 2022 and is listed at GEM board of the Pakistan Stock Exchange. The main object of the company is manufacturing of net bags and green shades for green houses and to provide services to manufacture the same. The company owns a manufacturing unit in Industrial Estate, Hattar. The registered office of the company is situated at Plot No. 23, Phase IV, Haripur, Khyber Pakhtunkhwa, Hattar Industrial Estate, Hattar.

Geographical location and addresses of major business units including mills /plant of the company are as under:

Location	Address	Purpose
Hattar	Plot No. 23, Phase IV, Haripur, Khyber Pakhtunkhwa, Hattar Industrial Estate, Hattar.	Registered office and Production Plant
Islamabad	Office No 302, 3rd Floor, Green Trust Tower, Jinnah Avenue, Islamabad	Head Office

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards 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 and directives issued under the Companies Act, 2017.

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

2.2 Basis of measurement

2.2.1 Accounting convention

These financial statements have been prepared on the historical cost convention except for the following items, which are measured on following basis anually on each reporting date.

items	measurement basis
Net Defined Benefit Liability	Present value of the defined benefit obligation determined through acturial valuation

2.2.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the company's financial currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupee.

2.2.3 Significant estimates and judgments

In preparing these financial statements in accordance with approved accounting standards, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may di er from these estimates. Not all of these significant accounting policies require management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies that management considers critical because of the complexity, judgment of estimation involved in their application and their impact on these financial statements.

Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

(i) Employee benefit obligations
(ii) Recognition of deferred tax and estimation of income tax provision
(iii) Classification and measurement of financial assets
(iv) Allowance for expected credit losses
(vi) Use of discount rates and interpretation of lease terms

3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE APPROVED ACCOUNTING STANDARDS

3.1 There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on 1 July 2025. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 4 to these financial statements.

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

		Effective date
IAS 7	Statement of Cash Flows (Amendments)	01-Jan-26
IAS 21	The effects of changes in foreign exchange rates	01-Jan-27
IAS 28	Investments in Associates and Joint Ventures Amendments	01-Jan-27
IFRS 7	Financial Instruments: Disclosures (Amendments)	01-Jan-26
IFRS 9	Financial Instruments (Amendments)	01-Jan-26
IFRS 10	Consolidated Financial Statements (Amendments)	01-Jan-26
IFRS 17	Insurance Contracts (Amendments)	01-Jan-27
IFRS 19	Subsidiaries without Public Accountability: Disclosures	01-Jan-27
IFRS 18	Presentation and Disclosure in Financial Statements	01-Jan-27

3.2 The management anticipates that, the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation /disclosures.

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

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 20	Regulatory Assets and Regulatory Liabilities
IFRIC 21	Service Concession Arrangement

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Property, plant and equipment

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. An item of property, plant and equipment is derecognized upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and its carrying amount and is recognized in profit or loss.

Subsequent expenditure: Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation: Depreciation is calculated to write off the cost of items of property, plant and equipment less their residual values using the reducing balance method, except leasehold land, buildings and plant and machinery which are depreciated on a straight-line basis. Depreciation is recognized in the statement of profit or loss. Leased assets are depreciated over the shorter of the leased term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated. Rates of depreciation/estimated useful lives are mentioned in note 18.. Depreciation is charged on prorate basis from the month in which an asset become available for used, while no depreciation is charged for the month in which the asset is disposed off. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Capital work-in-progress: Capital work-in-progress is stated at cost less accumulated impairment losses (if any). All expenditure connected to the specific assets incurred during installation and construction period is carried under capital work-in-progress. These are transferred to relevant classes of property, plant and equipment as and when these are available for use.

4.2 Lease liability and right of use of asset

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of di erent terms and conditions.

Leases are recognized as a right of use asset and a corresponding liability at the date at which a leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate as at the commencement date, amounts expected to be payable by the Company under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the Company expects to exercise that, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in statement of profit or loss if the carrying amount of right of use asset has been reduced to zero.

The right of use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right of use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right of use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

4.3 Financial instruments

4.3.1 Financial assets

The Company classifies its financial assets on initial recognition in the following categories: at amortized cost, at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI"). Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

4.3.2 Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not

designated as at FVTPL: (i) It is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4.3.3 Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company irrevocably designates a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.3.4 Fair value through other comprehensive income ("FVOCI")

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (ii) Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis.

4.3.5 Recognition and initial measurement

The Company initially recognizes assets on the date when they are originated. All other financial assets and financial liabilities are initially recognized when the company becomes a party to the contractual provisions of the instrument.

Financial assets at amortized cost or at fair value through other comprehensive income are initially measured at fair value plus transaction cost. Financial liabilities at amortized cost are measured at fair value minus transaction cost.

4.3.6 Subsequent measurement and gains and losses

Financial assets at amortised cost
These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at FVOCI
Debt investments are subsequently measured at fair value. Interest income calculated using effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments are subsequently measured at fair value. Dividend income and foreign exchange

gains and losses are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

4.3.7 Impairment of financial asset

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade debts, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at amortized cost (other than trade debts) and FVTOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when internal and external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash owes.

4.3.8 Impairment of non-financial asset

Non-financial assets that have an indefinite useful life are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment at each statement of financial position date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized for the amount for which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows i.e. Cash Generating Unit (CGU). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each statement of financial position date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no new impairment loss had been recognized. An impairment loss or reversal of impairment loss is recognized

in profit or loss for the year.

4.3.9 Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4.3.10 De-recognition

Financial assets
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities
The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. The company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

4.3.11 Offsetting of financial assets and liabilities

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

4.4 Provisions

A provision is recognized in the statemnet of financial position when the company has a legal or constructive obligation as a result of a past event and it is posiible that an outflow of economic benfits will be required to settle the obligation expected future cashflows at a pre-tax discount rate that reflects current market assessment of time value of money and rsik specific to the liability. The unwinding of discount is recognised as finance cost.

