

Hoechst
PAKISTAN



Hoechst
PAKISTAN

OUR JOURNEY TOWARDS
***GROWTH &
SUSTAINABILITY***

**ANNUAL
REPORT
2025**

www.hoechst.com.pk



Our Journey Towards Growth & Sustainability

At **Hoechst Pakistan Limited**, **growth** and **sustainability** are not separate ambitions—they are part of a unified vision that guides how we operate, innovate, and create value. Our journey is anchored in our core values of **Honesty, Care, Respect, Lead** and **Courage**, which shape our decisions, strengthen our culture, and define how we engage with all stakeholders.

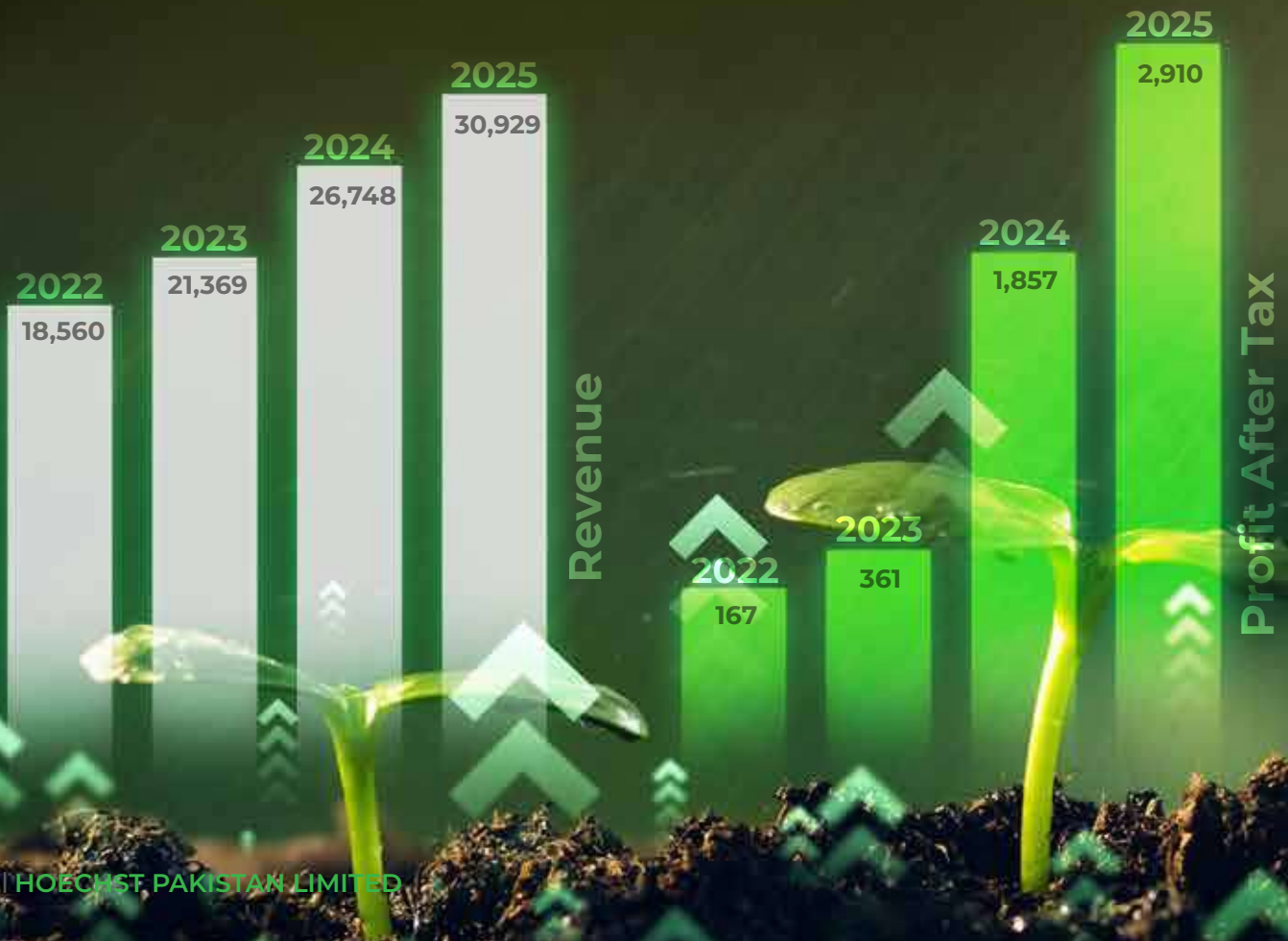
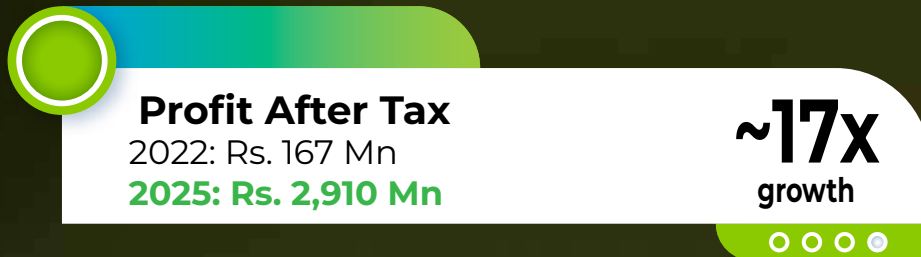
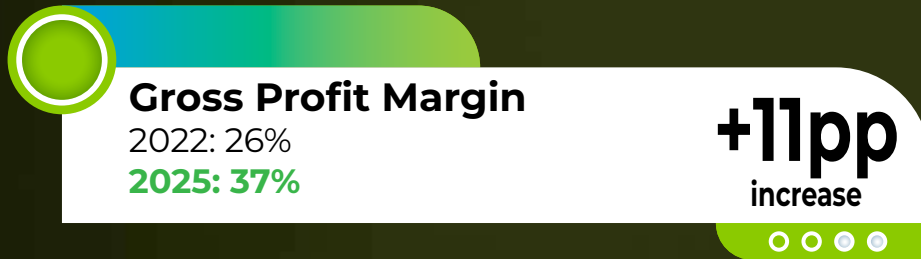
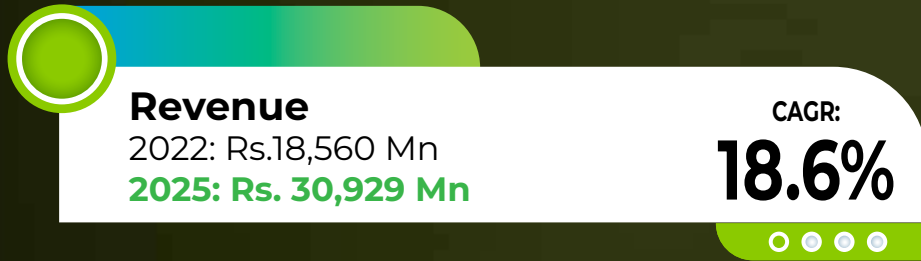
The visual theme of this year's report symbolizes this philosophy. The upward financial indicators represent disciplined progress and responsible performance, reflecting our commitment to honesty and transparency in financial stewardship. The emerging plants signify sustainable growth nurtured through care for our people, communities and environment, while the strong institutional backdrop reflects the stability built on mutual respect and sound governance.

Sustainability remains embedded in our decision-making—from responsible resource management and people development to transparent reporting and ethical conduct. By aligning performance with purpose, we continue to create lasting value for shareholders, customers, employees and the wider community.

As we move forward, we remain committed to building on our strong foundations, advancing responsible growth, and continuing our journey towards a sustainable future driven by our core values.

Path to Sustainable Growth

Acquisition of **Hoechst Pakistan Limited** by **Packages Limited** in April 2023 marked the beginning of a new phase in the Company's journey—one focused on strengthening operational performance, enhancing financial resilience and unlocking long-term growth potential.



Our Strategic Pillars for Sustainable Growth

The strong progress achieved in recent years reflects a clear strategic direction focused on building a resilient and future-ready organization. At Hoechst Pakistan Limited, sustainable growth is driven by a balanced approach that combines operational excellence, responsible governance, people development and long-term stakeholder value creation.

Following the acquisition by Packages Limited, the Company refined its strategic priorities to strengthen performance while embedding sustainability into decision-making. These pillars guide how we operate today and how we prepare for tomorrow.



Our Commitment to Sustainable Operations



Solar Generation

- **2023: 437 MWh** • **2025: 2,574 MWh**
- ▲ Solar Power generation increased sixfold
- ▲ Transition towards cleaner energy with 23% of total electricity consumption sourced to renewable energy

Water Consumption

- **2023: 158,254 m³** • **2025: 142,825 m³**
- ▲ ↓ 10% reduction (3-year)
- ▲ Consistent yearly decline reflecting improved water efficiency

GHG Emissions

- **2023: 8,967 tCO₂e** • **2025: 7,130 tCO₂e**
- ▲ ↓ 21% reduction (3-year)
- ▲ Strong progress in carbon footprint reduction

Gas Consumption

- **2023: 2.15M m³** • **2025: 1.64M m³**
- ▲ ↓ 24% reduction (3-year)
- ▲ Significant energy optimization & efficiency gains

Overall Sustainability Impact

- ✓ Reduced resource consumption
- ✓ Lower emissions footprint
- ✓ Improved operational efficiency



BUILDING ON **STRONG MOMENTUM,** **LEADING** THE JOURNEY FORWARD



Our focus on operational efficiency, supply chain resilience, and responsible capital allocation has enabled us to sustain growth while strengthening margins and cash generation. As we move forward, we remain committed to scalable growth, prudent financial stewardship, and sustainable value creation for our shareholders and the healthcare ecosystem we serve.

Sajjad Iftikhar
Chief Executive Officer



Dr. Munzir Ishaq
Commercial Director
Antibiotics, Cardio Care, Vaccines,
Sp. Care, Trade & Revenue



Ali Hasani
Technical Director



Yasser Pir Muhammad
Chief Financial Officer



Maha Khan
Head of HR



Salman Shamim
Business Unit Head - Diabetes



Dr. Nadim-ur-Rehman
Head of Medical &
Media Relations



Dr. Laila Mughal
Head of Regulatory, PV &
Affiliate Quality



Javaid Iqbal
Head of Supply Chain



S.M. Waqar Alam
Business Unit Head
CHC (Pharma)



Bushra Khaliq
Head of Business Development
& Market Innovation



Sharif Hussain
Head of Trade &
Revenue Management



Arsalan Zahid
Business Unit Head -
Hospicare



Abdul Rehman
Head of Procurement



Ahsan Zeeshan
Head of Compliance &
Business Integrity



Nauman Rashid
Head of Communications



Kaleemullah Khan
Business Operations Lead



Dr. Zeeshan Hassan
Business Manager - Vaccines



Anas Ali Shamsi
Strategic Projects Lead



Asmer Manzoor Saifi
Business Manager
CIIC (Wellness)



Sahir Shoaib
Marketing Manager
International Markets



Sajjad Iftikhar
Chief Executive Officer

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Consolidated Financial Statements

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Company Information

Board of Directors

Syed Babar Ali (Chairman)
Syed Hyder Ali
Mr. Arshad Ali Gohar
Mr. Imtiaz Ahmed Husain Laliwala
Syed Anis Ahmad Shah
Mr. Muhammad Salman Burney
Ms. Saadia Naveed
Ms. Iqra Sajjad
Mr. Sajjad Iftikhar

Chief Executive Officer

Mr. Sajjad Iftikhar

Chief Financial Officer

Mr. Yasser Pirmuhammad

Company Secretary

Syed Muhammad Taha Naqvi

Head of Internal Audit

Mr. Feroze Polani

Auditors

A.F. Fergusons & Co.
Chartered Accountants

Legal Advisors

Khalid Anwer & Co.
Saadat Yar Khan & Co.
Ghani Law Associates
THS & Co.

Shares Registrar

FAMCO Share Registration Services (Private)
Limited
8-F, Near Hotel Faran, Nursery, Block-6,
P.E.C.H.S., Shahrah-e-Faisal, Karachi
Tel: +92 21 34380101-5
URL: www.famcosrs.com

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Deutsche Bank AG
Habib Bank Limited
Habib Metropolitan Bank Limited
Faysal Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered (Pakistan) Limited
United Bank Limited

Registered Office

Plot 23, Sector 22, Korangi Industrial Area,
Karachi - 74900

Postal Address

P.O. Box No. 4962, Karachi - 74000

Contact

Tel: +92 21 35060221-35
Email: contact.pk@hoechst.com.pk

Web presence

www.hoechst.com.pk



Company History

Hoechst Pakistan Limited has been present in Pakistan for over 55 years, saving the lives of millions and improving the quality of life of many more through high quality products.

The Company was incorporated on December 8, 1967, as Hoechst Pakistan Limited. In 1977 the organization went public and was listed on the Karachi Stock Exchange (now Pakistan Stock Exchange). Following multiple mergers, divestments and acquisitions over the years, the name of the company was changed to sanofi-aventis Pakistan limited in 2005.

On May 6th, 2022, Sanofi publicly announced the signing of a binding Share Purchase Agreement with the investor consortium led by Packages Limited, and including IGI Investments, and affiliates of Arshad Ali Gohar Group. The transaction successfully closed at the end of April 2023 with the transfer of 52.87% shares to the consortium. In August 2023, the Board of Directors approved the change of the name of the Company from “sanofi-aventis Pakistan Limited” to “Hoechst Pakistan Limited”.

We are a company with a rich legacy of excellence and reliability, and we are now seeking new ways to innovate and improve upon our past successes to address the full spectrum of healthcare needs, from wellness to prevention to management, treatment and cure.

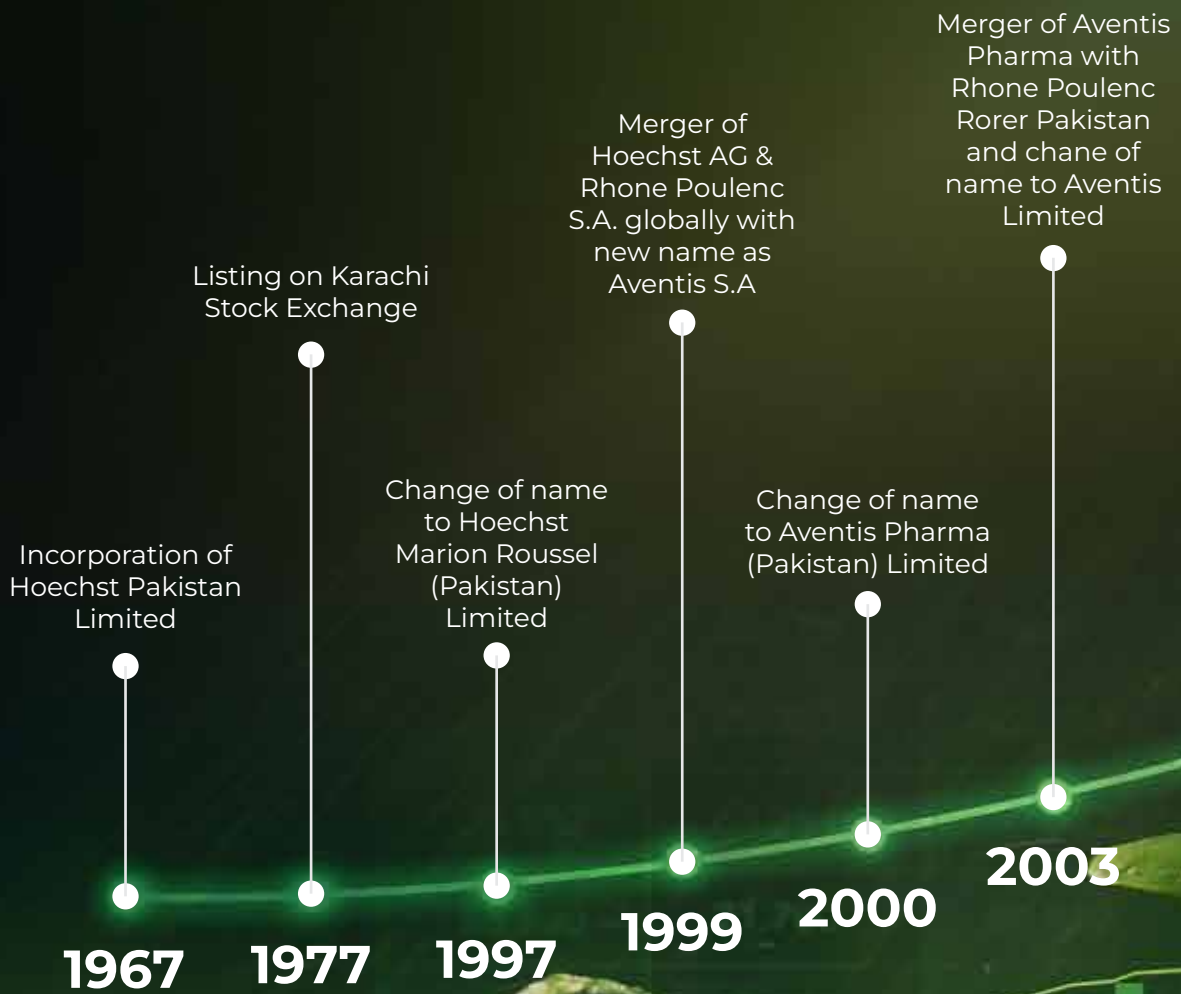
1970 – Foundation Laying Ceremony of Hoechst Pakistan Limited

L to R : Front : Uwe Weimann , Pir Ali Gohar, Syed Babar Ali, Prof. Sammet (Chairman, Hoechst A.G.), Dominik von Winterfeldt , Karl – Heinz Gross;

Back: Dr. Seyfried and Dr. Ing. Siegfried Lenz



Historical Milestones





Acquisition of Aventis S.A. by sanofi synthelabo to form a company called sanofi-aventis S.A

2004

Name of Company changed to Sanofi-Aventis Pakistan Limited

2005

Sanofi-Aventis changed its identity to Sanofi internationally

2011

Acquisition of Sanofi's shareholding by Packages led consortium and change of name to Hoechst Pakistan Limited

2023

Incorporation of H-Pack Wellness (Private) Limited

2024

Formation of Hoechst-Pack Trading FZCO

2025

+23456

-16.4678

2765.31

3010.33

+78.9800

4096.56

47.54

Vision

To become a healthcare leader focused on patients' needs.

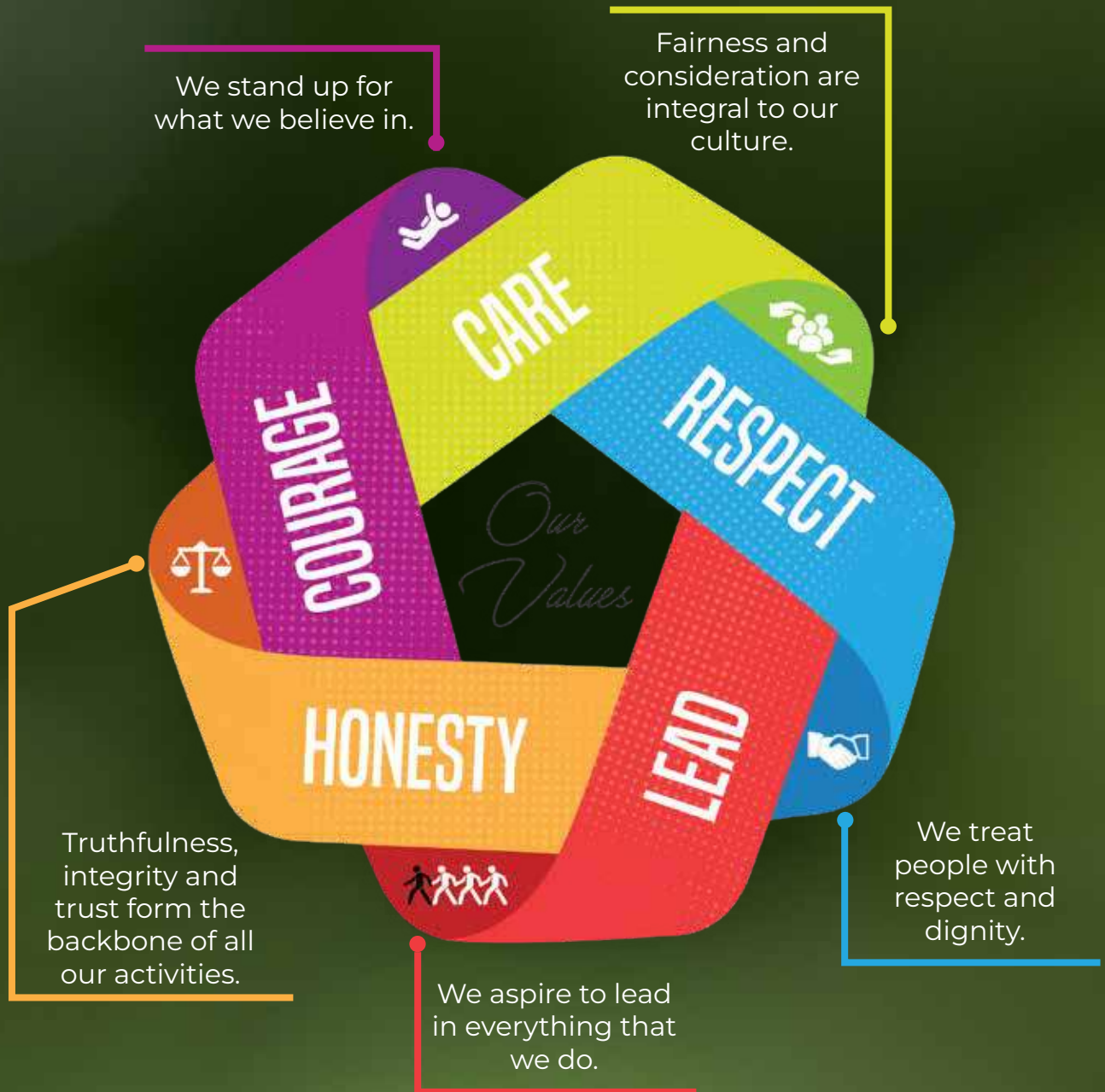
Mission

To enhance the quality of life of millions of people by addressing unmet medical needs in the community and promoting access to quality healthcare.






Our Values

Our Values shape our behaviors, ethics, and serve as a moral compass, ultimately defining the DNA of our company.











Board of Directors

Director	Date of Joining Board	Other Engagements
 <p>Syed Babar Ali (Chairman)</p>	<p>Prior to the listing of the company in 1977</p>	<p>Ali Institute of Education Babar Ali Foundation Gurmani Foundation IGI Holdings Limited Industrial Technical & Educational Institute Lahore University of Management Sciences (LUMS) National Management Foundation Nestle Pakistan Limited Syed Maratib Ali Religious & Charitable Trust Society Tetra Pak Pakistan Limited The American Academy of Arts & Sciences Tri-Pack Films Limited</p>
 <p>Syed Hyder Ali (Non-Executive Director)</p>	<p>February 22, 1987</p>	<p>Ali Institute of Education Babar Ali Foundation Bulleh Shah Packaging (Private) Limited IGI General Insurance Limited IGI Investments (Private) Limited IGI Life Insurance Limited IGI Holdings Limited Industrial Technical & Educational Institute International Chamber of Commerce, Pakistan Hoechst-Pack Trading FZCO Lahore University of Management Sciences (LUMS) National Management Foundation Nestle Pakistan Limited Packages Convertors Limited Packages Limited Packages Real Estate (Private) Limited Packages Lanka (Private) Limited Pakistan Business Council Pakistan Centre for Philanthropy Packages Trading FZCO Packages Foundation Syed Maratib Ali Religious & Charitable Trust Society Tri-Pack Films Limited World Wide Fund for Nature – Member Advisory Council</p>
 <p>Arshad Ali Gohar (Non-Executive Director)</p>	<p>February 11, 2011</p>	<p>Ali Gohar & Company (Private) Limited AGT Strategic Holdings (Private) Limited AGC (Private) Limited Nera Pharma (SMC-Private) Limited</p>

*Other engagements have been listed in alphabetical order.

Director	Date of Joining Board	Other Engagements
 <p>Imtiaz Ahmed Husain Laliwala (Independent Director)</p>	<p>April 25, 2017</p>	<p>Pakistan Petroleum Limited The Kidney Centre Post Graduate Training Institute</p>
 <p>Syed Anis Ahmad Shah (Independent Director)</p>	<p>April 28, 2023</p>	<p>No other engagements</p>
 <p>Muhammad Salman Burney (Non-Executive Director)</p>	<p>May 25, 2023</p>	<p>Agri Auto Industries Limited Education Fund For Sindh Habib Metro Pakistan (Private) Limited Shabbir Tiles & Ceramics Limited Sindh Engro Coal Mining Co. Limited Thal Nova Power Thar (Private) Limited Thal Electric (Private) Limited Thar Power Company Limited Thal Limited</p>

**Other engagements have been listed in alphabetical order.*

Director	Date of Joining Board	Other Engagements
 <p>Saadia Naveed (Independent Director)</p>	<p>May 25, 2023</p>	<p>Coronet Foods Limited English Biscuit Manufacturers (Private) Limited Employers' Federation of Pakistan Education Fund for Sindh National Foods Limited Pakistan Oxygen Limited Shield Corporation Limited</p>
 <p>Iqra Sajjad (Non-Executive Director)</p>	<p>September 28, 2023</p>	<p>H-Pack Wellness (Private) Limited</p>
 <p>Sajjad Iftikhar (Chief Executive Officer)</p>	<p>April 28, 2023</p>	<p>Babar Ali Foundation - Honorary Secretary IGI Investments (Private) Limited Hoechst-Pack Trading FZCO H-Pack Wellness (Private) Limited StarchPack (Private) Limited</p>

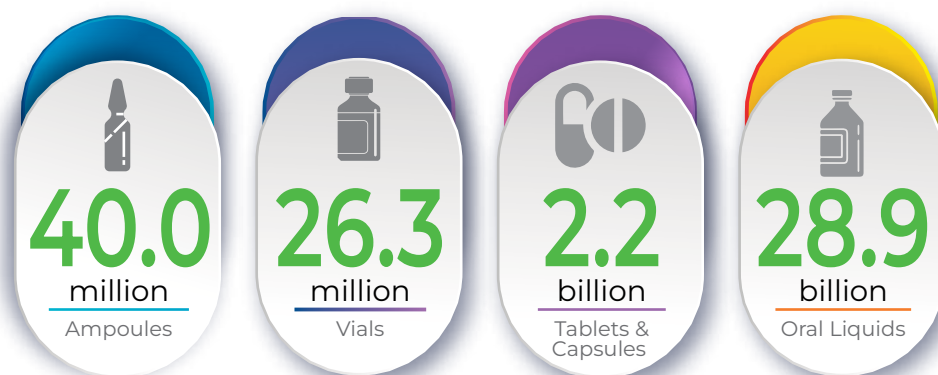
*Other engagements have been listed in alphabetical order.

The Year at a Glance



*source: IQVIA PKPI MAT Dec 2025

Production Volumes



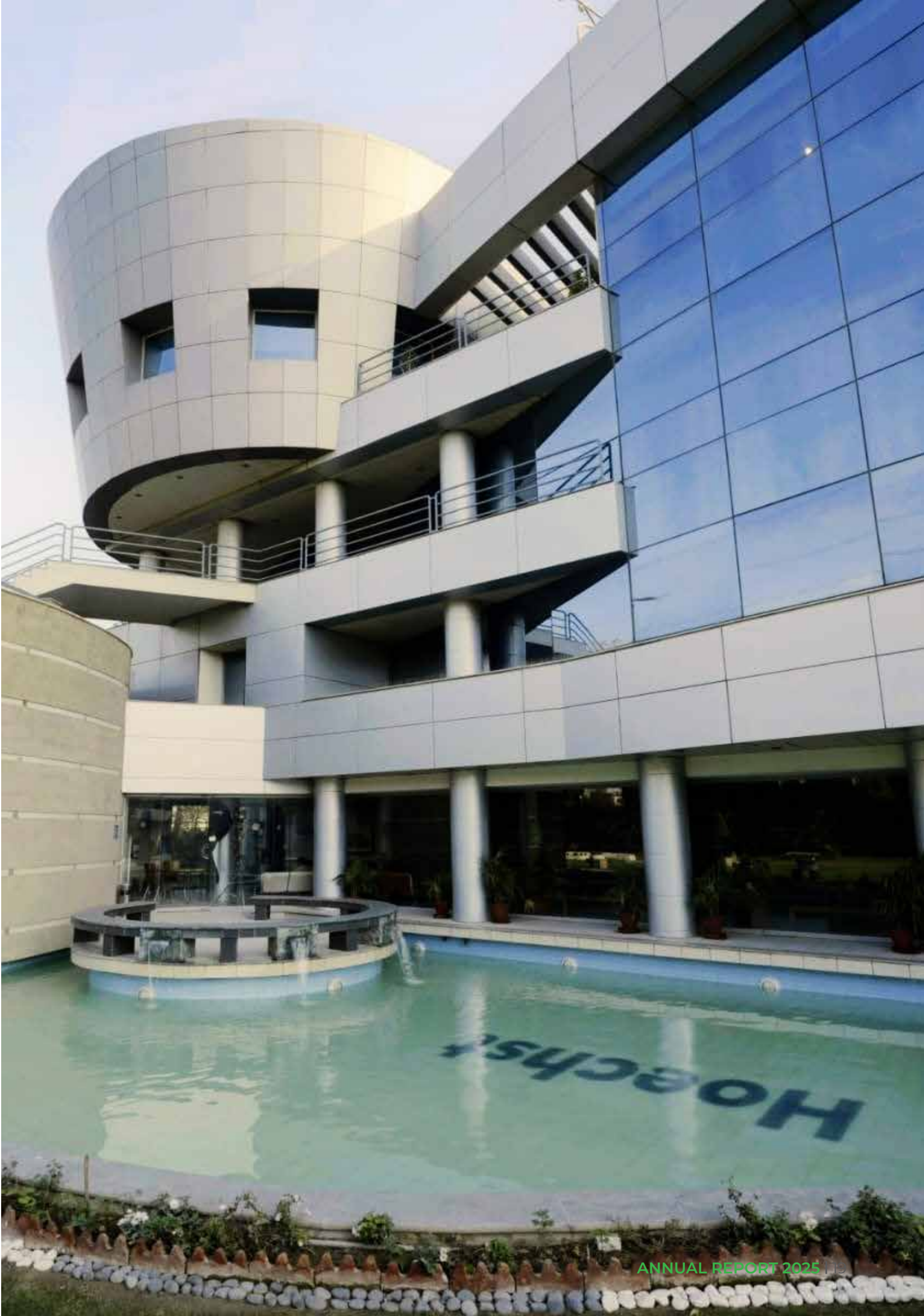
Our People



* Including Commercial, Industrial Affairs and company contractuales.

Financial Highlights





Our Key Brands



FLAGYL®

AMARYL®

LANTUS®



CLEXANE®

NO-SPA®

TOUJEO®



HAEMACCEL®

PHENERGAN®

CLAFORAN®



ENTEROGERMINA®

New Product Launches

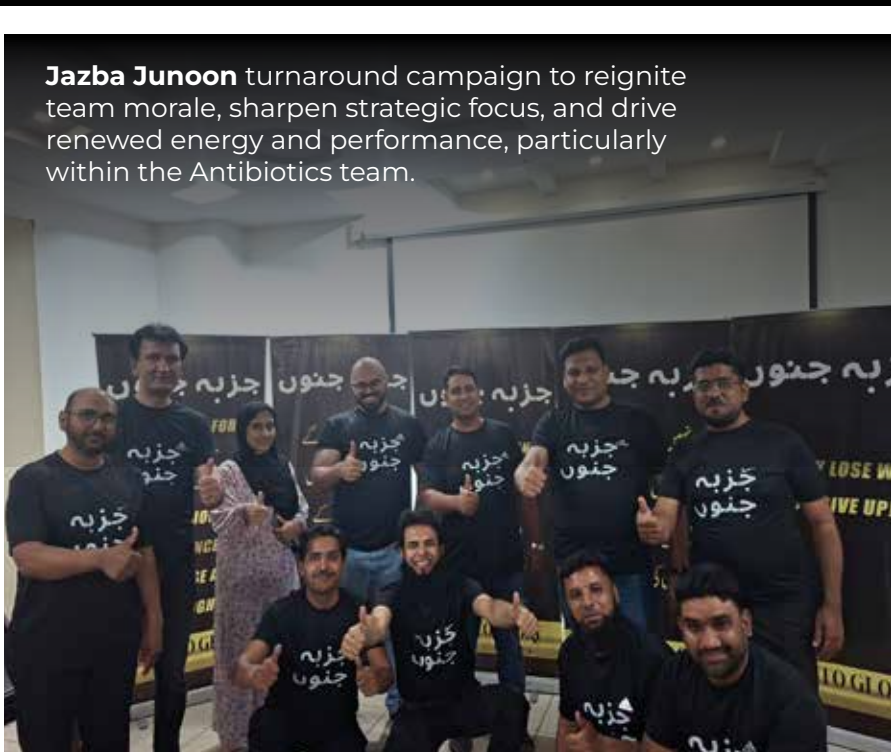


Products of H-Pack Wellness (Private) Limited

EMPLOYEE ENGAGEMENT



DMs Connect at Malam Jabba: Aligning Sales Leaders for Mid-Year Strategy and Team Engagement



Jazba Junoon turnaround campaign to reignite team morale, sharpen strategic focus, and drive renewed energy and performance, particularly within the Antibiotics team.



World Quality Week Celebrations

World Quality Week was observed under the theme **“Think Differently,”** reinforcing HPL’s commitment to innovation, cross-functional collaboration, and a culture of continuous improvement beyond compliance.



Synergy Splash 2025 – Creating Waves Together

Synergy Splash 2025 offered employees a day of bonding and relaxation in a vibrant beachside setting. Through fun activities and shared experiences, the event celebrated teamwork, energy, and the people who make Hoechst a close-knit community—creating memories that strengthened organizational synergy.



Hoechst Connect 2025 with Musical Night brought employees together for an evening of celebration and camaraderie, recognizing collective achievements, celebrating newly launched products, and strengthening bonds across teams, reflecting the spirit of togetherness that defines our culture.



DIVERSITY & INCLUSION INITIATIVES

INVITATION

Hoechst
PAKISTAN

11th April 25
Time: 3:15 PM
Location: Flagyl Hall

SHE MEANS BUSINESS
WOMEN'S DAY SPECIAL

A session with
Aliyah Mohyeddin
CEO of Dynamic Communications

Aliyah Mohyeddin is an internationally certified NLP Master, trainer, leadership coach, and conflict mediator.

She Means Business
A monthly session empowering women through leadership insights, dialogue, and confidence-building.



INVITATION

Hoechst
PAKISTAN

18th Sept 2025
Session Time: 03:30 PM
Location: Flagyl Hall

M-POWERED

A session with
Raza Pirbhai
Chief Executive Officer, KFC

M-Powered Series – Empowering Male Colleagues
A monthly series engaging male colleagues in self-leadership, wellness, and personal impact through expert-led sessions across diverse fields.




Promoting Women Leadership at WIBCON '25

HPL actively contributed to external platforms promoting gender inclusion by participating in WIBCON '25. Maha Khan, Head of HR at HPL, joined the Dream Support Circle panel, sharing real-world insights and advocating for inclusive workplace cultures that enable women leaders to thrive.



International Youth Day – Community Engagement

In observance of International Youth Day, young volunteers from HPL visited a government school as part of a CSR initiative. The team engaged students through interactive sessions focused on affordable health and hygiene practices, reinforcing HPL's commitment to youth empowerment, education, and community well-being.

EXTERNAL ENGAGEMENTS & COLLABORATION



Access.Ability.Careers 2025
HPL sponsored the ConnecHear event to engage and empower persons with disabilities, showcasing its commitment to inclusive and diverse workplaces.



Reverse Career Expo 2025 (PWDs)
Participated in Pakistan's first Reverse Career Expo, enabling recruiters to engage directly with skilled persons with disabilities and advance inclusive employment opportunities.



GEMS 2025 – Qatar
In collaboration with Itqan University, conducted GEMS 2025 in Qatar, bringing together over 70 healthcare professionals. The scientific forum focused on gut health, IBS, and the latest medical insights, strengthening evidence-based clinical practice.



Rising Star International for Diabetes Care – Baku

Co-organized the two-day summit attended by 36 HCPs, enhancing understanding of cardiometabolic care and reinforcing leadership in continuing medical education.



SHINE 2025 Diabetes Summit – Singapore

Participated in the summit at Singapore General Hospital, where regional HCPs advanced their knowledge of insulin therapy to improve diabetes management and patient outcomes.



Soliqua® Expert Sessions (4 Cities)

Hosted Soliqua® Expert Sessions across four cities, engaging over 80 HCPs. Led by leading KOLs, the sessions focused on iGlarLixi as an effective post-basal insulin therapy offering enhanced patient benefits.



VTE 360° International CME

Led Pakistan's first-ever global collaboration on Venous Thromboembolism management. The initiative brought together global experts and 45 specialists, marking the first partnership with ISTH, Liv Hospital, and Istinye University (Turkey), promoting protocol-driven care and patient safety.



WHO & PIC/S Gap Assessment – Global Expertise Engagement

Hosted Mr. Simon Hoffman to conduct a WHO- and PIC/S-aligned gap assessment, strengthening internal systems and enhancing readiness for global export standards.



Chemist Education Program – Diabetes Care

Conducted nationwide Chemist Education Programs, where certified diabetes educators engaged chemists to improve patient awareness around insulin therapy, supporting better outcomes and minimizing unnecessary complaints.



MoU with Society of Surgeons of Pakistan – Project ACE

Signed a strategic MoU under Project ACE, aimed at upskilling healthcare professionals through accredited courses, masterclasses, and simulation-based workshops nationwide.

AWARDS & CERTIFICATIONS



WCM Award 2025

HPL received the WCM Award at the 2025 Annual WCM Conference, recognizing excellence in world-class manufacturing.



PESA Award 2025

Hoechst Pakistan Limited was awarded the PESA 2025 Award for outstanding export performance in the pharmaceutical sector.



Group EHS Best Company Award

HPL earned the EHS Best Company Award, reflecting its commitment to safety, health, and environmental excellence.



ENVIRONMENT, HEALTH & SAFETY

Energy Management:

Reduced Grid Electricity consumption from 10,450 MWh in 2024 to 8,952 MWh in 2025.

Solar Generation:

Increased solar generation from 1,325 MWh in 2024 to 2,574 MWh in 2025.

Water Management:

Decreased absolute consumption from 152,352 m³ in 2024 to 142,825 m³ in 2025, achieving a 6% reduction.

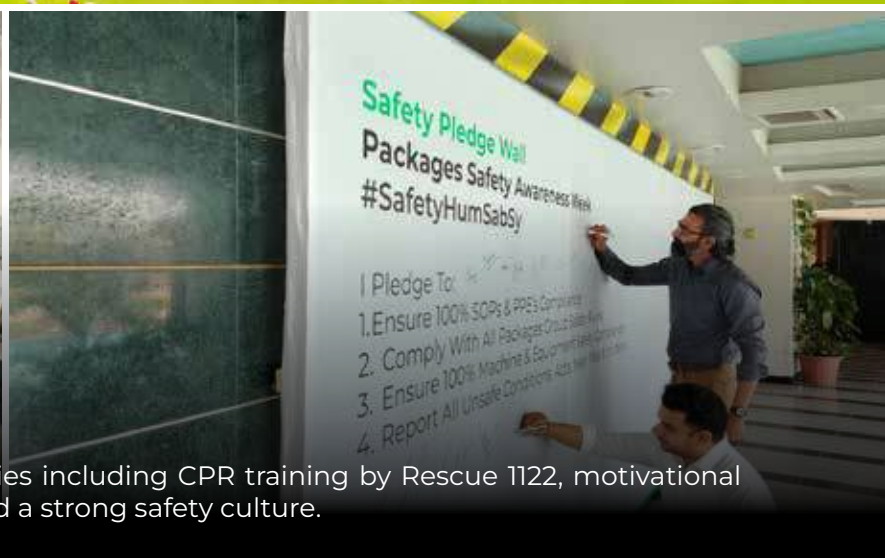
GHG Management:

Reduced site carbon emissions from 8,357 tCO₂e in 2024 to 7,130 tCO₂e in 2025, lowering absolute emissions by 16%.



Safety Week 2025

HPL observed Safety Week with activities including CPR training by Rescue 1122, motivational talks, and yoga, reinforcing vigilance and a strong safety culture.





Safety Week 2025

HPL observed Safety Week with activities including CPR training by Rescue 1122, motivational talks, and yoga, reinforcing vigilance and a strong safety culture.



Ergonomics Workshop

A physiotherapist-led session guided employees on posture, movement, and workplace well-being, promoting a healthier and more comfortable work environment.



Cross-Functional Internal Audit

HPL carried out an internal audit covering ISO 450 01 & 14001 standards, ensuring compliance, operational safety, and environmental management excellence.

HEALTH AWARENESS CAMPAIGNS



Launched Nationwide Diabetes Foot Care Camps

- Held in 17 cities with 400+ screenings
- Provided early detection, education, and preventive care for vulnerable communities

Diabetes Awareness – Full Year Activities including World Diabetes Day

- Conducted over 14,000 diabetes awareness sessions in 2025
- Reached more than 100,000 direct beneficiaries
- Engaged 40 certified diabetes educators
- Covered 18 cities nationwide





World Immunization week

In Karachi, Lahore, Islamabad & online, HPL partnered with renowned pediatricians to discuss vaccine innovation, public trust, and immunization awareness.



World No Tobacco Day

Renowned pulmonologist Dr. Javaid Khan educated employees on the risks of smoking and vaping, urging lifestyle change for long-term health.