4.5 Impairment

The carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of such assets is estimated and impairment losses are recognized in the statement of profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the initial cost of the asset. A reversal of the

impairment loss is recognized in the profit and loss account.

4.6 Stock and spares

Stores and spares are valued at moving average cost. They are stated at the lower of cost and net realizable value, with provision made for slow moving and obsolete items. Items in transit are valued at invoice price together with related expenses incurred up to the balance sheet date.

4.7 Stock in trade

These have been valued as under:

Raw material	- At first in first out.
Work in process	- At weighted average cost.
Finished goods	- At lower of cost, calculated on first in first out (FIFO) basis and net realizable value.
Packing material	- At first in first out.

Net realizable value signifies estimated selling price less estimated cost of completion and estimated cost to sell. The Company reviews the carrying amount of stock in trade on a regular basis and provision is made for obsolescence.

4.8 Trade Receivables

Trade Receivables are initially recorded at the transaction price and subsequently measured at amortised cost. They are presented at their nominal value less an allownace for expected credit losses. The allowance is determined using the losses. This approach recognises credit losses based on anticipated risk.

4.9 Bad debts

These are stated at book value. Debts considered bad are provided for or written off and no general provision for the bad and doubtful debt is maintained.

4.10 Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

4.10.1 Current tax

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account available tax rebates and credits. It also includes any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured on the basis of tax laws enacted or substantially enacted at the reporting date.

4.10.2 Deferred tax

Deferred tax is recognized in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as possible tax obligations.

4.10.3 Levy

In accordance with the income tax ordinance , 2001, computation of final taxes is not based on taxable income. Therefore , application guidance on accounting for minimum taxes and final taxes issued by the ICAP as per IAS 12, thesefall within the scope of IFRIC 21 / IAS 37.

4.11 Revenue recognition

Revenue is recognised when performance obligation is satisfied by transferring control of promised goods or service to the customer. The control is transferred at the time of dispatch/delivery of goods, depending on the terms of sale. Revenue is measured at transaction price, excluding discounts, rebates and government levies. The credit term does not include any financing component.

4.12 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.13 Cash and bank balances

Cash and bank balances are carried in the statement of financial position at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise of cash in hand, demand deposits and other short term highly liquid investments that are readily convertible to known amounts of cash and which

are subject to an insignificant risk of changes in value.

4.14 Dividend and appropriation to reserves

Dividend and other appropriation to reserves are recognized in the period in which they are approved.

4.15 Accrued and other liabilities

Accrued and other liabilities are carried at cost, which is the fair value of the consideration to be paid in future for the goods and/or services received, whether or not billed to the company.

4.16 Advance from customer

Advances from customers are initially recognized at cost and are adjusted against sales when the rights and obligations relating to the products are transferred to the customer.

4.17 Advances, deposits and prepayments

Advances, deposits and prepayments are stated at estimated realizable value.

4.18 Staff retirement benefits

The Company previously operated a non-contributory, unapproved and unfunded gratuity scheme for its permanent employees who had completed a minimum period of one year of service. Under the previous arrangement, the gratuity liability was determined with reference to the employee's last drawn salary and length of service and was accounted for as a defined benefit obligation in accordance with IAS 19, "Employee Benefits", based on an actuarial valuation performed using the Projected Unit Credit (PUC) method.

During the year, the Company changed its gratuity arrangement whereby gratuity is now paid annually to eligible employees based on their last drawn salary and length of service. Accordingly, the Company no longer maintains a defined benefit obligation in respect of gratuity and does not require an actuarial valuation under the revised arrangement. Gratuity payments are recognized as employee benefit expense in the statement of profit or loss in the period in which the related services are rendered.

The defined benefit obligation relating to the previous arrangement was settled upon implementation of the revised arrangement during the year, and no defined benefit obligation remains outstanding as at the reporting date.

	NOTES	2026 RUPEES	2025 RUPEES
5 SHARE CAPITAL			
5.1 Authorized Capital			
40,000,000 (2025: 40,000,000) ordinary shares of Rs. 10/- each		**400,000,000**	400,000,000
		400,000,000	400,000,000
5.2 Issued, subscribed and paid-up capital			
17,350,000 (2025: 17,350,000) ordinary shares of Rs. 10/- each issued for cash		**173,500,000**	173,500,000
2,650,000 (2025: 2,650,000) ordinary shares of Rs.10/- each issued as fully paid bonus shares		**26,500,000**	26,500,000
		200,000,000	200,000,000

5.3 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

6 CAPITAL RESERVES			
Share premium reserves		**118,000,000**	118,000,000
Less: Preliminary expenses		**(10,716,743)**	(10,716,743)
		107,283,257	107,283,257

6.1 It represents share premium on issuance of 8 million shares in 2021 @ Rs. 14.75/- per share and is utilized by the Company for the purposes specified in Section 81 of the Companies Act, 2017.

7 LEASE LIABILITY			
Opening balance		**57,733,014**	46,112,073
Add: Addition during the year		**113,276,214**	27,022,850
Interest expense	**32**	**11,968,043**	11,058,754
Less: Payments made during the year		**(35,303,589)**	(4,526,937)
Less: Adjustment of advances paid	**19.1**	**(30,406,624)**	-
Closing balance		**117,267,057**	79,666,740
Less: Current maturity	**13**	**(37,831,737)**	(21,933,726)
		79,435,320	57,733,014

7.1 Maturity analysis of liability against right of use assets is as follows:

Less then one year	**54,580,673**	30,184,372
One to five years	**95,386,044**	60,556,740
More then five years	**25,500,000**	-
	175,466,717	90,741,112
Futhure finance charges	**(58,199,660)**	(11,074,372)
	117,267,057	79,666,740
Less: Current maturity of finance lease	**(37,831,737)**	(21,933,726)
	79,435,320	57,733,014

	NOTES	2026 RUPEES	2025 RUPEES

7.2 The value of minimum lease rental payments has been discounted at 3 months KIBOR + 4% per annum. Title to the assets acquired under the leasing arrangements are transferrable to the Company upon payment of entire lease obligations.

The finance lease facilities for the Yarn Making Machine, Fishing Net Machine, two Vegetable Bag Wrap Knitting Machines and Solar Energy System, provided by M/s OLP Financial Services Pakistan Limited, are fully secured through first exclusive charge registered with the Securities and Exchange Commission of Pakistan (SECP).

8 LONG TERM - TERM FINANCE

Term finance	8.1	**62,460,433**	-
		62,460,433	-

8.1 Term Finance

Opening balance	-	-
Obtained during the year	**80,000,000**	-
Interest expense for the year	**4,038,534**	
Payments during the year	**(9,556,000)**	-
Closing balance	**74,482,534**	-
Less: Current maturity	**(12,022,101)**	-
	62,460,433	-

8.2 This represent the Long Term Finance facility obtained from OLP Financial Services Pakistan Limited amounting to Rs. 80,000,000/- to be repaid in 60 installments each amounting to Rs. 1,911,200/- . The markup rate applicable is on Floating rate basis which will be claculated on the basis of benchmark rate plus 495 basis points with 0% floor and 0% ceiling. This facility is secured by way of 1st Equitable Mortgage over Land & Building (Plot # 22 & 23, Phase - IV, Industrial Estate, Hattar, Haripur).

9 DEFERRED TAX LIABILITY

Deferred tax liability - Property, Plant & Eqip.		**32,928,714**	35,258,032
Deferred tax liability - ROUA		**59,781,852**	25,170,909
Deferred tax (asset) - Lease Liability		**(23,036,243)**	-
	9.1	**69,674,323**	60,428,941

9.1 Movement in temporary differences during the year

Opening defered tax liability		**60,428,941**	53,741,807
Deferred tax (income) / expense	**9.2**	**9,245,382**	6,687,134
		69,674,323	60,428,941

9.2 Deferred tax (income) / expense

Deferred tax income on acclerated depreciation	**(2,329,318)**	(1,547,389)
Deferred tax expense on ROUA	**34,610,943**	8,234,524
Deferred tax income on lease liability	**(23,036,243)**	-
	9,245,382	6,687,134

	NOTES	2026 RUPEES	2025 RUPEES
10 EMPLOYEES GRATUITY FUND			
Balance at beginning of the year		**4,213,846**	3,254,940
Add: Provision for the year		**-**	7,045,988
Less: Paid to outgoing members		**(4,213,846)**	(6,087,082)
		-	4,213,846

10.1 During the year, the Company changed its gratuity arrangement whereby gratuity is now paid annually to eligible employees based on their last drawn salary and length of service. Accordingly, the Company no longer maintains a defined benefit obligation in respect of gratuity and does not obtain an actuarial valuation for the arrangement. Gratuity payments are recognized as employee benefit expense in the statement of profit or loss in the period in which the related services are rendered.

The defined benefit obligation relating to the previous arrangement was settled upon implementation of the revised arrangement during the year, and no defined benefit obligation remains outstanding as at the reporting date.

11 PAYABLE AGAINST VEHICLE			
Vehicle purchased during the year		**1,604,860**	5,456,524
Less: Current maturity	**13**	**(1,604,860)**	(3,851,664)
		-	1,604,860

11.1 This represents the amount payble for purchase of a vehicle i.e. Hyundai Sonata on installment basis from Nishat Moters (Private) Limited. The arrangment is intrest free and unsecured with the Company having issued post-dated cheques for all installments. The final installment is due in November 2026.

12 SHORT TERM BANK BORROWING			
Running Finance	**12.1**	**-**	79,011,004
		-	79,011,004

12.1 The Bank of Khyber renewed the running finance facility limit upto Rs. 80 million on January 01, 2024 to meet working capital requirements of the Company at mark up rate to be recovered on quarterly basis as, Rebated: Three months KIBOR plus 300 bps p.a. if markup is paid within 15 days from due date and / or Un-rebated: Three months KIBOR plus 500 bps p.a. if markup is paid after 15 days from due date.

These facilities expired on December 31, 2025 and was paid off in full.

13 CURRENT MATURITY OF LONG TERM LIABILITIES			
Finance lease	**7**	**37,831,737**	21,933,726
Term finance	**8.1**	**12,022,101**	-
Vehicle payable	**11**	**1,604,860**	3,851,664
		51,458,698	25,785,390

13.1 These represent current portions of various long term liabilities falling due within the year.

	NOTES	2026 RUPEES	2025 RUPEES
14 ADVANCES FROM CUSTOMER			
Advance from customers	14.1	**29,721,954**	-
		29,721,954	-

14.1 It represents advances from customers for sale of goods which remained undelivered.

15 ACCRUED AND OTHER LIABILITIES			
Salaries & benefits payable		**14,671,392**	10,566,226
Workers' profit participation fund		**1,830,931**	4,655,854
Mark up payable - short term		-	3,913,743
Workers' welfare fund		**1,090,372**	2,298,001
Other liabilities		**15,314**	1,392,300
Audit fee	29.4	**920,000**	924,000
Income tax withheld payable		**2,259,057**	374,761
Utilities bills payable		-	268,900
EOBI payable		**352,400**	148,740
Social security payable		-	142,560
Director rumneration payable		**679,083**	-
Postal Life Insurance - employees		**71,936**	-
Insurance payable - assets & materials		**3,547,985**	-
Payable to suppliers		**3,603,304**	-
Gratuity payable	15.1	**1,170,000**	-
		30,211,775	24,685,085

15.1 The Company has discontinued the recognition of defined benefit obligation and has adopted a practice of paying gratuity annually to its employees based on the applicable gratuity formula, with the amount determined with reference to the employee's last drawn salary and length of service. The balance represents gratuity expense relating to the current year, which is payable to employees in the following year along with their salaries.