World Pharmacist Day

Hoechst Pakistan Limited celebrated World Pharmacists Day with full spirit and participation - honoring the vital role pharmacists play in healthcare and recognizing their unwavering commitment to patient well-being and innovation. Here's to the unsung heroes who ensure safe, effective, and quality healthcare every single day.



World Hepatitis Day

Conducted hepatitis screening for 600+ employees across Pakistan to encourage early diagnosis and prevention.

TRAININGS



THRIVE Leadership Program – Field Executives

A three-day leadership program held in Lahore, equipping 56 top-performing field executives with practical leadership tools through expert-led sessions from LUMS, Bahria University, and HPL trainers.



Values Cascade Program

Refresher sessions on HPL's core values were conducted across teams to strengthen cultural alignment and reinforce values-driven behaviors.



Initial Sales Training Program – September 2025

A week-long, face-to-face training at the Karachi Head Office for 56 new Medical Sales Professionals, focused on building core competencies and enabling high performance in the field.



Leadership for Impact – REDC, LUMS

A three-day executive development program where 40 Sales Leaders enhanced leadership capability, decision-making, and customer-centric skills.



ELEVATE Your IMPACT 2.0

A nationwide, face-to-face soft skills initiative designed to strengthen the Salesforce's professional presence and effectiveness in HCP interactions, with emphasis on integrity, consultative engagement, and positive communication.



Knowledge Pill Learning Series

Knowledge Pill is a series of short, expert-led learning videos simplifying complex topics for sales professionals, enabling confident HCP engagement and supporting continuous, on-the-go learning.



Advanced Leadership Program

Members of the leadership team participated in an advanced leadership development program organized by Packages Group.



Rakaposhi 1.0 Leadership Retreat

Selected employees participated in a five-day retreat focused on building emotional intelligence, resilience, and authentic leadership through experiential learning and reflection.



Building Conflict Resilient Team

Conducted training on building conflict-resilient teams to enhance collaboration and constructive conflict resolution.



Her Power

Female leaders from Hoechst Pakistan participated in the "Her Power" women's leadership development program organized by Packages Group. The program focused on strengthening inclusive leadership, emotional intelligence, and executive presence



Skill-based training of interns

Organized several skill-based training sessions aimed at strengthening interns' professional development.

Corporate Governance & Financial Performance



Independent Auditors' Review Report on Statement of Compliance



Independent Auditor's Review Report

To the members of Hoechst Pakistan Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Hoechst Pakistan Limited for the year ended December 31, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2025.

A handwritten signature in black ink, appearing to be 'A.F. Ferguson & Co.', written over a horizontal line.

A.F. Ferguson & Co.

Chartered Accountants

Karachi

Date: March 17, 2026

UDIN: CR202510069ww1U0oIGz

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

Statement of Compliance

with the Listed Companies

(Code Of Corporate Governance) Regulations, 2019

For the Year Ended December 31, 2025

Hoechst Pakistan Limited (the Company) has complied with requirements of the **Listed Companies (Code of Corporate Governance) Regulations, 2019** (the Regulations) in the following manner:

- The total number of directors are nine (9) as per the following:
 - Male: Seven (7)
 - Female: Two (2)
- The composition of the Board is as follows:

Category	No.	Names
Independent Directors (Male)	2	Mr. Imtiaz Ahmed Husain Laliwala Syed Anis Ahmad Shah
Independent Director (Female)	1	Ms. Saadia Naveed
Non-Executive Directors (Male)	4	Syed Babar Ali Syed Hyder Ali Mr. Arshad Ali Gohar Mr. Muhammad Salman Burney
Non-Executive Director (Female)	1	Ms. Iqra Sajjad
Executive Director (CEO)	1	Mr. Sajjad Iftikhar

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the 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 duly exercised and decisions on relevant matters have been taken by the Board / Shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations.
- The meetings of the Board were presided over by the Chairman. 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 has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.

- At present, out of nine (9) Directors on the Board, five (5) Directors (including the CEO) have acquired the Directors' Training Program Certifications whilst remaining four (4) Directors are exempt from the requirement of Directors' Training Program. During the year, the Board has arranged Director's Training Program for Ms. Maha Khan, who is a female executive and Head of Human Resource Department.
- The Board had approved the appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations in prior years. There has been no change in this respect during the year.
- Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
- The Board has formed committees comprising of members given below:

AUDIT COMMITTEE

Name of the Member	Category
Mr. Imtiaz Ahmed Husain Laliwala (Independent Director)	Chairman
Syed Anis Ahmad Shah (Independent Director)	Member
Mr. Muhammad Salman Burney (Non-executive Director)	Member
Ms. Saadia Naveed (Independent Director)	Member

HUMAN RESOURCE (HR) AND REMUNERATION COMMITTEE

Name of the Member	Category
Ms. Saadia Naveed (Independent Director)	Chairperson
Syed Hyder Ali (Non-executive Director)	Member
Mr. Arshad Ali Gohar (Non-executive Director)	Member
Mr. Imtiaz Ahmed Husain Laliwala (Independent Director)	Member
Mr. Muhammad Salman Burney (Non-executive Director)	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committees during the year were as per following:
- | | |
|-------------------------------|-----------|
| Audit Committee | Quarterly |
| HR and Remuneration Committee | Yearly |
15. The Board has set up an effective internal audit function by outsourcing the same to KPMG Taseer Hadi & Co, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan, and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or any Director of the Company
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and, the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are stated below.

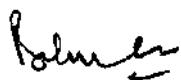
Nomination Committee and Risk Management Committee (Regulations 29 and 30)

The responsibilities of the Nomination Committee and the Risk Management Committee are currently fulfilled by the Human Resource and Remuneration Committee and the Audit Committee, respectively. Therefore, establishing a separate committee for Nomination and Risk Management is not considered necessary.

Sustainability Committee (Regulation 10A)

There is a Group Sustainability Committee in place which has been entrusted to monitor and review sustainability-related risks and opportunities of the companies under the Packages Group (the Group), including the Company. It is also responsible for ensuring Diversity, Equity, and Inclusion (DE&I) practices, overseeing compliance with relevant laws pertaining to sustainability considerations, and ensuring appropriate disclosures. The aforementioned Committee's Terms of Reference cover the operations of the Group, and it advises the Group companies on embedding sustainability principles into their strategies and operations to enhance corporate value.

By order of the Board



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer

Karachi
Date: February 18, 2026

Operating & Financial Highlights

		2025	2024	2023	2022	2021	2020
Liquidity Ratios							
Current Ratio	Times	1.7	1.7	1.8	1.4	1.8	1.7
Quick Ratio	Times	0.6	0.5	0.8	0.8	0.8	0.9
Cash to Current Liabilities	Times	0.02	0.02	0.03	(0.19)	0.20	(0.05)
Cash Flow from Operations to Sales	%	23.6	2.1	15.9	(0.1)	13.2	6.5
Net Working Capital	Rs. M	4,123	4,438	3,417	2,985	3,323	2,862
Net Assets	Rs. M	8,203	6,815	5,471	5,030	5,219	4,562
Operating Cycle	Days	137	128	112	126	122	119
Current assets to Total assets	%	70.4	80.9	79.2	83.1	79.0	78.0
Inventory / Current Assets	%	64.8	71.0	52.4	44.4	53.5	52.4
Inventory to Total Assets	%	45.6	57.5	41.5	36.9	42.3	37.1
Activity Ratios							
Inventory Turnover	Times	2.7	3.1	3.7	3.2	3.3	3.6
Avg. No of Days inventory in stock	Days	134	118	100	113	111	102
Accounts Receivable Turnover	Times	38.6	38.8	29.9	28.3	32.0	22.9
Average Collection Period	Days	9	9	12	13	11	16
Creditors Turnover	Times	3.3	3.9	3.3	3.0	3.3	3.2
Average Payment Period	Days	112	94	112	122	111	113
Fixed Assets Turnover	Times	11.1	13.4	11.4	10.3	9.2	8.2
Operating Assets Turnover	Times	2.6	2.7	2.4	2.2	2.4	2.2
Total Assets Turnover	Times	2.2	2.3	1.9	1.7	1.8	1.7
Leverage							
Interest Coverage Ratio	Times	50.7	25.1	6.2	15.5	51.5	16.1
Fixed Assets to Equity	Times	0.4	0.3	0.3	0.4	0.3	0.4
Profitability Ratios							
Sales Growth	%	15.6	25.2	15.1	16.9	12.6	(2.7)
COGS to Net Sales	%	63.5	68.5	74.1	73.8	74.0	73.0
EBITDA* to Net Sales	%	17.5	14.7	6.6	5.7	11.3	9.2
Profit Before Tax to Net Sales	%	16.0	13.0	4.3	3.9	9.0	6.2
Net Profit Margin	%	9.4	6.9	1.7	0.9	5.7	3.5
Gross Profit Margin	%	36.5	31.5	25.9	26.2	26.0	27.0
Operating Profit Margin	%	16.4	13.5	5.1	4.2	9.2	6.6
Return on Assets	%	20.7	15.9	3.3	1.5	10.1	6.0
Return on Equity	%	38.7	30.2	6.9	3.3	18.5	11.4
Return on Capital Employed	%	65.6	58	20.7	15.0	29.2	21.2
Admin. Dist. & Mktg. Exp. to Net Sales	%	17.9	16.5	16.2	18.1	15.5	18.1
Admin. Dist. & Mktg. Exp. Variance	%	26.0	27.2	2.9	36.7	(3.5)	(10.4)
Financial Charges to Net Income	%	3.4	7.8	48.4	29.9	3.1	11.8
Market Value							
Market Value Per Share	Rs.	4,198.2	2,800.0	1,200.0	958.0	897.7	757.3
Breakup value per Share	Rs.	850.5	706.6	567.3	521.5	541.1	473.0
Market / Book Ratio	Times	4.9	4.0	2.1	1.8	1.7	1.6
Earnings per share (before tax & levies)	Rs.	514.7	360.8	95.0	75.1	148.9	91.2
Earnings per share (after tax & levies)	Rs.	301.7	192.6	37.4	17.3	93.9	51.1
Price Earning Ratio	Times	13.9	14.5	32.1	55.4	9.6	14.8
Dividend per Share	Rs.	240.0	135.0	30.0	-	30.0	20.0
Dividend Yield	%	5.7	4.8	2.5	-	3.3	2.6
Dividend cover	Times	1.2	1.4	1.2	-	3.1	2.6
Payout Ratio	%	79.6	70.1	80.2	-	31.9	39.1
Market Capitalisation	Rs.M	40,491	27,005	11,574	9,240	8,658	7,304

*EBITDA = Earnings before interest, taxes, depreciation and amortization

Horizontal Analysis

	2025	25 vs 24	2024	24 vs 23
	Rs in million	%	Rs in million	%
Operating Results				
Net sales	30,929	15.6	26,748	25.2
Cost of sales	(19,631)	7.2	(18,320)	15.6
Gross profit	11,297	34.1	8,428	52.5
Distribution, selling and administrative expenses	(5,546)	26.0	(4,403)	27.2
Other expenses (including allowance for ECL)	(977)	53.9	(635)	(53.4)
Other income	289	23.5	234	(39.4)
Operating profit	5,064	39.7	3,624	232.2
Finance costs	(100)	(30.9)	(145)	(17.3)
Profit before tax & levies	4,964	42.7	3,479	279.8
Tax & levies	(2,054)	26.6	(1,622)	192.2
Net profit	2,910	56.7	1,857	414.7
Balance Sheet				
Fixed assets	3,397	55.8	2,181	19.7
Other non-current assets	891	120.0	405	74.6
Current assets	10,212	(6.9)	10,970	40.4
Total assets	14,501	7.0	13,557	37.3
Ordinary share capital	96	-	96	-
Reserves	8,107	20.7	6,718	25.0
Non-current liabilities	208	(0.7)	209	100.0
Current liabilities	6,090	(6.8)	6,532	48.5
Total equity and liabilities	14,501	7.0	13,557	37.3
Cash Flows				
Cash generated from operations	7,311	1,191.0	566	(83.3)
Cash flows used in operating activities	(2,389)	70.6	(1,400)	59.3
Cash flows (used in) / generated from investing activities	(2,120)	(1,295.8)	177	(117.8)
Cash flows (used in) / generated from financing activities	(2,787)	(522.8)	659	(1,703.0)
Net (decrease) / increase in cash and cash equivalents	15	519.1	2	(99.8)
Number of Employees				
Number of permanent employees at year end	951		807	

2023	23 vs 22	2022	22 vs 21	2021	21 vs 20	2020	20 vs 19
Rs in million	%	Rs in million	%	Rs in million	%	Rs in million	%
21,369	15.1	18,560	16.9	15,881	12.6	14,108	(2.7)
(15,843)	15.7	(13,689)	16.4	(11,758)	14.1	(10,303)	(4.4)
5,526	13.5	4,871	18.1	4,123	8.4	3,805	2.1
(3,461)	2.9	(3,365)	37.7	(2,444)	(4.2)	(2,551)	(10.4)
(1,361)	49.2	(912)	137.6	(384)	5.3	(365)	4.2
387	114.9	180	5.6	170	242.7	50	(46.3)
1,091	41.0	774	(47.2)	1,465	56.1	938	51.5
(175)	250.8	(50)	75.2	(29)	(51.7)	(58)	(19.4)
916	26.5	724	(49.6)	1,436	63.2	880	61.0
(555)	(0.4)	(557)	5.0	(530)	36.7	(387)	(1.2)
361	116.3	167	(81.6)	906	83.7	493	218.5
1,822	(5.1)	1,920	13.4	1,693	(4.2)	1,767	6.5
232	38.9	167	(34.4)	255	82.1	140	10.2
7,816	(23.7)	10,245	39.8	7,326	8.6	6,746	14.1
9,870	(20.0)	12,332	33.0	9,274	7.2	8,653	12.4
96	-	96	-	96	-	96	-
5,375	9.0	4,934	(3.7)	5,122	14.7	4,466	11.8
-	(100.0)	42	(21.1)	53	(74.4)	207	10,250
4,399	(39.4)	7,260	81.4	4,003	3.1	3,884	7.7
9,870	(20.0)	12,332	33.0	9,274	7.2	8,653	12.4
3,395	(17,502.5)	(20)	(100.9)	2,096	129.0	916	81.8
(879)	(29.7)	(1,251)	112.6	(588)	13.7	(517)	(3.3)
(998)	129.5	(435)	85.1	(235)	(40.5)	(395)	12.5
(41)	(90.8)	(448)	42.4	(315)	(234.7)	234	(180.7)
1,476	(168.5)	(2,153)	(324.7)	958	304.1	237	135.3
717		744		819		793	

Vertical Analysis

	2025		2024	
	Rs in million	%	Rs in million	%
Operating Results				
Net sales	30,929	100.0	26,748	100.0
Cost of sales	(19,631)	(63.5)	(18,320)	(68.5)
Gross profit	11,297	36.5	8,428	31.5
Distribution, selling and administrative expenses	(5,546)	(17.9)	(4,403)	(16.5)
Other expenses (including allowance for ECL)	(977)	(3.2)	(635)	(2.4)
Other income	289	0.9	234	0.9
Operating profit	5,064	16.3	3,624	13.5
Finance costs	(100)	(0.3)	(145)	(0.5)
Profit before tax & levies	4,964	16.00	3,479	13.00
Tax & levies	(2,054)	(6.60)	(1,622)	(6.10)
Net profit	2,910	9.41	1,857	6.90
Balance Sheet				
Fixed assets	3,397	23.4	2,181	16.1
Other non-current assets	891	6.1	405	3.0
Current assets	10,212	70.5	10,970	80.9
Total assets	14,501	100.0	13,557	100.0
Ordinary share capital	96	0.7	96	0.7
Reserves	8,107	55.9	6,718	49.6
Non-current liabilities	208	1.4	209	1.5
Current liabilities	6,090	42.0	6,532	48.2
Total equity and liabilities	14,501	100.0	13,557	100.0
Cash Flows				
Cash generated from operations	7,311	48,740	566	23,371.2
Cash flows used in operating activities	(2,389)	(15,926.7)	(1,400)	(57,793.9)
Cash flows (used in) / generated from investing activities	(2,120)	(14,133.3)	177	7,316.9
Cash flows (used in) / generated from financing activities	(2,787)	(18,580.0)	659	27,205.7
Net increase in cash and cash equivalents	15	100.0	2	100.0
Number of Employees				
Number of permanent employees at year end		951		807

2023		2022		2021		2020	
Rs in million	%	Rs in million	%	Rs in million	%	Rs in million	%
21,369	100.0	18,560	100.0	15,881	100.0	14,108	100.0
(15,843)	(74.1)	(13,689)	(73.8)	(11,758)	(74.0)	(10,303)	(73.0)
5,526	25.9	4,871	26.2	4,123	26.0	3,805	27.0
(3,461)	(16.2)	(3,365)	(18.1)	(2,444)	(15.4)	(2,551)	(18.1)
(1,361)	(6.4)	(912)	(4.9)	(384)	(2.4)	(365)	(2.6)
387	1.8	180	1.0	170	1.1	50	0.4
1,091	5.1	774	4.2	1,465	9.3	938	6.6
(175)	(0.8)	(50)	(0.3)	(29)	(0.2)	(58)	(0.4)
916	4.30	724	3.90	1,436	9.10	880	6.2
(555)	(2.60)	(557)	(3.00)	(530)	(3.3)	(387)	(2.7)
361	1.69	167	0.90	906	5.7	493	3.5

1,822	18.4	1,920	15.6	1,693	18.3	1,767	20.4
232	2.4	167	1.4	255	2.7	140	1.6
7,816	79.2	10,245	83.0	7,326	79.0	6,746	78.0
9,870	100.0	12,332	100.0	9,274	100.0	8,653	100.0
96	1.0	96	0.8	96	1.0	96	1.1
5,375	54.4	4,934	40.0	5,122	55.2	4,466	51.6
-	-	42	0.3	53	0.6	207	2.4
4,399	44.6	7,260	58.9	4,003	43.2	3,884	44.9
9,870	100.0	12,332	100.0	9,274	100.0	8,653	100.0

3,395	230.0	(20)	0.9	2,096	218.7	916	386.1
(879)	(59.6)	(1,251)	58.1	(588)	(61.4)	(517)	(218.1)
(998)	(67.6)	(435)	20.2	(235)	(24.5)	(395)	(166.4)
(41)	(2.8)	(448)	20.8	(315)	(32.8)	234	98.5
1,476	100.0	(2,153)	100.0	958	100.0	237	100.0

717

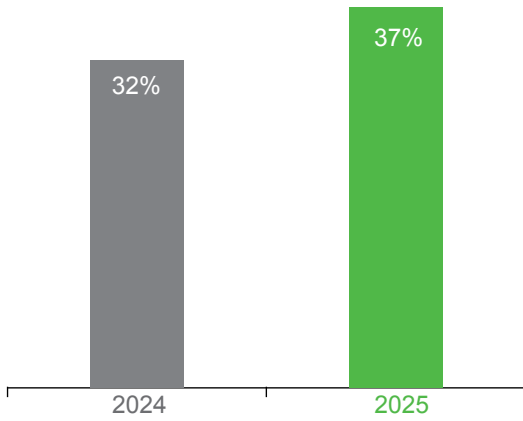
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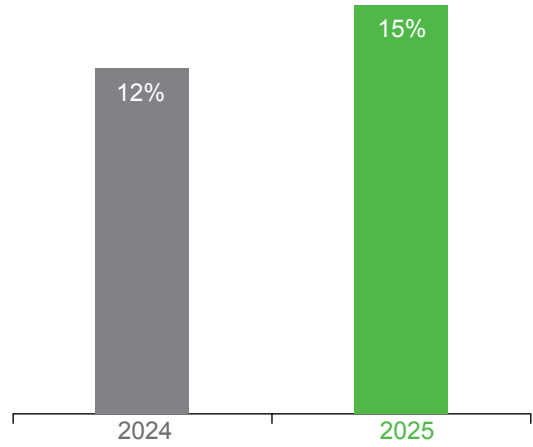
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Analytical Review

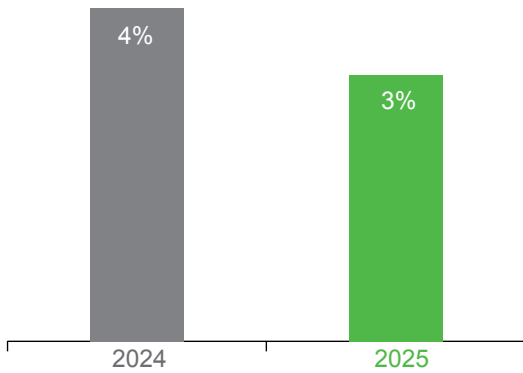
Gross Margin



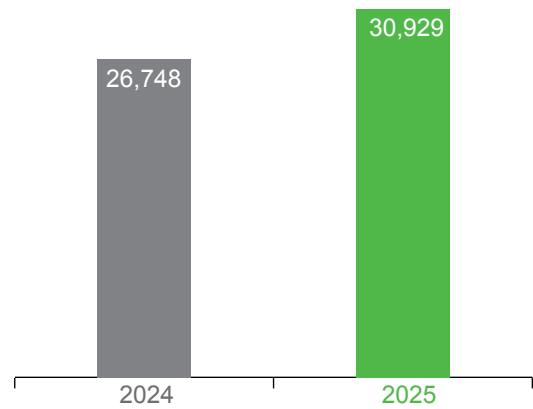
DM / Net Sales Ratio



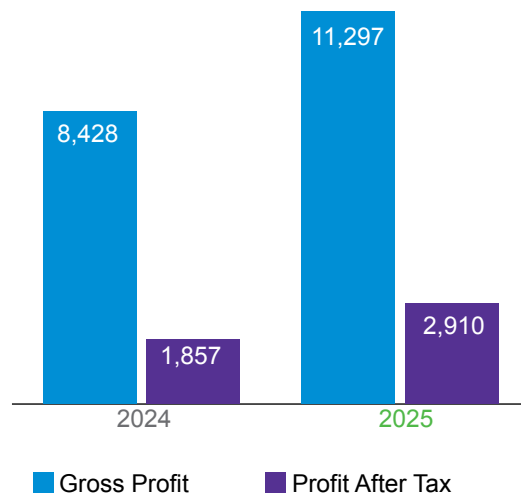
Admin / Net Sales Ratio



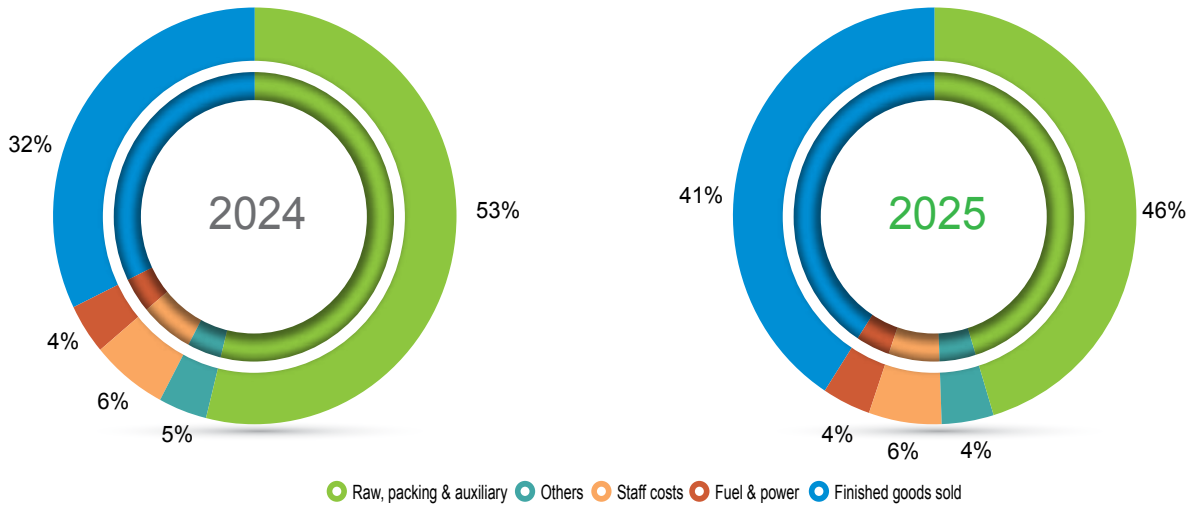
Net Sales
(Rs. in millions)



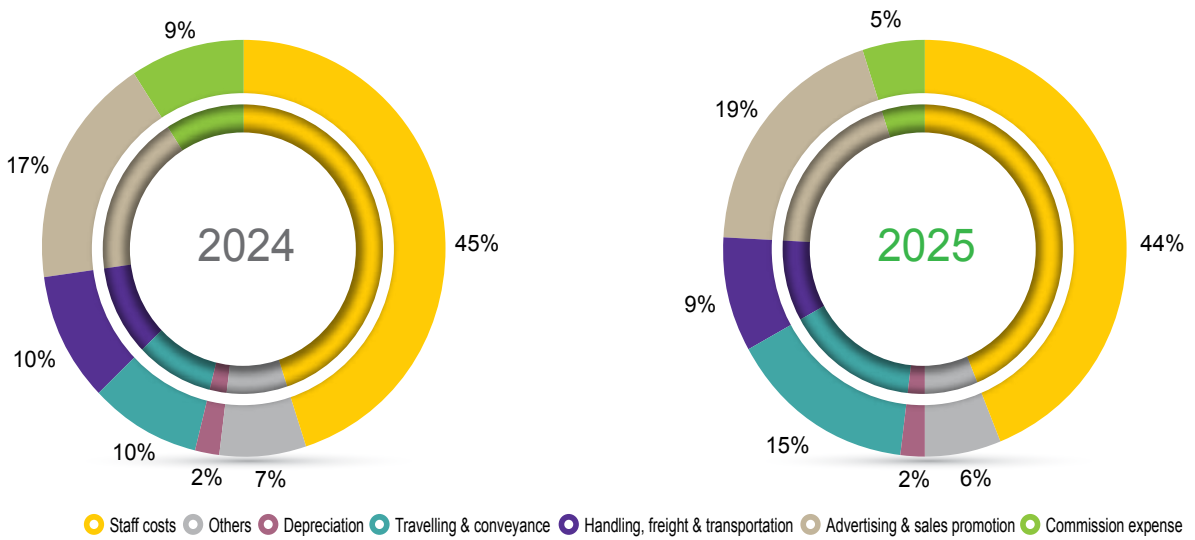
Gross Profit vs Profit After Tax
(Rs. in millions)



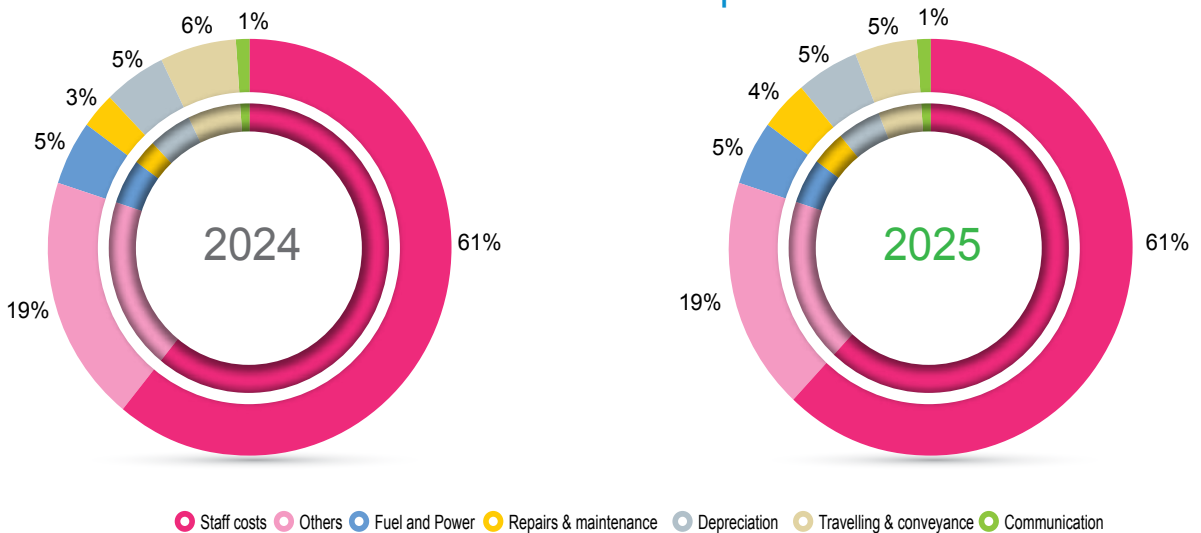
Cost of Sales

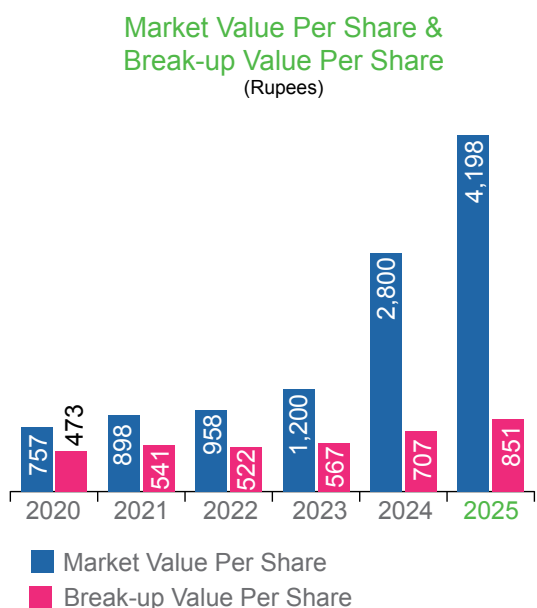
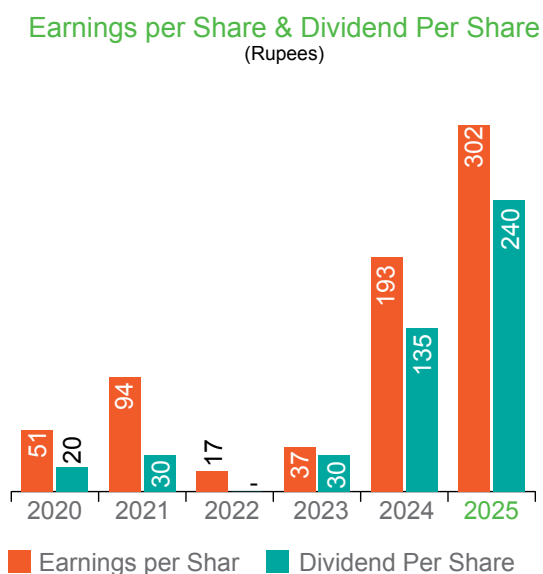
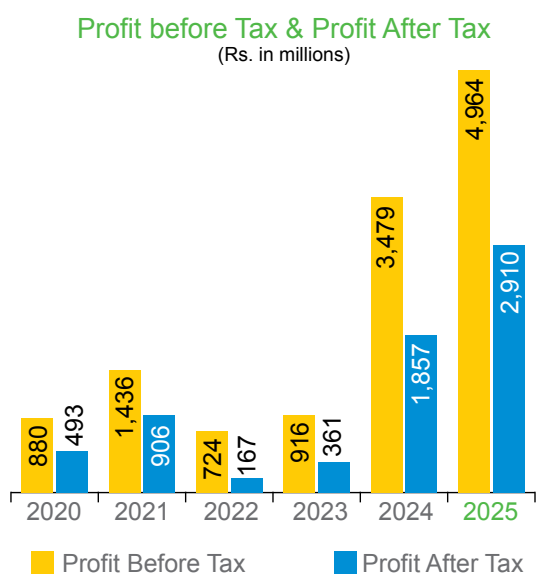
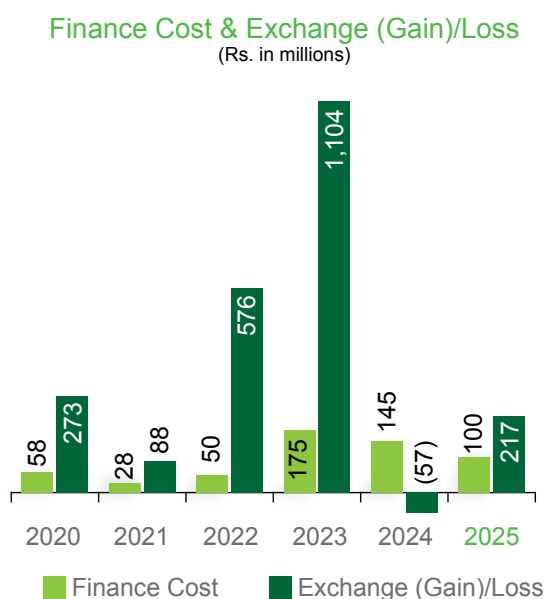
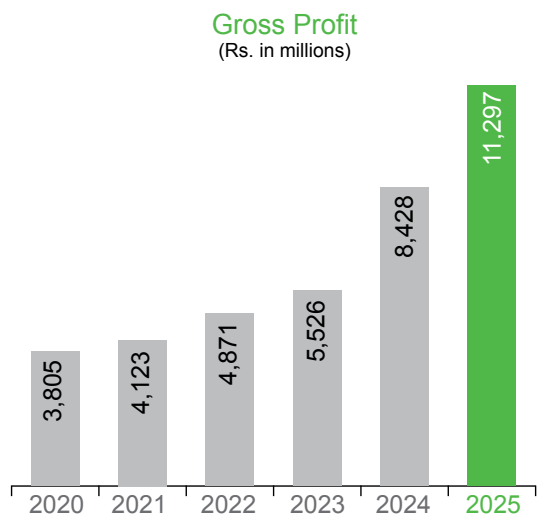
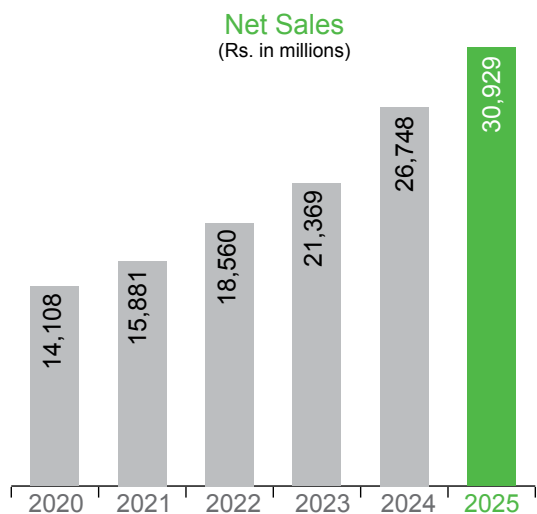


Distribution & Marketing Costs

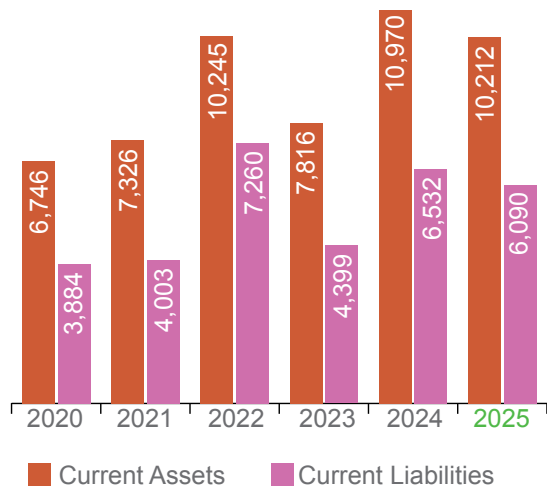


Administrative Expenses

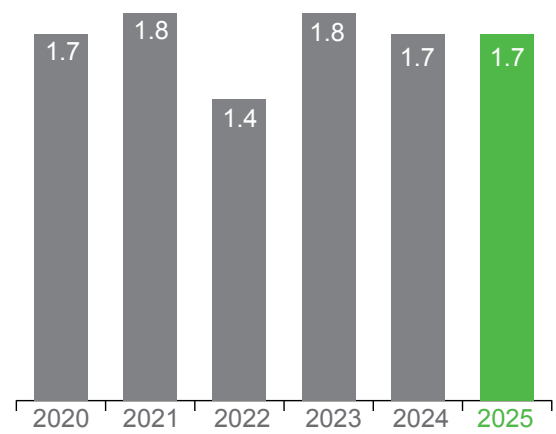




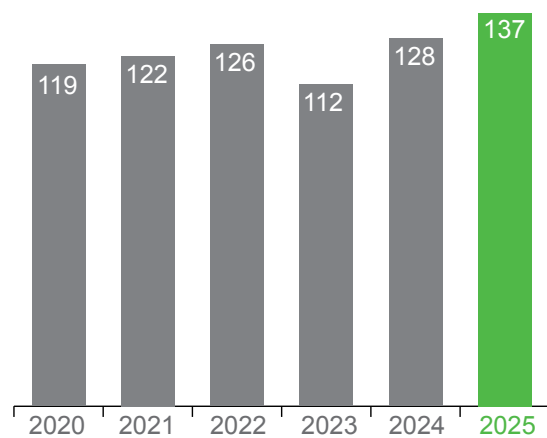
Current Assets & Current Liabilities (Rs. in millions)



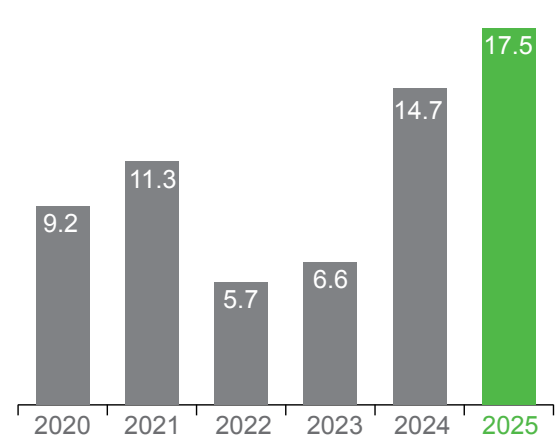
Current Ratio (Times)



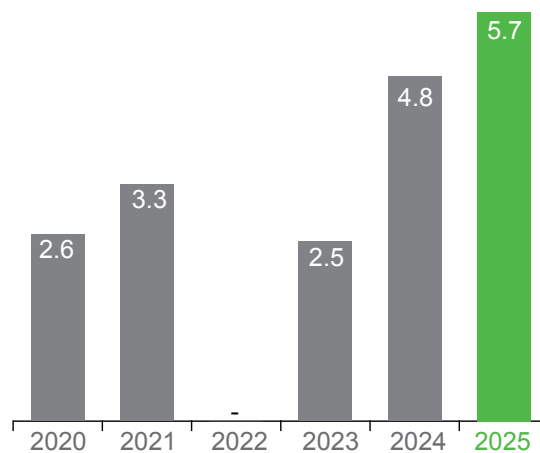
Operating Cycle (Days)



EBITDA to Net Sales (%)



Dividend Yield (%)



Statement of Value Added

Net Sales including sales tax
Materials and services

Distributed as follows:

Employees

Staff Cost
Workers' Profit Participation Fund

Government

Income taxes
Custom Duty, sales tax and others
Central Research Fund
Workers' Welfare Fund

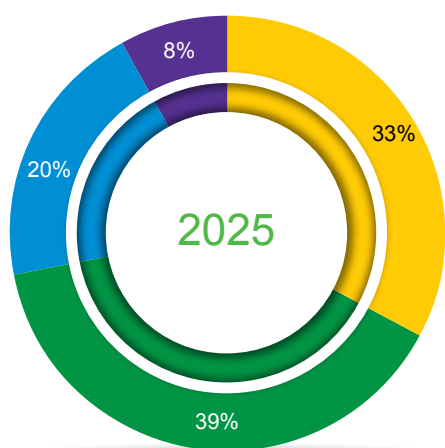
Capital Providers

Dividend to shareholders
Mark-up on borrowed funds

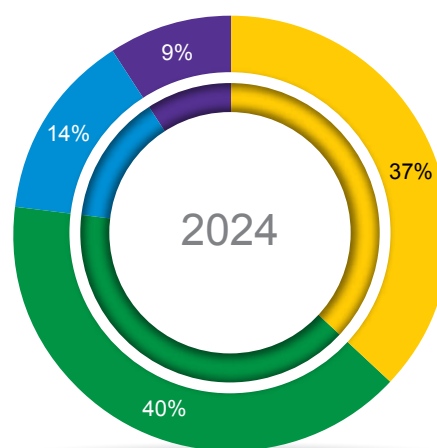
Retained in business

Depreciation and amortisation
Net Earnings

2025		2024	
Rs in thousand	%	Rs in thousand	%
31,310,844	100.0	27,047,468	100.0
(19,280,316)	(71.3)	(17,642,344)	(65.2)
12,030,528	28.7	9,405,124	34.8
Distributed as follows:			
Employees			
3,736,687	31.1	3,248,197	34.5
267,552	2.2	187,415	2.0
4,004,239	33.3	3,435,612	36.5
Government			
2,256,670	18.8	1,241,342	13.2
2,270,396	18.9	2,384,571	25.4
54,120	0.4	37,842	0.4
120,352	1.0	79,487	0.8
4,701,538	39.1	3,743,242	39.8
Capital Providers			
2,314,742	19.2	1,302,043	13.8
61,865	0.5	60,427	0.6
2,376,607	19.8	1,362,470	14.5
Retained in business			
353,342	2.9	308,696	3.3
594,802	4.9	555,104	5.9
948,144	7.9	863,800	9.2
12,030,528	100	9,405,124	100



● Employees ● Government
● Capital Providers ● Retained in business



● Employees ● Government
● Capital Providers ● Retained in business

Chairman and Board Reports





Chairman's Review Report

It is my pleasure to present the Chairman's Review Report for the year 2025. At Hoechst, we remain firmly guided by our core values of honesty, care, lead, respect and courage which continue to shape our culture and reinforce our commitment to improving the lives of the communities we serve.