16 PROVISION FOR TAXATION			
Opening		**21,413,855**	-
Tax charged for the year	35	**15,746,821**	21,413,855
Levies charged for the year	34	**38,085**	-
Adjusted against advance tax	25	**(21,413,855)**	-
Closing		**15,784,906**	21,413,855

17 CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

There are no contingencies against the company as at the year end (2025: Nil).

17.2 Commitments

Outstanding letters of credit as at June 30, 2025 amounted to Rs. 9,977,431/- (2025: Rs. 75,380,265/-)

18 PROPERTY, PLANT AND EQUIPMENT	NOTES	2026 RUPEES	2025 RUPEES
Owned assets	18.1	367,884,429	382,169,874
Right of use assets (ROU)	18.2	206,144,317	86,796,238
		574,028,746	468,966,112

18.1 Owned assets

DESCRIPTION	Factory Building On Lease Hold Land	Motor Vehicles	Plant and Machinery	Electric Installation	Furniture and Fixtures	Office Equipment	Electrical Equipment	Computers	Total
	----RUPEES----								
COST									
As at July 01, 2024	77,888,795	27,745,363	541,409,292	5,428,637	1,176,264	1,862,972	1,138,590	689,220	657,339,133
Additions	833,745	11,976,996	18,818,249	5,717,176	-	-	730,000	200,000	38,276,166
Disposals/adjustment									
As at July 01, 2025	**78,722,540**	**39,722,359**	**560,227,541**	**11,145,813**	**1,176,264**	**1,862,972**	**1,868,590**	**889,220**	**695,615,299**
Additions	**7,563,881**	**3,250,000**	**20,716,715**	**9,511,030**	-	-	-	-	**41,041,626**
Disposals/adjustment	-	**(9,128,234)**	-	-	-	-	-	-	**(9,128,234)**
AS AT JUNE 30, 2026	**86,286,421**	**33,844,125**	**580,944,256**	**20,656,843**	**1,176,264**	**1,862,972**	**1,868,590**	**889,220**	**727,528,691**
ACCUMULATED DEPRECIATION									
As at July 01, 2024	20,154,757	13,410,756	216,955,054	4,349,864	784,993	973,748	1,026,403	472,787	258,128,361
Depreciation charge	2,908,753	2,299,904	49,466,146	244,490	58,691	133,384	105,766	99,930	55,317,064
Disposals/adjustment	-	-	-	-	-	-	-	-	-
Net book value	**23,063,510**	**15,710,660**	**266,421,200**	**4,594,354**	**843,684**	**1,107,132**	**1,132,169**	**572,717**	**313,445,425**
Depreciation charge	**2,819,638**	**3,773,638**	**44,332,735**	**1,435,289**	**49,887**	**113,376**	**110,463**	**94,951**	**52,729,977**
Disposals/adjustment	-	**(6,531,140)**	-	-	-	-	-	-	**(6,531,140)**
AS AT JUNE 30, 2026	**25,883,148**	**12,953,158**	**310,753,935**	**6,029,643**	**893,571**	**1,220,508**	**1,242,632**	**667,668**	**359,644,263**
CARRYING VALUE									
As at June 30, 2025	55,659,030	24,011,699	293,806,341	6,551,459	332,580	755,840	736,421	316,503	382,169,874
AS AT JUNE 30, 2026	**60,403,273**	**20,890,967**	**270,190,322**	**14,627,200**	**282,693**	**642,464**	**625,958**	**221,552**	**367,884,429**
Rate of depreciation (%)	**5**	**15**	**15**	**15**	**15**	**15**	**15**	**30**	

18.1.1 Disposal of owned assets

2026	Description	Relation with the Buyer	Mode	Original Cost	Book Value	Sale Proceeds	Gain / (loss)
				----RUPEES----			
	Motor Vehicles	None	Direct Sale	**9,128,234**	**2,597,094**	**10,000,000**	**7,402,906**
				9,128,234	**2,597,094**	**10,000,000**	**7,402,906**

18.2 Right of use Assets (ROU)

	Land	Motor Vehicle	Electrical Installation	Machinery	Total
	----------RUPEES----------				
COST					
As at July 01, 2024	1,565,250	2,950,000	-	67,493,952	72,009,202
Additions	-	-	23,555,401	14,780,819	38,336,220
Disposals/adjustments	-	-	-	-	-
As at July 01, 2025	**1,565,250**	**2,950,000**	**23,555,401**	**82,274,771**	**110,345,422**
Additions	**17,814,236**	-	-	**118,426,814**	**136,241,050**
Disposals/adjustments	-	-	-	-	-
AS AT JUNE 30, 2026	**19,379,486**	**2,950,000**	**23,555,401**	**200,701,585**	**246,586,472**
ACCUMULATED DEPRECIATION					
As at July 01, 2024	-	599,219	-	13,008,654	13,607,873
Depreciation charge	-	352,617	306,098	9,282,596	9,941,311
Disposals/adjustments	-	-		-	-
As at July 01, 2025	-	**951,836**	**306,098**	**22,291,250**	**23,549,184**
Depreciation / amortization	**1,188,210**	**299,725**	**3,487,395**	**11,917,641**	**16,892,971**
Disposals/adjustments	-	-	-	-	-
AS AT JUNE 30, 2026	**1,188,210**	**1,251,561**	**3,793,493**	**34,208,891**	**40,442,155**
CARRYING VALUE					
As at June 30, 2025	1,565,250	1,998,164	23,249,303	59,983,521	86,796,238
AS AT JUNE 30, 2026	**18,191,277**	**1,698,439**	**19,761,908**	**166,492,693**	**206,144,317**
Rate of depreciation (%)	**6.67%**	**15%**	**15%**	**15%**	