The Company has achieved a topline growth of 16% during the year under review that demonstrates the resilience and commitment of the employees. The cost optimization and efficiency measures taken by management have played a significant role in strengthening the Company's financial sustainability.

Review of Financial Performance

The Company has achieved net sales of Rs. 30,929 million in 2025 with sales growth of 16% over last year with gross profit margin of 37% through efficient sourcing and operational efficiencies. The Company achieved net profit after tax of Rs. 2,910 million in the year 2025 as compared to Rs. 1,857 million last year through tighter control over operating costs, stable exchange rate parity and efficient working capital & treasury management.

Formation of Subsidiaries

During the year 2024, the Board of Directors approved the establishment of two wholly owned subsidiaries in line with the Company's strategic growth and diversification objectives. The first subsidiary, incorporated locally, has been established to undertake the manufacturing and distribution of wellness and nutraceutical products and successfully commenced operations during the year under review.

The second subsidiary has been incorporated as a foreign entity in the United Arab Emirates to pursue commercial trading activities, with import, export, distribution, and warehousing serving as its principal and ancillary operations. While the incorporation of the foreign subsidiary was completed during the year, its commercial operations are planned to commence in 2026.

Board's Function and Decision Making

The function of the Board as representatives of the shareholders is governance and effective oversight of the Company's affairs. During this year, the Board, under my leadership, worked closely with the management to ensure full compliance with all applicable legal and regulatory requirements. It also remained actively engaged in realigning strategies to deal with ongoing challenges and in providing guidance and direction for the attainment of the strategic goals.

Board's Annual Performance Evaluation

During the year, the Board continued its effort to ensure adherence to the Listed Companies (Code of Corporate Governance) Regulations, 2019 and fortify a culture of strong commitment and compliance with the best corporate governance and prudent pharma practices.

The Board engaged an independent evaluation firm during the year to evaluate its own performance and its committees to facilitate and enable the Board members to play an effective role as a coordinated team for the sustainable and continued success of the Company. The overall performance of the Board for the year was satisfactory.

Acknowledgement

I would like to express my sincere appreciation to our shareholders, customers, and banking partners for their continued trust and support throughout the year. I also extend my heartfelt gratitude to the members of the Board, the Chief Executive Officer, and all our employees for their unwavering commitment, dedication, and valuable contributions to the progress and success of the Company.

Syed Babar Ali

Karachi: February 18, 2026

Directors' Report to the Shareholders

The Board of Directors is pleased to present the Annual Report of Hoechst Pakistan Limited (the "Company") along with the Company's audited financial statements for the year ended December 31, 2025. The Directors' report has been prepared in accordance with Section 227 of the Companies Act 2017, and Listed Companies (Code of Corporate Governance) Regulations 2019.

Your Company is one of the well-established healthcare companies of Pakistan, focused on patient needs and engaged in the manufacturing, promotion, and sale of pharmaceutical and vaccines.

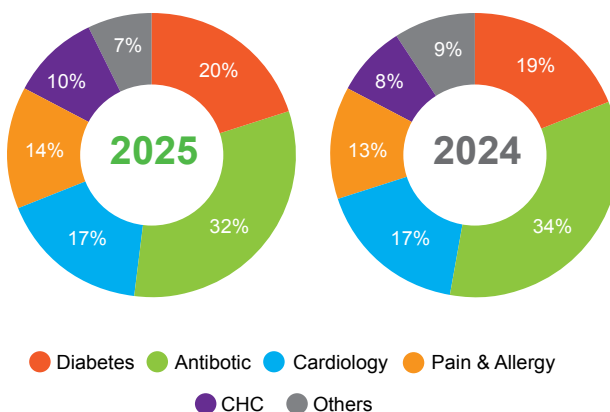
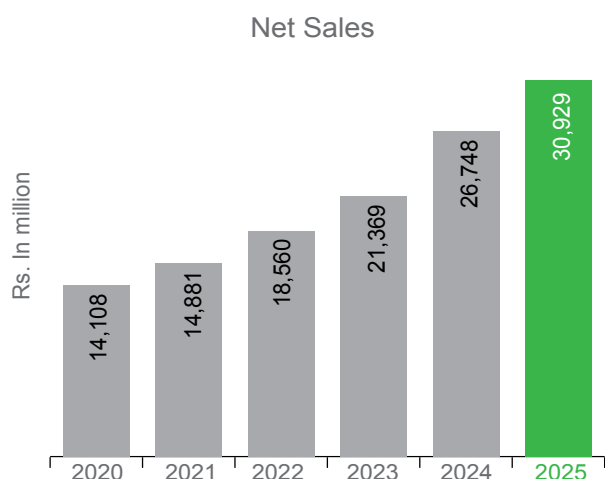
Performance Overview

The Company has achieved net sales of Rs. 30,929 million during the year 2025 representing a growth of 16% as compared to last year. The Company has improved its gross margin to 37% compared to 32% last year, primarily through renegotiation of supply price of materials, price increases on certain products and production efficiency projects.

The profit after tax for the year ended December 31, 2025, stands at Rs. 2,910 million, as compared to profit after tax of Rs. 1,857 million in 2024. This has been achieved through enhanced focus on operating cost control, stable exchange rate parity and efficient working capital & treasury management.

Key Financial Highlights

	2025	2024
	(Amounts in Million)	
Net Sales	30,929	26,748
Gross Profit	11,297	8,428
Gross Profit %	37%	32%
Operating Profit	5,064	3,624
Operating Profit %	16%	14%
Finance Cost	(100)	(145)
Profit After Tax	2,910	1,857
Earnings Per Share (Rupees)	301.67	192.56



Antibiotics, Diabetes and Cardiology maintained their momentum of being the highest contributors accounting for 69% of the total net sales of the Company. Sales from Antibiotics increased to Rs. 10,008 million from Rs. 9,184 million last year witnessing an increase of 9% which was mainly due to the increase in sales of Flagyl® which contributes 78% of Antibiotic sales.

Sales from our Diabetes portfolio reached Rs. 6,066 million from Rs. 4,964 million last year depicting a growth of 22%. Major contributors to the sales were Lantus® and Amaryl®. Another contributor to the growth was Neodipar® which grew by 145% during the year.

The turnover of Cardiology portfolio reached Rs. 5,143 million from Rs. 4,483 million in 2024, registering a growth of 15% mainly driven by Plavix® and Lasix/Lasoride® which grew by 13% and 46% respectively.

Revenue from Consumer Healthcare portfolio reached PKR 3,012 million from PKR 2,257 million, registering a solid growth of 33% mainly driven by Enterogermina® and Selsun Blue® which grew by 38% and 32% respectively.

Internal Audit and Controls

The Company has setup an effective internal audit and control function, which provides independent assurance to the Board on the existence and effectiveness of internal controls. In compliance with the Company's risk governance framework, the Audit Committee approves the annual internal audit plan to ensure effectiveness and independence of the Internal Audit function. The Directors are confident that the system of internal control is sound in design and was effectively implemented and monitored throughout the year.

Risk Management

The Company faces several legal, regulatory, and operational risks. There is an Internal Controls and Risk Management Framework in place which ensures that appropriate risk mitigation plans exist and are working effectively. Any significant issues are escalated to higher management and the Board.

Strategic risks are managed by the Board of Directors with the assistance of leadership team while operational risks are managed by the leadership team. Some key areas which can impact the Company's operations being a pharmaceutical player include the following:

- Pricing of pharmaceutical products
- Currency devaluation
- Counterfeit products
- Disruption in supply chain
- Delayed recoveries from institutions
- Product liability claims

Our People and Culture

The talent and passion of our people is our greatest strength. Our people are committed to making the best products and solutions accessible to patients. We believe in promoting a culture of care, respect, honesty, courage and lead which is aligned with the values of our Group. We continue to create a more diverse and inclusive work environment where our people & the Company can excel.

Diversity & Inclusion

We take a progressive approach to inclusion and diversity because we want everyone to be themselves and bring their own perspectives to our business. Together, these unique perspectives and wide variety of personal experiences make our business stronger, enhancing our ability to innovate and respond to the diverse needs of patients and consumers.

We do not tolerate harassment, unwelcome, unreasonable or offensive behavior, or discrimination of any kind. We carry out training sessions on discrimination and biasness for all employees to educate them about discrimination and biasness, comply with our culture and values creating a discriminatory free workplace environment, as well as to promote a culture of ethics and integrity.

To achieve its diversity and inclusion aspirations, the Company has:

- I. Ensured that the Board's composition considers the right balance of skills, experience, knowledge, perspectives and gender in alignment with the strategic needs of the Company.
- II. Fostered a culture that promotes and values diversity among staff at all levels.
- III. Integrated diversity and inclusion objectives in line with this Policy in its strategic plan.
- IV. Reviewed the gender pay gap analysis within the Company, its retention and development of skills of the female employees, provision of a conducive work environment, better maternity leaves, anti-harassment and speak up policies and forums, with a specialized committee overseeing harassment complaints.

V. Ensured that diversity objectives are a part of Key Performance Indicators (KPIs) of Senior Management.

VI. Encouraged the female members who hold management positions to move into senior management or executive level positions and take up additional responsibilities based on their performance. This will help reinforce the Company's culture and public image of diversity and inclusion, thus allowing Company to retain and cultivate their best talent at all levels.

Corporate Social Responsibility

The Company has a long history of supporting and partnering with communities to improve lives across the Country. The Company recognizes that Corporate Social Responsibility (CSR) initiatives create positive impact for communities.

Details of CSR activities carried out during the year are given in the Annual Report.

Health, Safety and Environment

The Company is committed to maintaining high standards of Health, Safety and Environment (HSE). The Company ensures compliance with the best HSE practices, conducts regular trainings and also focuses on identification and mitigation of hazards and risks within and outside the Company premises. Some of the key initiatives during the year include implementation of solar energy, reduction in the use of plastic by using reusable belts for securing pallets in Warehouse, emergency evacuation drills, annual medical screening of employees and safety trainings.

The Company achieved 18 million safe man hours i.e. there was no lost time injury (LTI) sustained or reported till 2025.

As part of Packages Group, our commitment to sustainability is deeply ingrained in our corporate ethos and aligns with our renewed sustainability strategy that embraces ESG principles. The Group's mission, "Creating a Better Tomorrow," embodies dedication to global collaboration, striving to enhance our positive impact while diligently minimizing any adverse effects.

Our Production processes are integrating energy-efficient technologies and waste reduction initiatives to create a more sustainable manufacturing ecosystem. To live our commitment to sustainability, we have taken the following initiatives as explained in EHS section of the Annual Report:

- Energy Management
- Solar Generation
- Water Management
- GHG Management

There is a Group Sustainability Committee in place which has been entrusted to monitor and review sustainability related risks and opportunities of the Group companies, ensure Diversity, Equity, and

Inclusion (DE&I) practices, oversee compliance of relevant laws pertaining to relevant sustainability related considerations and its appropriate disclosures. The Committee's Terms of Reference cover the operations of the Group and it advises the Group companies on embedding sustainability principles into their respective strategies and operations to increase corporate value.

The Board, in its meeting held on February 18, 2026, has approved formation of Company's Sustainability Committee to monitor and review sustainability related risks and opportunities for the Company and its subsidiaries.

Formation of Subsidiaries

In 2024, the Board of Directors of the Company in its meetings approved formation of a wholly owned local subsidiary, which will be engaged in the business of manufacturing and distributing wellness and nutraceutical products subject to applicable regulatory approvals. Accordingly, the Company incorporated a wholly owned subsidiary namely "H-Pack Wellness (Private) Limited". During the year, the Company has made investment of Rs. 270 million in the subsidiary.

Further, the Board in its meeting held on December 19, 2024 accorded its approval for incorporation of a wholly owned foreign subsidiary in the United Arab Emirates (UAE), subject to all applicable regulatory approvals, which will be primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities. Accordingly, a wholly owned foreign subsidiary with the name "Hoechst Pack Trading FZCO" has been formed. Subsequent to the year end, the Company has paid subscription money amounting to Rs. 68.9 million.

Corporate and Financial Reporting Framework

- The financial statements, prepared by the management of the Company, present true and fair view, of its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- IFRS Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts regarding the Company's ability to continue as a going concern.

- There has been no material departure from the best practices of corporate governance as detailed in the Listed Companies (Code of Corporate Governance) Regulations, 2019.
- Significant deviations from last year in operating results have been explained in detail together with the reasons thereof in the Annual Report.
- Key operating and financial data for the last six years is shown on pages from 45 to 49.
- The value of investments of provident and gratuity fund based on their accounts (unaudited) as at December 31, 2025 was as follows:

Particulars	Rs in '000'
Provident Fund	1,014,532
Gratuity Fund	950,816

- Outstanding duties, statutory charges, and taxes, if any, have been duly disclosed in the financial statements.
- During the year, no trading in the shares of the Company were carried out by the Directors and their spouses.
- The Chief Executive Officer, Chief Financial Officer, Company Secretary and Executives have not traded in the shares of the Company during the year.

Related Party Transactions

In accordance with Section 208 of the Companies Act, 2017 and the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, the Company has:

- established a policy of related party transactions which has been duly approved by the Board.
- set up conditions for transactions with related parties to be characterized as "arm's length transactions."
- circulated and disclosed to the Directors in the Board papers minimum information required for approval of related party transactions.

All related party transactions, during the year 2025, were placed before the Audit Committee and the Board for their review and approval. These transactions were duly reviewed by the Audit Committee and approved by the Board in their respective meetings. All these transactions were on 'arms length basis' in line with transfer pricing policy approved by the Board. The Company also maintains a full record of all such transactions, along with the terms and conditions. For further details please refer note 34 to the financial statements.

Ethics and Compliance

Compliance is an integral part of the Company's way of doing business, which emanates from our Code of Ethics. The Code is communicated to employees and is available in both English and Urdu languages. Training on compliance and ethical principles is mandatory for all employees, with additional specialized trainings for certain categories of employees.

Composition of the Board of Directors

The Board consists of total of 9 directors (including 2 female directors) comprising of 3 Independent, 5 Non-Executive and 1 Executive Director.

Category	No.	Name
Independent Directors (Male)	2	Mr. Imtiaz Ahmed Husain Laliwala Syed Anis Ahmad Shah
Independent Directors (Female)	1	Ms. Saadia Naveed
Non-Executive Directors (Male)	4	Syed Babar Ali Syed Hyder Ali Mr. Arshad Ali Gohar Mr. Muhammad Salman Burney
Non-Executive Directors (Female)	1	Ms. Iqra Sajjad
Executive Director (CEO)	1	Mr. Sajjad Iftikhar

During the year 2025, five meetings of the Board of Directors were held. Attendance by each Director was as follows:

Name of Director	No. of Meetings attended
Syed Babar Ali	5
Syed Hyder Ali	4
Arshad Ali Gohar	5
Imtiaz Ahmed Husain Laliwala	5
Syed Anis Ahmad Shah	5
Muhammad Salman Burney	5
Saadia Naveed	3
Sajjad Iftikhar	5
Iqra Sajjad	5

Leave of absence was granted to Directors who could not attend the meetings.

Directors' Remuneration

The Company pays a standard fee to Non-Executive and Independent Directors for attending Board meetings and meetings of Board Committees. The fee, determined by the Board, is aligned with market norms and is in no manner at a level that could be perceived to compromise their independence.

In addition, the Board has also approved payment of a fee to the Chairman and a Non-executive director in consideration of providing guidance and advice to the management over and above their duties. The details of the fees paid to the Directors are detailed in note 35 of the financial statements.

Audit Committee

The Board Audit Committee comprises of the following members:

- **Imtiaz Ahmed Husain Laliwala**
Chairman [Independent Director]
- **Syed Anis Ahmad Shah**
Member [Independent Director]
- **Saadia Naveed**
Member [Independent Director]
- **Muhammad Salman Burney**
Member [Non-Executive Director]

Human Resource & Remuneration Committee

The Human Resource & Remuneration Committee comprises of the following members:

- **Saadia Naveed**
Chairperson [Independent Director]
- **Syed Hyder Ali**
Member [Non-Executive Director]
- **Arshad Ali Gohar**
Member [Non-Executive Director]
- **Imtiaz Ahmed Husain Laliwala**
Member [Independent Director]
- **Muhammad Salman Burney**
Member [Non-Executive Director]

Pattern of shareholding

The pattern of shareholding along with categories of shareholders as at December 31, 2025 as required under section 227 of the Companies Act 2017 is presented on page 179 of the annual report.

Auditors

The present auditor's M/s A.F. Ferguson & Co., Chartered Accountants, retire and have offered themselves for reappointment. They have confirmed having achieved satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as well as 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 December 31, 2026, at a fee to be mutually agreed.

Dividend

The Board of Directors have recommended final cash dividend of Rs. 190 per share for the year ended December 31, 2025 for approval in Annual General Meeting to be held on April 08, 2026. This is in addition to an interim cash dividend of Rs. 50/- per share already paid during the year.


Future Outlook

As we look to the year ahead, we will continue to build on our competencies and review our strategies to ensure that they remain relevant and most suited, in line with changing dynamics in the local and global marketplace. Your Company remains focused on delivering high-quality products to customers, while also making concrete efforts to improve profitability through innovation, improved efficiency and effective cost containment initiatives to maximize shareholders' returns.


Acknowledgement

The Board looks forward to the forthcoming Annual General Meeting of shareholders to discuss Company's performance during the year 2025 and is thankful for the trust and confidence reposed in the Board by the shareholders. The Board would like to thank all our stakeholders for their continued support and confidence in the Company. The Board would like to especially appreciate the dedicated efforts of the committed employees for their diligence and hard work that enables us to take the Company ahead.

By the order of the Board



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer

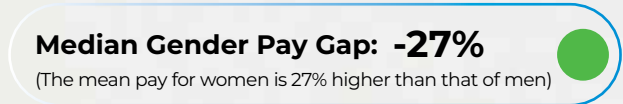
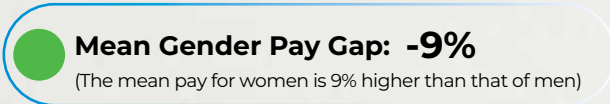
Karachi
February 18, 2026

Gender Pay Gap Statement

Under Circular 10 of 2024

At Hoechst Pakistan Limited, we believe in fostering a diverse, equitable and inclusive workplace where all employees feel valued and empowered to succeed.

Following is the gender pay calculated for the year ended December 31, 2025 under circular issued by the Securities and Exchange Commission of Pakistan:



For and on behalf of the Board of Directors



Sajjad Iftikhar
Chief Executive Officer



Unconsolidated Financial Statements



Independent Auditors' Report to the Members



A.F.FERGUSON & CO.

Independent Auditor's Report To the members of Hoechst Pakistan Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Hoechst Pakistan Limited (the Company), which comprise the unconsolidated statement of financial position as at December 31, 2025, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
(i)	<p>Revenue Recognition</p> <p>[Refer notes 2.20 and 24 to the unconsolidated financial statements]</p> <p>Net revenue from sale of products for the year ended December 31, 2025 amounted to Rs. 30,929 million. Revenue from contracts with customers is recognised at a point in time when control of the products is transferred to the customers i.e. on acknowledgement of receipt of products by customers.</p> <p>As part of our overall response to the audit risks when identifying and assessing the risks of material misstatement, we considered that there is an inherent risk that revenue may be overstated as management focuses on the achievement of revenue targets as it is one of the key performance indicator of the Company, which could create an incentive for revenue to be recognised before the control of the products has been transferred. We have specifically focused as to whether the sales are valid and have been recorded in the correct accounting period.</p> <p>Considering the aforementioned reasons together with 15.63% growth in revenue during the year, we have considered this area a key audit matter.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> i) obtained an understanding of pricing mechanism of Drug Regulatory Authority of Pakistan (DRAP) and tested, on sample basis, selling prices of regulated pharmaceutical products. ii) examined contracts with customers to obtain an understanding of the terms particularly relating to timing and transfer of control of the products and assessed the appropriateness of revenue recognition policies and practices followed by the Company. iii) performed substantive audit procedures including analytical procedures and test of details over revenue transactions along with the examination of related supporting documents, including dispatch-related documents and customer acknowledgements, on sample basis. iv) performed sales cut-off procedures by agreeing sample of transactions occurred on and around the year end to the evidence of deliveries. v) obtained an understanding of the Company's process and examined Company's policies and practices with respect to discounts allowed to the customers and on sample basis, tested discounts provided during the year. vi) assessed the adequacy of related financial statements disclosures in accordance with the applicable financial reporting framework.

S.No.	Key audit matters	How the matter was addressed in our audit
(ii)	<p>Valuation of stock-in-trade</p> <p>[Refer notes 2.9, 2.28.2 (ii) and 10 to the unconsolidated financial statements]</p> <p>Stock-in-trade (net of provision) amounting to Rs. 6,617 million constitutes approximately 45.63% of the total assets of the Company as at the reporting date.</p> <p>The Company records stock-in-trade using standard costing as a method of valuation which is then actualised at year end. Further, the net realisable value (NRV) of stock-in-trade is determined keeping in view the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p> <p>We have considered this area as a key audit matter due to significance of amounts involved, complex valuation processes and estimates involved in the determination of provision for obsolescence of stock-in-trade and the NRV.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> i) obtained an understanding of policies and procedures followed by the Company with respect to valuation of stock-in-trade and tested supporting documents for purchases of stock-in-trade and the production costs incurred, on sample basis. ii) evaluated the reasonableness of the assumptions used by the Company's management to actualise the variances in standard cost of stock-in-trade as at the reporting date. iii) obtained working of variances recorded by the Company's management and compared standard costs with actual costs as per the purchase invoices on a sample basis, which were utilised to actualise standard cost as at year end. iv) performed recalculation of net realisable value (NRV), on a sample basis, for closing stock-in-trade by comparing the carrying values with the applicable selling prices. v) tested provision recorded for slow moving, obsolete, damaged and near to expiry stock-in-trade. vi) assessed the adequacy of related financial statements disclosures in accordance with the applicable financial reporting framework.



S.No.	Key audit matters	How the matter was addressed in our audit
	<p>(iii) Impairment of intangible assets</p> <p>[Refer notes 2.4, 2.28.2 (vii) and 4.1 to the unconsolidated financial statements]</p> <p>The Company has acquired certain products along with the associated trademarks amounting to Rs. 804 million during the current year under trademark assignment agreements, as approved by the Board of Directors. These intangible assets - trademarks have an indefinite useful life and are required to be tested for impairment on an annual basis.</p> <p>We have identified this area as a key audit matter due to significant management judgments, estimates and assumptions involved in measuring the recoverable amount, which are sensitive to changes in future market conditions and economic environments that could differ from current expectations and judgments made by the Company's management for impairment testing.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none">(i) examined approval of the Board of Directors and related trademark assignment agreements and traced the consideration amount paid from the bank statements of the Company.(ii) obtained an understanding of the work performed by the Company's management for impairment assessment of trademarks, including involvement of management's expert for determination of the recoverable amount of these trademarks.(iii) obtained management's fair value less cost to sell calculations including future cash flow projections and performed procedures including but not limited to:<ul style="list-style-type: none">- evaluated the methodology adopted by the management;- assessed the reasonableness of key assumptions used;- tested arithmetical accuracy of underlying calculations of fair value less cost to sell; and- performed sensitivity analysis on key assumptions used to determine the recoverable amount.(iv) evaluated the professional qualification of the management's expert and assessed their independence, competence and experience.(v) assessed the adequacy of related financial statements disclosures in accordance with the applicable financial reporting framework.



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

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

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

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

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

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

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

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

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

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

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

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



A.F.FERGUSON & Co.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Waqas Aftab Sheikh.

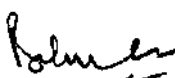
A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: March 17, 2026
UDIN: AR202510069XJ7ChfOKm

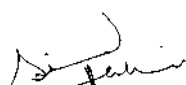
Unconsolidated Statement of Financial Position

As at December 31, 2025

	Note	2025	2024
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	2,563,716	2,147,408
Intangible assets	4	806,053	4,381
Investment properties	5	27,714	29,463
Investment in subsidiary	6	270,000	-
Long-term loans	7	8,464	5,656
Long-term deposits		66,493	47,596
Deferred tax asset - net	8	546,340	351,933
		<u>4,288,780</u>	<u>2,586,437</u>
CURRENT ASSETS			
Stores and spares	9	103,363	83,646
Stock-in-trade - net	10	6,617,315	7,789,424
Trade debts - net	11	798,679	805,073
Loans and advances	12	273,255	210,131
Trade deposits and short-term prepayments	13	258,581	525,642
Other receivables	14	81,358	70,194
Short-term investments	15	1,037,367	452,884
Income tax recoverable - net		907,473	913,508
Cash and bank balances	16	134,916	119,796
		<u>10,212,307</u>	<u>10,970,298</u>
TOTAL ASSETS		<u>14,501,087</u>	<u>13,556,735</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	17	96,448	96,448
Reserves	18	8,106,732	6,718,495
		<u>8,203,180</u>	<u>6,814,943</u>
NON-CURRENT LIABILITIES			
Lease liability	20	208,109	209,475
CURRENT LIABILITIES			
Trade and other payables	21	5,871,945	5,196,348
Contract liabilities		146,854	107,519
Accrued mark-up		-	13,922
Short-term borrowings	22	-	1,200,000
Current maturity of long term lease liability	20	53,364	2,001
Unclaimed dividend		17,635	12,527
		<u>6,089,798</u>	<u>6,532,317</u>
CONTINGENCIES AND COMMITMENTS	23		
TOTAL EQUITY AND LIABILITIES		<u>14,501,087</u>	<u>13,556,735</u>

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.


Syed Babar Ali
 Chairman


Sajjad Iftikhar
 Chief Executive Officer

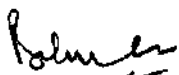

Yasser Pirmuhammad
 Chief Financial Officer

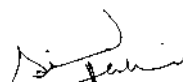
Unconsolidated Statement of Profit or Loss

For the Year Ended December 31, 2025

	Note	2025	2024
		(Rupees in thousand)	
REVENUE FROM CONTRACT WITH CUSTOMERS - NET	24	30,928,564	26,747,828
Cost of sales	25	(19,631,164)	(18,320,291)
GROSS PROFIT		11,297,400	8,427,537
Distribution and marketing costs	25	(4,547,527)	(3,329,268)
Administrative expenses	25	(998,347)	(1,073,736)
Allowance for expected credit loss	11.1	(46,399)	(115,715)
Other expenses	26	(930,892)	(519,219)
Other income	27	289,479	234,360
		(6,233,686)	(4,803,578)
OPERATING PROFIT		5,063,714	3,623,959
Finance costs	28	(99,845)	(144,517)
PROFIT BEFORE LEVIES AND INCOME TAX		4,963,869	3,479,442
Levies:			
- Minimum tax differential		-	(289,597)
- Final tax		-	(37,991)
PROFIT BEFORE INCOME TAX		4,963,869	3,151,854
Income tax	31	(2,054,325)	(1,294,707)
PROFIT FOR THE YEAR		2,909,544	1,857,147
EARNINGS PER SHARE - basic and diluted (Rupees)	32	301.67	192.56

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.


Syed Babar Ali
 Chairman


Sajjad Iftikhar
 Chief Executive Officer

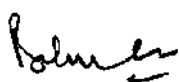

Yasser Pirmuhammad
 Chief Financial Officer

Unconsolidated Statement of Comprehensive Income

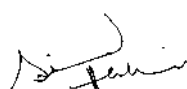
For the Year Ended December 31, 2025

	Note	2025	2024
		(Rupees in thousand)	
PROFIT FOR THE YEAR		2,909,544	1,857,147
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Actuarial gain on defined benefit plans	19.1	35,828	20,895
Deferred tax on actuarial gain on defined benefit plans		(13,973)	(4,075)
		21,855	16,820
Total comprehensive income for the year		<u>2,931,399</u>	<u>1,873,967</u>

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



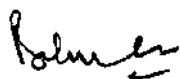
Yasser Pirmuhammad
Chief Financial Officer

Unconsolidated Statement of Changes in Equity

For the Year Ended December 31, 2025

	Reserves							Total
	Issued, subscribed and paid-up share capital	Capital reserves				Revenue reserves		
		Long-term liabilities forgone	Other capital reserve	Difference of share capital under scheme of arrangement for amalgamation	Share-based payments reserve	General reserve	Unappropriated profit	
(Rupees in thousand)								
Balance as at January 01, 2024	96,448	5,935	-	18,000	375,210	3,535,538	1,440,307	5,471,438
Transfer from general reserves to capital reserve	-	-	2,000,000	-	-	(2,000,000)	-	-
Transactions with owners:								
- Final dividend @ Rs. 30 per ordinary share for the year ended December 31, 2023	-	-	-	-	-	-	(289,343)	(289,343)
- Interim dividend @ Rs. 25 per ordinary share for the year ended December 31, 2024	-	-	-	-	-	-	(241,119)	(241,119)
	-	-	-	-	-	-	(530,462)	(530,462)
Profit for the year	-	-	-	-	-	-	1,857,147	1,857,147
Other comprehensive income	-	-	-	-	-	-	16,820	16,820
Total comprehensive income for the year	-	-	-	-	-	-	1,873,967	1,873,967
Balance as at December 31, 2024	96,448	5,935	2,000,000	18,000	375,210	1,535,538	2,783,812	6,814,943
Balance as at January 01, 2025	96,448	5,935	2,000,000	18,000	375,210	1,535,538	2,783,812	6,814,943
Transactions with owners:								
- Final dividend @ Rs. 110 per ordinary share for the year ended December 31, 2024	-	-	-	-	-	-	(1,060,924)	(1,060,924)
- Interim dividend @ Rs. 50 per ordinary share for the year ended December 31, 2025	-	-	-	-	-	-	(482,238)	(482,238)
	-	-	-	-	-	-	(1,543,162)	(1,543,162)
Profit for the year	-	-	-	-	-	-	2,909,544	2,909,544
Other comprehensive income	-	-	-	-	-	-	21,855	21,855
Total comprehensive income for the year	-	-	-	-	-	-	2,931,399	2,931,399
Balance as at December 31, 2025	96,448	5,935	2,000,000	18,000	375,210	1,535,538	4,172,049	8,203,180

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



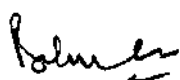
Yasser Pirmuhammad
Chief Financial Officer

Unconsolidated Statement of Cash Flows

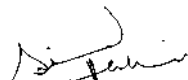
For the Year Ended December 31, 2025

	Note	2025	2024
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		4,963,869	3,151,854
Adjustment for non-cash items:			
Depreciation and amortisation		353,342	308,696
Allowance for expected credit loss	11.1	46,399	115,715
Unrealised foreign exchange differences		102,732	100,035
Gain on disposal of operating fixed assets - net	3.1.3	(7,740)	(1,333)
Amortisation of deferred liabilities		-	(9,000)
Charge for defined benefit plans	19.1	53,770	42,171
Provision against defined contribution fund		29,362	34,124
Provision against stores and spares	9.1	-	2,831
(Reversal of provision) / Provision against raw and packing material	10.1	(196,449)	282,566
Provision against finished goods	10.3	815,304	48,515
Interest income	27	(3,222)	(4,080)
Fair value gain on remeasurement of mutual funds		-	(3,708)
Mark up income on Treasury bills	27	(44,860)	-
Income on mutual funds	27	(130,374)	(110,925)
Income from investment properties	27	(72,920)	(82,976)
Finance costs	28	99,845	144,517
Minimum tax differential		-	289,597
Final tax		-	37,991
		6,009,058	4,346,590
Working capital changes:			
Decrease / (Increase) in current assets:			
Stores and spares		(19,717)	1,232
Stock-in-trade		553,254	(4,025,665)
Trade debts - net		(40,005)	(348,774)
Loans and advances		(63,124)	(110,369)
Trade deposits and short-term prepayments		267,061	(74,199)
Other receivables		21,382	(14,847)
		718,851	(4,572,622)
Increase in current liabilities:			
Trade and other payables		543,504	2,805
Contract liabilities		39,335	789,512
Cash generated from operations			
Finance costs paid		7,310,748	566,285
Interest income received		(63,085)	(118,820)
Minimum tax differential paid		3,222	4,080
Final tax paid		-	(289,597)
Income tax paid		-	(37,991)
Retirement benefits paid - net		(2,256,670)	(913,754)
Long-term loans - net		(50,488)	(11,140)
Long-term deposits		(2,808)	(1,510)
Long-term deposits		(18,897)	(31,613)
Net cash generated from / (used in) operating activities		4,922,022	(834,060)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(780,609)	(510,060)
Investments in intangible assets		(804,603)	-
Sale proceeds from disposal of operating fixed assets		71,297	53,541
Investment in subsidiary		(270,000)	-
Short-term investments made		(24,748,327)	(25,105,732)
Sale proceeds from disposal of short-term investments		24,287,604	25,572,831
Income received from treasury bills		44,860	-
Dividend income on mutual funds		6,613	83,732
Income received from investment properties		72,920	82,976
Net cash (used in) / generated from investing activities		(2,120,245)	177,288
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(1,538,054)	(528,434)
Proceeds from short term borrowings		-	1,200,000
Repayment of short term borrowings		(1,200,000)	-
Lease rentals paid		(48,603)	(12,371)
Net cash (used in) / generated from financing activities		(2,786,657)	659,195
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		15,120	2,423
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR			
		119,796	117,373
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR			
	16	134,916	119,796

The annexed notes 1 to 42 form an integral part of these unconsolidated financial statements.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



Yasser Pirmuhammad
Chief Financial Officer

Notes to the Unconsolidated Financial Statements

For the Year Ended December 31, 2025

1. THE COMPANY AND ITS OPERATIONS

1.1 Hoechst Pakistan Limited (the Company) was incorporated in Pakistan in 1967 as a Public Limited Company under Companies Act, 1913 [now Companies Act, 2017 (the Act)]. The shares of the Company are listed on Pakistan Stock Exchange Limited (PSX). The Company is engaged in the manufacturing, selling and trading of pharmaceutical and related products. The registered office of the Company is located at Plot 23, Sector 22, Korangi Industrial Area, Karachi. The Company is a subsidiary of Packages Limited (Parent Company), whose registered office is located at 4th floor, the Forum, Suite No. 416 - 422, G20, Block 9, Khayaban-e-Jami, Clifton, Karachi.

1.2 The Board of Directors (the Board) of the Company in its meeting held on April 24, 2024 approved formation of a wholly owned local subsidiary, which will be engaged in the business of manufacturing and distributing wellness and nutraceutical products subject to applicable regulatory approvals. Accordingly, H-Pack Wellness (Private) Limited (HPWL) was incorporated on May 27, 2024. The registered address of HPWL is located at Plot 23, Sector 22, Korangi Industrial Area, Karachi.

Further, the Board in its meeting held on December 19, 2024 has accorded its approval for incorporation of a wholly owned foreign subsidiary in the United Arab Emirates (UAE), subject to all applicable regulatory approvals, which will be primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities. Accordingly, the Company has incorporated Hoechst Pack Trading FZCO (HPTF) on November 26, 2025. As of reporting date, no investment was made by the Company in the HPTF. However, subsequent to the year end, investment amounting to Rs. 68.9 million has been made by the Company in HPTF.

1.3 These are the stand-alone unconsolidated financial statements of the Company in which investments in subsidiaries are stated at cost less accumulated impairment losses, if any. The consolidated financial statements of the Company and its subsidiaries have been prepared and presented separately.

1.4 Geographical location and address of business units of the Company are as follows:

Business Units	Address
- Registered address / Manufacturing facility	Plot 23, Sector 22, Korangi Industrial Area, Karachi.
- Sales Office Islamabad	Jaspal Arcade, Plot No 5, I&T Center, Sector G-8/4, Islamabad.
- Sales Office Lahore	New Building located at, 31/E-I, Gulberg III, Lahore.
- Sales Office Peshawar	71A, Small industrial state, Kohat Road, Peshawar.
- Sales Office Multan	No 502, 5th Floor, Plot no 74-Abdali Road, Multan.
- Sales Office Faisalabad	P-833 situated at State Life Building No.02, Faisalabad.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

2.1.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Act; and
- Provisions of, directives and notifications issued under the Act.

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

2.1.2 Accounting convention

These unconsolidated financial statements have been prepared under the historical cost convention unless otherwise mentioned in accounting policies stated herein.

2.2 Initial application of standards, amendments and improvements to approved accounting and reporting standards

2.2.1 Standards, amendments and improvements to approved accounting and reporting standards that became effective during the year

The amendments to approved accounting and reporting standards that became applicable to the Company for the financial year beginning on January 1, 2025 do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated financial statements.

2.2.2 Standards, amendments and improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company

There are standards and certain amendments or improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2025. These are not expected to have any material impact on the Company's financial reporting except for the following:

Amendment to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments:

These amendments which are effective from annual periods beginning on or after January 1, 2026:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence cannot be derecognised. The previous practice of financial liabilities being derecognised upon issuance of cheques would, hence, need to be reconsidered.

IFRS 18 "Presentation and Disclosure in Financial Statements" (IFRS 18):

A new standard on the presentation and disclosure of financial statements, with a focus on updates to the statement of profit or loss, is being introduced. IFRS 18 has been notified for adoption by the Securities and Exchange Commission of Pakistan (SECP) with effect from January 1, 2027. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

2.3 Property, plant and equipment

(i) Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Leasehold land is depreciated over the period of the lease. Depreciation on all other assets is charged to profit or loss applying the straight-line method whereby the cost of an asset less residual value is depreciated over its estimated useful life using depreciation rates as stated in note 3.1. When significant parts of assets are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Depreciation is charged from the month in which asset is available for use and on disposals up to the month the asset is in use.

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end. The effect of any adjustment to residual values, useful lives and methods is recognised prospectively as a change of accounting estimate. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The Company accounts for impairment by reducing its carrying value to the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

Subsequent costs are not recognised as assets unless it is probable that future economic benefits associated with these costs will flow to the Company and the cost can be measured reliably.

Maintenance and normal repairs are charged to profit or loss as and when incurred.

(ii) Capital work-in-progress

These are stated at cost less accumulated impairment loss, if any, and consist of expenditure incurred in respect of tangible fixed assets in the course of their construction and installation.

2.4 Intangible assets

Intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and that cost of such asset can also be measured reliably. Intangible assets with finite useful lives are amortised over their useful lives and assessed for impairment whenever there is an indication that the asset may be impaired. Intangible assets with indefinite lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit (CGU) level, as appropriate. The assessment of indefinite life is reviewed annually to determine whether indefinite life continues to be supportable. If not, a change in useful life from indefinite to finite is made on a prospective basis.

Amortisation is based on the cost of an asset less its estimated residual value. Amortisation is charged to the profit or loss on the straight-line method over the estimated useful life. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

2.5 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.5.1 Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.5.2 Right-of-use assets

The Company recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Unless the Company is reasonably certain to obtain ownership of the leased asset or the ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.5.3 Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.5.4 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.5.5 Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the amount of the leased asset and recognised over the lease term on the same basis as rental contingent rents are recognised as revenue in the period in which they are earned.

The Company has entered into operating leases on its investment property portfolio consisting of leasehold land and buildings on leasehold land. These leases have terms of three years. All leases include a clause for upward revision of the rental charge at agreed rates.

2.6 Investment properties

The Company's investment properties consist of leasehold land and buildings on leasehold land. Management determined that the investment properties consist of two classes of assets, leasehold land and buildings on leasehold land, based on the nature, characteristics and risk of a property.

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged to profit or loss applying the straight-line method using depreciation rates as disclosed in note 5.1.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the derecognition of investment property is recognised in the profit or loss in the year of retirement or disposal. Gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying value of the asset and recognized in the profit or loss in the year of disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment upto the date of change in use.

2.7 Investment in subsidiary

Investment in subsidiary company is initially recognised at cost. At subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognised as an expense in the profit or loss. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the profit or loss.

2.8 Stores and spares

These are valued at cost. Cost is determined on weighted average basis, except for the stores and spares in transit, which are stated at invoice price plus other charges incurred thereon up to the reporting date. Value of items are reviewed at each reporting date to record provision for any slow-moving and obsolete items, where necessary.

2.9 Stock-in-trade

These are valued at lower of weighted average cost and estimated net realisable value. Goods in transit are valued at cost, comprising invoice price plus other charges incurred thereon up to the reporting date. Cost signifies standard costs adjusted by variances. Cost in relation to work-in-process and finished goods represent direct cost of materials, direct wages and appropriate manufacturing overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Provision is recorded for slow moving and expired stock where necessary.

2.10 Employees benefits

2.10.1 Defined benefit plans

The Company operates an approved funded gratuity scheme in respect of all permanent employees and senior management staff, excluding expatriates. The scheme define the amounts of benefit that an employee will receive on or after retirement subject to a minimum qualifying period of service under the scheme. The scheme is managed in conformity with the provisions of the Trust Deed. The Company is responsible to make contributions to the Gratuity Fund as prescribed under the Trust Deed and its rules, whereas, the trustees are responsible for the day to day management of the Gratuity Fund. The gratuity obligations are calculated annually by an independent actuary using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and the effect of the asset ceiling are recognised directly in equity through other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods. All past service costs are recognised in profit or loss at the earlier of when the amendments or curtailment occurs and when the Company has recognised related retirement or termination benefits. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income in the profit or loss.

2.10.2 Defined contribution plan

The Company also operates a recognised provident fund scheme (Provident Fund) for all permanent employees excluding expatriates. Equal monthly contributions are made to the Provident Fund at the rate of 10 percent of basic salary by employees and the Company.

2.11 Compensated absences

The Company accounts for the accrual in respect of employees' compensated absences in the year in which these are earned. Provisions to cover the obligations are made using the current salary levels of employees.

2.12 Taxation

2.12.1 Current

Provision for current income tax is based on taxable income for the year, determined in accordance with the prevailing law for taxation on income. The tax rates used to compute the amount are those that are enacted or substantively enacted at the reporting date. The charge for the current income tax also includes tax credits and adjustments, where considered necessary, for prior years determined during the year or otherwise considered necessary for such years.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.12.2 Deferred

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset on deductible temporary difference are recognised on carry-forward of unused tax losses and credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and / or carry-forward of unused tax losses can be utilised.

The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the profit or loss except for deferred tax arising on recognition of actuarial loss or gain which is charged to other comprehensive income.

2.13 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When sales tax is recoverable from or is payable to the taxation authority, it is included as part of receivables or payables in the statement of financial position.

2.14 Levies

In accordance with Income Tax Ordinance, 2001 (the Ordinance), computation of final taxes and unrecoverable minimum tax differential is not based on taxable income. Therefore, as per the 'IAS 12 - Application Guidance on Accounting for Minimum Taxes and Final Taxes' issued by the Institute of Chartered Accountants of Pakistan (ICAP), these fall within the scope of IFRIC 21 - 'Levies' (IFRIC 21) / IAS 37 - 'Provisions, contingent liabilities and contingent assets' (IAS 37) and accordingly have been classified as levies in these financial statements.

2.15 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include cash in hand and in transit, balances with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdraft facilities.

2.16 Financial instruments

2.16.1 Financial assets

i) Initial recognition and measurement

Financial assets are classified, at initial recognition, at fair value, and subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade debts, the Company initially measures

a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs. Trade debts are measured at the transaction price determined under IFRS 15 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortised cost or FVTPL or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

ii) Subsequent measurement

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for classification at amortised cost or FVTOCI are measured at fair value through profit or loss. Realised and unrealised gains or losses arising from changes in the fair value of the financial assets held at FVTPL are recognised in profit or loss in the period in which they arise.

The Company currently does not have financial assets designated at FVTOCI.

iii) Derecognition

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

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

Where the Company has not transferred, neither retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv) Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all financial 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 that 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 recognised 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).

The Company applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. To measure the expected credit losses, trade debts have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on the payment profiles of sales over a period of seventy-two months before the reporting date and the corresponding historical default rates experienced within this period. The historical default rates are adjusted to reflect current and forward-looking information according to macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the Gross Domestic Product and the Consumer Price Index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical default rates based on expected changes in these factors. The historical default rates are further adjusted with the impact of loss given default. The Loss Given Default is the magnitude of the likely loss if there is the default. The Company estimates the Loss Given Default parameters based on the history of recovery rates of defaulted trade debts.

The Company considers a financial asset to be at a risk of default when contractual payments are ninety days past due, unless there are factors that might indicate otherwise. However, in certain cases, the Company may also consider a financial asset to be in default when internal or 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 flows.

2.16.2 Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans, bank overdraft and short-term borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Gains or losses on liabilities held for trading are recognised in profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

b) Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

iii) Derecognition

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

2.16.3 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle liabilities simultaneously. Income and expenses arising from such assets and liabilities are also offset accordingly.

2.17 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for asset is required then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining the fair value less cost of disposal, recent market transactions are taken into account, if no such transaction can be identified, appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or available fair value budgets. The Company bases its impairment calculation on detailed budget and forecast calculation, which are prepared separately for each of the Company cash generating unit (CGU) to

which individual assets are allocated. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("the cash-generating unit, or CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

2.18 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are reviewed at each reporting date to reflect the current best estimate.

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

2.19 Foreign currency translation

These unconsolidated financial statements are presented in Pakistan Rupees, which is the Company's functional currency. Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are recorded at the rates of exchange which approximate those prevailing on the reporting date. Gains and losses on translation are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.20 Revenue recognition

2.20.1 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on acknowledgment of the goods by the customer. The normal credit term varies up to two hundred and ten days depending on the customer type.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., right of returns). In determining the transaction price for the sale of

goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

2.20.2 Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur as the associated uncertainty with the variable consideration is subsequently resolved. In general, the contracts for the sale of goods provides customer with a right to return of near expiry products.

2.21 Right of return

In general, the contracts for sales of goods provides a customer with a right to return near expiry products. The Company uses the expected value method to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Company may not be entitled. The requirements in IFRS 15 'Revenue from contracts with customers' on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For products that are expected to be returned, the Company recognises a provision under refund liability and a corresponding adjustment in sales return. Returns for the Company comprise of expired and near expiry products, which are of Nil value at the time of return and are subject to destruction.

2.22 Contract balances

2.22.1 Trade debts

A receivable represents the Company's right to an amount of consideration that is unconditional i.e., only the passage of time is required before payment of the consideration is due. Accounting policies of financial assets have been disclosed in note 2.16.1.

2.22.2 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract i.e. transfers control of related goods to the customer.

2.23 Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.24 Other income

Interest income is accounted for using the effective interest rate method. Income other than interest income is recorded on accrual basis.

2.25 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved. However, if these are approved after the reporting date but before the financial statements are authorised for issue, disclosure is made in the financial statements.

2.26 Operating segments

For management purposes, the activities of the Company are organised into one operating segment since Chief Operating Decision Maker i.e. the Board monitors the operating results of the Company as a whole. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure, and internal financial reporting systems. Accordingly, the figures reported in these unconsolidated financial statements are related to the Company's only reportable segment.

2.27 Share capital

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

2.28 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures, and the disclosure of contingent liabilities. Changes to these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

2.28.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in these unconsolidated financial statements:

Contingencies (notes 2.18 and 23)

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

2.28.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on the information available when these unconsolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Property, plant and equipment (notes 2.3, 2.17 and 3)

The Company reviews appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

ii) Stock-in-trade and stores and spares (notes 2.8, 2.9, 9 and 10)

The Company reviews the net realisable value of stock-in-trade to assess any diminution in the respective carrying values and also reviews the inventories i.e. stock-in-trade and stores and spares for obsolescence.

iii) Allowance for expected credit losses on financial assets (notes 2.16.1 and 11)

The Company assesses the recoverability of its financial assets if there is an objective evidence that Company will not be able to collect all the amounts due according to the original terms. Judgement by the management is required in estimation of the amount and timing of future cash flows when determining the level of provision required and in determining the debts that are not recoverable and are to be written off. The Company uses default rates based on provision matrix for its customers who have similar characteristics to calculate Expected Credit Loss (ECL) for trade debts. The rates in provision matrix are based on days past due for various customer segments that have similar loss patterns. The provision matrix is initially based on Company's historical observed default rates which is then adjusted for forward looking information. The assessment of the correlation between historical observed default rates and the forecast economic conditions and ECL are significant estimates. The amount of ECL is sensitive to changes in circumstances and forecast of economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

iv) Revenue recognition - Estimating variable consideration for returns

For estimates with respect to right of return assets and related refund liabilities refer to notes 2.21 and 2.23 of these unconsolidated financial statements.

v) Retirement benefits (notes 2.10 and 19)

The cost of the retirement benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vi) Income tax (notes 2.12 and 31)

The Company takes into account the current income tax laws and decisions taken by appellate authorities while recognising provision for income tax.

vii) Impairment of intangible assets having indefinite lives (note 2.4 and 4)

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The estimates involved in assessing the recoverable amount of intangible assets are most relevant to intangibles having indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount are disclosed and further explained in note 4.1 to these unconsolidated financial statements.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3 PROPERTY, PLANT AND EQUIPMENT

	Note	2025	2024
(Rupees in thousand)			
Fixed assets	3.1	2,458,874	1,958,243
Capital work-in-progress	3.2 & 3.3	104,842	189,165
		<u>2,563,716</u>	<u>2,147,408</u>

3.1 Fixed assets

	Owned assets						Right-of-use assets (note 20)		Total
	Leasehold land	Buildings on leasehold land	Plant and machinery	Furniture and fixtures	Factory and office equipment	Motor vehicles	Electrical Equipments	Motor vehicles	
Year ended December 31, 2025									
(Rupees in thousand)									
<i>Net carrying value basis</i>									
Opening net carrying value	241	402,952	722,508	23,301	160,314	442,390	206,537	-	1,958,243
Additions / transfers from capital work-in-progress	-	38,749	245,837	9,649	108,960	449,758	-	59,897	912,850
Disposals (note 3.1.3)	-	-	(320)	-	(1,064)	(62,173)	-	-	(63,557)
Depreciation charge (note 3.1.2)	(3)	(52,592)	(137,524)	(4,091)	(67,592)	(75,526)	(10,500)	(834)	(348,662)
Closing net carrying value	238	389,109	830,501	28,859	200,618	754,449	196,037	59,063	2,458,874
<i>Gross carrying value basis</i>									
As at December 31, 2025									
Cost	455	1,255,512	3,720,486	99,060	769,328	1,019,215	210,038	59,897	7,133,991
Accumulated depreciation	(217)	(866,403)	(2,889,985)	(70,201)	(568,710)	(264,766)	(14,001)	(834)	(4,675,117)
	238	389,109	830,501	28,859	200,618	754,449	196,037	59,063	2,458,874
Year ended December 31, 2024									
(Rupees in thousand)									
<i>Net carrying value basis</i>									
Opening net carrying value	244	456,099	717,881	8,217	152,475	318,664	-	-	1,653,580
Additions / transfers from capital work-in-progress	-	-	132,294	17,985	62,588	229,579	210,038	-	652,484
Disposals (note 3.1.3)	-	-	-	-	(517)	(51,691)	-	-	(52,208)
Depreciation charge (note 3.1.2)	(3)	(53,147)	(127,667)	(2,901)	(54,232)	(54,162)	(3,501)	-	(295,613)
Closing net carrying value	241	402,952	722,508	23,301	160,314	442,390	206,537	-	1,958,243
<i>Gross carrying value basis</i>									
As at December 31, 2024									
Cost	455	1,216,763	3,474,649	89,411	660,368	569,457	210,038	-	6,221,141
Accumulated depreciation	(214)	(813,811)	(2,752,141)	(66,110)	(500,054)	(127,067)	(3,501)	-	(4,262,898)
	241	402,952	722,508	23,301	160,314	442,390	206,537	-	1,958,243
Depreciation rate per annum (%)	1.23	5	10 to 15	10	10 to 33	16.67 to 20	5	16.67	

3.1.1 Particulars of the immovable assets i.e. leasehold land and buildings thereon are as follows:

Location	Address	Usage of Immovable Property	Covered Area (Sq. Meters)
Karachi	Plot 23, Sector 22 Korangi Industrial Area, Karachi	Head office and Manufacturing Plants	96,155

3.1.2 The depreciation charge for the year has been allocated as follows:

	Note	2025	2024
(Rupees in thousand)			
Cost of sales	25	215,066	193,321
Distribution and marketing costs	25	91,161	58,640
Administrative expenses	25	42,435	43,652
		<u>348,662</u>	<u>295,613</u>

3.1.3 Details of disposal of each operating fixed asset, having net book value exceeding Rs. 500,000, are as follows:

Description	Cost	Accumulated depreciation	Net carrying value	Sale proceeds	Gain / (Loss)	Mode of Disposal	Particulars of Buyers
(Rupees in thousand)							
Motor vehicle	7,740	711	7,029	7,100	71	Company Policy	Basit ur Rehman (employee)
Motor vehicle	4,760	397	4,363	4,500	137	Insurance claim	IGI General Insurance Limited
Motor vehicle	4,714	590	4,124	4,457	333	Negotiation	Shahbaz Basheer (Third party)
Motor vehicle	4,549	456	4,093	4,147	54	Company Policy	Azhar Ali Khan (employee)
Motor vehicle	4,747	1,234	3,513	3,561	48	Company Policy	Irfan Alam (employee)
Motor vehicle	3,928	1,061	2,867	2,907	40	Company Policy	Amna Akhund (employee)
Motor vehicle	3,928	1,100	2,828	2,828	-	Company Policy	Shahzad Hashmat Shaikh (employee)
Motor vehicle	3,928	1,139	2,789	2,789	-	Company Policy	Zeeshan Mansoor (employee)
Motor vehicle	3,705	2,038	1,667	1,704	37	Company Policy	Waqar Alam (employee)
Motor vehicle	2,775	1,471	1,304	1,304	-	Company Policy	Waheed ur Raza (employee)
Motor vehicle	2,657	1,355	1,302	1,302	-	Company Policy	Zeeshan Hassan (employee)
Motor vehicle	2,735	1,450	1,285	1,313	28	Company Policy	Sohail Akhtar (employee)
Motor vehicle	2,735	1,450	1,285	1,313	28	Company Policy	Kaleemullah Khan (employee)
Motor vehicle	2,657	1,435	1,222	1,249	27	Company Policy	Shamim Akhtar (employee)
Motor vehicle	2,895	1,737	1,158	1,158	-	Insurance Claim	Imran Khalid (employee)
Motor vehicle	2,875	1,725	1,150	1,150	-	Company Policy	Muhammad Haseeb Khan (employee)
Motor vehicle	2,875	1,725	1,150	1,150	-	Company Policy	Syed Umair Bin Aziz (employee)
Motor vehicle	2,735	1,641	1,094	1,094	-	Company Policy	Muhammad Aamir (employee)
Motor vehicle	2,735	1,641	1,094	1,094	-	Company Policy	Syed Salman Ali (employee)
Motor vehicle	2,592	1,555	1,037	1,037	-	Company Policy	Muhammad Chazal Ahmed (employee)
Motor vehicle	2,547	1,528	1,019	1,019	-	Company Policy	Nazim Hussain (employee)
Motor vehicle	2,507	1,504	1,003	1,003	-	Company Policy	Shabab Khan (employee)
Motor vehicle	2,505	1,503	1,002	1,002	-	Company Policy	Nazzar Hussain (employee)
Motor vehicle	1,745	890	855	907	52	Company Policy	Muhammad Imran Alvi (employee)
Motor vehicle	1,745	942	803	820	17	Company Policy	Madiha Mehtab Ali (employee)
Motor vehicle	1,745	977	768	803	35	Company Policy	Shamshad Mahmood (employee)
Motor vehicle	1,745	977	768	768	-	Company Policy	Ziauddin (employee)
Motor vehicle	1,780	1,032	748	748	-	Company Policy	Muhammad Makhani (employee)
Motor vehicle	1,745	1,012	733	750	17	Company Policy	Syed Haseeb Hussain (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Manzoor Iqbal (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Haider Abbas Alvi (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Abdul Shakoor (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Shahid Khan (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Azhar Mahmood (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Ali Hasnain Shaukat (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Farhan Waheed (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Muhammad Abubakar (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Ahmed Kamal (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Asim Ahmed (employee)
Motor vehicle	1,440	864	576	576	-	Company Policy	Kamran Ali (employee)
Motor vehicle	1,410	846	564	564	-	Company Policy	Shakeel Ahmad (employee)
	<u>110,629</u>	<u>48,456</u>	<u>62,173</u>	<u>63,097</u>	<u>924</u>		
Operating fixed assets having net book value not exceeding Rs.500,000	41,299	39,915	1,384	8,200	6,816	Various	Various
December 31, 2025	<u>151,928</u>	<u>88,371</u>	<u>63,557</u>	<u>71,297</u>	<u>7,740</u>		
December 31, 2024	<u>124,043</u>	<u>71,835</u>	<u>52,208</u>	<u>53,541</u>	<u>1,333</u>		

3.2 Capital work-in-progress

	Note	2025	2024
(Rupees in thousand)			
Buildings on leasehold land		5,702	7,312
Plant and machinery		81,330	101,836
Motor vehicles		17,810	80,017
		<u>104,842</u>	<u>189,165</u>

3.3 Movement in capital work-in-progress is as follows:

Opening balance		189,165	124,185
Additions during the year	3.3.1	478,777	396,526
Transferred to operating fixed assets	3.3.2	(563,100)	(331,546)
Closing balance		<u>104,842</u>	<u>189,165</u>

3.3.1 Represents additions to buildings on leasehold land of Rs. 33.6 million (2024: Rs. 7.3 million), plant and machinery of Rs. 45.6 million (2024: Rs. 101.4 million) and motor vehicles of Rs. 399.6 million (2024: Rs. 287.8 million).

3.3.2 Represents transfers to buildings on leasehold land of Rs. 0.1 million (2024: Nil), plant and machinery of Rs. 113.2 million (2024: Rs. 103.9 million) and motor vehicles of Rs. 449.8 million (2024: Rs. 227.6 million).

4 INTANGIBLE ASSETS

Year ended December 31, 2025	Note	Computer software	Software licenses	Trademarks (note 4.1)	Total
(Rupees in thousand)					
Net carrying value basis					
Opening net carrying value		4,381	-	-	4,381
Additions	4.1	-	562	804,041	804,603
Amortisation charge	4.2	(2,821)	(110)	-	(2,931)
Closing net carrying value		<u>1,560</u>	<u>452</u>	<u>804,041</u>	<u>806,053</u>
Gross carrying value basis					
Cost		16,092	95,624	804,041	915,757
Accumulated amortisation		(14,532)	(95,172)	-	(109,704)
Net carrying value		<u>1,560</u>	<u>452</u>	<u>804,041</u>	<u>806,053</u>
Year ended December 31, 2024					
Net carrying value basis					
Opening net carrying value		4,781	8,300	-	13,081
Additions		2,634	-	-	2,634
Amortisation charge	4.2	(3,034)	(8,300)	-	(11,334)
Closing net carrying value		<u>4,381</u>	<u>-</u>	<u>-</u>	<u>4,381</u>
Gross carrying value basis					
Cost		16,092	95,062	-	111,154
Accumulated amortisation		(11,711)	(95,062)	-	(106,773)
Net carrying value		<u>4,381</u>	<u>-</u>	<u>-</u>	<u>4,381</u>
Amortisation rate per annum (%)					
		<u>33</u>	<u>33</u>	<u>Nil</u>	

4.1 During the year, the Company has acquired certain products along with the associated trademarks from affiliates of Sanofi under transfer and assignment agreements, as approved by the Board of Directors in its meeting held on June 11, 2024. These products were previously marketed / manufactured by the Company under licensing arrangements with affiliates of Sanofi. These trademarks have indefinite useful life and as such have not been amortised.

The Company tests intangible assets with indefinite useful lives for impairment on an annual basis. The management has engaged independent expert to determine the recoverable amount of these intangible assets by assessing the fair value of the underlying

assets as of December 31, 2025, using the Relief from Royalty Method. The valuation is considered to be Level 3 in the fair value hierarchy due to the unobservable inputs used. Based on such assessment, no impairment was identified as at the reporting date.

Approach and the key assumptions used to determine the fair value were as follows:

Unobservable inputs	Key assumptions	Approach to determine key assumptions
Revenue forecast period	5 years	Management prepares revenue forecasts for a five-year period. Revenues beyond the five-year period is extrapolated using the estimated growth rates stated below.
Revenue increase (%)	0.004% to 13.37%	The compound annual growth rate (CAGR) has been calculated by using five year historical trademark-wise revenues and projected three-year revenues. The lower rate between the two has been selected.
Long-term growth rate (%)	4.00%	This is the weighted average growth rate used to extrapolate the cash flows beyond the forecasted period. The rates are consistent with forecasts included in the industry reports.
Royalty rate (%)	3.75% to 6.10%	For the determination of royalty rates, an average has been taken from the 50 transactions that have happened in the global pharmaceutical sector.
Post-tax discount rate (%)	14.03%	Reflects specific risks relating to the pharmaceutical segment and the country in which the Company operates.

4.2 The amortisation charge for the year has been allocated as follows:

	Note	2025	2024
(Rupees in thousand)			
Cost of sales	25	-	274
Distribution and marketing costs	25	-	2,966
Administrative expenses	25	2,931	8,094
		<u>2,931</u>	<u>11,334</u>

5 INVESTMENT PROPERTIES

5.1	<u>27,714</u>	<u>29,463</u>
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5.1 Particulars of investment properties are as follows:

	Leasehold land	Buildings	Total
(Rupees in thousand)			
Year ended December 31, 2025			
Opening net carrying value	14	29,449	29,463
Depreciation charge (note 25)	-	(1,749)	(1,749)
Closing net carrying value	<u>14</u>	<u>27,700</u>	<u>27,714</u>
As at December 31, 2025			
Cost	14	34,988	35,002
Accumulated depreciation	-	(7,288)	(7,288)
Net carrying value	<u>14</u>	<u>27,700</u>	<u>27,714</u>

	Leasehold land	Buildings	Total
(Rupees in thousand)			
Year ended December 31, 2024			
Opening net carrying value	14	31,198	31,212
Depreciation charge (note 25)	-	(1,749)	(1,749)
Closing net carrying value	14	29,449	29,463
As at December 31, 2024			
Cost	14	34,988	35,002
Accumulated depreciation	-	(5,539)	(5,539)
Net carrying value	14	29,449	29,463
Depreciation rate per annum (%)	3.13	5	

5.2 Amounts recognised in profit or loss

	Note	2025	2024
(Rupees in thousand)			
Rental income derived from investment properties		91,483	82,976
Direct operating expenses (including repairs and maintenance) relating to investment properties	25	(18,563)	(18,585)
Profit arising from investment properties carried at cost	27	72,920	64,391

5.3 As at December 31, 2025, the fair value and forced sales value of leasehold land amounts to Rs. 780 million (2024: Rs. 750 million) and Rs. 577.7 million (2024: Rs. 564.5 million), respectively, and of buildings on leasehold land amounts to Rs. 60.05 million (2024: Rs. 55.5 million) and Rs. 45 million (2024: Rs. 41.62 million), respectively, which are based on valuations performed by an accredited independent valuer.

5.4 The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

6 INVESTMENT IN SUBSIDIARY - unquoted

	Note	2025	2024
(Rupees in thousand)			
H-Pack Wellness (Private) Limited 27,000,000 fully paid ordinary shares of Rs. 10 each (Equity held: 100%)	6.1	270,000	-

6.1 During the year, the Company has made investment in H-Pack Wellness (Private) Limited (HPWL) through subscription of right shares amounting to Rs. 250 million, after initial subscription of Rs. 20 million.

7 LONG-TERM LOANS - considered good, unsecured

	Note	2025	2024
(Rupees in thousand)			
Loans to employees	7.1	13,397	8,994
Less: Current maturity	12	(4,933)	(3,338)
		8,464	5,656

7.1 Reconciliation of carrying amount of long-term loans to employees:

Opening balance		8,994	6,446
Disbursements		9,027	5,262
Repayments		(4,624)	(2,714)
Closing balance	7.2	13,397	8,994

7.2 Represents loans for the purchase of motor cars, motorcycles and capital goods, in accordance with the Company's policy. Loans for the purchase of motor cars and motorcycles are interest free, whereas loans for purchase of capital goods carry interest at the rate of 9% (2024: 9%) per annum. These are repayable within five years in equal monthly instalments, except for loans for purchase of capital goods which are repayable over a period of three years.

	Note	2025	2024
		(Rupees in thousand)	
8 DEFERRED TAX ASSET - NET			
Taxable temporary differences arising in respect of:			
- Accelerated tax depreciation and amortisation		(139,818)	(90,068)
- Defined benefit plans		(9,347)	(4,075)
		(149,165)	(94,143)
Deductible temporary differences arising in respect of:			
- Allowance for expected credit loss		222,920	204,824
- Provision against stores and spares and stock-in-trade		363,924	170,876
- Others		108,661	70,376
		695,505	446,076
		546,340	351,933
9 STORES AND SPARES			
Stores		61,997	44,213
Spares		44,960	43,027
		106,957	87,240
Provision against stores and spares	9.1	(3,594)	(3,594)
		103,363	83,646
9.1 Movement of provision against stores and spares is as follows:			
Opening balance		3,594	763
Charge for the year - net	25	-	2,831
Closing balance		3,594	3,594
10 STOCK-IN-TRADE - net			
Raw and packing material			
In hand		2,619,668	3,146,282
In transit		126,065	121,789
		2,745,733	3,268,071
Provision against raw and packing material	10.1	(63,992)	(330,900)
		2,681,741	2,937,171
Work-in-process		101,406	105,320
Finished goods			
In hand	10.2	4,207,790	4,503,828
In transit		491,931	346,755
		4,699,721	4,850,583
Provision against finished goods	10.3	(865,553)	(103,650)
		3,834,168	4,746,933
		6,617,315	7,789,424
10.1 Movement of provision against raw and packing material is as follows:			
Opening balance		330,900	57,430
Charge for the year		48,752	301,913
Reversal for the year		(245,201)	(19,347)
Net (Reversal) / Charge for the year	25	(196,449)	282,566
Write-off during the year		(70,459)	(9,096)
Closing balance		63,992	330,900
10.2			
Includes write down of finished goods costing Rs. 49.1 million (2024: Rs. 164 million), carried at their net realisable value of Rs. 44.2 million (2024: Rs. 138.7 million).			

10.3	Movement of provision against finished goods is as follows:	Note	2025	2024
			(Rupees in thousand)	
	Opening balance		103,650	212,887
	Charge for the year		843,957	56,177
	Reversal for the year		(28,653)	(7,662)
	Net charge for the year	25	815,304	48,515
	Write-off during the year		(53,401)	(157,752)
	Closing balance		865,553	103,650

10.4 Details of stock-in-trade (net of provision) held with third parties is as follows:

Stancos (Private) Limited	25	131,436
Nimir Industrial Chemicals Limited	174,673	-

11 TRADE DEBTS - net, unsecured

Considered good		798,679	805,073
Considered doubtful		416,327	369,928
		1,215,006	1,175,001
Allowance for expected credit loss	11.1	(416,327)	(369,928)
		798,679	805,073

11.1 Movement of allowance for expected credit loss is as follows:

Opening balance		369,928	254,213
Charge for the year		46,399	115,715
Closing balance		416,327	369,928

12 LOANS AND ADVANCES - unsecured, considered good

Loans:			
Current maturity of long-term loans to employees	7	4,933	3,338
Advances:			
Executives		11,588	5,821
Contractors and suppliers	12.1	256,734	200,972
		268,322	206,793
		273,255	210,131

12.1 Represents advance payments made to contractors and suppliers against goods and services to be received in future.

13 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Trade deposits - unsecured	2025	2024
	(Rupees in thousand)	
Considered good	28,776	63,934
Considered doubtful	155,263	155,263
	184,039	219,197
Allowance for expected credit loss	(155,263)	(155,263)
	28,776	63,934
Margin against letters of credit	176,267	429,333
Short-term prepayments	53,538	32,375
	258,581	525,642

14 OTHER RECEIVABLES - net

	Note	2025	2024
(Rupees in thousand)			
Considered good - unsecured			
Due from - related parties	14.1	18,336	4,916
- employees' gratuity fund	19.1	47,932	15,386
- others		15,090	49,568
Sales tax receivable on goods		-	324
		81,358	70,194
Considered doubtful - unsecured			
Sales tax refundable		5,918	5,918
Provision against sales tax refundable		(5,918)	(5,918)
		-	-
		81,358	70,194

14.1 The aging analysis of receivables from related parties is as follows:

	2025			2024		
	Neither past due nor impaired	Past due over 181 days	Total	Neither past due nor impaired	Past due over 181 days	Total
(Rupees in thousand)				(Rupees in thousand)		
Packages Limited	377	-	377	507	-	507
Bulleh Shah Packaging (Private) Limited	1,739	-	1,739	1,096	-	1,096
StarchPack (Private) Limited	1	-	1	-	-	-
Packages Real Estate (Private) Limited	1	-	1	-	-	-
DIC Pakistan Limited	3	-	3	-	-	-
IGI General Insurance Limited	14	-	14	-	-	-
Packages Convertors Limited	14	-	14	-	-	-
IGI Life Insurance Limited	19	-	19	-	-	-
Tri-Pack Films Limited	23	-	23	-	-	-
H-Pack Wellness (Private) Limited	12,011	-	12,011	-	-	-
Pakistan Petroleum Limited	4,134	-	4,134	3,313	-	3,313
	18,336	-	18,336	4,916	-	4,916

14.2 The maximum aggregate amount outstanding from related parties at any time during the year, by reference to month end balances, is as follows:

	Note	2025	2024
(Rupees in thousand)			
Packages Limited		377	507
Bulleh Shah Packaging (Pvt.) Limited		1,739	1,096
StarchPack (Private) Limited		1	-
Packages Real Estate (Private) Limited		1	-
DIC Pakistan Limited		3	-
IGI General Insurance Limited		14	-
Packages Convertors Limited		14	-
IGI Life Insurance Limited		19	-
Tri-Pack Films Limited		23	-
H-Pack Wellness (Private) Limited		12,011	-
Pakistan Petroleum Limited		4,134	3,313

15 SHORT-TERM INVESTMENTS

At amortised cost

- Investment in Term Deposit Receipts (note 15.1)
- Investment in Treasury Bills (note 15.2)

At fair value through profit or loss

- Investment in mutual funds

	2025	2024
	(Rupees in thousand)	
	200,000	-
	837,367	-
	<u>1,037,367</u>	<u>-</u>
	-	452,884
	<u>1,037,367</u>	<u>452,884</u>

15.1 This represents Term Deposit Receipts having maturity date of December 29, 2026 carrying interest at the rate of 9% (2024: Nil) per annum.

15.2 This represents investment in Treasury Bills having maturity upto six months carrying interest at the rates ranging 10.77% - 10.82% (2024: Nil) per annum.

16 CASH AND BANK BALANCES

Note

Cash in hand

Cash at banks:

- In current accounts - local currency
- In savings accounts - local currency

	2025	2024
	(Rupees in thousand)	
	145	184
	113,695	100,922
	21,076	18,690
	<u>134,916</u>	<u>119,796</u>

16.1 These carry mark-up at rates ranging from 9.25% to 11.5% (2024: 13.50% to 20.50%) per annum.

17 SHARE CAPITAL

2025	2024		2025	2024
No. of shares			(Rupees in thousand)	
10,000,000	10,000,000	Authorized share capital		
		Ordinary shares of Rs. 10/- each	100,000	100,000
		Issued, subscribed and paid up capital		
		Ordinary shares of Rs. 10/- each		
2,757,783	2,757,783	Issued for cash	27,578	27,578
3,359,477	3,359,477	Issued as fully paid bonus shares	33,595	33,595
687,500	687,500	Issued against plant and equipment	6,875	6,875
140,000	140,000	Issued against loan	1,400	1,400
		Issued pursuant to merger with Rhone Poulenc Rorer Pakistan (Private) Limited	27,000	27,000
<u>2,700,000</u>	<u>2,700,000</u>		<u>96,448</u>	<u>96,448</u>
<u>9,644,760</u>	<u>9,644,760</u>			

17.1 The Parent Company held 3,960,919 (2024: 3,960,919) ordinary shares of Rs. 10/- each, of the Company representing 41.07% of the shareholding.

17.2 Voting rights, board selection, rights of first refusal, block voting and other shareholders' rights are in proportion to the shareholding in the Company.

18 RESERVES

	Note	2025	2024
(Rupees in thousand)			
Capital reserves			
Long-term liabilities forgone		5,935	5,935
Other capital reserve	18.1	2,000,000	2,000,000
Difference of share capital under scheme of arrangement for amalgamation		18,000	18,000
Share-based payments reserve		375,210	375,210
		2,399,145	2,399,145
Revenue reserves			
General reserve		1,535,538	1,535,538
Unappropriated profits		4,172,049	2,783,812
		5,707,587	4,319,350
		8,106,732	6,718,495

- 18.1** In 2024, the Company transferred Rs. 2,000 million from general reserve to other capital reserve as approved by the Board of Directors (the Board) in its meeting held on February 22, 2024 for the purposes of issuance of bonus shares, if any, from time to time as the Board may deem fit. Such a transfer has been made in line with the Securities and Exchange Commission of Pakistan circular no. 4 of 2024 dated February 15, 2024.

19 DEFINED BENEFIT PLANS

- 19.1** Latest actuarial valuation of the Gratuity Fund was carried out as at December 31, 2025. The present value of defined benefit obligation has been calculated using the projected unit credit method. The details of the actuarial valuation are as follows:

	2025	2024
(Rupees in thousand)		
Statement of financial position reconciliation is as follows:		
Fair value of plan assets	950,816	798,159
Present value of defined benefit obligation	(902,884)	(782,773)
Net asset in statement of financial position	47,932	15,386
Movement in net assets		
Opening balance	15,386	25,522
Charge for the year	(53,770)	(42,171)
Employer contribution	51,111	11,140
Refund to Company for terminated employees	(623)	-
Actuarial gain recognised in other comprehensive income	35,828	20,895
Closing balance	47,932	15,386
Expense recognised in statement of profit or loss		
Current service cost	60,641	48,430
Interest cost	90,597	91,894
Expected return on plan assets	(97,468)	(98,153)
	53,770	42,171
Actual return on plan assets	158,285	187,827
Movement in the defined benefit obligation		
Opening balance	782,773	630,630
Current service cost	60,641	48,430
Interest cost	90,597	91,894
Benefits paid	(56,116)	(56,960)
Actuarial loss	24,989	68,779
Closing balance	902,884	782,773

	2025	2024
	(Rupees in thousand)	
Movement in fair value of plan assets		
Opening balance	798,159	656,152
Expected return on plan assets	97,468	98,153
Employer contribution	51,111	11,140
Benefits paid	(56,116)	(56,960)
Refund to Company for terminated employees	(623)	-
Actuarial gain	60,817	89,674
Closing balance	950,816	798,159
Actuarial gain arising from		
Changes in financial assumptions	(35,409)	(44,339)
Changes in demographic assumptions	15,320	4,639
Experience adjustments	(4,900)	(29,079)
Remeasurement gain on plan assets	60,817	89,674
	35,828	20,895
Key actuarial assumptions used are as follows		
Discount factor used	11.00%	12.25%
Expected rate of return per annum on plan assets	11.00%	12.25%
Long term salary increase rate per annum	11.00%	11.75%

Estimates of future salary increase takes into account inflation, seniority and promotion. Having regard to the actual salary increase rate of current year and the future expectation of the Company, the management's actuary has assumed that the short-term salary increase rate to be used is 12.50% (2024: 14.40%) per annum and for long term 11% (2024: 11.75%) per annum compounded.

	2025	2024
	(Rupees in thousand)	
Weighted average duration (years)	6.11	6.05

The effective duration of the future cash flows was calculated based on the yields available on government bonds at the end of the reporting period.

	Gratuity Fund	
	2025	2024
	(Rupees in thousand)	
Retirement age (years)	60 years	60 years
Withdrawal rate	Moderate	Moderate
Mortality rate	SLIC 2001 - 2005	

	2025		2024	
	Rs in '000	%	Rs in '000	%
Sensitivity analysis for Gratuity Fund				
Present Value (PV) of Defined benefit obligation as at the reporting date	902,884		782,773	
Following shall be the PV under various sensitivities:				
+1% Discount rate	852,176	-5.62%	738,479	-5.66%
-1% Discount rate	959,661	6.29%	832,321	6.33%
+1% Salary increase rate	963,219	6.68%	835,600	6.75%
-1% Salary increase rate	848,100	-6.07%	734,787	-6.13%
+10% Withdrawal rates	900,012	-0.32%	782,064	0.09%
-10% Withdrawal rates	905,938	0.34%	783,492	-0.09%
1 year mortality age set back	902,892	0.00%	782,736	0.00%
1 year mortality age set forward	902,877	0.00%	782,810	0.00%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the year end. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

Maturity profile

	2025	2024
	(Rupees in thousand)	
Year 1	123,854	122,560
Year 2	105,569	82,830
Year 3	81,557	98,080
Year 4	118,195	74,890
Year 5	131,076	112,020
Year 6 to Year 10	475,268	470,700
Year 11 and above	1,177,734	1,272,270

	2025		2024	
	Rs in '000	%	Rs in '000	%
Plan assets comprise of:				
Equity securities	219,284	23.06%	221,020	27.68%
Cash and cash equivalents	277,119	29.15%	160,601	20.12%
Debt securities	454,413	47.79%	416,538	52.20%
	950,816	100%	798,159	100%

19.1.1 Risks associated with defined benefit plan

Longevity Risk:

The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

Salary Increase Risk:

The most common type of retirement benefit is one where the benefit is linked with final salary. The risk arises when the actual increases are higher than expectation and impacts the liability accordingly.

Withdrawal Risk:

The risk of actual withdrawals varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

Investment Risk:

The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating an investment policy and guidelines based on which investments are made after obtaining approval from trustees of the gratuity fund.

19.1.2 The expected return on plan assets is based on the market expectations and depends upon the asset portfolio of the plan at the beginning of the period.

19.1.3 The Company contributes to the Gratuity Fund on the advice of the funds' actuary. The contributions are equal to the current service cost with adjustment for any deficit. Based on the actuarial advice, the amount of expected contribution to Gratuity Fund for the year 2026 is Rs. 56.66 million.

20 LEASE LIABILITY

	Note	2025			2024		
		Electrical equipment	Motor vehicle	Total	Electrical equipment	Motor vehicle	Total
		(Rupees in thousand)			(Rupees in thousand)		
Opening balance		211,476	-	211,476	-	-	-
Additions	20.1	-	47,918	47,918	210,038	-	210,038
Finance cost charged during the year	28	50,235	447	50,682	13,809	-	13,809
Payments made during the year		(47,557)	(1,046)	(48,603)	(12,371)	-	(12,371)
		214,154	47,319	261,473	211,476	-	211,476
Less: Current maturity of lease liability		(40,807)	(12,557)	(53,364)	(2,001)	-	(2,001)
	20.2	173,347	34,762	208,109	209,475	-	209,475

20.1 This represents car lease arrangements, entered into by the Company during the year. The lease has a term of 5 years, after which the ownership of these cars will be transferred to the Company. Consequently, the related right of use asset is being depreciated based on the estimated useful life of 6 years.

20.2 Annual cumulative rentals under the lease arrangements carries finance charge at the rate of 19.69% for solar panels and 6 months KIBOR for motor vehicles. The amount of future payments against the right-of-use asset and the period in which these become due are as follows:

	2025		2024	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
	Rupees		Rupees	
Not later than one year	53,364	53,364	2,001	2,001
Later than one year	659,865	208,109	651,490	209,475
	713,229	261,473	653,491	211,476
Less: Finance charges allocated to future periods	(451,756)	-	(442,015)	-
	261,473	261,473	211,476	211,476

21 TRADE AND OTHER PAYABLES

	Note	2025	2024
		(Rupees in thousand)	
Trade creditors			
Related parties	21.1	26,530	21,287
Other trade creditors		741,271	1,108,078
		767,801	1,129,365
Other payables			
Accrued liabilities		3,142,399	2,360,313
Refund liabilities		185,799	140,084
Infrastructure Development Cess	23.1.1	1,271,156	1,012,980
Workers' Profits' Participation Fund	21.2	13,413	187,415
Workers' Welfare Fund	21.3	174,793	148,261
Central Research Fund	21.4	54,015	37,737
Compensated absences		149,956	114,052
Security deposits	21.5	19,967	15,576
Contractors' retention money		6,359	6,359
Sales tax payable		7,090	15,186
Withholding tax payable		24,083	5,711
Others		55,114	23,309
		5,104,144	4,066,983
		5,871,945	5,196,348

21.1	This represents balance payable to following related parties:	Note	2025	2024
			(Rupees in thousand)	
	Packages Convertors Limited		10,304	8,479
	Packages Limited		7,601	6,132
	Tri-pack Films Limited		-	2,285
	Ali Gohar & Co. (Private) Limited		5,079	2,007
	Bulleh Shah Packaging (Private) Limited		2,200	1,706
	IGI General Insurance Limited		1,346	678
			<u>26,530</u>	<u>21,287</u>
21.2	Movement of Workers' Profits' Participation Fund (the Fund) is as follows:			
	Opening balance		187,415	48,911
	Allocation for the year	26	267,552	187,415
			<u>454,967</u>	<u>236,326</u>
	Amount paid to the Fund		(441,554)	(48,911)
	Closing balance		<u>13,413</u>	<u>187,415</u>
21.3	Movement of Workers' Welfare Fund is as follows:			
	Opening balance		148,261	85,372
	Allocation for the year	26	120,352	79,487
			<u>268,613</u>	<u>164,859</u>
	Amount paid to the Fund		(93,820)	(16,598)
	Closing balance		<u>174,793</u>	<u>148,261</u>
21.4	Movement of Central Research Fund is as follows:			
	Opening balance		37,737	9,866
	Allocation for the year	26	54,120	37,842
			<u>91,857</u>	<u>47,708</u>
	Amount paid to the Fund		(37,842)	(9,971)
	Closing balance		<u>54,015</u>	<u>37,737</u>
21.5	Represent unutilised security deposits received from various vendors / contractors, kept in a separate bank account.			
22	SHORT-TERM BORROWINGS			
	Working capital facilities		<u>-</u>	<u>1,200,000</u>

22.1 The Company has working capital and running finance facilities from various commercial banks under mark-up arrangements aggregating to Rs. 5,300 million (2024: 8,075 million) which remained unutilised as at December 31, 2025 (2024: Rs. 6,875 million was unutilised). These facilities are secured against first registered joint pari passu and ranking charge over current assets of the Company, inclusive but not limited to stock-in-trade and book debts of the Company. These facilities carry mark-up at the rate of KIBOR + 0.10% to 3.50% per annum and will expire latest by July 31, 2026.

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

23.1.1 The Government of Sindh through Sindh Finance Act, 1994 imposed infrastructure fee for development and maintenance of infrastructure on goods entering or leaving the Province of Sindh through air or sea at prescribed rates. Several companies contested the imposition of this infrastructure fee in High Court of Sindh (HCS). Through the interim order passed on May 31, 2011, the HCS had ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash

and a bank guarantee for the remaining amount should be submitted until the final order is passed. Later, the Company started to deposit cash and bank guarantees on import of goods and also started recognising accrual for the unpaid amount for which bank guarantee was submitted. On June 04, 2021, the HCS dismissed appeals filed by the petitioners and ordered that the Sindh Finance Act, 2017 is a valid law with the competence of provincial legislature and all bank guarantees previously furnished by the petitioners against the HCS's interim order dated May 31, 2011 shall be en-cashed and paid to the department.