18.3 Depreciation for the year	**NOTES**	**2026 RUPEES**	2025 RUPEES
Owned assets	**18.1**	**52,729,977**	55,317,064
Right of Use	**18.2**	**16,892,971**	9,941,311
		69,622,949	65,258,375

		NOTES	2026 RUPEES	2025 RUPEES
18.3.1	The depreciation relating to owned assets & right of use assets has been allocated as follows:			
	Cost of sales	**25**	**68,752,662**	64,613,753
	Administrative expenses	**26**	**870,287**	644,622
			69,622,949	65,258,375
19	**LONG TERM DEPOSITS**			
	Security deposits against:			
	Leased assets	**19.1**	-	30,406,624
	Office building		**1,443,375**	1,443,375
	Utilities		**1,181,436**	1,181,436
			2,624,811	33,031,435
19.1	**Leased assets**			
	Opening		**30,406,624**	18,982,143
	Paid during the year		-	11,424,481
	Less: Adjustment against lease liability	7	**(30,406,624)**	-
	Closing		-	30,406,624
20	**CAPITAL WORK IN PROGRESS**			
	Capital work in Progress	**20.1**	**9,400,000**	-
			9,400,000	-
20.1	This represents advance given against building construction on leasehold land. The total cost is estimated at Rs. 40 million payable within the next year.			
21	**STOCK IN TRADE**			
	Finished goods	**28**	**73,074,000**	70,522,500
	Raw material	**21.1**	**69,587,554**	20,676,480
	Work-in-process	**28**	**6,789,528**	9,161,054
	Stock in transit		-	20,000,731
			149,451,082	120,360,765
21.1	**Raw material**			
	Raw material	**28.1**	**64,231,630**	10,434,800
	Colors	**28.2**	**3,764,324**	7,682,080
	Chemical	**28.3**	**1,591,600**	2,559,600
			69,587,554	20,676,480
22	**ADVANCES , DEPOSITS & OTHER RECEIVABLES**			
	Advances to employees against salaries		**3,704,120**	2,664,000
	Advances to parties against supplies		**2,898,000**	70,000
	Deposits against margin deposit on letters of credit		**9,977,438**	15,522,678
	Others deposits		**1,000,000**	1,000,000
			17,579,558	19,256,678

		NOTES	2026 RUPEES	2025 RUPEES
23	**REFUND DUE TO / FROM GOVERNMENT**			
	Sales tax refundable		**8,908,210**	35,695,775
	Sales tax payable		**(3,976,757)**	(1,762,144)
			4,931,453	33,933,631
24	**PREPAYMENTS**			
	Insurance - assets & inventory		**3,819,637**	3,478,297
	Services		**74,986**	74,986
	Lease instalments		**-**	473,580
			3,894,623	4,026,863
25	**ADVANCE TAX**			
	Opening		**18,900,032**	4,068,890
	Tax deducted at source	**25.1**	**15,949,175**	14,831,142
	Tax deposited during the year	**25.2**	**8,245,594**	-
	Provision for taxation	**16**	**(21,413,855)**	-
	Prior year adjustment	**34**	**(72,555)**	-
			21,608,390	18,900,032

25.1 This represents tax deducted at source on imports, purchase of vehicles & utilities.

25.2 This represents admitted tax under section 137 of Income Tax Ordinance deposited by the Company for the tax year 2025.

26	**CASH AND BANK BALANCES**			
	Cash in hand		**700,000**	700,000
	Cash at bank - current account		**3,858,908**	19,637,910
			4,558,908	20,337,910
27	**SALES - NET**			
	Gross sales - Local		**1,116,465,631**	1,013,257,885
	Gross sales - Export		**3,808,461**	-
	Sales tax & Further tax	**27.1**	**(173,168,562)**	(154,564,762)
			947,105,530	858,693,123

27.1 This represents sales tax and further tax charged at the rate of 18% and 4% on local sales.

28	**COST OF SALES**			
	Raw material consumed	**28.1**	**468,643,578**	359,921,064
	Colors consumed	**28.2**	**11,605,648**	30,528,095
	Chemical consumed	**28.3**	**21,775,972**	26,344,914
	Packing material		**22,065,722**	16,060,940
	Production overhead	**28.4**	**337,086,891**	314,308,065
			861,177,810	747,163,078
	Opening work in process		**9,161,054**	9,643,215
	Closing work in process	**21**	**(6,789,528)**	(9,161,054)
	Cost of goods manufactured		**863,549,336**	747,645,239
	Opening finished goods stock		**70,522,500**	62,014,500
	Closing finished goods stock	**21**	**(73,074,000)**	(70,522,500)
			860,997,836	739,137,239