The Company, in consultation with its legal advisor, filed an appeal before the Supreme Court of Pakistan (SCP) against the HCS's order dated June 04, 2021 jointly with other petitioners. SCP provided leave to appeal against the orders of HCS vide CP No. 4913/2021 dated September 01, 2021 with the directions that till the further order of SCP, the operations of impugned judgment of the HCS dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioners were ordered to submit fresh bank guarantees equivalent to the amount of levy for all future consignments of imported goods. Based on the advice of the legal advisor, the Company had recognised provision against the fee payable (note 21).

23.1.2 The Deputy Commissioner Inland Revenue (DCIR), initiated monitoring proceedings u/s 156/161 of the Ordinance for Tax Year 2009 vide letter dated November 12, 2010. The Company filed constitutional petition before the HCS who remanded back the matter vide order dated December 24, 2012. After disposal of constitutional petition, the proceedings were reinitiated by DCIR vide his letter dated December 26, 2012 requiring the Company to explain its position on advertisement and sales promotion expenses amounting to Rs. 203.963 million.

In the order dated April 29, 2013, issued under section 161/205 of the Ordinance, the DCIR had imposed tax under section 161 of the Ordinance amounting to Rs. 11.663 million for non deduction of tax under section 156 of the Ordinance from certain payments under the head 'Advertisement and Sales Promotion'.

The Company filed constitutional petition before the HCS who restrained the tax department from any coercive recovery measure in respect of the impugned demand till disposal of the petition. The department, however, later adjusted this outstanding demand without issuance of any recovery notice to the Company, against refunds pertaining to Tax Year 2012. The HCS dismissed the petition on May 25, 2013 and directed the petitioner to pursue departmental hierarchy.

The Company then filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] against the impugned order. The CIR(A) disposed-off the appeal vide order dated August 25, 2015 remanding back the matter to the department. The Company filed an appeal against the CIR(A)'s order before the Appellate Tribunal Inland Revenue (ATIR) dated October 05, 2015. The ATIR passed an order on January 13, 2022 against the Company and dismissed the appeal. The Company filed a reference before the HCS in March 2022, hearing of which is still pending.

The Company also filed a rectification application before the ATIR who allowed the application vide order dated July 29, 2022 and remanded back the matter to the tax officer. The remand back proceedings are still pending to be heard.

23.1.3 The Company's case was selected in the Parametric balloting done for selection of cases for audit for the Tax Year 2011 on February 25, 2013 by the Federal Board of Revenue (FBR) under section 214C of the Ordinance. The Company filed a representation against the said selection before the review panel of the FBR in terms of circular dated February 25, 2013. Without prejudice to the representation against the audit selection, the Company made complete compliance to the Information Document Request (IDR) notice dated April 04, 2013. Later, the DCIR issued the show cause notice under section 122(9) of the Ordinance to which the Company made compliance. However, the DCIR issued amended order dated June 17, 2014 and made additions of Rs. 124.115 million on various expenses. The Company filed an appeal against the DCIR order before the CIR-A, who vide order dated September 10, 2015 had disposed-off the appeal but upheld additions of sundry

promotional expenses of Rs. 36.973 million. Accordingly, the Company filed appeal before the ATIR which maintained the disallowance of Rs. 36.973 million vide order dated July 14, 2021. The Company filed a constitutional petition against the ATIR order and rectification application was also filed with the ATIR by the Company dated September 06, 2021.

The ATIR passed order in favor of the Company and allowed the aforementioned expenses through order dated November 29, 2021. Further, the department's appeal for Tax Year 2011 challenging Commissioner Appeal's verdict to delete the disallowances at Rs. 87.142 million has been dismissed by the ATIR vide order dated July 06, 2022. The Department has filed an appeal before the HCS against the ATIR order, hearing of which is still pending.

- 23.1.4** The DCIR, amended the deemed assessment vide order dated January 1, 2018, for Tax Year 2014 increasing the tax liability by Rs. 275.6 million due to disallowance of certain expenses, hence, adjusting the tax refundable as assessed by the Company in the tax return. The Company was required to pay an amount of Rs.110.6 million being the short payment on account of reassessed tax liability. The Company paid the said amount under protest and filed an appeal with the CIR(A) against the said order. The CIR(A) decided on the above issue against the Company vide order dated May 6, 2019. The Company filed an appeal dated through July 12, 2019 thereagainst with the ATIR, which is pending to be heard.
- 23.1.5** The DCIR, initiated audit proceedings under section 177 read with 214C and clause 72B of Part-IV of Second Schedule of the Ordinance for Tax Year 2016 by issuing a notice dated March 06, 2019 which was responded by the Company on April 09, 2019. Upon completion of the proceedings under section 177(6) of the Ordinance, notice u/s 122(9) of the Ordinance was issued by the DCIR on May 06, 2022 against which the Company filed a constitutional petition before the HCS and interim stay order was granted to the Company dated May 24, 2022. In year 2024, the HCS, in its final order, has granted the petition in favor of Company by declaring the above said impugned show cause notice barred by time.
- 23.1.6** The DCIR, issued a notice dated March 06, 2019 under section 177 read with 214C and clause 72B of part IV of Second Schedule of the Ordinance for Tax Year 2017 in lieu of exemption granted to the Company for collection of tax at import stage. The Company had initially responded to the notice through various letters that the subject audit proceedings were time barred and hence without jurisdiction. Instead of replying to these jurisdictional objections, the DCIR again issued a notice dated October 13, 2022. The Company again responded to the notice on legal grounds on November 7, 2022. The DCIR issued notice dated November 18, 2022 under section 122(9) of the Ordinance, against the Company. The Company then filed a constitutional petition before the HCS which restrained the tax department from proceeding further on the notice till disposal of petition. The petition is pending before the HCS.
- 23.1.7** The DCIR, issued a notice dated March 06, 2019 under section 177 read with 214C and clause 72B of part IV of Second Schedule of the Ordinance for Tax Year 2018 in lieu of exemption granted to the Company for collection of tax at import stage. The Company had initially responded to the notice through various letters that the subject audit proceedings were time barred and hence without jurisdiction. Instead of replying to these jurisdictional objections, the DCIR again issued a notice dated October 13, 2022 for Tax Year 2018. The Company then filed a suit on legal grounds before the HCS which issued favorable order on March 30, 2023 and restrained the tax department from proceeding further on the notices till disposal of the case.
- 23.1.8** The Federal Government, vide Finance Act, 2022, imposed super tax under section 4C of the Ordinance, applicable from the Tax Year 2022 onwards. The Company filed a civil petition in the HCS primarily challenging the retrospective application of the super tax for Tax Year 2022. The HCS vide interim order dated September 30, 2022 issued an injunction order allowing the Company to file the return without paying the super tax. The HCS passed a favorable judgment dated December 22, 2022 in this case. The Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against the said judgment. The SCP through an interim order, directed companies to deposit super tax to the extent of 4% of the taxable income and to furnish security for the remaining

6% for the Tax Year 2022. The Company complied with the interim directives of the SCP.

During the year, pursuant to the 27th Constitutional Amendment, all pending litigations related to the super tax levy were transferred to the Federal Constitutional Court of Pakistan (FCCP). Subsequent to the year end, the FCCP, vide order dated January 27, 2026, has disposed of the appeal in favor of the FBR.

The DCIR, had also issued a notice dated March 8, 2023 to provide a further explanation regarding the recovery of super tax under section 4C of the Ordinance for Tax Year 2022 to which the Company had responded that the amount has been deposited in compliance with the SCP directives. The DCIR passed an unfavorable order thereagainst creating an additional demand of Rs. 6 million. The Company filed an appeal before the CIR(A) against the DCIR order along with rectification application with DCIR for correction in the order. The CIR(A) vide its order dated July 27, 2023 upheld the impugned order of the DCIR and ordered him to dispose-off the rectification application accordingly. The Company has filed an appeal before the ATIR against the CIR(A) order, the hearing of which is pending.

23.1.9 The Federal Government, vide Finance Act, 2023, increased the rates of super tax under section 4C of the Ordinance, applicable from Tax Year 2023 onwards. The Company filed a writ petition before the Islamabad High Court (IHC) challenging the retrospective increase of the rates of super tax for Tax Year 2023. IHC, issued favorable order on March 15, 2024, whereby, the IHC decided that 6% incremental super tax was not applicable retrospectively on Tax Year 2023 and prior periods. The IHC further ruled that the super tax was to be computed excluding incomes subject to the final tax regime. The FBR subsequently filed an intra-court appeal (ICA) with the IHC against the said judgment. On the basis of prudence, the Company had maintained a provision in respect of the incremental super tax at the rate of 6% in its financial statements. During the year, pursuant to the 27th Constitutional Amendment, all pending litigations related to the super tax levy were transferred to the Federal Constitutional Court of Pakistan (FCCP). Subsequent to the year end, the FCCP, vide order dated January 27, 2026, declared that all retrospective applications of super tax was valid.

23.1.10 The DCIR passed an order dated April 30, 2015 under section 122(5) of the Ordinance for Tax Year 2013, increasing the tax liability by Rs.129.137 million on the contention that the Company understated the gain on sale of property and claimed certain expenses related to sales promotion and advertisement, which should have been disallowed. The Company filed an appeal before the CIR(A), wherein the CIR(A) vide order dated July 19, 2018, deleted the addition for gain on disposal of property and remanded back the additions related to sales promotion and advertisements. An appeal dated October 2, 2018, was filed with the ATIR against the said decision of the CIR(A) on the issue remanded back, which is still pending.

The DCIR vide order dated June 30, 2021 passed an appeal effect order to give effect to matters remanded back and deleted by CIR(A). The Company also filed a rectification application against this order in respect of certain computational errors and not giving credit for refund adjustment at Rs. 72.137 million [debited from the Tax Year 2014] which was rectified by the DCIR vide its order dated July 29, 2021 and accordingly the Company's tax refundable was increased to Rs. 110.343 million. The Company further filed an appeal with CIR(A) against the said order of DCIR in respect of certain additions maintained, which was concluded on January 26, 2023 and the refund adjustment was reversed among other aspects addressed resulting in a tax refundable of Rs. 49.46 million. Based on verification of the refund filed by the Company, the DCIR through its order dated April 2, 2024 under section 170(4) of the Ordinance has issued tax refund of Rs. 19.734 million under section 170 of the Ordinance whilst the remaining refund of Rs. 29.917 million is pending for verification with tax authorities.

The Company, based on advice from its tax and legal advisors, is confident for favourable outcomes on the above-mentioned matters disclosed in notes 23.1.1 to 23.1.10. Hence, no provision has been recognised in these financial statements in respect of these orders, except for matters mentioned in notes 23.1.1, 23.1.8 and 23.1.9, for which the provision has been recognised as an abundant caution based on prudence.

23.2 Commitments	Note	2025	2024
		(Rupees in thousand)	
Capital expenditure		296,211	57,122
Acquisition of intangible assets - trademarks		-	811,048
Outstanding letters of credit	23.2.1	380,946	567,651
Outstanding bank guarantees	23.2.1	1,380,727	1,190,338
Outstanding bank contracts		1,179,878	954,136

23.2.1 Total available facilities for letters of credit and bank guarantees amounts to Rs. 5,798 million and Rs. 1,426 million (2024: Rs. 6,693 million and Rs. 1,236 million), respectively.

23.2.2 Future minimum rentals receivable under non-cancellable operating leases for investment properties as at the reporting dates are as follows:

	2025	2024
	(Rupees in thousand)	
Within one year	53,545	72,767

23.2.3 The Company has entered into an operations and maintenance contract with Shams Power Limited for its solar panels and related equipment. The financial commitments under this contract are as follows:

	2025	2024
	(Rupees in thousand)	
Within one year	2,192	2,064
More than one year	32,099	36,419

24 REVENUE FROM CONTRACT WITH CUSTOMERS - NET

	Note	2025	2024
		(Rupees in thousand)	
Gross Sales			
Local		32,982,364	28,063,174
Export		1,692,035	1,355,517
		34,674,399	29,418,691
Toll manufacturing		147,215	86,747
		34,821,614	29,505,438
Less:			
Discounts		(3,423,115)	(2,333,058)
Returns		(87,655)	(124,912)
Sales tax		(382,280)	(299,640)
		(3,893,050)	(2,757,610)
	24.1	30,928,564	26,747,828

24.1 Includes contract liabilities of Rs. 103.86 million (2024: Rs. 84.89 million) realised during the year.

25 OPERATING COSTS

	Cost of sales		Distribution and marketing costs		Administrative expenses		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)							
Raw and packing material consumed	9,200,654	9,663,938	-	-	-	-	9,200,654	9,663,938
Raw and packing material written-off (Reversal of Provision) / Provision against stores and spares & raw and packing material (notes 9.1 and 10.1)	1,118	2,457	-	-	-	-	1,118	2,457
Stores and spares consumed	(196,449)	285,397	-	-	-	-	(196,449)	285,397
Stationery and supplies consumed	55,113	40,172	-	-	-	-	55,113	40,172
Staff costs (note 25.1)	99,742	15,488	40,244	29,382	16,468	9,629	156,454	54,499
Fuel and power	1,116,874	1,098,903	2,001,160	1,497,682	618,653	651,612	3,736,687	3,248,197
Rent, rates and taxes	565,787	787,289	6,597	6,770	52,870	53,105	625,254	847,164
Insurance	41,847	54,140	35,617	29,492	-	-	77,464	83,632
Repairs and maintenance	48,038	37,684	63,601	68,838	5,304	4,827	116,943	111,349
Depreciation of fixed assets (note 3.1.2)	234,390	254,414	37,299	41,185	40,341	35,785	312,030	331,384
Amortisation of intangible assets (note 4.2)	215,066	193,321	91,161	58,640	42,435	43,652	348,662	295,613
Depreciation of investment properties (note 5.1)	-	274	-	2,966	2,931	8,094	2,931	11,334
Travelling and conveyance	-	-	-	-	1,749	1,749	1,749	1,749
Handling, freight and transportation	165,085	41,155	692,574	333,712	48,219	66,053	905,878	440,920
Communication	-	-	397,678	338,846	-	-	397,678	338,846
Security and maintenance	2,052	5,409	26,028	26,331	8,532	7,992	36,612	39,732
Publication and subscription	15,779	26,325	33,626	14,630	35,916	40,070	85,321	81,025
Electronic and print media	684	4,140	383	8,356	8,306	344	9,373	12,840
Conferences and exhibitions	-	-	54,468	12,787	-	-	54,468	12,787
Market research	-	-	427,597	329,632	-	-	427,597	329,632
Clinical trials	-	-	91,789	73,670	-	-	91,789	73,670
Patient care	-	-	-	22	-	-	-	22
Samples	-	-	86,456	50,265	-	-	86,456	50,265
Sales promotion	-	-	2,408	1,051	-	-	2,408	1,051
Sales commission	-	-	206,521	104,759	-	-	206,521	104,759
Software license / maintenance fee	-	-	231,375	283,454	-	-	231,375	283,454
Others	3,409	1,183	3,322	4,325	86,985	108,808	93,716	114,316
	1,386	1,153	17,623	12,473	29,638	42,016	48,647	55,642
	11,570,575	12,512,842	4,547,527	3,329,628	998,347	1,073,736	17,116,449	16,915,846
Recovery of expenses (note 5.2)	(18,563)	(18,585)	-	-	-	(18,563)	(18,585)	-
	11,552,012	12,494,257	4,547,527	3,329,268	998,347	1,073,736	17,097,886	16,897,261
Opening work-in-process	105,320	99,848	-	-	-	-	-	-
Closing work-in-process	(101,406)	(105,320)	-	-	-	-	-	-
Cost of goods manufactured	11,555,926	12,488,785	-	-	-	-	-	-
Opening stock of finished goods	4,850,583	1,952,267	-	-	-	-	-	-
Finished goods purchased	7,088,500	8,632,848	-	-	-	-	-	-
Cost of samples included under distribution and marketing costs	-	-	-	-	-	-	-	-
Finished goods written-off	(2,408)	(1,051)	-	-	-	-	-	-
Provision against finished goods (note 10.3)	22,980	49,510	-	-	-	-	-	-
	815,304	48,515	-	-	-	-	-	-
Closing stock of finished goods	(4,699,721)	(4,850,583)	-	-	-	-	-	-
	19,631,164	18,320,291	-	-	-	-	-	-
25.1 Staff costs								
Salaries, wages and other benefits	1,079,689	1,050,968	1,907,930	1,407,038	566,984	623,935	3,554,603	3,081,941
Training	498	2,092	13,199	7,166	22,246	4,094	35,943	13,352
Defined benefit plans (note 19.1)	10,545	8,543	28,785	26,239	14,440	7,389	53,770	42,171
Defined contribution plans (note 25.2)	26,142	37,300	51,246	57,239	14,983	16,194	92,371	110,733
	1,116,874	1,098,903	2,001,160	1,497,682	618,653	651,612	3,736,687	3,248,197
25.2								

Investments out of provident fund have been made in collective investment schemes, listed equity and listed debt securities in accordance with the provisions of section of 218 of the Act and the conditions specified thereunder.

26 OTHER EXPENSES

Note	2025	2024
	(Rupees in thousand)	
Auditors' remuneration	4,665	4,031
Workers' Profits Participation Fund	267,552	187,415
Workers' Welfare Fund	120,352	79,487
Central Research Fund	54,120	37,842
Legal and consultancy	119,762	259,171
Donations	93,143	8,709
Exchange loss / (gain) - net	271,298	(57,436)
	<u>930,892</u>	<u>519,219</u>

26.1 Auditors' remuneration

Fee for:

- Statutory audit of standalone financial statements	2,700	2,454
- Statutory audit of consolidated financial statements	350	-
- Review of half yearly financial statements	630	570
- Reporting to group auditors	250	-
- Review of compliance with the Code of Corporate Governance	235	216
- Other certifications	300	300
Out-of-pocket expenses	200	491
	<u>4,665</u>	<u>4,031</u>

26.2 This represents donation made to Packages Foundation amounting to Rs. 93.14 million (2024: Rs. 7.22 million). Syed Hyder Ali, the director of the Company is also the trustee of Packages Foundation.

26.3 This is net-off exchange gain on import payables amounting to Rs. 17.4 million (2024: net off exchange loss on import payable amounting to Rs 100.03 million).

27 OTHER INCOME

Note	2025	2024
	(Rupees in thousand)	
<i>Income from financial assets</i>		
Markup on savings bank accounts	3,222	4,080
Gain on disposal of mutual funds	123,761	27,193
Fair value gain on remeasurement of mutual funds	-	3,708
Income from Treasury bills	44,860	-
Dividend income from mutual funds	6,613	83,732
	<u>178,456</u>	<u>118,713</u>
<i>Income from non-financial assets</i>		
Rental income from investment properties - net	72,920	64,391
Insurance claim	-	15,194
Deferred income on capital grant	-	9,000
Gain on disposal of fixed assets - net	7,740	1,333
Scrap sales	30,363	25,729
	<u>111,023</u>	<u>115,647</u>
	<u>289,479</u>	<u>234,360</u>

28 FINANCE COSTS

Mark-up on:		
- short-term borrowings and bank overdraft	11,183	46,618
- lease liability	50,682	13,809
Bank charges	37,980	84,090
	<u>99,845</u>	<u>144,517</u>

29 MINIMUM TAX DIFFERENTIAL

This represented unrecoupable minimum tax paid under section 148 of the Income Tax Ordinance, 2001 (the Ordinance).

30 FINAL TAX

This included final tax paid under section 154 of the Ordinance till June 1, 2024. This levy was subsequently amended to a minimum tax through Finance Act, 2024.

31 INCOME TAX

Note

	2025	2024
	(Rupees in thousand)	
Current - for the year	2,272,780	1,451,785
- for prior years	(10,075)	(12,974)
	2,262,705	1,438,811
Deferred	(208,380)	(144,104)
	2,054,325	1,294,707
31.1 Relationship between tax expense and accounting profit:		
Profit before income tax	4,963,869	3,151,854
Tax calculated at the rate of 29% (2024: 29%)	1,439,522	914,038
Effect of:		
- prior year reversal	(10,075)	(12,974)
- super tax	586,599	335,565
- others	38,279	58,078
	2,054,325	1,294,707

32 EARNINGS PER SHARE - basic and diluted

	2025	2024
	(Rupees in thousand)	
Profit for the year	2,909,544	1,857,147
	(Number of Shares)	
Weighted average number of ordinary shares	9,644,760	9,644,760
	(Rupees)	
Earnings per share - basic and diluted	301.67	192.56

32.1 There is no dilutive effect on the basic earnings per share of the Company.

33 SHARIAH RELATED DISCLOSURES

	Note	2025			2024		
		Coventional	Shariah Compliant	Total	Coventional	Shariah Compliant	Total
		(Rupees in thousand)			(Rupees in thousand)		
Statement of financial position							
Lease liabilities	20	261,473	-	261,473	211,476	-	211,476
Short-term borrowings		-	-	-	1,200,000	-	1,200,000
Accrued interest / mark-up		-	-	-	13,922	-	13,922
Investment in subsidiary	6	-	270,000	270,000	-	-	-
Short-term investments	15	1,037,367	-	1,037,367	452,884	-	452,884
Cash and bank balances	16	133,853	1,063	134,916	116,098	3,698	119,796
Statement of profit or loss							
Revenue from contracts							
with customers - net	24	-	30,928,564	30,928,564	-	26,747,828	26,747,828
Foreign exchange loss (net)	26	271,298	-	271,298	-	-	-
Profit on bank deposits	27	3,222	-	3,222	4,080	-	4,080
Income from investments	27	175,234	-	175,234	114,633	-	114,633
Foreign exchange gain (net)	26	-	-	-	57,436	-	57,436
Scrap sales	27	-	30,363	30,363	-	25,729	25,729
Gain on disposal of operating assets - net	27	-	7,740	7,740	-	1,333	1,333
Insurance claim	27	-	-	-	15,194	-	15,194
Finance costs	28	99,845	-	99,845	144,517	-	144,517
Other income	27	-	72,920	72,920	-	73,391	73,391

34 TRANSACTIONS WITH RELATED PARTIES

34.1 The related parties of the Company comprise of group companies, associated undertakings, employees' retirement funds, directors and key management personnel. All transactions with related parties are executed into at agreed terms duly approved by the Board of Directors of the Company. Transactions with related parties, other than those disclosed elsewhere in these financial statements, are as follows:

	2025				2024					
	Parent Company	Associated undertakings	Employees' retirement funds	Managerial remuneration and other benefits	Total	Parent Company	Associated undertakings	Employees' retirement funds	Managerial remuneration and other benefits	Total
(Rupees in thousand)										
Sales	-	12,239	-	-	12,239	-	10,714	-	-	10,714
Purchase of goods	-	568,481	-	-	568,481	-	563,497	-	-	563,497
Shared services received	154,704	6,877	-	-	161,581	148,184	55,420	-	-	203,604
Shared services rendered	-	14	-	-	14	507	-	-	-	507
Dividends paid	538,541	432,981	-	-	971,522	217,851	178,552	-	-	396,403
Insurance claims received	-	-	-	-	-	-	15,194	-	-	15,194
Insurance premium paid	-	194,576	-	-	194,576	-	167,648	-	-	167,648
Donations	-	93,143	-	-	93,143	-	7,216	-	-	7,216
Contribution paid:										
- Gratuity fund	-	-	51,111	-	51,111	-	-	11,140	-	11,140
- Provident fund	-	-	103,088	-	103,088	-	-	76,677	-	76,677
Managerial remuneration and other benefits	-	-	-	532,899	532,899	-	-	-	367,262	367,262

34.2 Following are the related parties with whom the Company had entered into transactions or had arrangements / agreements in place:

Name of the Company	Country of Incorporation	Basis of Association	Direct Shareholding
Packages Limited	Pakistan	Parent Company	41.07%
IGI Investments (Private) Limited	Pakistan	Common Directorship/Shareholding	24.97%
AGT Strategic Holdings (Private) Limited	Pakistan	Common Directorship/Shareholding	2.07%
Ali Gohar & Company (Private) Limited	Pakistan	Common Directorship/Shareholding	0.53%
Packages Converters Limited	Pakistan	Common Directorship	-
IGI General Insurance Limited	Pakistan	Common Directorship	-
IGI Life Insurance Limited	Pakistan	Common Directorship	-
Bulleh Shah Packaging (Private) Limited	Pakistan	Common Directorship	-
Nera Pharma (SMC-Private) Limited	Pakistan	Common Directorship	5.42%
Pakistan Petroleum Limited	Pakistan	Common Directorship	-
Packages Foundation	Pakistan	Common Directorship	-
H-Pack Wellness (Private) Limited	Pakistan	Subsidiary Company	-
Mr. Sajjad Iftikhar	-	Chief Executive Officer	-
Mr. Yasser Pirmuhammad	-	Chief Financial Officer	-
Syed Babar Ali	-	Director / Chairman	-
Syed Hyder Ali	-	Director	3.32%
Mr. Arshad Ali Gohar	-	Director	13.89%
Mr. Imtiaz Ahmed Husain Laliwala	-	Director	-
Syed Anis Ahmad Shah	-	Director	-
Mr. Muhammad Salman Burney	-	Director	-
Ms. Saadia Naveed	-	Director	-
Ms. Iqra Sajjad	-	Director	-
Mr. Muhammad Khalid	-	Key management personnel	-
Mr. Abdul Rahman	-	Key management personnel	-
Mr. Javaid Iqbal	-	Key management personnel	-
Ms. Laila Mughal	-	Key management personnel	-
Ms. Maha Khan	-	Key management personnel	-
Ms. Bushra Khaliq	-	Key management personnel	-
Mr. Nadim Ur Rehman	-	Key management personnel	-
Mr. Salman Shamim	-	Key management personnel	-
Mr. Munzir Ishaq Rajput	-	Key management personnel	-
Mr. Ahsen Zeeshan	-	Key management personnel	-
Mr. Syed Muhammad Ali Hasani	-	Key management personnel	-
Mr. Syed Muhammad Taha Naqvi	-	Key management personnel	-
Mr. Kaleemullah Khan	-	Key management personnel	-
Mr. Sharif Hussain	-	Key management personnel	-
Mr. Syed Muhammad Waqar Alam	-	Key management personnel	-
Mr. Arsalan Zahid	-	Key management personnel	-
The Sanofi-Aventis Pakistan Employees' Gratuity Fund	-	Retirement benefit fund	-
The Sanofi-Aventis Pakistan Employees' Provident Fund	-	Retirement benefit fund	-

35 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, DIRECTORS AND OTHER EXECUTIVES

	Chief Executive Officer		Director		Other Executive		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)							
Managerial remuneration	55,628	43,567	-	-	644,178	534,993	699,806	578,560
Bonus	24,557	16,113	-	-	448,640	354,991	473,197	371,104
Retirement benefits	-	-	-	-	92,155	73,079	92,155	73,079
Rent, utilities and others	-	-	-	-	326,452	212,581	326,452	212,581
Medical expenses	-	-	-	-	33,127	23,237	33,127	23,237
	<u>80,185</u>	<u>59,680</u>	<u>-</u>	<u>-</u>	<u>1,544,552</u>	<u>1,198,881</u>	<u>1,624,737</u>	<u>1,258,561</u>
Number of persons, including those who worked part of the year	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>201</u>	<u>171</u>	<u>202</u>	<u>172</u>

35.1 In addition, Chief Executive Officer and certain Executives are also provided with the use of Company maintained cars.

35.2 Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly and include Chief Executive Officer, Chief Financial Officer and certain executives of the Company.

35.3 As per the requirements of the Act, executive represents an employee, other than the Chief Executive Officer and Executive Directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

35.4 During the year, the directors have been paid Rs. 21.03 million (2024: Rs. 14.85 million) on account of fees for attending the board and committee meetings.

36 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

36.1 Financial assets

	Note	Interest Rate	Maturity up to one year	Maturity after one year	Total
			(Rupees in thousand)		
As at December 31, 2025					
Financial assets at amortised cost					
Interest-bearing:					
Loans to employees	7	9%	31	19	50
Cash and bank balances	16	9.25% - 11.5 %	21,076	-	21,076
Short-term investments	15	9% - 10.82 %	1,037,367	-	1,037,367
Total interest-bearing financial assets			<u>1,058,474</u>	<u>19</u>	<u>1,058,493</u>
Non interest-bearing:					
Loans to employees	7		4,902	8,445	13,347
Long-term deposits			-	66,493	66,493
Trade debts	11		798,679	-	798,679
Advances to executives	12		11,588	-	11,588
Trade deposits	13		205,043	-	205,043
Other receivables	14		33,426	-	33,426
Cash and bank balances	16		113,840	-	113,840
Total non interest-bearing financial assets			<u>1,167,478</u>	<u>74,938</u>	<u>1,242,416</u>

		Maturity up to one year	Maturity after one year	Total	
		(Rupees in thousand)			
As at December 31, 2024					
Financial assets at amortised cost					
Interest-bearing:					
Loans to employees	7	9%	31	43	74
Cash and bank balances	16	13.50% - 20.50%	18,690	-	18,690
Total interest-bearing financial assets			18,721	43	18,764
Non interest-bearing:					
Loans to employees	7		3,307	5,613	8,920
Long-term deposits			-	47,596	47,596
Trade debts	11		805,073	-	805,073
Advances to executives	12		5,821	-	5,821
Trade deposits	13		493,267	-	493,267
Other receivables	14		54,484	-	54,484
Cash and bank balances	16		101,106	-	101,106
			1,463,058	53,209	1,516,267
<i>Financial assets at fair value through profit or loss</i>					
Non Interest-bearing:					
Short-term investments			452,884	-	452,884
Total non interest-bearing financial assets			1,915,942	53,209	1,969,151
36.2 Financial liabilities					
As at December 31, 2025					
Interest-bearing financial liabilities at amortised cost					
Lease liability	20	19.69% & 6 months KIBOR	53,364	208,109	261,473
Total interest-bearing financial liabilities			53,364	208,109	261,473
Non interest-bearing financial liabilities at amortised cost					
Trade and other payables	21		4,327,395	-	4,327,395
Total non interest-bearing financial liabilities			4,327,395	-	4,327,395
As at December 31, 2024					
Interest-bearing financial liabilities at amortised cost					
Short term borrowings	22	KIBOR - 1.40%	1,200,000	-	1,200,000
Lease liability	20	19.69%	2,001	209,475	211,476
Total Interest-bearing financial liabilities			1,202,001	209,475	1,411,476
Non interest-bearing financial liabilities at amortised cost					
Trade and other payables	21		3,789,058	-	3,789,058
Accrued mark-up			13,922	-	13,922
Trade and other payables					
Total non interest-bearing financial liabilities			3,802,980	-	3,802,980

36.3 Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The Company's principal financial assets include trade debts, trade deposits and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company's overall risk management program focuses on minimising potential adverse effects on the Company's financial performance. The overall risk management of the Company is carried out by the Company's senior management team under policies approved by the Board of Directors. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

36.3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk, such as equity price risk. The objective of market risk management is to manage and control market risk exposures within an acceptable range, and the management manages these risks as explained in the following paragraphs.

36.3.1.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk due to transactions denominated in foreign currencies primarily relating to its operating activities. When the management expects future depreciation of reporting currency, the Company manages its foreign currency risk in accordance with the Company's treasury policy.

Exposure to foreign currency risk

The Company's exposure to foreign currency risk in major currencies is as follows:

	2025	2024	2025	2024	2025	2024
	Euro in '000		USD in '000		CHF in '000	
Trade and other payables	(1,292)	(1,911)	(2)	(94)	-	(32)

Significant exchange rates applied during the year were as follows:

	Average rate		Spot rate	
	2025	2024	2025	2024
	(Rupees)			
EUR	318.30	301.41	329.36	290.08
USD	281.51	278.53	280.55	278.55
CHF	340.25	316.71	354.14	308.44

Sensitivity analysis

The following is the demonstration of the sensitivity to a reasonably possible change in exchange rate of all major currencies applied to assets and liabilities as at December 31, 2025 represented in foreign currencies, with all other variables held constant, of the Company's profit before tax.

		2025	2024
Change in exchange rate	±	10%	10%
Effect on profit before income tax (Rupees in '000)	±	42,609	59,059

36.3.1.2 Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of change in market interest rate relates primarily to the Company's liability against borrowings with floating interest rates. The Company manages its net working capital by keeping it at an optimum level to ensure minimal utilisation of short term facilities, when required.

Interest rate profile of financial instruments

At the reporting date, the interest rate profile of the Company's interest bearing floating financial instruments were as follows:

	2025	2024
	(Rupees in thousand)	
Financial assets		
Loans to employees	50	74
Cash and bank balances	21,076	18,690
	<u>21,126</u>	<u>18,764</u>
Financial liabilities		
Short-term borrowings	-	1,200,000

Sensitivity analysis

A change of 100 basis points (1%) in interest rate at the reporting date would have changed Company's profit before tax by the amounts shown below, with all other variables held constant.

		2025	2024
Change in interest rate	±	1%	1%
Effect on profit before income tax (Rupees in '000)	±	211	11,812

36.3.1.3 Price risk

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

As at December 31, 2025, if net asset value had been 1% higher / lower with all other variables held constant, profit for the year would have been higher/ lower by Nil (2024: Rs. 4.53 million).

36.3.2 Credit risk

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

Credit risk of the Company arises principally from the trade debts, loans and advances, trade deposits, other receivables, short term investments and balances with banks. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk on trade debts, the Company has developed a formal approval process, whereby credit limits are applied to its customers. The management

continuously monitors the credit exposure towards the customers and records an allowance for expected credit loss. The credit risk on liquid funds such as balances with banks and short term investments is limited because the counter parties are banks and asset management companies with reasonably high credit ratings.

Exposure to credit risk

The Company's maximum exposure to credit risk at the reporting date is as follows:

	Note	2025	2024
(Rupees in thousand)			
<i>Financial assets at amortised cost</i>			
Loans to employees	7	13,397	8,994
Long-term deposits		66,493	47,596
Trade debts	11	798,679	805,073
Trade deposits	13	205,043	493,267
Advances to executives	12	11,588	5,821
Others receivables	14	33,426	54,484
Bank balances	16	134,771	119,612
Short term investments	15	1,037,367	-
		<u>2,300,764</u>	<u>1,534,847</u>
<i>Financial assets at fair value through profit or loss</i>			
Short term investments	15	-	452,884

Quality of financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings or default history of counter parties as disclosed in notes 36.3.2.1 to 36.3.2.3 of these financial statements.

36.3.2.1 Trade debts

Customer credit risk is managed subject to the Company's established policies, procedures and controls relating to customer credit risk management.

The aging of trade debts and analysis of expected credit loss rate is as follows:

Days	< 90	91-180	181 - 270	271 - 365	> 365	Total
(Rupees in thousand)						
December 31, 2025						
Expected credit loss rate	10.87%	39.69%	48.91%	55.28%	93.89%	34.27%
Expected credit loss	80,372	24,591	56,324	36,143	218,897	416,327
Estimated total gross carrying amount at default	739,369	61,950	115,161	65,384	233,142	1,215,006
December 31, 2024						
Expected credit loss rate	5.64%	25.97%	34.38%	52.05%	88.55%	31.48%
Expected credit loss	37,680	23,938	26,216	25,918	256,176	369,928
Estimated total gross carrying amount at default	667,513	92,165	76,243	49,790	289,290	1,175,001

36.3.2.2 Cash at banks

The carrying values of bank balances are analysed as follows:

	2025	2024
(Rupees in thousand)		
Credit ratings:		
A1+	134,452	102,479
A-2	-	17,133
A-1	319	-
	<u>134,771</u>	<u>119,612</u>

As at December 31, 2025 and 2024, the credit quality of the Company's bank balances can be assessed with reference to external credit ratings assigned to the respective banks as follows:

Bank	Rating agency	2025		2024	
		Short-term	Long-term	Short-term	Long-term
Allied Bank Limited	PACRA	A1+	AAA	A1+	AAA
Askari Bank Limited	PACRA	A1+	AA+	A1+	AA+
Bank Alfalah Limited	PACRA	A1+	AAA	A1+	AAA
Bank Al Habib Limited	PACRA	A1+	AAA	A1+	AAA
Deutsche Bank AG	Moody's	P-1	A1	P-1	A1
	S&P	A-1	A	A-1	A
	Fitch	F1	A	F2	A-
Faysal Bank Limited	VIS	A1+	AA+	A1+	AA
Habib Bank Limited	VIS	A1+	AAA	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+	A1+	AA+
JS Bank Limited	PACRA	A1+	AA	A1+	AA
MCB Bank Limited	PACRA	A1+	AAA	A1+	AAA
Meezan Bank Limited	VIS	A1+	AAA	A1+	AAA
National Bank of Pakistan	PACRA	A1+	AAA	A1+	AAA
	VIS	A1+	AAA	A1+	AAA
Standard Chartered Bank (Pakistan) Limited	PACRA	A1+	AAA	A1+	AAA
United Bank Limited	VIS	A1+	AAA	A1+	AAA

36.3.2.3 Short-term investments

The carrying values of short-term investment are analysed as follows:

	2025	2024
	(Rupees in thousand)	
Credit ratings:		
AM1	-	452,884
A1+	1,037,367	-
	1,037,367	452,884

36.4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company maintains flexibility in funding by maintaining availability under control committed credit lines.

The table below summarises the maturity profile of the Company's financial liabilities, carried at amortised cost, as at reporting date.

	Carrying amount	Undiscounted maturities		
		Less than 12 months	More than 12 months	Total
	(Rupees in thousand)			
December 31, 2025				
Lease liability	261,473	53,364	659,865	713,229
Trade and other payables	4,327,395	4,327,395	-	4,327,395
	4,588,868	4,380,759	659,865	5,040,624
December 31, 2024				
Lease liability	211,476	2,001	651,489	653,490
Trade and other payables	3,789,058	3,789,058	-	3,789,058
Short-term borrowings	1,200,000	1,200,000	-	1,200,000
Accrued mark-up	13,922	13,922	-	13,922
	5,214,456	5,004,981	651,489	5,656,470

36.5 Fair value measurement

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

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

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

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

The different levels of fair valuation method have been defined as follows:

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

The carrying value of all financial assets and liabilities reflected in these financial statements approximate their fair values. The fair values of Company's investment in mutual funds amounting to Nil (2024: 453 million) is determined under Level 2 valuation method.

As of reporting date, the Company's investments properties are carried at cost. The fair values of these properties as disclosed in note 5.3 have been determined under level 3 valuation method with reference to market-based evidence after making adjustments for size, location, time, amenities and other relevant factors by comparing the subject asset with identical or similar assets for which price information is available. Valuation techniques used to derive the fair values of the investment properties have been summarised in the table below:

Class of investment property	Fair value December 31, 2025	Fair value December 31, 2024	Valuation technique	Key unobservable inputs	Rate December 31, 2025	Rate December 31, 2024
	(Rupees in thousand)				(Rupees)	
Leasehold land	780,000	750,000	Market comparable approach	Price per square meter	157,258	151,210
Buildings on leasehold land	60,050	55,500			21,355	20,893
	<u>840,050</u>	<u>805,500</u>				

Increase / (Decrease) in the price per square meter in isolation would result in a higher / (lower) fair value. Sensitivity analysis of change in key input is as follows:

	Sensitivity used	Effect on fair values	
		Leasehold land	Buildings on leasehold
		(Rupees in thousand)	
2025	Increase of 10%	78,000	6,005
2024	Increase of 10%	75,000	5,550

37 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may regulate the amount of dividends declared and paid to the shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total bank borrowings less cash and bank balances. Total capital is calculated as equity, as reported in the statement of financial position plus net debt.

	Note	2025	2024
(Rupees in thousand)			
The gearing ratio as at reporting date was as follows:			
Short term-borrowings		-	1,200,000
Lease liability	20	261,473	211,476
Less: Cash and bank balances	16	(134,916)	(119,796)
Net debt		126,557	1,291,680
Total capital	17 & 18	8,203,180	6,814,943
		8,329,737	8,106,623
Gearing ratio [Net debt / (Net debt + Total capital)]		2%	16%

38 ENTITY WIDE INFORMATION

38.1 The Company constitutes a single reportable segment since the Directors and Executive Management monitors the operating results of the entire Company for the purpose of making decisions about resource allocation and performance assessment. Information about geographical areas of the Company are as follows:

Sales to external customers, net of returns, discounts and sales tax

	2025	2024
(Rupees in thousand)		
Pakistan	29,576,991	25,576,562
Afghanistan	1,351,573	1,171,266
	30,928,564	26,747,828

38.2 There were three major customers of the Company who contributed 11%, 10% and 10% (2024: 10%, 10% and 7%) respectively, of the Company's net sales. All the sales of the Company relate to pharmaceutical and related products and are earned from single shariah compliant reportable segment. All non-current assets of the Company as at December 31, 2025 and 2024 are located in Pakistan.

39 CAPACITY AND PRODUCTION

The capacity and production of the Company's manufacturing facility is not determinable as it is a multiproduct plant facility involving varying processes of manufacture.

40 DATE OF AUTHORISATION FOR ISSUE

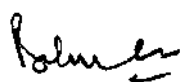
These unconsolidated financial statements were authorised for issue on February 18, 2026 by the Board of Directors of the Company.

41 EVENTS AFTER REPORTING DATE

The Board of Directors has proposed a final cash dividend for the year ended December 31, 2025 of Rs. 190 per share amounting to Rs. 1,832.5 million in its meeting held on February 18, 2026 for the approval of the members at the annual general meeting to be held on April 08, 2026.