		NOTES	2026 RUPEES	2025 RUPEES
28.1	**Raw material consumed**		**860,997,836**	-
	Stock as on July, 01		**10,434,800**	73,132,720
	Add: Raw material imported		**522,440,408**	297,223,144
	Stock as at June, 30	**21.1**	**(64,231,630)**	(10,434,800)
			468,643,578	359,921,064
28.2	**Colors consumed**			
	Stock as on July, 01		**7,682,080**	8,205,390
	Add: Purchases		**7,687,892**	30,004,785
	Stock as at June, 30	**21.1**	**(3,764,324)**	(7,682,080)
			11,605,648	30,528,095
28.3	**Chemical consumed**			
	Stock as on July, 01		**2,559,600**	510,230
	Add: Purchases		**20,807,972**	28,394,284
	Stock as at June, 30	**21.1**	**(1,591,600)**	(2,559,600)
			21,775,972	26,344,914
28.4	**Production overhead**			
	Salaries and benefits	**28.4.1**	**168,950,786**	142,978,021
	Fuel and power		**76,493,856**	88,261,973
	Repair and maintenance		**4,057,387**	5,351,955
	Sui gas		**4,053,915**	3,944,731
	Fee and subscription		**634,420**	-
	Insurance		**3,797,102**	3,705,360
	Lubricants		**3,210,457**	2,149,610
	Vehicle running and maintenance		**3,824,795**	945,864
	Entertainment		**553,822**	760,807
	Miscellaneous		**1,940,753**	524,165
	Printing and stationary		**171,490**	303,210
	Security charges		**38,729**	200,853
	Rent, rates and taxes		**176,308**	200,000
	Telephone and internet		**283,459**	188,558
	Travelling and conveyance		**70,950**	135,468
	Postage and courier		**58,420**	29,917
	Newspaper and periodicals		**17,580**	13,820
	Depreciation & amortization	**18.3.1**	**68,752,662**	64,613,753
			337,086,891	314,308,065
28.4.1	**Salaries and benefits**			
	Salaries to staff		**151,740,320**	128,663,093
	Gratuity		**4,305,728**	6,919,625
	Overtime		**6,391,268**	3,719,873
	Social security		**2,412,960**	1,704,000
	E.O.B.I		**1,873,678**	1,502,200
	Financial assistance		**1,954,950**	343,000
	Bonus		**-**	75,900
	Medical		**271,882**	50,330
			168,950,786	142,978,021

		NOTES	2026 RUPEES	2025 RUPEES
29	**ADMINISTRATIVE EXPENSES**			
	Director's remuneration	**29.1**	**13,434,987**	11,069,375
	Salaries and benefits	**29.2**	**6,650,619**	5,099,384
	Rent, rates and taxes	**29.3**	**5,917,838**	5,075,733
	Auditor's remuneration	**29.4**	**1,328,250**	924,000
	Fees and subscriptions		**497,760**	793,779
	Entertainment		**1,004,360**	505,063
	Telephone, mobile and internet		**436,817**	496,056
	Utilities		**397,206**	482,261
	Travelling and conveyance		**640,891**	275,818
	Printing and stationary		**437,880**	270,416
	Professional charges - survey		**1,190,000**	158,590
	Postage and courier		**260,282**	130,750
	Miscellaneous		**341,297**	59,500
	Repair and maintenance		**649,670**	51,680
	News papers and periodicals		**177,805**	13,345
	Depreciation	**17.3**	**870,287**	644,622
	Income tax expense		**355,266**	-
			34,591,214	26,050,372
29.1	**Director's remuneration**			
	Remuneration		**10,500,000**	10,500,000
	Director's meeting		**125,000**	425,000
	Medical		**2,809,987**	117,312
	Insurance		**-**	27,143
			13,434,987	11,069,455
29.2	**Salaries and benefits**			
	Salaries to staff		**4,308,003**	4,330,537
	Financial assistance		**1,172,616**	-
	Gratuity		**1,170,000**	768,847
			6,650,619	5,099,384

29.3 This amount represents the rent of the Company's head office situated on the 3rd floor of Green Trust Tower, Islamabad, under an annual rental agreement.

29.4	**Auditor's remuneration**		
	Massom Akhter & Co.		
	Annual audit report	-	803,478
	Half yearly review	**275,000**	-
	Other services	**80,000**	-
	Sales tax @ 15%	**53,250**	120,522
	Ilyas Saeed & Co.		
	Annual audit report	**800,000**	-
	Sales tax @ 15%	**120,000**	-
		1,328,250	924,000
30	**SELLING AND DISTRIBUTION EXPENSES**		
	Carriage outward	**632,127**	388,430
		632,127	388,430

		NOTES	2026 RUPEES	2025 RUPEES
31	**OTHER INCOME**			
	Gain on disposal	**18.1.1**	**7,402,906**	-
			7,402,906	-
32	**FINANCIAL EXPENSES**			
	Mark-up		**9,201,205**	13,407,955
	Lease financial charges		**11,968,043**	11,058,754
	Share registrar services		**404,854**	750,610
	Bank charges		**94,528**	153,227
			21,668,630	25,370,546
33	**OTHER CHARGES**			
	Workers' profit participation fund		**1,830,931**	4,655,854
	Workers' welfare fund		**1,090,372**	2,298,001
			2,921,304	6,953,855
34	**LEVIES**			
	Minimum / Final Tax - Current year		**38,085**	-
	Minimum / Final Tax - Prior year	**25**	**72,555**	-
			110,640	-

34.1 Levies have been recognized under IFRIC 21 for Minimum Tax Chargeable on payment for goods uunder section 153(1)(a) at 5% and on export of goods at the rate of 1%.