42 GENERAL

- 42.1** Total number of employees as at December 31, 2025 was 957 (2024: 837) and average number of employees during the year was 901 (2024: 771).
- 42.2** Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation, the effects of which are not material.
- 42.3** Figures presented in these financial statements have been rounded off to the nearest thousand Pakistan Rupees, unless otherwise stated.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



Yasser Pirmuhammad
Chief Financial Officer

Directors' Report on the Consolidated Financial Statements

for the year ended December 31, 2025

The Directors of Hoechst Pakistan Limited are pleased to present the audited consolidated financial statements of Hoechst Pakistan Limited and its subsidiary H-Pack Wellness (Private) Limited (together referred as 'Group'), for the year ended December 31, 2025.

Hoechst Pakistan Limited

Hoechst Pakistan Limited (the Holding Company) has generated revenue of Rs. Rs. 30,929 million during the year ended December 31, 2025 with a growth of 16% over the last year at a gross margin of 37% as compared to 32% the same period last year. The Holding Company has posted profit after tax of Rs. 2,910 million during the year compared to Rs. 1,857 million in same period last year.

H-Pack Wellness (Private) Limited

The Board of Directors of the Hoechst Pakistan Limited in its meeting held on April 24, 2024 approved formation of a wholly owned local subsidiary, which will be engaged in the business of manufacturing and distributing wellness and nutraceutical products subject to applicable regulatory approvals. Accordingly, the Holding Company incorporated 'H-Pack Wellness (Private) Limited' (Subsidiary Company) on May 27, 2024. During the year, the Holding Company has invested Rs. 270 million in the Subsidiary Company.


As this year marks the first year of operations, the Subsidiary Company is currently in the process of setting up its product line and supply chain infrastructure. During the year, the Subsidiary Company has reported revenue of Rs. 26.8 million and net loss of Rs. 8.7 million on account of early-stage business development costs.

Key Financial Highlights of the Group is as follows:

Amounts in Million

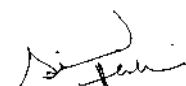
	2025	2024
	(Amounts in Million)	
Net Sales	30,955	26,748
Gross Profit	11,313	8,428
Profit After Tax	2,900	1,857
Earnings Per Share (Rupees)	300.69	192.56

We value the support and patronage extended by our business partners and all stakeholders and acknowledge the efforts and commitment of the employees.



Syed Babar Ali
Chairman

By order of the Board



Sajjad Iftikhar
Chief Executive Officer

Karachi: February 18, 2026



Consolidated Financial Statements



Independent Auditors' Report to the Members



A.F.FERGUSON & CO.

Independent Auditor's Report To the members of Hoechst Pakistan Limited

Opinion

We have audited the annexed consolidated financial statements of Hoechst Pakistan Limited (the Holding Company) and its subsidiary company (together the Group), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007



Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
(i)	<p>Revenue Recognition</p> <p>[Refer notes 2.20 and 23 to the consolidated financial statements]</p> <p>Net revenue from sale of products for the year ended December 31, 2025, amounted to Rs. 30,955 million. Revenue from contracts with customers is recognised at a point in time when control of the products is transferred to the customers i.e. on acknowledgement of receipt of products by customers.</p> <p>As part of our overall response to the audit risks when identifying and assessing the risks of material misstatement, we considered that there is an inherent risk that revenue may be overstated as management focuses on the achievement of revenue targets as it is one of the key performance indicator of the Group, which could create an incentive for revenue to be recognised before the control of the products has been transferred. We have specifically focused as to whether the sales are valid and have been recorded in the correct accounting period.</p> <p>Considering the aforementioned reasons together with 15.73% growth in revenue during the year, we have considered this area a key audit matter.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> i) obtained an understanding of pricing mechanism of Drug Regulatory Authority of Pakistan (DRAP) and tested, on sample basis, selling prices of regulated pharmaceutical products. ii) examined contracts with customers to obtain an understanding of the terms particularly relating to timing and transfer of control of the products and assessed the appropriateness of revenue recognition policies and practices followed by the Group. iii) performed substantive audit procedures including analytical procedures and test of details over revenue transactions along with the examination of related supporting documents, including dispatch-related documents and customer acknowledgements, on sample basis. iv) performed sales cut-off procedures by agreeing sample of transactions occurred on and around the year end to the evidence of deliveries. v) obtained an understanding of the Group's process and examined Group's policies and practices with respect to discounts allowed to the customers and on sample basis, tested discounts provided during the year. vi) assessed the adequacy of the related financial statements disclosures in accordance with applicable financial reporting framework.

S.No.	Key audit matters	How the matter was addressed in our audit
(ii)	<p>Valuation of stock-in-trade</p> <p>[Refer notes 2.9, 2.28.2 (ii) and 9 to the consolidated financial statements]</p> <p>Stock-in-trade (net of provision) amounting to Rs. 6,623 million constitutes approximately 45.63% of the total assets of the Group as at the reporting date.</p> <p>The Group records stock-in-trade using standard costing as a method of valuation which is then actualised at year end. Further, the net realisable value (NRV) of stock-in-trade is determined keeping in view the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p> <p>We have considered this area as a key audit matter due to significance of amounts involved, complex valuation processes and estimates involved in the determination of provision for obsolescence of stock-in-trade and the NRV.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> i) obtained an understanding of policies and procedures followed by the Group with respect to valuation of stock-in-trade and tested supporting documents for purchases of stock-in-trade and the production costs incurred, on sample basis. ii) evaluated the reasonableness of the assumptions used by the Group's management to actualise the variances in standard cost of stock-in-trade as at the reporting date. iii) obtained working of variances recorded by the Group's management and compared standard costs with actual costs as per the purchase invoices on a sample basis, which were utilised to actualise standard cost as at year end. iv) performed recalculation of net realisable value (NRV), on a sample basis, for closing stock-in-trade by comparing the carrying values with the applicable selling prices. v) tested provision recorded for slow moving, obsolete, damaged and near to expiry stock-in-trade. vi) assessed the adequacy of related financial statements disclosures in accordance with the applicable financial reporting framework.

S.No. Key audit matters	How the matter was addressed in our audit
<p>(iii) Impairment of intangible assets</p> <p>[Refer notes 2.5, 2.28.2 (vii) and 4.1 to the consolidated financial statements]</p> <p>The Holding Company has acquired certain products along with the associated trademarks amounting to Rs. 804 million during the current year under trademark assignment agreements, as approved by the Board of Directors. These intangible assets - trademarks have an indefinite useful life and are required to be tested for impairment on an annual basis.</p> <p>We have identified this area as a key audit matter due to significant management judgments, estimates and assumptions involved in measuring the recoverable amount, which are sensitive to changes in future market conditions and economic environments that could differ from current expectations and judgments made by the Group's management for impairment testing.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> (i) examined approval of the Board of Directors and related trademark assignment agreements and traced the consideration amount paid from the bank statements of the Holding Company. (ii) obtained an understanding of the work performed by the Group's management for impairment assessment of trademarks, including involvement of management's expert for determination of the recoverable amount of these trademarks. (iii) obtained management's fair value less cost to sell calculations including future cash flow projections and performed procedures including but not limited to: <ul style="list-style-type: none"> - evaluated the methodology adopted by the management; - assessed the reasonableness of key assumptions used; - tested arithmetical accuracy of underlying calculations of fair value less cost to sell; and - performed sensitivity analysis on key assumptions used to determine the recoverable amount. (iv) evaluated the professional qualification of the management's expert and assessed their independence, competence and experience. (v) assessed the adequacy of related financial statements disclosures in accordance with the applicable financial reporting framework.

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Waqas Aftab Sheikh.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: March 17, 2026

UDIN: AR202510069FbyYEBviZ

Consolidated Statement of Financial Position

As at December 31, 2025

	Note	2025	2024
(Rupees in thousand)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	2,581,126	2,147,408
Intangible assets	4	806,053	4,381
Investment properties	5	27,714	29,463
Long-term loans	6	8,464	5,656
Long-term deposits		66,493	47,596
Deferred tax asset - net	7	546,340	351,933
		4,036,190	2,586,437
CURRENT ASSETS			
Stores and spares	8	103,363	83,646
Stock-in-trade - net	9	6,623,493	7,789,424
Trade debts - net	10	798,679	805,073
Loans and advances	11	275,733	210,131
Trade deposits and short-term prepayments	12	258,581	525,642
Other receivables	13	69,347	70,194
Short-term investments	14	1,287,435	452,884
Income tax recoverable - net		908,936	913,508
Cash and bank balances	15	152,872	119,796
		10,478,439	10,970,298
		14,514,629	13,556,735
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	16	96,448	96,448
Reserves	17	8,097,271	6,718,495
		8,193,719	6,814,943
NON-CURRENT LIABILITIES			
Lease liability	19	208,109	209,475
CURRENT LIABILITIES			
Trade and other payables	20	5,893,022	5,196,348
Contract liabilities		148,780	107,519
Accrued mark-up		-	13,922
Short-term borrowings	21	-	1,200,000
Current maturity of long term lease liability	19	53,364	2,001
Unclaimed dividend		17,635	12,527
		6,112,801	6,532,317
CONTINGENCIES AND COMMITMENTS			
	22		
		14,514,629	13,556,735
TOTAL EQUITY AND LIABILITIES			

The annexed notes 1 to 41 form an integral part of these consolidated financial statements.


Syed Babar Ali
 Chairman


Sajjad Iftikhar
 Chief Executive Officer


Yasser Pirmuhammad
 Chief Financial Officer

Consolidated Statement of Profit or Loss

For the Year Ended December 31, 2025

	Note	2025	2024
(Rupees in thousand)			
REVENUE FROM CONTRACT WITH CUSTOMERS - NET	23	30,955,414	26,747,828
Cost of sales	24	(19,642,219)	(18,320,291)
GROSS PROFIT		11,313,195	8,427,537
Distribution and marketing costs	24	(4,561,679)	(3,329,268)
Administrative expenses	24	(1,004,651)	(1,073,736)
Allowance for expected credit loss	10.1	(46,399)	(115,715)
Other expenses	25	(936,549)	(519,219)
Other income	26	290,683	234,360
		(6,258,595)	(4,803,578)
OPERATING PROFIT		5,054,600	3,623,959
Finance costs	27	(99,856)	(144,517)
PROFIT BEFORE LEVIES AND INCOME TAX		4,954,744	3,479,442
Levies:			
- Minimum tax differential	28	(336)	(289,597)
- Final tax	29	-	(37,991)
PROFIT BEFORE INCOME TAX		4,954,408	3,151,854
Income tax	30	(2,054,325)	(1,294,707)
PROFIT FOR THE YEAR		2,900,083	1,857,147
EARNINGS PER SHARE - basic and diluted (Rupees)	31	300.69	192.56

The annexed notes 1 to 41 form an integral part of these consolidated financial statements.


Syed Babar Ali
 Chairman


Sajjad Iftikhar
 Chief Executive Officer


Yasser Pirmuhammad
 Chief Financial Officer


Consolidated Statement of Comprehensive Income

For the Year Ended December 31, 2025

	Note	2025	2024
		(Rupees in thousand)	
PROFIT FOR THE YEAR		2,900,083	1,857,147
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Items that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Actuarial gain on defined benefit plans	18.1	35,828	20,895
Deferred tax on actuarial gain on defined benefit plans		(13,973)	(4,075)
		21,855	16,820
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,921,938</u>	<u>1,873,967</u>

The annexed notes 1 to 41 form an integral part of these consolidated financial statements.


Syed Babar Ali
 Chairman


Sajjad Iftikhar
 Chief Executive Officer

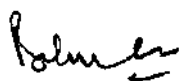

Yasser Pirmuhammad
 Chief Financial Officer

Consolidated Statement of Changes in Equity

For the Year Ended December 31, 2025

	Reserves							Total
	Capital reserves				Revenue reserves			
	Long-term liabilities forgone	Other capital reserve	Difference of share capital under scheme of arrangement for amalgamation	Share-based payments reserve	General reserve	Unappropriated profit		
(Rupees in thousand)								
Balance as at January 01, 2024	96,448	5,935	-	18,000	375,210	3,535,538	1,440,307	5,471,438
Transfer from general reserves to capital reserve	-	-	2,000,000	-	-	(2,000,000)	-	-
Transactions with owners:								
- Final dividend @ Rs. 30 per ordinary share for the year ended December 31, 2023	-	-	-	-	-	-	(289,343)	(289,343)
- Interim dividend @ Rs. 25 per ordinary share for the year ended December 31, 2024	-	-	-	-	-	-	(241,119)	(241,119)
	-	-	-	-	-	-	(530,462)	(530,462)
Profit for the year	-	-	-	-	-	-	1,857,147	1,857,147
Other comprehensive income	-	-	-	-	-	-	16,820	16,820
Total comprehensive income for the year	-	-	-	-	-	-	1,873,967	1,873,967
Balance as at December 31, 2024	96,448	5,935	2,000,000	18,000	375,210	1,535,538	2,783,812	6,814,943
Balance as at January 01, 2025	96,448	5,935	2,000,000	18,000	375,210	1,535,538	2,783,812	6,814,943
Transactions with owners:								
- Final dividend @ Rs. 110 per ordinary share for the year ended December 31, 2024	-	-	-	-	-	-	(1,060,924)	(1,060,924)
- Interim dividend @ Rs. 50 per ordinary share for the year ended December 31, 2025	-	-	-	-	-	-	(482,238)	(482,238)
	-	-	-	-	-	-	(1,543,162)	(1,543,162)
Profit for the year	-	-	-	-	-	-	2,900,083	2,900,083
Other comprehensive income	-	-	-	-	-	-	21,855	21,855
Total comprehensive income for the year	-	-	-	-	-	-	2,921,938	2,921,938
Balance as at December 31, 2025	96,448	5,935	2,000,000	18,000	375,210	1,535,538	4,162,588	8,193,719

The annexed notes 1 to 41 form an integral part of these unconsolidated financial statements.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



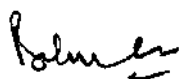
Yasser Pirmuhammad
Chief Financial Officer

Consolidated Statement of Cash Flows

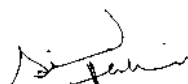
For the Year Ended December 31, 2025

	Note	2025	2024
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		4,954,408	3,151,854
Adjustment for non-cash items:			
Depreciation and amortisation		353,342	308,696
Allowance for expected credit loss	10.1	46,399	115,715
Unrealised foreign exchange differences		102,732	100,035
Gain on disposal of operating fixed assets - net	3.1.3	(7,740)	(1,333)
Amortisation of deferred liabilities		-	(9,000)
Charge for defined benefit plans	18.1	53,770	42,171
Provision against defined contribution fund		29,362	34,124
Provision against stores and spares	8.1	-	2,831
(Reversal of provision)/Provision against raw and packing material	9.1	(196,449)	282,566
Provision against finished goods	9.3	815,304	48,515
Interest income	26	(4,358)	(4,080)
Fair value gain on remeasurement of mutual funds	26	(68)	(3,708)
Mark up income on Treasury bills	26	(44,860)	-
Income on mutual funds	26	(130,374)	(110,925)
Income from investment properties	26	(72,920)	(82,976)
Finance costs	27	99,856	144,517
Minimum tax differential		336	289,597
Final tax		-	37,991
		5,998,740	4,346,590
Working capital changes:			
Decrease / (Increase) in current assets:			
Stores and spares		(19,717)	1,232
Stock-in-trade		547,076	(4,025,665)
Trade debts - net		(40,005)	(348,774)
Loans and advances		(65,602)	(110,369)
Trade deposits and short-term prepayments		267,061	(74,199)
Other receivables		33,393	(14,847)
		722,206	(4,572,622)
Increase in current liabilities:			
Trade and other payables		564,581	2,805
Contract liabilities		41,261	789,512
Cash generated from operations		7,326,788	566,285
Finance costs paid		(63,096)	(118,820)
Interest income received		4,358	4,080
Minimum tax differential paid		(336)	(289,597)
Final tax paid		-	(37,991)
Income tax paid		(2,258,133)	(913,754)
Retirement benefits paid - net		(50,488)	(11,140)
Long-term loans - net		(2,808)	(1,510)
Long-term deposits		(18,897)	(31,613)
Net cash generated from / (used in) operating activities		4,937,388	(834,060)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(798,019)	(510,060)
Investments in intangible assets		(804,603)	-
Sale proceeds from disposal of operating fixed assets		71,297	53,541
Short-term investments made		(24,998,327)	(25,105,732)
Sale proceeds from disposal of short-term investments		24,287,604	25,572,831
Income received from treasury bills		44,860	-
Dividend income on mutual funds		6,613	83,732
Income received from investment properties		72,920	82,976
Net cash (used in) / generated from investing activities		(2,117,655)	177,288
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(1,538,054)	(528,434)
Proceeds from short term borrowings		-	1,200,000
Repayment of short term borrowings		(1,200,000)	-
Lease rentals paid		(48,603)	(12,371)
Net cash (used in) / generated from financing activities		(2,786,657)	659,195
NET INCREASE IN CASH AND CASH EQUIVALENTS		33,076	2,423
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		119,796	117,373
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	15	152,872	119,796

The annexed notes 1 to 41 form an integral part of these consolidated financial statements.



Syed Babar Ali
Chairman



Sajjad Iftikhar
Chief Executive Officer



Yasser Pirmuhammad
Chief Financial Officer

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

1. STATUS AND NATURE OF BUSINESS

- 1.1** The Group consists of Hoechst Pakistan Limited (the Holding Company) and its wholly owned subsidiary company, H-Pack Wellness (Private) Limited (Subsidiary).

The Holding Company was incorporated in Pakistan in 1967 as a Public Limited Company under Companies Act, 1913 [now Companies Act, 2017 (the Act)]. The shares of the Holding Company are listed on Pakistan Stock Exchange Limited (PSX). The Holding Company is engaged in the manufacturing, selling and trading of pharmaceutical and related products. The registered office of the Holding Company is located at Plot 23, Sector 22, Korangi Industrial Area, Karachi. The Holding Company is a subsidiary of Packages Limited (Parent Company), whose registered office is located at 4th floor, the Forum, Suite No. 416 - 422, G20, Block 9, Khayaban-e-Jami, Clifton, Karachi.

- 1.2** H-Pack Wellness (Private) Limited (HPWL) was incorporated on May 27, 2024 under the Companies Act, 2017 (the Act) for the purpose of carrying out the business of manufacturing and distribution of wellness and nutraceutical products. The Holding Company made initial subscription in HPWL on February 14, 2025, and henceforth, HPWL has been consolidated in these consolidated financial statements effective from February 14, 2025. The registered office of HPWL is situated at Plot 23, Sector 22, Korangi Industrial Area, Karachi. During the year, HPWL has obtained relevant applicable regulatory approvals and commenced its commercial operations.

- 1.3** The Board in its meeting held on December 19, 2024 has accorded its approval for incorporation of a wholly owned foreign subsidiary in the United Arab Emirates (UAE), subject to all applicable regulatory approvals, which will be primarily engaged in commercial trading with import, export, distribution and warehousing as its ancillary activities. Accordingly, the Holding Company has incorporated Hoechst Pack Trading FZCO (HPTF) on November 26, 2025. As of reporting date, no investment was made by the Holding Company in the HPTF. Hence, HPTF is not consolidated in these financial statements.

Subsequent to the year end, the Holding Company has made an investment amounting to Rs. 68.9 million in HPTF.

- 1.4** These are the first consolidated financial statements of the Holding Company. The standalone financial statements of the Holding Company and its subsidiary company have been presented separately.

- 1.5** Geographical location and address of business units of the Group are as follows:

Business Units

- Registered address / Manufacturing facility
- Sales Office Islamabad
- Sales Office Lahore
- Sales Office Peshawar
- Sales Office Multan
- Sales Office Faisalabad

Address

- Plot 23, Sector 22, Korangi Industrial Area, Karachi.
- Jaspal Arcade, Plot No 5, I&T Center, Sector G-8/4, Islamabad.
- New Building located at, 31/E-I, Gulberg III, Lahore.
- 71A, Small industrial state, Kohat Road, Peshawar.
- No 502, 5th Floor, Plot no 74-Abdali Road, Multan.
- P-833 situated at State Life Building No.02, Faisalabad.

- 1.6** The Holding Company has investment in subsidiary company as follows:

	Percentage of shareholding of the Holding Company	
	2025	2024
H-Pack Wellness (Private) Limited (note 1.2)	100%	-

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

2.1.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Act; and
- Provisions of, directives and notifications issued under the Act.

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

2.1.2 Accounting convention

These consolidated financial statements have been prepared under the historical cost convention unless otherwise mentioned in accounting policies stated herein.

2.2 Initial application of standards, amendments and improvements to approved accounting and reporting standards

2.2.1 Standards, amendments and improvements to approved accounting and reporting standards that became effective during the year

The amendments to approved accounting and reporting standards that became applicable to the Group for the financial year beginning on January 1, 2025 do not have any material impact on the Group's financial reporting and, therefore, have not been disclosed in these consolidated financial statements.

2.2.2 Standards, amendments and improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Group

There are standards and certain amendments or improvements to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Group for the financial year beginning on January 1, 2025. These are not expected to have any material impact on the Group's financial reporting except for the following:

Amendment to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments":

These amendments which are effective from annual periods beginning on or after January 1, 2026:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence cannot be derecognised. The previous practice of financial liabilities being derecognised upon issuance of cheques would, hence, need to be reconsidered.

IFRS 18 “Presentation and Disclosure in Financial Statements” (IFRS 18):

A new standard on the presentation and disclosure of financial statements, with a focus on updates to the statement of profit or loss, is being introduced. IFRS 18 has been notified for adoption by the Securities and Exchange Commission of Pakistan (SECP) with effect from January 1, 2027. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

2.3 BASIS OF CONSOLIDATION

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Further, the Group also considers whether:

- it has power to direct the relevant activities of the subsidiaries;
- it is exposed to variable returns from the subsidiaries; and
- decision making power allows the Group to affect its variable returns from the subsidiaries.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-recognised from the date the control ceases. These consolidated financial statements include the Holding Company and all companies in which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values on the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in consolidated profit or loss.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised in consolidated profit or loss.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses (unrealised) are also eliminated. Accounting policies of the Subsidiary are consistent with the policies adopted by the Group.

2.4 Property, plant and equipment

(i) Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Leasehold land is depreciated over the period of the lease. Depreciation on all other assets is charged to profit or loss applying the straight-line method whereby the cost of an asset less residual value is depreciated over its estimated useful life using depreciation rates as stated in note 3.1. When significant parts of assets are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

Depreciation is charged from the month in which asset is available for use and on disposals up to the month the asset is in use.

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end. The effect of any adjustment to residual values, useful lives and methods is recognised prospectively as a change of accounting estimate. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The Group accounts for impairment by reducing its carrying value to the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated profit or loss in the year the asset is derecognised.

Subsequent costs are not recognised as assets unless it is probable that future economic benefits associated with these costs will flow to the Group and the cost can be measured reliably.

Maintenance and normal repairs are charged to profit or loss as and when incurred.

(ii) Capital work-in-progress

These are stated at cost less accumulated impairment loss, if any, and consist of expenditure incurred in respect of tangible fixed assets in the course of their construction and installation.

2.5 Intangible assets

Intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and that cost of such asset can also be measured reliably. Intangible assets with finite useful lives are amortised over their

useful lives and assessed for impairment whenever there is an indication that the asset may be impaired. Intangible assets with indefinite lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit (CGU) level, as appropriate. The assessment of indefinite life is reviewed annually to determine whether indefinite life continues to be supportable. If not, a change in useful life from indefinite to finite is made on a prospective basis.

Amortisation is based on the cost of an asset less its estimated residual value. Amortisation is charged to the profit or loss on the straight-line method over the estimated useful life. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

2.6 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.6.1 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.6.2 Right-of-use assets

The Group recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Unless the Group is reasonably certain to obtain ownership of the leased asset or the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.6.3 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option (if any) reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2.6.4 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.6.5 Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the consolidated profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the amount of the leased asset and recognised over the lease term on the same basis as rental contingent rents are recognised as revenue in the period in which they are earned.

The Group has entered into operating leases on its investment property portfolio consisting of leasehold land and buildings on leasehold land. These leases have terms of three years. All leases include a clause for upward revision of the rental charge at agreed rates.

2.7 Investment properties

The Group's investment properties consist of leasehold land and buildings on leasehold land. Management determined that the investment properties consist of two classes of assets, leasehold land and buildings on leasehold land, based on the nature, characteristics and risk of a property.

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged to consolidated profit or loss applying the straight-line method using depreciation rates as disclosed in note 5.1.

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the derecognition of investment property is recognised in the consolidated profit or loss in the year of retirement or disposal. Gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying value of the asset and recognised in the consolidated profit or loss in the year of disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment upto the date of change in use.

2.8 Stores and spares

These are valued at cost. Cost is determined on weighted average basis, except for the stores and spares in transit, which are stated at invoice price plus other charges incurred thereon up to the reporting date. Value of items are reviewed at each reporting date to record provision for any slow-moving and obsolete items, where necessary.

2.9 Stock-in-trade

These are valued at lower of weighted average cost and estimated net realisable value. Goods in transit are valued at cost, comprising invoice price plus other charges incurred thereon up to the reporting date. Cost signifies standard costs adjusted by variances. Cost

in relation to work-in-process and finished goods represent direct cost of materials, direct wages and appropriate manufacturing overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Provision is recorded for slow moving and expired stock where necessary.

2.10 Employees benefits

2.10.1 Defined benefit plans

The Holding Company operates an approved funded gratuity scheme in respect of all permanent employees and senior management staff, excluding expatriates. The scheme define the amounts of benefit that an employee will receive on or after retirement subject to a minimum qualifying period of service under the scheme. The scheme is managed in conformity with the provisions of the Trust Deed. The Holding Company is responsible to make contributions to the Gratuity Fund as prescribed under the Trust Deed and its rules, whereas, the trustees are responsible for the day to day management of the Gratuity Fund. The gratuity obligations are calculated annually by an independent actuary using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and the effect of the asset ceiling are recognised directly in equity through other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods. All past service costs are recognised in profit or loss at the earlier of when the amendments or curtailment occurs and when the Holding Company has recognised related retirement or termination benefits. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Holding Company recognises service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income in the consolidated profit or loss.

2.10.2 Defined contribution plan

The Holding Company also operates a recognised provident fund scheme (Provident Fund) for all permanent employees excluding expatriates. Equal monthly contributions are made to the Provident Fund at the rate of 10 percent of basic salary by employees and the Holding Company.

2.11 Compensated absences

The Holding Company accounts for the accrual in respect of employees' compensated absences in the year in which these are earned. Provisions to cover the obligations are made using the current salary levels of employees.

2.12 Taxation

2.12.1 Current

Provision for current income tax is based on taxable income for the year, determined in accordance with the prevailing law for taxation on income. The tax rates used to compute the amount are those that are enacted or substantively enacted at the reporting date. The charge for the current income tax also includes tax credits and adjustments, where considered necessary, for prior years determined during the year or otherwise considered necessary for such years.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.12.2 Deferred

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset on deductible temporary difference are recognised on carry-forward of unused tax losses and credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and / or carry-forward of unused tax losses can be utilised.

The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the consolidated profit or loss except for deferred tax arising on recognition of actuarial loss or gain which is charged to consolidated other comprehensive income.

2.13 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When sales tax is recoverable from or is payable to the taxation authority, it is included as part of receivables or payables in the consolidated statement of financial position.

2.14 Levies

In accordance with Income Tax Ordinance, 2001 (the Ordinance), computation of final taxes and unrecoverable minimum tax differential is not based on taxable income. Therefore, as per the 'IAS 12 - Application Guidance on Accounting for Minimum Taxes and Final Taxes' issued by the Institute of Chartered Accountants of Pakistan (ICAP), these fall within the scope of IFRIC 21 - 'Levies' (IFRIC 21) / IAS 37 - 'Provisions, contingent liabilities and contingent assets' (IAS 37) and accordingly have been classified as levies in these consolidated financial statements.

2.15 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include cash in hand and in transit, balances with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdraft facilities.

2.16 Financial instruments

2.16.1 Financial assets

i) Initial recognition and measurement

Financial assets are classified, at initial recognition, at fair value, and subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade debts, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs. Trade debts are measured at the transaction price determined under IFRS 15 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortised cost or FVTPL or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

ii) Subsequent measurement

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in consolidated profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for classification at amortised cost or FVTOCI are measured at fair value through profit or loss. Realised and unrealised gains or losses arising from changes in the fair value of the financial assets held at FVTPL are recognised in consolidated profit or loss in the period in which they arise.

The Group does not have financial assets designated at FVTOCI.

iii) Derecognition

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

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

Where the Group has not transferred, neither retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

iv) Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all financial 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 that the Group 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 recognised 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).

The Group applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. To measure the expected credit losses, trade debts have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on the payment profiles of sales over a period of seventy-two months before the reporting date and the corresponding historical default rates experienced within this period. The historical default rates are adjusted to reflect current and forward-looking information according to macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the Gross Domestic Product and the Consumer Price Index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical default rates based on expected changes in these factors. The historical default rates are further adjusted with the impact of loss given default. The Loss Given Default is the magnitude of the likely loss if there is the default. The Group estimates the Loss Given Default parameters based on the history of recovery rates of defaulted trade debts.

The Group considers a financial asset to be at a risk of default when contractual payments are ninety days past due, unless there are factors that might indicate otherwise. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.16.2 Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans, bank overdraft and short-term borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Gains or losses on liabilities held for trading are recognised in consolidated profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

b) Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in consolidated profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in consolidated profit or loss.

iii) Derecognition

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

2.16.3 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle liabilities simultaneously. Income and expenses arising from such assets and liabilities are also offset accordingly

2.17 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for asset is required then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining the fair value less cost of disposal, recent market transactions are taken into account, if no such transaction can be identified, appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or available fair value budgets. The Group bases its

impairment calculation on detailed budget and forecast calculation. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (“the cash-generating unit, or CGU”).

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

2.18 Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are reviewed at each reporting date to reflect the current best estimate.

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

2.19 Foreign currency translation

These consolidated financial statements are presented in Pakistan Rupees, which is the Group's functional currency. Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are recorded at the rates of exchange which approximate those prevailing on the reporting date. Gains and losses on translation are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.20 Revenue recognition

2.20.1 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on acknowledgment of the goods by the customer. The normal credit term varies up to two hundred and ten days depending on the customer type.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., right of returns). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

2.20.2 Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur as the associated uncertainty with the variable consideration is subsequently resolved. In general, the contracts for the sale of goods provides customer with a right to return of near expiry products.

2.21 Right of return

In general, the contracts for sales of goods provides a customer with a right to return near expiry products. The Group uses the expected value method to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Group may not be entitled. The requirements in IFRS 15 'Revenue from contracts with customers' on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For products that are expected to be returned, the Group recognises a provision under refund liability and a corresponding adjustment in sales return. Returns for the Group comprise of expired and near expiry products, which are of Nil value at the time of return and are subject to destruction.

2.22 Contract balances

2.22.1 Trade debts

A receivable represents the Group's right to an amount of consideration that is unconditional i.e., only the passage of time is required before payment of the consideration is due. Accounting policies of financial assets have been disclosed in note 2.16.1.

2.22.2 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract i.e. transfers control of related goods to the customer.

2.23 Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.24 Other income

Interest income is accounted for using the effective interest rate method. Income other than interest income is recorded on accrual basis.

2.25 Dividend distribution

Dividend distribution to the Holding Company's shareholders is recognised as a liability in the period in which the dividends are approved. However, if these are approved after the reporting date but before the financial statements are authorised for issue, disclosure is made in the financial statements.

2.26 Operating segments

For management purposes, the activities of the Group are organised into one operating segment since Chief Operating Decision Maker i.e. the Board monitors the operating results of the Group as a whole. The Group operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure, and internal financial reporting systems. Accordingly, the figures reported in these consolidated financial statements are related to the Group's only reportable segment.

2.27 Share capital

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

2.28 Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures, and the disclosure of contingent liabilities. Changes to these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

2.28.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in these consolidated financial statements:

Contingencies (notes 2.18 and 22)

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

2.28.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on the information available when these consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Property, plant and equipment (notes 2.4, 2.17 and 3)

The Group reviews appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, Group uses the technical resources available with the Group. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

ii) Stock-in-trade and stores and spares (notes 2.8, 2.9, 8 and 9)

The Group reviews the net realisable value of stock-in-trade to assess any diminution in the respective carrying values and also reviews the inventories i.e. stock-in-trade and stores and spares for obsolescence.

iii) Allowance for expected credit losses on financial assets (notes 2.16.1 and 10)

The Group assesses the recoverability of its financial assets if there is an objective evidence that Group will not be able to collect all the amounts due according to the original terms. Judgement by the management is required in estimation of the amount and timing of future cash flows when determining the level of provision required and in determining the debts that are not recoverable and are to be written off. The Group uses default rates based on provision matrix for its customers who have similar characteristics to calculate Expected Credit Loss (ECL) for trade debts. The rates in provision matrix are based on days past due for various customer segments that have similar loss patterns. The provision matrix is initially based on Group's historical observed default rates which is then adjusted for forward looking information. The assessment of the correlation between historical observed default rates and the forecast economic conditions and ECL are significant estimates. The amount of ECL is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

iv) Revenue recognition - Estimating variable consideration for returns

For estimates with respect to right of return assets and related refund liabilities refer to notes 2.21 and 2.23 of these consolidated financial statements.

v) Retirement benefits (notes 2.10 and 18)

The cost of the retirement benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vi) Income tax (notes 2.12 and 30)

The Group takes into account the current income tax laws and decisions taken by appellate authorities while recognising provision for income tax.

vii) Impairment of intangible assets having indefinite lives (note 2.5 and 4)

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The estimates involved in assessing the recoverable amount of intangible assets are most relevant to intangibles having indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount are disclosed and further explained in note 4.1 to these consolidated financial statements.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

	Note	2025	2024
		(Rupees in thousand)	
3	PROPERTY, PLANT AND EQUIPMENT		
Fixed assets	3.1	2,458,874	1,958,243
Capital work-in-progress	3.2 & 3.3	122,252	189,165
		<u>2,581,126</u>	<u>2,147,408</u>

3.1 Fixed assets

	Owned assets						Right-of-use assets (note 19)		Total
	Leasehold land	Buildings on leasehold land	Plant and machinery	Furniture and fixtures	Factory and office equipment	Motor vehicles	Electrical Equipments (note 19.1)	Motor vehicles	
(Rupees in thousand)									
Year ended December 31, 2025									
Net carrying value basis									
Opening net carrying value	241	402,952	722,508	23,301	160,314	442,390	206,537	-	1,958,243
Additions / transfers from capital work-in-progress	-	38,749	245,837	9,649	108,960	449,758	-	59,897	912,850
Disposals (note 3.1.3)	-	-	(320)	-	(1,064)	(62,173)	-	-	(63,557)
Depreciation charge (note 3.1.2)	(3)	(52,592)	(137,524)	(4,091)	(67,592)	(75,526)	(10,500)	(834)	(348,662)
Closing net carrying value	238	389,109	830,501	28,859	200,618	754,449	196,037	59,063	2,458,874
Gross carrying value basis									
As at December 31, 2025									
Cost	455	1,255,512	3,720,486	99,060	769,328	1,019,215	210,038	59,897	7,133,991
Accumulated depreciation	(217)	(866,403)	(2,889,985)	(70,201)	(568,710)	(264,766)	(14,001)	(834)	(4,675,117)
	238	389,109	830,501	28,859	200,618	754,449	196,037	59,063	2,458,874
(Rupees in thousand)									
Year ended December 31, 2024									
Net carrying value basis									
Opening net carrying value	244	456,099	717,881	8,217	152,475	318,664	-	-	1,653,580
Additions / transfers from capital work-in-progress	-	-	132,294	17,985	62,588	229,579	210,038	-	652,484
Disposals (note 3.1.3)	-	-	-	-	(517)	(51,691)	-	-	(52,208)
Depreciation charge (note 3.1.2)	(3)	(53,147)	(127,667)	(2,901)	(54,232)	(54,162)	(3,501)	-	(295,613)
Closing net carrying value	241	402,952	722,508	23,301	160,314	442,390	206,537	-	1,958,243
Gross carrying value basis									
As at December 31, 2024									
Cost	455	1,216,763	3,474,649	89,411	660,368	569,457	210,038	-	6,221,141
Accumulated depreciation	(214)	(813,811)	(2,752,141)	(66,110)	(500,054)	(127,067)	(3,501)	-	(4,262,898)
	241	402,952	722,508	23,301	160,314	442,390	206,537	-	1,958,243
(Rupees in thousand)									
Depreciation rate per annum (%)	1.23	5	10 to 15	10	10 to 33	16.67 to 20	5	16.67	

3.1.1 Particulars of the immovable assets i.e. leasehold land and buildings thereon are as follows:

Location	Address	Usage of Immovable Property	Covered Area (Sq. Meters)
Karachi	Plot 23, Sector 22 Korangi Industrial Area, Karachi	Head office and Manufacturing Plants	96,155

3.1.2 The depreciation charge for the year has been allocated as follows:

	Note	2025	2024
(Rupees in thousand)			
Cost of sales	24	215,066	193,321
Distribution and marketing costs	24	91,161	58,640
Administrative expenses	24	42,435	43,652
		348,662	295,613

3.1.3 Details of disposal of each operating fixed asset, having net book value exceeding Rs. 500,000, are as follows:

Description	Cost	Accumulated depreciation	Net carrying value	Sale proceeds	Gain / (Loss)	Mode of Disposal	Particulars of Buyers
(Rupees in thousand)							
Motor vehicle	7,740	711	7,029	7,100	71	Company Policy	Basit ur Rehman (employee)
Motor vehicle	4,760	397	4,363	4,500	137	Insurance claim	IGI General Insurance Limited
Motor vehicle	4,714	590	4,124	4,457	333	Negotiation	Shahbaz Basheer (Third party)
Motor vehicle	4,549	456	4,093	4,147	54	Company Policy	Azhar Ali Khan (employee)
Motor vehicle	4,747	1,234	3,513	3,561	48	Company Policy	Irfan Alam (employee)
Motor vehicle	3,928	1,061	2,867	2,907	40	Company Policy	Amna Akhund (employee)
Motor vehicle	3,928	1,100	2,828	2,828	-	Company Policy	Shahzad Hashmat Shaikh (employee)
Motor vehicle	3,928	1,139	2,789	2,789	-	Company Policy	Zeeshan Mansoor (employee)
Motor vehicle	3,705	2,038	1,667	1,704	37	Company Policy	Waqar Alam (employee)
Motor vehicle	2,775	1,471	1,304	1,304	-	Company Policy	Waheed ur Raza (employee)
Motor vehicle	2,657	1,355	1,302	1,302	-	Company Policy	Zeeshan Hassan (employee)
Motor vehicle	2,735	1,450	1,285	1,313	28	Company Policy	Sohail Akhtar (employee)
Motor vehicle	2,735	1,450	1,285	1,313	28	Company Policy	Kaleemullah Khan (employee)
Motor vehicle	2,657	1,435	1,222	1,249	27	Company Policy	Shamim Akhtar (employee)
Motor vehicle	2,895	1,737	1,158	1,158	-	Insurance Claim	Imran Khalid (employee)
Motor vehicle	2,875	1,725	1,150	1,150	-	Company Policy	Muhammad Haseeb Khan (employee)
Motor vehicle	2,875	1,725	1,150	1,150	-	Company Policy	Syed Umair Bin Aziz (employee)
Motor vehicle	2,735	1,641	1,094	1,094	-	Company Policy	Muhammad Aamir (employee)
Motor vehicle	2,735	1,641	1,094	1,094	-	Company Policy	Syed Salman Ali (employee)
Motor vehicle	2,592	1,555	1,037	1,037	-	Company Policy	Muhammad Ghazal Ahmed (employee)
Motor vehicle	2,547	1,528	1,019	1,019	-	Company Policy	Nazim Hussain (employee)
Motor vehicle	2,507	1,504	1,003	1,003	-	Company Policy	Shabab Khan (employee)
Motor vehicle	2,505	1,503	1,002	1,002	-	Company Policy	Nazzar Hussain (employee)
Motor vehicle	1,745	890	855	907	52	Company Policy	Muhammad Imran Alvi (employee)
Motor vehicle	1,745	942	803	820	17	Company Policy	Madiha Mehtab Ali (employee)
Motor vehicle	1,745	977	768	803	35	Company Policy	Shamshad Mahmood (employee)
Motor vehicle	1,745	977	768	768	-	Company Policy	Ziauddin (employee)
Motor vehicle	1,780	1,032	748	748	-	Company Policy	Muhammad Makhan (employee)
Motor vehicle	1,745	1,012	733	750	17	Company Policy	Syed Haseeb Hussain (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Manzoor Iqbal (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Haider Abbas Alvi (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Abdul Shakoor (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Shahid Khan (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Azhar Mahmood (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Ali Hasnain Shaukat (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Farhan Waheed (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Muhammad Abubakar (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Ahmed Kamal (employee)
Motor vehicle	1,745	1,047	698	698	-	Company Policy	Asim Ahmed (employee)
Motor vehicle	1,440	864	576	576	-	Company Policy	Kamran Ali (employee)
Motor vehicle	1,410	846	564	564	-	Company Policy	Shakeel Ahmad (employee)
	110,629	48,456	62,173	63,097	924		
Operating fixed assets having net book value not exceeding Rs.500,000	41,299	39,915	1,384	8,200	6,816	Various	Various
December 31, 2025	151,928	88,371	63,557	71,297	7,740		
December 31, 2024	124,043	71,835	52,208	53,541	1,333		

3.2 Capital work-in-progress

Note

	2025	2024
(Rupees in thousand)		
Buildings on leasehold land	23,112	7,312
Plant and machinery	81,330	101,836
Motor vehicles	17,810	80,017
	122,252	189,165

3.3 Movement in capital work-in-progress is as follows:

Opening balance		189,165	124,185
Additions during the year	3.3.1	496,187	396,526
Transferred to operating fixed assets	3.3.2	(563,100)	(331,546)
Closing balance		122,252	189,165

3.3.1 Represents additions to buildings on leasehold land of Rs. 51 million (2024: Rs. 7.3 million), plant and machinery of Rs. 45.6 million (2024: Rs. 101.4 million) and motor vehicles of Rs. 399.6 million (2024: Rs. 287.8 million).

3.3.2 Represents transfers to buildings on leasehold land of Rs. 0.1 million (2024: Nil), plant and machinery of Rs. 113.2 million (2024: Rs. 103.9 million) and motor vehicles of Rs. 449.8 million (2024: Rs. 227.6 million).

4 INTANGIBLE ASSETS

Year ended December 31, 2025

Net carrying value basis

	Note	Computer software	Software licenses	Trademarks (note 4.1)	Total
Opening net carrying value		4,381	-	-	4,381
Additions	4.1	-	562	804,041	804,603
Amortisation charge	4.2	(2,821)	(110)	-	(2,931)
Closing net carrying value		1,560	452	804,041	806,053

Gross carrying value basis

Cost		16,092	95,624	804,041	915,757
Accumulated amortisation		(14,532)	(95,172)	-	(109,704)
Net carrying value		1,560	452	804,041	806,053

Year ended December 31, 2024

Net carrying value basis

Opening net carrying value		4,781	8,300	-	13,081
Additions		2,634	-	-	2,634
Amortisation charge	4.2	(3,034)	(8,300)	-	(11,334)
Closing net carrying value		4,381	-	-	4,381

Gross carrying value basis

Cost		16,092	95,062	-	111,154
Accumulated amortisation		(11,711)	(95,062)	-	(106,773)
Net carrying value		4,381	-	-	4,381

Amortisation rate per annum (%)

	33	33	Nil
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4.1 During the year, the Holding Company has acquired certain products along with the associated trademarks from affiliates of Sanofi under transfer and assignment agreements, as approved by the Board of Directors in its meeting held on June 11, 2024. These products were previously marketed / manufactured by the Holding Company under licensing arrangements with affiliates of Sanofi. These trademarks have indefinite useful life and as such have not been amortised.

The Group tests intangible assets with indefinite useful lives for impairment on an annual basis. The management has engaged independent expert to determine the recoverable amount of these intangible assets by assessing the fair value of the underlying assets as of December 31, 2025, using the Relief from Royalty Method. The valuation is considered to be Level 3 in the fair value hierarchy due to the unobservable inputs used. Based on such assessment, no impairment was identified as at the reporting date.

Approach and the key assumptions used to determine the fair value were as follows:

Unobservable inputs	Key assumptions	Approach to determine key assumptions
Revenue forecast period	5 years	Management prepares revenue forecasts for a five-year period. Revenues beyond the five-year period is extrapolated using the estimated growth rates stated below.
Revenue increase (%)	0.004% to 13.37%	The compound annual growth rate (CAGR) has been calculated by using five year historical trademark-wise revenues and projected three-year revenues. The lower rate between the two has been selected.

Unobservable inputs	Key assumptions	Approach to determine key assumptions
Long-term growth rate (%)	4.00%	This is the weighted average growth rate used to extrapolate the cash flows beyond the forecasted period. The rates are consistent with forecasts included in the industry reports.
Royalty rate (%)	3.75% to 6.10%	For the determination of royalty rates, an average has been taken from the 50 transactions that have happened in the global pharmaceutical sector.
Post-tax discount rate (%)	14.03%	Reflects specific risks relating to the pharmaceutical segment and the country in which the Company operates.

4.2 The amortisation charge for the year has been allocated as follows:

	Note	2025	2024
(Rupees in thousand)			
Cost of sales	24	-	274
Distribution and marketing costs	24	-	2,966
Administrative expenses	24	2,931	8,094
		<u>2,931</u>	<u>11,334</u>

5 INVESTMENT PROPERTIES

5.1	<u>27,714</u>	<u>29,463</u>
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5.1 Particulars of investment properties are as follows:

	Leasehold land	Buildings on	Total
(Rupees in thousand)			
Year ended December 31, 2025			
Opening net carrying value	14	29,449	29,463
Depreciation charge (note 25)	-	(1,749)	(1,749)
Closing net carrying value	<u>14</u>	<u>27,700</u>	<u>27,714</u>
As at December 31, 2025			
Cost	14	34,988	35,002
Accumulated depreciation	-	(7,288)	(7,288)
Net carrying value	<u>14</u>	<u>27,700</u>	<u>27,714</u>
Year ended December 31, 2024			
Opening net carrying value	14	31,198	31,212
Depreciation charge (note 24)	-	(1,749)	(1,749)
Closing net carrying value	<u>14</u>	<u>29,449</u>	<u>29,463</u>
As at December 31, 2024			
Cost	14	34,988	35,002
Accumulated depreciation	-	(5,539)	(5,539)
Net carrying value	<u>14</u>	<u>29,449</u>	<u>29,463</u>
Depreciation rate per annum (%)	<u>3.13</u>	<u>5</u>	

5.2	Amounts recognised in profit or loss	Note	2025	2024
			(Rupees in thousand)	
	Rental income derived from investment properties		91,483	82,976
	Direct operating expenses (including repairs and maintenance) relating to investment properties	24	(18,563)	(18,585)
	Profit arising from investment properties carried at cost	26	72,920	64,391

5.3 As at December 31, 2025, the fair value and forced sales value of leasehold land amounts to Rs. 780 million (2024: Rs. 750 million) and Rs. 577.7 million (2024: Rs. 564.5 million), respectively, and of buildings on leasehold land amounts to Rs. 60.05 million (2024: Rs. 55.5 million) and Rs. 45 million (2024: Rs. 41.62 million), respectively, which are based on valuations performed by an accredited independent valuer.

5.4 The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

6	LONG-TERM LOANS - considered good, unsecured	Note	2025	2024
			(Rupees in thousand)	
	Loans to employees	6.1	13,397	8,994
	Less: Current maturity	11	(4,933)	(3,338)
			8,464	5,656

6.1 Reconciliation of carrying amount of long-term loans to employees:

Opening balance		8,994	6,446
Disbursements		9,027	5,262
Repayments		(4,624)	(2,714)
Closing balance	6.2	13,397	8,994

6.2 Represents loans for the purchase of motor cars, motorcycles and capital goods, in accordance with the Group's policy. Loans for the purchase of motor cars and motorcycles are interest free, whereas loans for purchase of capital goods carry interest at the rate of 9% (2024: 9%) per annum. These are repayable within five years in equal monthly instalments, except for loans for purchase of capital goods which are repayable over a period of three years.

7	DEFERRED TAX ASSET - NET	Note	2025	2024
			(Rupees in thousand)	
	Taxable temporary differences arising in respect of:			
	- Accelerated tax depreciation and amortisation		(139,818)	(90,068)
	- Defined benefit plans		(9,347)	(4,075)
			(149,165)	(94,143)
	Deductible temporary differences arising in respect of:			
	- Allowance for expected credit loss		222,920	204,824
	- Provision against stores and spares and stock-in-trade		363,924	170,876
	- Others		108,661	70,376
			695,505	446,076
			546,340	351,933

7.1 As the Subsidiary is in its first year of operations, and projections of future profitability are subject to significant uncertainty inherent in a new business venture, the management has concluded that the criteria for recognition of deferred tax asset relating to the Subsidiary has not been met as at the reporting date.

Consequently, the deferred tax asset arising from the taxable loss of Rs. 2.7 million and minimum turnover tax of Rs. 0.3 million has not been recognised in these consolidated financial statements. The unused taxable losses for which no deferred tax asset has been recognised will expire between the financial years 2030 and 2031, while the minimum turnover tax is set to expire by the financial year 2027.

8 STORES AND SPARES

Note	2025	2024
	(Rupees in thousand)	
Stores	61,997	44,213
Spares	44,960	43,027
	106,957	87,240
Provision against stores and spares	8.1	(3,594)
	103,363	83,646

8.1 Movement of provision against stores and spares is as follows:

Opening balance		3,594	763
Charge for the year - net	24	-	2,831
Closing balance		3,594	3,594

9 STOCK-IN-TRADE - net

Raw and packing material			
In hand		2,619,668	3,146,282
In transit		126,065	121,789
		2,745,733	3,268,071
Provision against raw and packing material	9.1	(63,992)	(330,900)
		2,681,741	2,937,171
Work-in-process		101,406	105,320
Finished goods			
In hand	9.2	4,213,968	4,503,828
In transit		491,931	346,755
		4,705,899	4,850,583
Provision against finished goods	9.3	(865,553)	(103,650)
		3,840,346	4,746,933
		6,623,493	7,789,424

9.1 Movement of provision against raw and packing material is as follows:

Opening balance		330,900	57,430
Charge for the year		48,752	301,913
Reversal for the year		(245,201)	(19,347)
Net (Reversal) / Charge for the year	24	(196,449)	282,566
Write-off during the year		(70,459)	(9,096)
Closing balance		63,992	330,900

9.2 Includes write down of finished goods costing Rs. 49.1 million (2024: Rs. 164 million), carried at their net realisable value of Rs. 44.2 million (2024: Rs. 138.7 million).

9.3 Movement of provision against finished goods is as follows:

Note	2025	2024	
	(Rupees in thousand)		
Opening balance	103,650	212,887	
Charge for the year	843,957	56,177	
Reversal for the year	(28,653)	(7,662)	
Net charge for the year	24	815,304	48,515
Write-off during the year		(53,401)	(157,752)
Closing balance	865,553	103,650	

9.4 Details of stock-in-trade (net of provision) held with third parties is as follows:

Stancos (Private) Limited	25	131,436
Nimir Industrial Chemicals Limited		174,673
		-

10	TRADE DEBTS - net, unsecured	Note	2025	2024
			(Rupees in thousand)	
	Considered good		798,679	805,073
	Considered doubtful		416,327	369,928
			1,215,006	1,175,001
	Allowance for expected credit loss	10.1	(416,327)	(369,928)
			<u>798,679</u>	<u>805,073</u>
10.1	Movement of allowance for expected credit loss is as follows:			
	Opening balance		369,928	254,213
	Charge for the year		46,399	115,715
	Closing balance		<u>416,327</u>	<u>369,928</u>
11	LOANS AND ADVANCES - unsecured, considered good			
	Loans:			
	Current maturity of long-term loans to employees	6	4,933	3,338
	Advances:			
	Executives		11,588	5,821
	Contractors and suppliers	11.1	259,212	200,972
			270,800	206,793
			<u>275,733</u>	<u>210,131</u>
11.1	Represents advance payments made to contractors and suppliers against goods and services to be received in future.			
		Note	2025	2024
12	TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS		(Rupees in thousand)	
	Trade deposits - unsecured			
	Considered good		28,776	63,934
	Considered doubtful		155,263	155,263
			184,039	219,197
	Allowance for expected credit loss		(155,263)	(155,263)
			28,776	63,934
	Margin against letters of credit		176,267	429,333
	Short-term prepayments		53,538	32,375
			<u>258,581</u>	<u>525,642</u>
13	OTHER RECEIVABLES - net			
	Considered good - unsecured			
	Due from - related parties	13.1	6,325	4,916
	Due from - employees' gratuity fund	18.1	47,932	15,386
	Due from - others		15,090	49,568
	Sales tax receivable on goods		-	324
			69,347	70,194
	Considered doubtful - unsecured			
	Sales tax refundable		5,918	5,918
	Provision against sales tax refundable		(5,918)	(5,918)
			-	-
			<u>69,347</u>	<u>70,194</u>

13.1 The aging analysis of receivable from related parties is as follows:

	2025			2024		
	Neither past due nor impaired	Past due over 181 days	Total	Neither past due nor impaired	Past due over 181 days	Total
	(Rupees in thousand)			(Rupees in thousand)		
Packages Limited	377	-	377	507	-	507
Bulleh Shah Packaging (Private) Limited	1,739	-	1,739	1,096	-	1,096
StarchPack (Private) Limited	1	-	1	-	-	-
Packages Real Estate (Private) Limited	1	-	1	-	-	-
DIC Pakistan Limited	3	-	3	-	-	-
IGI General Insurance Limited	14	-	14	-	-	-
Packages Convertors Limited	14	-	14	-	-	-
IGI Life Insurance Limited	19	-	19	-	-	-
Tri-Pack Films Limited	23	-	23	-	-	-
Pakistan Petroleum Limited	4,134	-	4,134	3,313	-	3,313
	6,325	-	6,325	4,916	-	4,916

13.2 The maximum aggregate amount outstanding from related parties at any time during the year, by reference to month end balances is as follows:

	Note	2025	2024
		(Rupees in thousand)	
Packages Limited		377	507
Bulleh Shah Packaging (Pvt.) Limited		1,739	1,096
StarchPack (Private) Limited		1	-
Packages Real Estate (Private) Limited		1	-
DIC Pakistan Limited		3	-
IGI General Insurance Limited		14	-
Packages Convertors Limited		14	-
IGI Life Insurance Limited		19	-
Tri-Pack Films Limited		23	-
Pakistan Petroleum Limited		4,134	3,313

14 SHORT-TERM INVESTMENTS

At amortised cost

- Investment in Term Deposit Receipts	14.1	200,000	-
- Investment in Treasury Bills	14.2	837,367	-
		1,037,367	-

At fair value through profit or loss

- Investment in mutual funds	14.3	250,068	452,884
		1,287,435	452,884

14.1 This represents Term Deposit Receipts having maturity date of December 29, 2026 carrying interest at the rate of 9% (2024: Nil) per annum.

14.2 This represents investment in Treasury Bills having maturity upto six months carrying interest at the rates ranging 10.77% - 10.82% (2024: Nil) per annum.

14.3 Investment in mutual funds:	2025		2024	
	Number of units	Rupees in '000	Number of units	Rupees in '000
- Bank Al-Habib Money Market Fund	2,367,673	250,068	4,168,881	452,884

15 CASH AND BANK BALANCES	Note	2025	2024
		(Rupees in thousand)	
Cash in hand		145	184
Cash at banks:			
In current accounts - local currency		113,695	100,922
In savings accounts - local currency	15.1	39,032	18,690
		152,872	119,796

15.1 These carry mark-up at rates ranging from 9.25% to 11.5% (2024: 13.50% to 20.50%) per annum.

16 SHARE CAPITAL

2025		2024		2025		2024	
No. of shares				(Rupees in thousand)			
10,000,000	10,000,000	Authorized share capital		100,000	100,000	Ordinary shares of Rs. 10/- each	
		Issued, subscribed and paid up capital				Ordinary shares of Rs. 10/- each	
2,757,783	2,757,783	Issued for cash		27,578	27,578		
3,359,477	3,359,477	Issued as fully paid bonus shares		33,595	33,595		
687,500	687,500	Issued against plant and equipment		6,875	6,875		
140,000	140,000	Issued against loan		1,400	1,400		
		Issued pursuant to merger with Rhone Poulenc Rorer Pakistan (Private) Limited		27,000	27,000		
2,700,000	2,700,000			96,448	96,448		
9,644,760	9,644,760						

16.1 The Parent Company held 3,960,919 (2024: 3,960,919) ordinary shares of Rs. 10/- each, of the Holding Company representing 41.07% of the shareholding.

16.2 Voting rights, board selection, rights of first refusal, block voting and other shareholders' rights are in proportion to their shareholding in the Holding Company.

17 RESERVES

Capital reserves	Note	2025	2024
		(Rupees in thousand)	
Long-term liabilities forgone		5,935	5,935
Other capital reserve	17.1	2,000,000	2,000,000
Difference of share capital under scheme of arrangement for amalgamation		18,000	18,000
Share-based payments reserve		375,210	375,210
		2,399,145	2,399,145
Revenue reserves			
General reserve		1,535,538	1,535,538
Unappropriated profits		4,162,588	2,783,812
		5,698,126	4,319,350
		8,097,271	6,718,495

17.1 In 2024, the Holding Company transferred Rs. 2,000 million from general reserves to other capital reserves as approved by the Board of Directors (the Board) in its meeting held on February 22, 2024 for the purposes of issuance of bonus shares, if any, from time to time as the Board may deem fit. Such a transfer has been made in line with the Securities and Exchange Commission of Pakistan circular no. 4 of 2024 dated February 15, 2024.

18 DEFINED BENEFIT PLANS

18.1 Latest actuarial valuation of the Gratuity Fund was carried out as at December 31, 2025. The present value of defined benefit obligation has been calculated using the projected unit credit method. The details of the actuarial valuation are as follows:

	2025	2024
	(Rupees in thousand)	
Statement of financial position reconciliation is as follows:		
Fair value of plan assets	950,816	798,159
Present value of defined benefit obligation	(902,884)	(782,773)
Net asset in statement of financial position	47,932	15,386
Movement in net assets		
Opening balance	15,386	25,522
Charge for the year	(53,770)	(42,171)
Employer contribution	51,111	11,140
Refund to Holding Company for terminated employees	(623)	-
Actuarial gain recognised in other comprehensive income	35,828	20,895
Closing balance	47,932	15,386
Expense recognised in statement of profit or loss		
Current service cost	60,641	48,430
Interest cost	90,597	91,894
Expected return on plan assets	(97,468)	(98,153)
	53,770	42,171
Actual return on plan assets	158,285	187,827
Movement in the defined benefit obligation		
Opening balance	782,773	630,630
Current service cost	60,641	48,430
Interest cost	90,597	91,894
Benefits paid	(56,116)	(56,960)
Actuarial loss	24,989	68,779
Closing balance	902,884	782,773
Movement in fair value of plan assets		
Opening balance	798,159	656,152
Expected return on plan assets	97,468	98,153
Employer contribution	51,111	11,140
Benefits paid	(56,116)	(56,960)
Refund to Holding Company for terminated employees	(623)	-
Actuarial gain	60,817	89,674
Closing balance	950,816	798,159
Actuarial gain arising from		
Changes in financial assumptions	(35,409)	(44,339)
Changes in demographic assumptions	15,320	4,639
Experience adjustments	(4,900)	(29,079)
Remeasurement gain on plan assets	60,817	89,674
	35,828	20,895

Key actuarial assumptions used are as follows

Discount factor used

2025	2024
(Rupees in thousand)	
11.00%	12.25%
11.00%	12.25%
11.00%	11.75%

Expected rate of return per annum on plan assets

Long term salary increase rate per annum

Estimates of future salary increase takes into account inflation, seniority and promotion. Having regard to the actual salary increase rate of current year and the future expectation of the Holding Company, the management's actuary has assumed that the short-term salary increase rate to be used is 12.50% (2024: 14.40%) per annum and for long term 11% (2024: 11.75%) per annum compounded.

Weighted average duration (years)

2025	2024
(Rupees in thousand)	
6.11	6.05

The effective duration of the future cash flows was calculated based on the yields available on government bonds at the end of the reporting period.

Retirement age (years)

Withdrawal rate

Mortality rate

Gratuity Fund	
2025	2024
(Rupees in thousand)	
60 years	60 years
Moderate	Moderate
SLIC 2001 - 2005	

Sensitivity analysis for Gratuity Fund

Present value (PV) of defined benefit obligation as at the reporting date

	2025		2024	
	Rs in '000	%	Rs in '000	%
Present value (PV) of defined benefit obligation as at the reporting date	902,884		782,773	
Following shall be the PV under various sensitivities:				
+1% Discount rate	852,176	-5.62%	738,479	-5.66%
-1% Discount rate	959,661	6.29%	832,321	6.33%
+1% Salary increase rate	963,219	6.68%	835,600	6.75%
-1% Salary increase rate	848,100	-6.07%	734,787	-6.13%
+10% Withdrawal rates	900,012	-0.32%	782,064	0.09%
-10% Withdrawal rates	905,938	0.34%	783,492	-0.09%
1 year mortality age set back	902,892	0.00%	782,736	0.00%
1 year mortality age set forward	902,877	0.00%	782,810	0.00%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the year end. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

Maturity profile	2025	2024
	(Rupees in thousand)	
Year 1	123,854	122,560
Year 2	105,569	82,830
Year 3	81,557	98,080
Year 4	118,195	74,890
Year 5	131,076	112,020
Year 6 to Year 10	475,268	470,700
Year 11 and above	1,177,734	1,272,270

Plan assets comprise of:	2025		2024	
	Rs in '000	%	Rs in '000	%
Equity securities	219,284	23.06%	221,020	27.68%
Cash and cash equivalents	277,119	29.15%	160,601	20.12%
Debt securities	454,413	47.79%	416,538	52.20%
	950,816	100%	798,159	100%

18.1.1 Risks associated with defined benefit plan

Longevity Risk:

The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

Salary Increase Risk:

The most common type of retirement benefit is one where the benefit is linked with final salary. The risk arises when the actual increases are higher than expectation and impacts the liability accordingly.

Withdrawal Risk:

The risk of actual withdrawals varying with the actuarial assumptions can impose a risk to the benefit obligation. The movement of the liability can go either way.

Investment Risk:

The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating an investment policy and guidelines based on which investments are made after obtaining approval from trustees of the gratuity fund.

18.1.2 The expected return on plan assets is based on the market expectations and depends upon the asset portfolio of the plan at the beginning of the period.

18.1.3 The Holding Company contributes to the Gratuity Fund on the advice of the funds' actuary. The contributions are equal to the current service cost with adjustment for any deficit. Based on the actuarial advice, the amount of expected contribution to Gratuity Fund for the year 2026 is Rs. 56.66 million.

19 LEASE LIABILITY

Note	2025			2024		
	Electrical equipment	Motor vehicle	Total	Electrical equipment	Motor vehicle	Total
	(Rupees in thousand)			(Rupees in thousand)		
Opening balance	211,476	-	211,476	-	-	-
Additions	19.1	-	47,918	210,038	-	210,038
Finance cost charged during the year	27	50,235	447	13,809	-	13,809
Payments made during the year		(47,557)	(1,046)	(12,371)	-	(12,371)
		214,154	47,319	211,476	-	211,476
Less: Current maturity of lease liability		(40,807)	(12,557)	(2,001)	-	(2,001)
	19.2	173,347	34,762	209,475	-	209,475

19.1 This represents car lease arrangements, entered into by the Holding Company during the year. The lease has a term of 5 years, after which the ownership of these cars will be transferred to the Holding Company. Consequently, the related right of use asset is being depreciated based on the estimated useful life of 6 years.

19.2 Annual cumulative rentals under the lease arrangements carries finance charge at the rate of 19.69% for solar panels and 6 months KIBOR for motor vehicles. The amount of future payments against the right-of-use asset and the period in which these become due are as follows:

	2025		2024	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
	Rupees		Rupees	
Not later than one year	53,364	53,364	2,001	2,001
Later than one year	659,865	208,109	651,490	209,475
	713,229	261,473	653,491	211,476
Less: Finance charges allocated to future periods	(451,756)	-	(442,015)	-
	261,473	261,473	211,476	211,476

20 TRADE AND OTHER PAYABLES

Note

2025

2024

(Rupees in thousand)

Trade creditors

Related parties	20.1	26,530	21,287
Other trade creditors		753,557	1,108,078
		780,087	1,129,365

Other payables

Accrued liabilities		3,149,775	2,360,313
Refund liabilities		185,799	140,084
Infrastructure Development Cess	22.1.1	1,271,156	1,012,980
Workers' Profits' Participation Fund	20.2	13,413	187,415
Workers' Welfare Fund	20.3	174,793	148,261
Central Research Fund	20.4	54,015	37,737
Compensated absences		149,956	114,052
Security deposits	20.5	19,967	15,576
Contractors' retention money		6,359	6,359
Sales tax payable		8,492	15,186
Withholding tax payable		24,096	5,711
Others		55,114	23,309
		5,112,935	4,066,983
		5,893,022	5,196,348

20.1 This represents balance payable to following related parties:

Packages Convertors Limited		10,304	8,479
Packages Limited		7,601	6,132
Tri-Pack Films Limited		-	2,285
Ali Gohar & Co. (Private) Limited		5,079	2,007
Bulleh Shah Packaging (Private) Limited		2,200	1,706
IGI General Insurance Limited		1,346	678
		26,530	21,287

20.2 Movement of Workers' Profits' Participation Fund (the Fund) is as follows:

Opening balance		187,415	48,911
Allocation for the year	25	267,552	187,415
		454,967	236,326
Amount paid to the Fund		(441,554)	(48,911)
Closing balance		13,413	187,415

20.3 Movement of Workers' Welfare Fund is as follows:	Note	2025	2024
		(Rupees in thousand)	
Opening balance		148,261	85,372
Allocation for the year	25	120,352	79,487
		268,613	164,859
Amount paid to the Fund		(93,820)	(16,598)
Closing balance		174,793	148,261

20.4 Movement of Central Research Fund is as follows:

Opening balance		37,737	9,866
Allocation for the year	25	54,120	37,842
		91,857	47,708
Amount paid to the Fund		(37,842)	(9,971)
Closing balance		54,015	37,737

20.5 Represent unutilised security deposits received from various vendors / contractors, kept in a separate bank account.

21 SHORT-TERM BORROWINGS	Note	2025	2024
		(Rupees in thousand)	
Working capital facilities		-	1,200,000

21.1 The Holding Company has working capital and running finance facilities from various commercial banks under mark-up arrangements aggregating to Rs. 5,300 million (2024: 8,075 million) which remained unutilised as at December 31, 2025 (2024: Rs. 6,875 million was unutilised). These facilities are secured against first registered joint pari passu charge over current assets of the Holding Company, inclusive but not limited to stock-in-trade and book debts of the Holding Company. These facilities carry mark-up at the rate of KIBOR + 0.10% to 1.00% per annum and will expire latest by July 31, 2026.

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

22.1.1 The Government of Sindh through Sindh Finance Act, 1994 imposed infrastructure fee for development and maintenance of infrastructure on goods entering or leaving the Province of Sindh through air or sea at prescribed rates. Several companies contested the imposition of this infrastructure fee in High Court of Sindh (HCS). Through the interim order passed on May 31, 2011, the HCS had ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed. Later, the Holding Company started to deposit cash and bank guarantees on import of goods and also started recognising accrual for the unpaid amount for which bank guarantee was submitted. On June 04, 2021, the HCS dismissed appeals filed by the petitioners and ordered that the Sindh Finance Act, 2017 is a valid law with the competence of provincial legislature and all bank guarantees previously furnished by the petitioners against the HCS's interim order dated May 31, 2011 shall be en-cashed and paid to the department.

The Holding Company, in consultation with its legal advisor, filed an appeal before the Supreme Court of Pakistan (SCP) against the HCS's order dated June 04, 2021 jointly with other petitioners. SCP provided leave to appeal against the orders of HCS vide CP No. 4913/2021 dated September 01, 2021 with the directions that till the further order of SCP, the operations of impugned judgment of the HCS dated June 04, 2021 and recovery

of the impugned levy shall remain suspended. The petitioners were ordered to submit fresh bank guarantees equivalent to the amount of levy for all future consignments of imported goods. Based on the advice of the legal advisor, the Holding Company had recognised provision against the fee payable (note 20).

22.1.2 The Deputy Commissioner Inland Revenue (DCIR), initiated monitoring proceedings u/s 156/161 of the Income Tax Ordinance, 2001 (the Ordinance) for Tax Year 2009 vide letter dated November 12, 2010. The Holding Company filed constitutional petition before the HCS who remanded back the matter vide order dated December 24, 2012. After disposal of constitutional petition, the proceedings were reinitiated by DCIR vide his letter dated December 26, 2012 requiring the Holding Company to explain its position on advertisement and sales promotion expenses amounting to Rs. 203.963 million.

In the order dated April 29, 2013, issued under section 161/205 of the Ordinance, the DCIR had imposed tax under section 161 of the Ordinance amounting to Rs. 11.663 million for non deduction of tax under section 156 of the Ordinance from certain payments under the head 'Advertisement and Sales Promotion'.

The Holding Company filed constitutional petition before the HCS who restrained the tax department from any coercive recovery measure in respect of the impugned demand till disposal of the petition. The department, however, later adjusted this outstanding demand without issuance of any recovery notice to the Holding Company, against refunds pertaining to Tax Year 2012. The HCS dismissed the petition on May 25, 2013 and directed the petitioner to pursue departmental hierarchy.

The Holding Company then filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] against the impugned order. The CIR(A) disposed-off the appeal vide order dated August 25, 2015 remanding back the matter to the department. The Holding Company filed an appeal against the CIR(A)'s order before the Appellate Tribunal Inland Revenue (ATIR) dated October 05, 2015. The ATIR passed an order on January 13, 2022 against the Holding Company and dismissed the appeal. The Holding Company filed a reference before the HCS in March 2022, hearing of which is still pending.

The Holding Company also filed a rectification application before the ATIR who allowed the application vide order dated July 29, 2022 and remanded back the matter to the tax officer. The remand back proceedings are still pending to be heard.

22.1.3 The Holding Company's case was selected in the Parametric balloting done for selection of cases for audit for the Tax Year 2011 on February 25, 2013 by the Federal Board of Revenue (FBR) under section 214C of the Ordinance. The Holding Company filed a representation against the said selection before the review panel of the FBR in terms of circular dated February 25, 2013. Without prejudice to the representation against the audit selection, the Holding Company made complete compliance to the Information Document Request (IDR) notice dated April 04, 2013. Later, the DCIR issued the show cause notice under section 122(9) of the Ordinance to which the Holding Company made compliance. However, the DCIR issued amended order dated June 17, 2014 and made additions of Rs. 124.115 million on various expenses. The Holding Company filed an appeal against the DCIR order before the CIR-A, who vide order dated September 10, 2015 had disposed-off the appeal but upheld additions of sundry promotional expenses of Rs. 36.973 million. Accordingly, the Holding Company filed appeal before the ATIR which maintained the disallowance of Rs. 36.973 million vide order dated July 14, 2021. The Holding Company filed a constitutional petition against the ATIR order and rectification application was also filed with the ATIR by the Holding Company dated September 06, 2021.

The ATIR passed order in favor of the Holding Company and allowed the aforementioned expenses through order dated November 29, 2021. Further, the department's appeal for Tax Year 2011 challenging Commissioner Appeal's verdict to delete the disallowances at Rs. 87.142 million has been dismissed by the ATIR vide order dated July 06, 2022. The Department has filed an appeal before the HCS against the ATIR order, hearing of which is still pending.

- 22.1.4** The DCIR, amended the deemed assessment vide order dated January 1, 2018, for Tax Year 2014 increasing the tax liability by Rs. 275.6 million due to disallowance of certain expenses, hence, adjusting the tax refundable as assessed by the Holding Company in the tax return. The Holding Company was required to pay an amount of Rs.110.6 million being the short payment on account of reassessed tax liability. The Holding Company paid the said amount under protest and filed an appeal with the CIR(A) against the said order. The CIR(A) decided on the above issue against the Holding Company vide order dated May 6, 2019. The Holding Company filed an appeal dated through July 12, 2019 thereagainst with the ATIR, which is pending to be heard.
- 22.1.5** The DCIR, initiated audit proceedings under section 177 read with 214C and clause 72B of Part-IV of Second Schedule of the Ordinance for Tax Year 2016 by issuing a notice dated March 06, 2019 which was responded by the Holding Company on April 09, 2019. Upon completion of the proceedings under section 177(6) of the Ordinance, notice u/s 122(9) of the Ordinance was issued by the DCIR on May 06, 2022 against which the Holding Company filed a constitutional petition before the HCS and interim stay order was granted to the Holding Company dated May 24, 2022. In year 2024, the HCS, in its final order, has granted the petition in favor of Holding Company by declaring the above said impugned show cause notice barred by time.
- 22.1.6** The DCIR, issued a notice dated March 06, 2019 under section 177 read with 214C and clause 72B of part IV of Second Schedule of the Ordinance for Tax Year 2017 in lieu of exemption granted to the Holding Company for collection of tax at import stage. The Holding Company had initially responded to the notice through various letters that the subject audit proceedings were time barred and hence without jurisdiction. Instead of replying to these jurisdictional objections, the DCIR again issued a notice dated October 13, 2022. The Holding Company again responded to the notice on legal grounds on November 7, 2022. The DCIR issued notice dated November 18, 2022 under section 122(9) of the Ordinance, against the Holding Company. The Holding Company then filed a constitutional petition before the HCS which restrained the tax department from proceeding further on the notice till disposal of petition. The petition is pending before the HCS.
- 22.1.7** The DCIR, issued a notice dated March 06, 2019 under section 177 read with 214C and clause 72B of part IV of Second Schedule of the Ordinance for Tax Year 2018 in lieu of exemption granted to the Holding Company for collection of tax at import stage. The Holding Company had initially responded to the notice through various letters that the subject audit proceedings were time barred and hence without jurisdiction. Instead of replying to these jurisdictional objections, the DCIR again issued a notice dated October 17, 2022 for Tax Year 2018. The Holding Company then filed a suit on legal grounds before the HCS which issued favorable order on March 30, 2023 and restrained the tax department from proceeding further on the notices till disposal of the case.
- 22.1.8** The Federal Government, vide Finance Act, 2022, imposed super tax under section 4C of the Ordinance, applicable from the Tax Year 2022 onwards. The Holding Company filed a civil petition in the HCS primarily challenging the retrospective application of the super tax for Tax Year 2022. The HCS vide interim order dated September 30, 2022 issued an injunction order allowing the Holding Company to file the return without paying the super tax. The

HCS passed a favorable judgment dated December 22, 2022 in this case. The Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against the said judgment. The SCP through an interim order, directed companies to deposit super tax to the extent of 4% of the taxable income and to furnish security for the remaining 6% for the Tax Year 2022. The Holding Company complied with the interim directives of the SCP.

During the year, pursuant to the 27th Constitutional Amendment, all pending litigations related to the super tax levy were transferred to the Federal Constitutional Court of Pakistan (FCCP). Subsequent to the year end, the FCCP, vide order dated January 27, 2026, has disposed of the appeal in favor of the FBR.

The DCIR, had also issued a notice dated March 8, 2023 to provide a further explanation regarding the recovery of super tax under section 4C of the Ordinance for Tax Year 2022 to which the Holding Company had responded that the amount has been deposited in compliance with the SCP directives. The DCIR passed an unfavorable order thereagainst creating an additional demand of Rs. 6 million. The Holding Company filed an appeal before the CIR(A) against the DCIR order along with rectification application with DCIR for correction in the order. The CIR(A) vide its order dated July 27, 2023 upheld the impugned order of the DCIR and ordered him to dispose-off the rectification application accordingly. The Holding Company has filed an appeal before the ATIR against the CIR(A) order, the hearing of which is pending.

22.1.9 The Federal Government, vide Finance Act, 2023, increased the rates of super tax under section 4C of the Ordinance, applicable from Tax Year 2023 onwards. The Holding Company filed a writ petition before the Islamabad High Court (IHC) challenging the retrospective increase of the rates of super tax for Tax Year 2023. IHC, issued favorable order on March 15, 2024, whereby, the IHC decided that 6% incremental super tax was not applicable retrospectively on Tax Year 2023 and prior periods. The IHC further ruled that the super tax was to be computed excluding incomes subject to the final tax regime. The FBR subsequently filed an intra-court appeal (ICA) with the IHC against the said judgment. On the basis of prudence, the Holding Company had maintained a provision in respect of the incremental super tax at the rate of 6% in its consolidated financial statements. During the year, pursuant to the 27th Constitutional Amendment, all pending litigations related to the super tax levy were transferred to the Federal Constitutional Court of Pakistan (FCCP). Subsequent to the year end, the FCCP, vide order dated January 27, 2026, declared that all retrospective applications of super tax was valid.

22.1.10 The DCIR passed an order dated April 30, 2015 under section 122(5) of the Ordinance for Tax Year 2013, increasing the tax liability by Rs.129.137 million on the contention that the Holding Company understated the gain on sale of property and claimed certain expenses related to sales promotion and advertisement, which should have been disallowed. The Holding Company filed an appeal before the CIR(A), wherein the CIR(A) vide order dated July 19, 2018, deleted the addition for gain on disposal of property and remanded back the additions related to sales promotion and advertisements. An appeal dated October 2, 2018, was filed with the ATIR against the said decision of the CIR(A) on the issue remanded back, which is still pending.

The DCIR vide order dated June 30, 2021 passed an appeal effect order to give effect to matters remanded back and deleted by CIR(A). The Holding Company also filed a rectification application against this order in respect of certain computational errors and not giving credit for refund adjustment at Rs. 72.137 million [debited from the Tax Year 2014] which was rectified by the DCIR vide its order dated July 29, 2021 and accordingly the Holding Company's tax refundable was increased to Rs. 110.343 million. The Holding Company further filed an appeal with CIR(A) against the said order of DCIR in respect of certain additions maintained, which was concluded on January 26, 2023 and the refund adjustment was reversed among other aspects addressed resulting in a tax refundable of Rs. 49.46 million. Based on verification of the refund filed by the Holding Company,

the DCIR through its order dated April 2, 2024 under section 170(4) of the Ordinance has issued tax refund of Rs. 19.734 million under section 170 of the Ordinance whilst the remaining refund of Rs. 29.917 million is pending for verification with tax authorities.

The Holding Company, based on advice from its tax and legal advisors, is confident for favourable outcomes on the above-mentioned matters disclosed in notes 22.1.1 to 22.1.10. Hence, no provision has been recognised in these consolidated financial statements in respect of these orders, except for matters mentioned in notes 22.1.1, 22.1.8 and 22.1.9, for which the provision has been recognised as an abundant caution based on prudence.

	Note	2025	2024
(Rupees in thousand)			
22.2 Commitments			
Capital expenditure		305,083	57,122
Acquisition of intangible assets - trademarks		-	811,048
Outstanding letters of credit	22.2.1	380,946	567,651
Outstanding bank guarantees	22.2.1	1,380,727	1,190,338
Outstanding bank contracts		1,179,878	954,136

22.2.1 Total available facilities for letters of credit and bank guarantees amounts to Rs. 5,798 million and Rs. 1,426 million (2024: Rs. 6,693 million and Rs. 1,236 million), respectively.

22.2.2 Future minimum rentals receivable under non-cancellable operating leases for investment properties as at the reporting dates are as follows:

	2025	2024
(Rupees in thousand)		
Within one year	53,545	72,767

22.2.3 The Holding Company has entered into an operations and maintenance contract with Shams Power Limited for its solar panels and related equipment. The financial commitments under this contract are as follows:

	Note	2025	2024
(Rupees in thousand)			
Within one year		2,192	2,064
More than one year		32,099	36,419

23 REVENUE FROM CONTRACT WITH CUSTOMERS - NET

Gross Sales

Local		33,016,721	28,063,174
Export		1,692,035	1,355,517
		34,708,756	29,418,691
Toll manufacturing		147,215	86,747
		34,855,971	29,505,438
Less:			
Discounts		(3,425,789)	(2,333,058)
Returns		(87,655)	(124,912)
Sales tax		(387,113)	(299,640)
		(3,900,557)	(2,757,610)
	23.1	30,955,414	26,747,828

23.1 Includes contract liabilities of Rs. 103.86 million (2024: Rs. 84.89 million) realised during the year.

	Cost of sales		Distribution and marketing costs		Administrative expenses		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)							
Raw and packing material consumed	9,200,654	9,663,938	-	-	-	-	9,200,654	9,663,938
Raw and packing material written-off	1,118	2,457	-	-	-	-	1,118	2,457
Provision / (Reversal of Provision) against stores and spares & raw and packing material (notes 8.1 and 9.1)	(196,449)	285,397	-	-	-	-	(196,449)	285,397
Stores and spares consumed	55,113	40,172	-	-	-	-	55,113	40,172
Stationery and supplies consumed	99,742	15,488	40,259	29,382	16,483	9,629	156,484	54,499
Staff costs (note 24.1)	1,116,874	1,098,903	2,001,160	1,497,682	618,653	651,612	3,736,687	3,248,197
Fuel and power	565,787	787,289	6,597	6,770	52,870	53,105	625,254	847,164
Rent, rates and taxes	41,847	54,140	35,617	29,492	-	-	77,464	83,632
Insurance	48,038	37,684	63,621	68,838	5,304	4,827	116,963	111,349
Repairs and maintenance	234,390	254,414	37,299	41,185	40,341	35,785	312,030	331,384
Depreciation of fixed assets (note 3.1.3)	215,066	193,321	91,161	58,640	42,435	43,652	348,662	295,613
Amortisation of intangible assets (note 4.2)	-	274	-	2,966	2,931	8,094	2,931	11,334
Depreciation of investment properties (note 5.1)	-	-	-	-	1,749	1,749	1,749	1,749
Travelling and conveyance	165,085	41,155	694,685	333,712	48,219	66,053	907,989	440,920
Handling, freight and transportation	-	-	397,689	338,846	-	-	397,689	338,846
Communication	2,052	5,409	26,054	26,331	8,532	7,992	36,638	39,732
Security and maintenance	15,779	26,325	33,626	14,630	35,916	40,070	85,321	81,025
Publication and subscription	684	4,140	383	8,356	8,316	344	9,383	12,840
Electronic and print media	-	-	54,740	12,787	-	-	54,740	12,787
Conferences and exhibitions	-	-	427,937	329,632	-	-	427,937	329,632
Market research	-	-	92,493	73,670	-	-	92,493	73,670
Clinical trials	-	-	-	22	-	-	-	22
Patient care	-	-	86,456	50,265	-	-	86,456	50,265
Samples	-	-	4,641	1,051	-	-	4,641	1,051
Sales promotion	-	-	214,207	104,759	-	-	214,207	104,759
Sales commission	-	-	231,375	283,454	-	-	231,375	283,454
Software license / maintenance fee	3,409	1,183	3,322	4,325	92,530	108,808	99,261	114,316
Others	1,386	1,153	18,357	12,473	30,372	42,016	50,115	55,642
	11,570,575	12,512,842	4,561,679	3,329,268	1,004,651	1,073,736	17,136,905	16,915,846
Recovery of expenses (note 5.2)	(18,563)	(18,585)	-	-	-	-	(18,563)	(18,585)
	11,552,012	12,494,257	4,561,679	3,329,268	1,004,651	1,073,736	17,118,342	16,897,261
Opening work-in-process	105,320	99,848						
Closing work-in-process	(101,406)	(105,320)						
Cost of goods manufactured	11,555,926	12,488,785						
Opening stock of finished goods	4,850,583	1,952,267						
Finished goods purchased	7,107,966	8,632,848						
Cost of samples included under distribution and marketing costs	(4,641)	(1,051)						
Finished goods written-off	22,980	49,510						
Provision against finished goods (note 9.3)	815,304	48,515						
Closing stock of finished goods	(4,705,899)	(4,850,583)						
	19,642,219	18,320,291						
24.1 Staff costs:								
Salaries, wages and other benefits	1,079,689	1,050,968	1,907,930	1,407,038	566,984	623,935	3,554,603	3,081,941
Training	498	2,092	13,199	7,166	22,246	4,094	35,943	13,352
Defined benefit plans (note 18.1)	10,545	8,543	28,785	26,239	14,440	7,389	53,770	42,171
Defined contribution plans (note 24.2)	26,142	37,300	51,246	57,239	14,983	16,194	92,371	110,733
	1,116,874	1,098,903	2,001,160	1,497,682	618,653	651,612	3,736,687	3,248,197

24.2 Investments out of provident fund have been made in collective investment schemes, listed equity and listed debt securities in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

25 OTHER EXPENSES

Note	2025	2024
	(Rupees in thousand)	
Auditors' remuneration	5,467	4,031
Workers' Profits Participation Fund	267,552	187,415
Workers' Welfare Fund	120,352	79,487
Central Research Fund	54,120	37,842
Legal and consultancy	124,617	259,171
Donations	93,143	8,709
Exchange loss / (gain) - net	271,298	(57,436)
	<u>936,549</u>	<u>519,219</u>

25.1 Auditors' remuneration

Fee for:

- Statutory audit of seprate and consolidated financial statements	3,590	2,454
- Review of half yearly financial statements	630	570
- Reporting to group auditors	250	-
- Review of compliance with the Code of Corporate Governance	235	216
- Other certifications	500	300
Out-of-pocket expenses	262	491
	<u>5,467</u>	<u>4,031</u>

25.2 This represents donation made to Packages Foundation amounting to Rs. 93.14 million (2024: Rs. 7.22 million). Syed Hyder Ali, the director of the Holding Company is also the trustee of Packages Foundation.