35	**TAXATION**			
	Tax charged for the year	**35.1**	**15,746,821**	21,413,855
	Tax charge for prior year		**-**	757,083
	Deferred tax (income) / expense	**9.2**	**9,245,382**	6,687,134
	Tax expense for the year		**24,992,203**	28,858,072
35.1	**Reconciliation of tax charge for the year**			
	Accounting profit before taxation		**33,697,325**	60,792,681
	Tax rate @ 29% on profit		**29%**	29%
	Tax on accounting profit		**9,772,224**	17,629,877
	Inadmissible expenditure for tax purposes		**20,506,863**	22,798,388
	Admissible expenditure for tax purposes		**(14,468,690)**	(19,014,410)
	Deferred tax (income) / expense		**9,245,382**	6,687,134
	Prior year adjustment		**-**	757,083
	Fixed tax for the year		**(38,085)**	-
	Minimum tax difference		**(25,491)**	-
			24,992,203	28,858,072
36	**EARNINGS PER SHARE-BASIC AND DILUTED**			
	Profit after tax		**8,594,482**	31,934,608
	Weighted average number of ordinary shares in issue		**20,000,000**	20,000,000
	Basic and diluted earnings per share (Rupee)		**0.43**	1.60

36.1 There is no dilution effect on earnings per share of the Company.

37 CASH & CASH EQUIVALENTS	NOTES	2026 RUPEES	2025 RUPEES
Cash & bank balances	26	**4,558,908**	20,337,910
		4,558,908	20,337,910

37.1 Operating profit before working capital changes

Profit for the year before levies & taxation	P&L	**33,697,325**	60,792,681
Adjustment of non cash items:			
Depreciation	18.3	**69,622,949**	65,258,375
Interest on term finance	8	**4,038,534**	-
Gain on disposal	31	**(7,402,906)**	-
Gratuity expense	28.4.1	**5,475,728**	-
		105,431,630	126,051,056

38 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company's exposure to interest rate risk on its financial assets & liabilities are summarized as follows:

2026					
Financial assets carried at amortized cost	**Interest / mark up bearing**			**Not interest / mark up bearing**	**Total**
	Maturity upto one year	**Maturity after one year**	**Sub-total**		
	---------- **RUPEES** ----------				
Long term deposits	-	-	-	2,624,811	**2,624,811**
Cash & bank balance	-	-	-	4,558,908	**4,558,908**
Financial liabilities carried at amortized cost					
Lease liability	37,831,737	79,435,320	117,267,057	-	**117,267,057**
Term finance	12,022,101	62,460,433	74,482,534	-	**74,482,534**
Accrued liabilities	-	-	-	30,211,775	**30,211,775**
Total gap	(49,853,838)	(141,895,754)	(191,749,591)	(23,028,056)	**(214,777,647)**

2025					
Financial assets carried at amortized cost	Interest / mark up bearing			Not interest / mark up bearing	Total
	Maturity upto one year	Maturity after one year	Sub-total		
	---------- RUPEES ----------				
Long term deposits	-	-	-	33,031,435	33,031,435
Cash & bank balance	-	-	-	20,337,910	20,337,910
Financial liabilities carried at amortized cost					
Lease liability	21,933,726	57,733,014	79,666,740	-	79,666,740
Term finance	79,011,004	-	79,011,004	-	79,011,004
Accrued liabilities	-	-	-	24,685,085	24,685,085
Total gap	(100,944,730)	(57,733,014)	(158,677,744)	28,684,260	(129,993,484)

39 FINANCIAL INSTRUMENTS	NOTES	2026 RUPEES	2025 RUPEES
Financial assets - at amortized cost			
Long term deposits	19	**2,624,811**	33,031,435
Cash & bank balances	26	**4,558,908**	20,337,910
		7,183,719	53,369,345
Financial liabilities - at amortized cost			
Lease liability	7	**117,267,057**	79,666,740
Term finance	8	**62,460,433**	-
Accrued liabilities	15	**30,211,775**	24,685,085
		209,939,265	104,351,825

40 CREDIT QUALITY OF FINANCIAL ASSETS	NOTES	2026 RUPEES	2025 RUPEES

Credit quality of Company's financial assets have been assessed below by reference to external credit rating of counterparties as determined by Pakistan Credit Rating Agency Limited (PACRA) & VIS Credit Rating Company Limited. Counterparties for which external credit ratings are not available have been assessed by reference to internal credit ratings as determined by management based on historical information for any default by such counterparties in meeting obligations.

Long term deposits		
Credit parties with no external ratings	**2,624,811**	33,031,435
	2,624,811	33,031,435
Bank balances		
Credit parties with external ratings	**4,558,908**	20,337,910
	4,558,908	20,337,910

Banks	Credit rating Agencies	Short term credit rating	Long term credit rating
The Bank of Punjab	PACRA	**A-1+**	AAA
The Bank of Khyber	PACRA	**A-1**	AA-
Habib Metropolitan Bank	PACRA	**A-1+**	AAA
Summit Bank	VIS	**A-2**	A-
Meezan Bank	VIS	**A-1+**	AAA
United Bank Limited	VIS	**A-1+**	AAA
Bank Al - Habib	PACRA	**A-1+**	AAA
Faysal bank	PACRA	**A-1+**	AA+
Bank Alfalah	PACRA	**A-1+**	AAA
Habib Bank Limited	VIS	**A-1+**	AAA

The above credit ratings have been assigned as at June 30, 2026.

41 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk

Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. Board is also responsible for developing & monitoring Company's risk management policies. Company's risk management policies are established to identify & analyze risks faced by Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to the financial instrument fails to meet its contractual obligations and arises principally on loans, advances, deposits, trade debts, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Financial assets	NOTES	2026 RUPEES	2025 RUPEES
Long term deposits	8	**2,624,811**	33,031,435
Bank balances	26	**4,558,908**	20,337,910
		7,183,719	53,369,345

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as these fall due. 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.

The Company ensures that it has sufficient cash on demand to meet expected cash outflows during its operating cycle, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters. The Company monitors rolling forecasts of the liquidity reserve (comprising cash & cash equivalents) on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet the cash flow requirements and maintaining the debt financing plans. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date, to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows and also include the impact of estimated future interest payments.

Financial liabilities	Carrying amount	Contractual Cashflows	Within one year	From 1 to 5 years	More than 5 years
June 30, 2026	----------RUPEES----------				
Lease liability	117,267,057	175,481,413	54,580,673	95,400,739	25,500,000
Long term finance	74,482,534	105,116,000	22,934,400	82,181,600	-
Accrued liability	30,211,775	30,211,775	30,211,775	-	-
	221,961,366	(184,565,872)	(49,853,838)	(134,712,035)	-
June 30, 2025					
Lease liability	79,666,740	59,559,738	29,039,821	30,519,917	-
Short term finance	79,011,004	80,000,000	80,000,000	-	-
Accrued liability	24,685,085	24,685,085	24,685,085	-	-
	183,362,829	164,244,823	133,724,906	30,519,917	-

(iii) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Each component of market risk is explained below:

(a) Currency risk

Currency risk is the risk that the fair value or future expected cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions of receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to any currency risk as at reporting date.

(b) Interest rate risk

The interest rate risk is the risk that the fair value or the future expected cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rates exposure arises from short term borrowings, long term borrowings, long term investments, loans and advances, short term investments and deposits with banks. Interest rate profile of the Company is as follows:

	2026	2025
	RUPEES	RUPEES
Fixed rate instruments		
None	-	-
Variable rate instruments		
Lease liability	**117,267,057**	79,666,740
Term finance	**74,482,534**	79,011,004

Fair value sensitive analysis of fixed rate instrument

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

(c) Price risk

Price risk represents the risk that the fair value or future expected cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any material price risk as at reporting date.

42 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As at June 30, 2026 all financial assets and financial liabilities are carried at amortized cost. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily & regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, & those prices represent actual and regularly occurring market transactions on an arm's length basis. The carrying value of all financial assets and financial liabilities approximate their value .The Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset either directly that is, derived from prices.
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs.

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred. As of the reporting date, none of the financial instruments of the Company are carried at fair value. The carrying values of all other financial assets and liabilities reflected in the financial statements approximate their fair values. There were no financial instruments classifiable under level 1, level 2 and / or level 3 of the fair value hierarchy during the year.

43 CAPITAL RISK MANAGEMENT

The Company's objective, when managing capital, is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business. The Company manages its capital structure by monitoring return on net assets and makes adjustments to economic conditions.

44 TRANSACTIONS WITH RELATED PARTIES

The related party comprises of subsidiary, associated companies, director of the company and key management personnel, details of transactions with related parties other than those which have been specifically disclosed elsewhere in these financial statements. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that company. There has been no transactions with related parties, except for remuneration to key management personnel as discussed in note 45, during the year.

45 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS & EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration, including all benefits, to Chief Executive Officer, Directors and Executives of the Company is as follows:

	----------2026----------		
	Chief Executive	**Directors**	**Executives**
	RUPEES	**RUPEES**	**RUPEES**
Remuneration	**7,200,000**	**3,300,000**	**7,657,704**
Director's meeting	**62,500**	**62,500**	**-**
Medical	**1,404,994**	**1,404,994**	**-**
	8,667,494	**4,767,494**	**7,657,704**
Number of person	**1**	**1**	**5**

	----------2025----------		
	Chief Executive	Directors	Executives
	RUPEES	RUPEES	RUPEES
Remuneration	7,200,000	3,300,000	4,024,310
Director's meeting	212,500	212,500	-
Medical	58,656	58,656	-
Insurance	27,143	-	-
	7,498,299	3,571,156	4,024,310
Number of Person	1	1	2

46 NUMBER OF EMPLOYEES

Number of employees at year end		
- Factory	**279**	280
- Other	**9**	6
Average number of employees during the year		
- Factory	**280**	204
- Other	**8**	6

47 INSTALLED CAPACITY & ACTUAL PRODUCTION

Installed capacity (in kg's)	**1,600,000**	1,600,000
Utilized capacity (in kg's)	**1,567,733**	1,503,091
Utilized capacity (in %)	**97.98%**	93.94%

48 EVENTS AFTER THE REPORTING DATE

There were no significant adjustable events subsequent to the reporting date which may require an adjustment in the financial statements or additional disclosure.

49 UNUSUAL EVENTS & TRANSACTIONS

During the year, the Board of Directors, in its meeting held on February 26, 2026, declared an interim cash dividend of Rs. 0.50/- per share to the minority shareholders, representing 32% of the total shareholding. The remaining shareholders voluntarily surrendered their entitlement to the dividend.

Except for the above-mentioned transaction, there were no unusual events and / or transactions during the year which required separate disclosure or explanatory notes to the financial statements.

50 CORRESPONDING FIGURES

No material rearrangements or reclassifications have been made in the financial statements during the year, except for the following reclassification made to enhance the comparability and presentation of the comparative figures.

In the preceding year's financial statements, provision for taxation was presented net of advance tax. In the current year's financial statements, the comparative figures have been presented on a gross basis, with advance tax and provision for taxation shown separately. Accordingly, the comparative figures have been reclassified as follows:

Particulars	Previously reported	Reclassification	Reclassified
	----------Rupees----------		
Advance tax	-	18,900,032	18,900,032
Provision for taxation	2,513,823	18,900,032	21,413,855

51 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board on 5th Oct. 2026.

52 GENERAL

Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE OFFICER DIRECTOR Chief Financial Officer