25.3 This is net-off exchange gain on import payables amounting to Rs. 17.4 million (2024: net-off exchange loss on import payables amounting Rs 100.03 million).

26 OTHER INCOME

Note	2025	2024
	(Rupees in thousand)	
Income from financial assets		
Markup on savings bank accounts	4,358	4,080
Gain on disposal of mutual funds	123,761	27,193
Fair value gain on remeasurement of mutual funds	68	3,708
Income from Treasury bills	44,860	-
Dividend income from mutual funds	6,613	83,732
	<u>179,660</u>	<u>118,713</u>
Income from non-financial assets		
Rental income from investment properties - net	5.2	72,920
Insurance claim	-	15,194
Deferred income on capital grant	-	9,000
Gain on disposal of fixed assets - net	3.1.3	7,740
Scrap sales		30,363
	<u>111,023</u>	<u>115,647</u>
	<u>290,683</u>	<u>234,360</u>

27 FINANCE COSTS

Mark-up on:
- short-term borrowings and bank overdraft
- lease liability
Bank charges

Note	2025	2024
	(Rupees in thousand)	
	11,183	46,618
19	50,682	13,809
	37,991	84,090
	<u>99,856</u>	<u>144,517</u>

28 MINIMUM TAX DIFFERENTIAL

This represents unrecoupable minimum tax paid under section 113 and 148 of the Income Tax Ordinance, 2001 (the Ordinance).

29 FINAL TAX

This included final tax paid under section 154 of the Ordinance till June 1, 2024. This levy was subsequently amended to a minimum tax through Finance Act, 2024.

30 INCOME TAX

Current - for the year
- for prior years

Deferred

Note	2025	2024
	(Rupees in thousand)	
	2,272,780	1,451,785
	(10,075)	(12,974)
	<u>2,262,705</u>	<u>1,438,811</u>
	(208,380)	(144,104)
	<u>2,054,325</u>	<u>1,294,707</u>

30.1 Relationship between tax expense and accounting profit:

Profit before income tax

Tax calculated at the rate of 29% (2024: 29%)

Effect of:

- prior year reversal
- super tax
- others

Note	2025	2024
	(Rupees in thousand)	
	4,954,408	3,151,854
	1,436,778	914,038
	(10,075)	(12,974)
	586,599	335,565
	41,023	58,078
	<u>2,054,325</u>	<u>1,294,707</u>

31 EARNINGS PER SHARE - basic and diluted

Profit for the year

Weighted average number of ordinary shares

Earnings per share - basic and diluted

2025	2024
(Rupees in thousand)	
<u>2,900,083</u>	<u>1,857,147</u>
(Number of Shares)	
<u>9,644,760</u>	<u>9,644,760</u>
(Rupees)	
<u>300.69</u>	<u>192.56</u>

31.1 There is no dilutive effect on the basic earnings per share of the Group.

32 SHARIAH RELATED DISCLOSURES

	Note	2025			2024		
		Coventional	Shariah Compliant	Total	Coventional	Shariah Compliant	Total
		(Rupees in thousand)			(Rupees in thousand)		
Statement of financial position							
Lease liabilities	20	261,473	-	261,473	211,476	-	211,476
Short-term borrowings		-	-	-	1,200,000	-	1,200,000
Accrued interest / mark-up		-	-	-	13,922	-	13,922
Short-term investments	15	1,287,435	-	1,287,435	452,884	-	452,884
Cash and bank balances	16	151,809	1,063	152,872	116,098	3,698	119,796
Statement of profit or loss							
Revenue from contracts							
with customers - net	24	-	30,955,414	30,955,414	-	26,747,828	26,747,828
Foreign exchange loss (net)	25	271,298	-	271,298	-	-	-
Profit on bank deposits	26	4,358	-	4,358	4,080	-	4,080
Income from investments	26	175,302	-	175,302	114,633	-	114,633
Foreign exchange gain (net)	26	-	-	-	57,436	-	57,436
Scrap sales	26	-	30,363	30,363	-	25,729	25,729
Gain on disposal of operating assets - net	26	-	7,740	7,740	-	1,333	1,333
Insurance claim	27	-	-	-	15,194	-	15,194
Finance costs	27	99,856	-	99,856	144,517	-	144,517
Other income	26	-	72,920	72,920	-	73,391	73,391

33 TRANSACTIONS WITH RELATED PARTIES

33.1 The related parties of the Group comprise of Parent company, associated undertakings, employees' retirement funds, directors and key management personnel. All transactions with related parties are executed into at agreed terms duly approved by the Board of Directors of the Group. Transactions with related parties, other than those disclosed elsewhere in these consolidated financial statements, are as follows:

	2025					2024				
	Parent Company	Associated undertakings	Employees' retirement funds	Managerial remuneration and other benefits	Total	Parent Company	Associated undertakings	Employees' retirement funds	Managerial remuneration and other benefits	Total
	(Rupees in thousand)									
Sales	-	12,239	-	-	12,239	-	10,714	-	-	10,714
Purchase of goods	-	568,481	-	-	568,481	-	563,497	-	-	563,497
Services received	154,704	6,877	-	-	161,581	148,184	55,420	-	-	203,604
Services rendered	-	14	-	-	14	507	-	-	-	507
Dividends paid	538,541	432,981	-	-	971,522	217,851	178,552	-	-	396,403
Insurance claims received	-	-	-	-	-	-	15,194	-	-	15,194
Insurance premium paid	-	194,596	-	-	194,596	-	167,648	-	-	167,648
Donations paid	-	93,143	-	-	93,143	-	7,216	-	-	7,216
Contribution paid:										
- Gratuity fund	-	-	51,111	-	51,111	-	-	11,140	-	11,140
- Provident fund	-	-	103,088	-	103,088	-	-	76,677	-	76,677
Managerial remuneration and other benefits	-	-	-	532,899	532,899	-	-	-	367,262	367,262

33.2 Following are the related parties with whom the Group had entered into transactions or had arrangements / agreements in place:

Name of the Company	Country of Incorporation	Basis of Association	Direct Shareholding
Packages Limited	Pakistan	Parent Company	41.07%
IGI Investments (Private) Limited	Pakistan	Common Directorship/Shareholding	24.97%
AGT Strategic Holdings (Private) Limited	Pakistan	Common Directorship/Shareholding	2.07%
Ali Gohar & Company (Private) Limited	Pakistan	Common Directorship/Shareholding	0.53%
Packages Converters Limited	Pakistan	Common Directorship	-
IGI General Insurance Limited	Pakistan	Common Directorship	-
IGI Life Insurance Limited	Pakistan	Common Directorship	-
Bulleh Shah Packaging (Private) Limited	Pakistan	Common Directorship	-
Nera Pharma (SMC-Private) Limited	Pakistan	Common Directorship	5.42%
Pakistan Petroleum Limited	Pakistan	Common Directorship	-
Packages Foundation	Pakistan	Common Directorship	-
Mr. Sajjad Iftikhar	-	Chief Executive Officer	-
Mr. Yasser Pirmuhammad	-	Chief Financial Officer	-
Syed Babar Ali	-	Director / Chairman	-
Syed Hyder Ali	-	Director	3.32%
Mr. Arshad Ali Gohar	-	Director	13.89%
Mr. Imtiaz Ahmed Husain Laliwala	-	Director	-
Syed Anis Ahmad Shah	-	Director	-
Mr. Muhammad Salman Burney	-	Director	-
Ms. Saadia Naveed	-	Director	-
Ms. Iqra Sajjad	-	Director	-
Mr. Muhammad Khalid	-	Key management personnel	-
Mr. Abdul Rahman	-	Key management personnel	-
Mr. Javaid Iqbal	-	Key management personnel	-
Ms. Laila Mughal	-	Key management personnel	-
Ms. Maha Khan	-	Key management personnel	-
Ms. Bushra Khaliq	-	Key management personnel	-
Mr. Nadim Ur Rehman	-	Key management personnel	-
Mr. Salman Shamim	-	Key management personnel	-
Mr. Munzir Ishaq Rajput	-	Key management personnel	-
Mr. Ahsen Zeeshan	-	Key management personnel	-
Mr. Syed Muhammad Ali Hasani	-	Key management personnel	-
Mr. Syed Muhammad Taha Naqvi	-	Key management personnel	-
Mr. Kaleemullah Khan	-	Key management personnel	-
Mr. Sharif Hussain	-	Key management personnel	-
Mr. Syed Muhammad Waqar Alam	-	Key management personnel	-
Mr. Arsalan Zahid	-	Key management personnel	-
The Sanofi-Aventis Pakistan Employees' Gratuity Fund	-	Retirement benefit fund	-
The Sanofi-Aventis Pakistan Employees' Provident Fund	-	Retirement benefit fund	-

34 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, DIRECTORS AND OTHER EXECUTIVES

	Chief Executive Officer		Director		Other Executive		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)							
Managerial remuneration	55,628	43,567	-	-	644,178	534,993	699,806	578,560
Bonus	24,557	16,113	-	-	448,640	354,991	473,197	371,104
Retirement benefits	-	-	-	-	92,155	73,079	92,155	73,079
Rent, utilities and others	-	-	-	-	326,452	212,581	326,452	212,581
Medical expenses	-	-	-	-	33,127	23,237	33,127	23,237
	<u>80,185</u>	<u>59,680</u>	<u>-</u>	<u>-</u>	<u>1,544,552</u>	<u>1,198,881</u>	<u>1,624,737</u>	<u>1,258,561</u>
Number of persons, including those who worked part of the year	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>201</u>	<u>171</u>	<u>202</u>	<u>172</u>

- 34.1** In addition, Chief Executive Officer and certain Executives are also provided with the use of Group maintained cars.
- 34.2** Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly and include Chief Executive Officer, Chief Financial Officer and certain executives of the Group.
- 34.3** As per the requirements of the Act, executive represents an employee, other than the Chief Executive Officer and Executive Directors, whose basic salary exceeds Rs. 1.2 million in a financial year.
- 34.4** During the year, the directors have been paid Rs. 21.03 million (2024: Rs. 14.85 million) on account of fees for attending the board and committee meetings.

35 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

35.1 Financial assets

	Note	Interest Rate	Maturity up to one year	Maturity after one year	Total
(Rupees in thousand)					
As at December 31, 2025					
Financial assets at amortised cost					
Interest-bearing:					
Loans to employees	6	9%	31	19	50
Cash and bank balances	15	9.25% - 11.5 %	39,032	-	39,032
Short-term investments	14	9% - 10.82 %	1,037,367	-	1,037,367
Total interest-bearing financial assets			1,076,430	19	1,076,449
Non interest-bearing:					
Loans to employees	6		4,902	8,445	13,347
Long-term deposits			-	66,493	66,493
Trade debts	10		798,679	-	798,679
Advances to executives	11		11,588	-	11,588
Trade deposits	12		205,043	-	205,043
Other receivables	13		21,415	-	21,415
Cash and bank balances	15		113,840	-	113,840
Total non interest-bearing financial assets			1,155,467	74,938	1,230,405
Financial assets at fair value through profit or loss					
Non Interest-bearing:					
Short-term investments	14		250,068	-	250,068
Total non interest-bearing financial assets			1,405,535	74,938	1,480,473
As at December 31, 2024					
Financial assets at amortised cost					
Interest-bearing:					
Loans to employees	6	9%	31	43	74
Cash and bank balances	15	13.50% - 20.50%	18,690	-	18,690
Total interest-bearing financial assets			18,721	43	18,764
Non interest-bearing:					
Loans to employees	6		3,307	5,613	8,920
Long-term deposits			-	47,596	47,596
Trade debts	10		805,073	-	805,073
Advances to executives	11		5,821	-	5,821
Trade deposits	12		493,267	-	493,267
Other receivables	13		54,484	-	54,484
Cash and bank balances	15		101,106	-	101,106
Total non interest-bearing financial assets			1,463,058	53,209	1,516,267
Financial assets at fair value through profit or loss					
Non Interest-bearing:					
Short-term investments	14		452,884	-	452,884
Total non interest-bearing financial assets			1,915,942	53,209	1,969,151

			Maturity up to one year	Maturity after one year	Total	
			(Rupees in thousand)			
35.2	Financial liabilities	Note	Interest Rate			
	As at December 31, 2025					
	Interest-bearing financial liabilities at amortised cost					
	Lease liability	19	19.69% & 6 months KIBOR	53,364	208,109	261,473
	Total interest-bearing financial liabilities			53,364	208,109	261,473
	Non interest-bearing financial liabilities at amortised cost					
	Trade and other payables	20		4,347,057	-	4,347,057
	Total non interest-bearing financial liabilities			4,347,057	-	4,347,057
	As at December 31, 2024					
	Interest-bearing financial liabilities at amortised cost					
	Short term borrowings	21	KIBOR - 1.40%	1,200,000	-	1,200,000
	Lease liability	19	19.69%	2,001	209,475	211,476
	Total Interest-bearing financial liabilities			1,202,001	209,475	1,411,476
	Non interest-bearing financial liabilities at amortised cost					
	Trade and other payables	20		3,789,058	-	3,789,058
	Accrued mark-up			13,922	-	13,922
	Trade and other payables					
	Total non interest-bearing financial liabilities			3,802,980	-	3,802,980

35.3 Financial instruments risk management objectives and policies

The Group's principal financial liabilities comprise of trade and other payables. The Group's principal financial assets include trade debts, trade deposits and other receivables that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's overall risk management program focuses on minimising potential adverse effects on the Group's financial performance. The overall risk management of the Group is carried out by the Group's senior management team under policies approved by the Board of Directors. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

35.3.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk, such as equity price risk. The objective of market risk management is to manage and control market risk exposures within an acceptable range, and the management manages these risks as explained in the following paragraphs.

35.3.1.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk due to transactions denominated in foreign currencies primarily relating to its operating activities. When the management expects future depreciation of reporting currency, the Group manages its foreign currency risk in accordance with the Group's treasury policy.

Exposure to foreign currency risk

The Group's exposure to foreign currency risk in major currencies is as follows:

	2025	2024	2025	2024	2025	2024
	Euro in '000		USD in '000		CHF in '000	
Trade and other payables	(1,292)	(1,911)	(2)	(94)	-	(32)

Significant exchange rates applied during the year were as follows:

	Average rate		Spot rate	
	2025	2024	2025	2024
	(Rupees)			
EUR	318.30	301.41	329.36	290.08
USD	281.51	278.53	280.55	278.55
CHF	340.25	316.71	354.14	308.44

Sensitivity analysis

The following is the demonstration of the sensitivity to a reasonably possible change in exchange rate of all major currencies applied to assets and liabilities as at December 31, 2025 represented in foreign currencies, with all other variables held constant, of the Group's profit before tax.

		2025	2024
Change in exchange rate	±	10%	10%
Effect on profit before income tax (Rupees in '000)	±	42,609	59,059

35.3.1.2 Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of change in market interest rate relates primarily to the Group's liability against borrowings with floating interest rates. The Group manages its net working capital by keeping it at an optimum level to ensure minimal utilisation of short term facilities, when required.

Interest rate profile of financial instruments

At the reporting date, the interest rate profile of the Group's interest bearing floating financial instruments were as follows:

	2025	2024
	(Rupees in thousand)	
Financial assets		
Loans to employees	50	74
Cash and bank balances	39,032	18,690
	39,082	18,764
Financial liabilities		
Short-term borrowings	-	1,200,000

Sensitivity analysis

A change of 100 basis points (1%) in interest rate at the reporting date would have changed Group's profit before tax by the amounts shown below, with all other variables held constant.

		2025	2024
Change in interest rate	±	1%	1%
Effect on profit before income tax (Rupees in '000)	±	391	11,812

35.3.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors effecting all similar financial instruments traded in the market. The Group is mainly exposed to price risk on its mutual fund investments.

As at December 31, 2025, if net asset value had been 1% higher / lower with all other variables held constant, profit for the year would have been higher/ lower by Rs. 2.5 million (2024: Rs. 4.53 million).

35.3.2 Credit risk

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

Credit risk of the Group arises principally from the trade debts, loans and advances, trade deposits, other receivables, short term investments and balances with banks. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk on trade debts, the Group has developed a formal approval process, whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and records an allowance for expected credit loss. The credit risk on liquid funds such as balances with banks and short term investments is limited because the counter parties are banks and asset management companies with reasonably high credit ratings.

Exposure to credit risk

The Group's maximum exposure to credit risk at the reporting date is as follows:

	Note	2025	2024
(Rupees in thousand)			
Financial assets at amortised cost			
Loans to employees	6	13,397	8,994
Long-term deposits		66,493	47,596
Trade debts	10	798,679	805,073
Advances to executives	11	11,588	5,821
Trade deposits	12	205,043	493,267
Others receivables	13	21,415	54,484
Short-term investments	14	1,037,367	-
Bank balances	15	152,727	119,612
		<u>2,306,709</u>	<u>1,534,847</u>
Financial assets at fair value through profit or loss			
Short-term investments	14	250,068	452,884

Quality of financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings or default history of counter parties as disclosed in notes 35.3.2.1 to 35.3.2.3 to these consolidated financial statements.

35.3.2.1 Trade debts

Customer credit risk is managed subject to the Group's established policies, procedures and controls relating to customer credit risk management.

The aging of trade debts and analysis of expected credit loss rate is as follows:

Days	< 90	91-180	181 - 270	271 - 365	> 365	Total
	(Rupees in thousand)					
December 31, 2025						
Expected credit loss rate	10.87%	39.69%	48.91%	55.28%	93.89%	34.27%
Expected credit loss	80,372	24,591	56,324	36,143	218,897	416,327
Estimated total gross carrying amount at default	739,369	61,950	115,161	65,384	233,142	1,215,006
December 31, 2024						
Expected credit loss rate	5.64%	25.97%	34.38%	52.05%	88.55%	31.48%
Expected credit loss	37,680	23,938	26,216	25,918	256,176	369,928
Estimated total gross carrying amount at default	667,513	92,165	76,243	49,790	289,290	1,175,001

35.3.2.2 Cash at banks

The carrying values of bank balances are analysed as follows:

Credit ratings:	2025	2024
	(Rupees in thousand)	
A1+	152,408	102,479
A-2	-	17,133
A-1	319	-
	<u>152,727</u>	<u>119,612</u>

As at December 31, 2025 and 2024, the credit quality of the Group's bank balances can be assessed with reference to external credit ratings assigned to the respective banks as follows:

Bank	Rating agency	2025		2024	
		Short-term	Long-term	Short-term	Long-term
Allied Bank Limited	PACRA	A1+	AAA	A1+	AAA
Askari Bank Limited	PACRA	A1+	AA+	A1+	AA+
Bank Alfalah Limited	PACRA	A1+	AAA	A1+	AAA
Bank Al Habib Limited	PACRA	A1+	AAA	A1+	AAA
Deutsche Bank AG	Moody's	P-1	A1	P-1	A1
	S&P	A-1	A	A-1	A
	Fitch	F1	A	F2	A-
Faysal Bank Limited	VIS	A1+	AA+	A1+	AA
Habib Bank Limited	VIS	A1+	AAA	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+	A1+	AA+
JS Bank Limited	PACRA	A1+	AA	A1+	AA
MCB Bank Limited	PACRA	A1+	AAA	A1+	AAA
Meezan Bank Limited	VIS	A1+	AAA	A1+	AAA
National Bank of Pakistan	PACRA	A1+	AAA	A1+	AAA
	VIS	A1+	AAA	A1+	AAA
Standard Chartered Bank (Pakistan) Limited	PACRA	A1+	AAA	A1+	AAA
United Bank Limited	VIS	A1+	AAA	A1+	AAA

35.3.2.3 Short-term investments

The carrying values of short-term investment are analysed as follows:

	2025	2024
	(Rupees in thousand)	
Credit ratings:		
AM1	250,068	452,884
A1+	1,037,367	-
	1,287,435	452,884

35.4 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group maintains flexibility in funding by maintaining availability under control committed credit lines.

The table below summarises the maturity profile of the Group's financial liabilities, carried at amortised cost, as at reporting date.

	Carrying amount	Undiscounted maturities		
		Less than 12 months	More than 12 months	Total
	(Rupees in thousand)			
December 31, 2025				
Lease liability	261,473	53,364	659,865	713,229
Trade and other payables	4,347,057	4,347,057	-	4,347,057
	4,608,530	4,400,421	659,865	5,060,286
December 31, 2024				
Lease liability	211,476	2,001	651,489	653,490
Trade and other payables	3,789,058	3,789,058	-	3,789,058
Short-term borrowings	1,200,000	1,200,000	-	1,200,000
Accrued mark-up	13,922	13,922	-	13,922
	5,214,456	5,004,981	651,489	5,656,470

35.5 Fair value measurement

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

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

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

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

The different levels of fair valuation method have been defined as follows:

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

The carrying value of all financial assets and liabilities reflected in these consolidated financial statements approximate their fair values. The fair values of Group's investment in mutual funds amounting to Rs. 250 million (2024: 453 million) is determined under Level 2 valuation method.

As of reporting date, the Group's investments properties are carried at cost. The fair values of these properties as disclosed in note 5.3 have been determined under level 3 valuation method with reference to market-based evidence after making adjustments for size, location, time, amenities and other relevant factors by comparing the subject asset with identical or similar assets for which price information is available. Valuation techniques used to derive the fair values of the investment properties have been summarised in the table below:

Class of investment property	Fair value December 31, 2025	Fair value December 31, 2024	Valuation technique	Key unobservable inputs	Rate December 31, 2025	Rate December 31, 2024
	(Rupees in thousand)				(Rupees)	
Leasehold land	780,000	750,000	Market comparable approach	Price per square meter	157,258	151,210
Buildings on leasehold land	60,050	55,500			21,355	20,893
	<u>840,050</u>	<u>805,500</u>				

Increase / (Decrease) in the price per square meter in isolation would result in a higher / (lower) fair value. Sensitivity analysis of change in key input is as follows:

	Sensitivity used	Effect on fair values	
		Leasehold land	Buildings on leasehold
(Rupees in thousand)			
2025	Increase of 10%	<u>78,000</u>	<u>6,005</u>
2024	Increase of 10%	<u>75,000</u>	<u>5,550</u>

36 CAPITAL RISK MANAGEMENT

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may regulate the amount of dividends declared and paid to the shareholders, issue new shares or sell assets to reduce debt.

The Group monitors its capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total bank borrowings less cash and bank balances. Total capital is calculated as equity, as reported in the statement of financial position plus net debt.

	Note	2025	2024
(Rupees in thousand)			
The gearing ratio as at reporting date was as follows:			
Short term-borrowings		-	1,200,000
Lease liability	19	261,473	211,476
Less: Cash and bank balances	15	(152,872)	(119,796)
Net debt		108,601	1,291,680
Total capital	16 & 17	8,193,719	6,814,943
		<u>8,302,320</u>	<u>8,106,623</u>
Gearing ratio [Net debt / (Net debt + Total capital)]		1%	16%

37 ENTITY WIDE INFORMATION

37.1 The Group constitutes a single reportable segment since the Directors and Executive Management monitors the operating results of the entire Group for the purpose of making decisions about resource allocation and performance assessment. Information about geographical areas of the Company are as follows:

Sales to external customers, net of returns, discounts and sales tax

	2025	2024
	(Rupees in thousand)	
Pakistan	29,603,841	25,576,562
Afghanistan	1,351,573	1,171,266
	<u>30,955,414</u>	<u>26,747,828</u>

37.2 There were three major customers of the Group who contributed 11%, 10% and 10% (2024: 10%, 10% and 7%) respectively, of the Group's net sales. All the sales of the Group relate to pharmaceutical and related products and are earned from single shariah compliant reportable segment. All non-current assets of the Group as at December 31, 2025 and 2024 are located in Pakistan.

38 CAPACITY AND PRODUCTION

The capacity and production of the Group's manufacturing facility is not determinable as it is a multiproduct plant facility involving varying processes of manufacture.

39 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue on February 18, 2026 by the Board of Directors of the Group.

40 EVENTS AFTER REPORTING DATE


The Board of Directors has proposed a final cash dividend for the year ended December 31, 2025 of Rs. 190 per share amounting to Rs. 1,832.5 million in its meeting held on February 18, 2026 for the approval of the members at the annual general meeting to be held on April 08, 2026.


41 GENERAL

41.1 Total number of employees as at December 31, 2025 was 957 (2024: 837) and average number of employees during the year was 901 (2024: 771).

41.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation, the effects of which are not material.

41.3 Figures presented in these financial statements have been rounded off to the nearest thousand Pakistan Rupees, unless otherwise stated.


Syed Babar Ali
Chairman


Sajjad Iftikhar
Chief Executive Officer


Yasser Pirmuhammad
Chief Financial Officer

Shareholders' Information

Registered Office

Plot 23, Sector 22, Korangi Industrial Area,
Karachi-74900, Pakistan
PABX: (021) 35060221-35
Fax: (021) 35060358

Share Registrar

FAMCO Share Registration Services (Pvt.) Limited
8-F, Near Hotel Faran Nursery, Block 6, P.E.C.H.S.
Shahrah-e-Faisal Karachi - 75400
Tel: (021) 34380101-5, (021) 34384621-3
Fax: (021) 34380106

Ownership

On December 31, 2025, there were 1,078 members on the Company's ordinary share register.

Dividend Payment

The Board of Directors of the Company has recommended a Rs. 190 per share (i.e. 1,900%) final cash dividend for the year ended 2025. The proposal shall be placed before the shareholders of the company in the Annual General Meeting for their consideration and approval on Wednesday, April 08, 2026. The dividend, if approved by the shareholders, shall be directly credited to the designated bank accounts of the shareholders listed in the Company's share register at the close of business on Wednesday, April 01, 2026, and shall be subject to the Zakat and tax deductions as per applicable laws.

FINANCIAL CALENDAR

RESULTS

First quarter ended March 31, 2025	Approved on Announced on	April 24, 2025 April 25, 2025
Half year ended June 30, 2025	Approved and announced on	August 13, 2025
Third quarter ended September 30, 2025	Approved on announced on	October 23, 2025 October 24, 2025
Year ended December 31, 2025	Approved and announced on	February 18, 2026

DIVIDEND

Final – Cash (2024)	Approved on Statutory time limit up to which payable Paid on	April 08, 2025 April 21, 2025 April 11, 2025
Interim – Cash (2025)	Approved on Statutory time limit up to which payable Paid on	August 13, 2025 September 08, 2025 September 04, 2025

58th Annual General Meeting

To Be Held on

April 08, 2026

Listing on Stock Exchange

The equity shares of Hoechst Pakistan Limited (the "Company") are listed on the Pakistan Stock Exchange Limited (PSX).

Stock Code

The trading symbol for dealing in equity shares of Hoechst Pakistan Limited at the PSX is 'HPL'.

Share Registrar

The shares department of the Company is operated by FAMCO Share Registration Services (Pvt.) Limited and serves its shareholders. It is managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and a comprehensive set of systems and procedures for conducting the registration function.

The Share Registrar has online connectivity with the Central Depository Company of Pakistan Limited (CDC). It undertakes activities pertaining to dematerialization of shares, share transfers, transmissions, issue of duplicate/ replaced share certificates, change of address and other related matters.

For assistance, shareholders may contact either the Registered Office or the Share Registrar at details appearing below:

Contact persons

Syed Muhammad Taha Naqvi

PABX: (021) 35060221-35
Fax: (021) 35060358
Email: company.secretary@hoechst.com.pk

Mr. Salman Rauf

Tel: (021) 34380101-5, (021) 34384621-3
Fax: (021) 34380106
Email: info.shares@famcosrs.com

Service Standards

Hoechst Pakistan Limited has always endeavored to provide its investors and shareholders with prompt services. Listed below are various services and the maximum time limits set for their execution, subject to receipt of the complete set of required documents:

	For requests received through post or over the
Transfer of shares	15 days after receipt
Transmission of shares	15 days after receipt
Issue of duplicate share certificates	30 days after receipt
Updating of IBAN	2 working days after receipt
Change of address	2 days after receipt

Well qualified personnel of Share Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

Statutory Compliance

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant and prescribed information.

Dematerialization of Shares

The equity shares of the Company are under the dematerialization category. As of date, 98.45% of the equity shares of the Company have been dematerialized by the shareholders.

Members holding shares in physical form are encouraged to convert their physical shares into Book-Entry Form (CDC) pursuant to the requirements of Section 72 of the Companies Act, 2017 (the "Act").

Investors' Grievances

To date none of the investors or shareholders has filed any letter of complaint against any service provided by the Company to its shareholders.

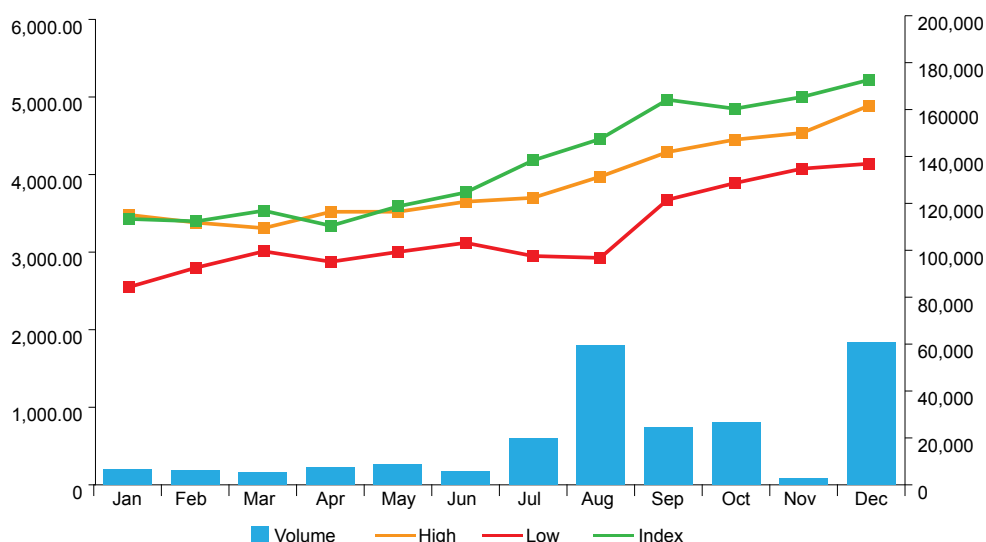
Legal Proceedings

No case has ever been filed by shareholders against the Company.

Share Price/Volume

The monthly high and low prices and the volume of shares traded on the Pakistan Stock Exchange during the financial year 2025 are as under:

Month	Share Price on the PSX (Rs.)		Volume of Shares Traded	KSE 100-Index
	Highest	Lowest		Close
January	3,480.00	2,550.00	6,455	114,255.72
February	3,380.00	2,800.79	6,155	113,251.66
March	3,309.43	3,010.00	5,460	117,806.74
April	3,520.00	2,876.00	7,465	111,326.57
May	3,520.88	3,003.00	8,895	119,691.09
June	3,650.00	3,120.00	5,606	125,627.31
July	3,699.99	2,950.00	20,022	139,390.42
August	3,973.00	2,925.66	59,606	148,617.77
September	4,290.00	3,675.00	24,527	165,493.58
October	4,449.99	3,890.01	26,451	161,631.73
November	4,537.00	4,076.00	2,763	166,677.69
December	4,889.99	4,140.00	60,624	174,054.32



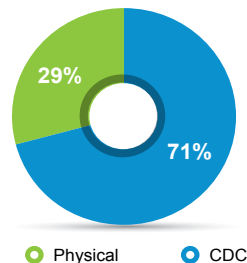
Pattern of Shareholding

AS AT DECEMBER 31, 2025

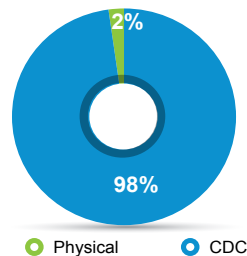
Shareholdings' slab		Number of shareholders	Total shares held
From	To		
1	100	669	18,130
101	500	274	83,018
501	1,000	59	46,701
1,001	5,000	56	98,655
5,001	10,000	5	42,829
10,001	15,000	2	21,700
15,001	20,000	1	16,914
20,001	25,000	2	43,668
50,001	55,000	1	51,442
60,001	65,000	1	63,777
160,001	165,000	1	162,178
205,001	210,000	1	206,145
255,001	260,000	1	255,700
300,001	305,000	1	302,871
520,001	525,000	1	523,000
1,335,001	1,340,000	1	1,340,000
2,405,001	2,410,000	1	2,408,171
3,955,001	3,960,000	1	3,959,861
		1,078	9,644,760

Shareholding Position / IBAN

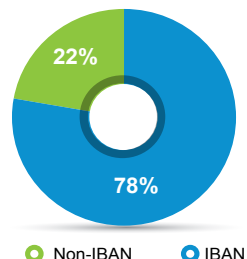
Total Number of Shareholders as on December 31, 2025		
Physical	CDC	Total
309	769	1,078



Total Number of shares as on December 31, 2025		
Physical	CDC	Total
149,555	9,495,205	9,644,760



Number of IBAN updated as on December 31, 2025		
IBAN	Non-IBAN	Total
837	241	1,078



Categories of Shareholding

AS AT DECEMBER 31, 2025

S.No.	Shareholders' category	Number of shareholders	No. of shares	%
1	Directors, Chief Executive Officer, and their spouse and minor children	9	1,682,655	17.45
2	Associated Companies, Undertakings and related Parties	7	7,213,454	74.79
3	NIT and ICP	-	-	-
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	2	169	0.00
5	Insurance Companies	-	-	-
6	Modarabas and Mutual Funds	8	20,227	0.21
7	Shareholders holding 10% or more	4	7,709,090	79.93
8	General Public :			
	a. local	1,022	249,900	2.59
	b. Foreign	-	-	-
9	Others	30	478,355	4.96
	Total (excluding shareholders holding 10% or more)	1,078	9,644,760	100.00

Category Details of Shareholding

AS AT DECEMBER 31, 2025

Shareholders' category	Number of shareholders	Number of shares held
i) Directors, Chief Executive Officer, and their spouse and minor children		
Syed Babar Ali	1	100
Mrs. Perwin Babar Ali	1	22,690
Syed Hyder Ali	2	319,785
Mr. Arshad Ali Gohar	1	1,340,000
Syed Anis Ahmad Shah	1	20
Mr. Imtiaz Ahmed Husain Laliwala	1	20
Mr. Muhammad Salman Burney	1	20
Ms. Saadia Naveed	1	20
Total:	9	1,682,655
ii) Associated Companies, Undertakings and related Parties		
Packages Limited	2	3,960,919
IGI Investments (Private) Limited	1	2,408,171
Nera Pharma (SMC-Private) Limited	1	523,000
AGT Strategic Holdings (Private) Limited	1	206,145
Ali Gohar & Co. (Private) Limited	1	51,442
Babar Ali Foundation	1	63,777
Total:	7	7,213,454
iii) Banks, Development Financial Institutions, Non Banking Financial Institutions		
National Bank of Pakistan	1	129
MCB Bank Limited - Treasury	1	40
Total:	2	169
iv) Modarabas and Mutual Funds		
CDC - Trustee Atlas Pension Fund - Equity Sub Fund	1	1,000
CDC - Trustee Atlas Pension Islamic Fund - Equity Sub Fund	1	950
CDC - Trustee Al Habib Islamic Stock Fund	1	10,000
CDC - Trustee Atlas Islamic Dedicated Stock Fund	1	87
CDC - Trustee Nafa Pension Fund Equity Sub-Fund Account	1	2,839
CDC - Trustee Nafa Islamic Pension Fund Equity Account	1	2,351
CDC - Trustee Al Habib Pension Fund-Equity Sub Fund	1	1,400
CDC - Trustee Al Habib Islamic Pension Fund-Equity Sub Fund	1	1,600
Total:	8	20,227
v) Shareholders holding 10% or more		
Packages Limited	2	3,960,919
IGI Investments (Private) Limited	1	2,408,171
Mr. Arshad Ali Gohar	1	1,340,000
Total:	4	7,709,090

Notice of 58th Annual General Meeting

Notice is hereby given that the 58th Annual General Meeting (AGM) of Hoechst Pakistan Limited will be held on Wednesday, April 8th, 2026 at 11:00 A.M. at the Auditorium of The Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi and virtually through video conference facility to transact the following business:

ORDINARY BUSINESS

- 1) To confirm the minutes of the 57th Annual General Meeting of the Company held on April 08, 2025.
- 2) To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2025 together with the Chairman`s Review, Directors` and Auditors` Reports thereon.

As required under section 223(6) of the Companies Act 2017 (the "Act") and approved by the shareholders of the Company in AGM held on April 08, 2024, the Annual Audited Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following link and/or QR enabled code:



www.hoechst.com.pk/investors/financial-reports

- 3) To consider and approve the Final Cash Dividend at the rate of Rs. 190.00 (1,900%) per ordinary share of Rs. 10/- as recommended by the Board of Directors for the year ended December 31, 2025. This is in addition to interim cash dividend of Rs. 50.00 (500%) per share already paid during the year.
- 4) To appoint External Auditors of the Company for the year 2026 and to fix their remuneration. The current Auditors, M/s. A.F. Ferguson & Co. (Chartered Accountants), being eligible to do so, have consented to be appointed as Auditors and the Board of Directors has recommended their appointment.

ANY OTHER BUSINESS

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

By Order of the Board

Syed Muhammad Taha Naqvi
Company Secretary

Karachi
March 18, 2026

Participation in the AGM Proceedings Via Video Conferencing Facility

The Securities and Exchange Commission of Pakistan ("SECP") has vide its circulars issued from time to time directed the listed companies to hold general meetings virtually in addition to the requirements of holding physical meeting. The following arrangements have been made by the Company to facilitate the participation of the shareholders in the AGM:

The shareholders interested in attending the AGM virtually are requested to get themselves registered by sending their particulars at the designated email address shares.desk@hoechst.com.pk mentioning their name, folio number, email address by the close of business hours on April 06, 2026. The log-in credentials and link to participate in the AGM would be provided to the registered shareholders via response email. The shareholders are also encouraged to send their comments/suggestions, related to the agenda items of the AGM on the abovementioned email address by the same date.

Notes:

Closure of Share Transfer Books and Appointment of Proxies

1. The Share Transfer Books of the Company will be closed from Thursday, April 02, 2026 to Wednesday, April 08, 2026 (both days inclusive). Transfers received at the office of the Company's Share Registrar, M/s FAMCO Share Registration Services (Pvt.) Limited, 8-F, Near Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi at the close of business on Wednesday, April 01, 2026 or updated on Central Depository System as per CDC regulations, will be treated in time for the purpose of entitlement to the transferees.

2. A Member entitled to attend and vote at the Meeting may appoint another person as his/her Proxy to attend, speak and vote at the Meeting on his/her behalf. Instrument appointing Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
3. Shareholders holding physical shares are also required to bring their original CNIC and/or copy of CNIC of shareholder(s) of whom he/she/they hold Proxy(ies). Such shareholder(s) shall not be allowed to attend and/or sign the Register of Shareholders/Members at the AGM without such CNIC(s).
4. The CDC Account Holders and Sub-Account Holders, whose registration details are available in the Share Book Details Report, shall be required to produce their respective original Computerized National Identity Card (CNIC) or original passport at the time of attending the Annual General Meeting to facilitate identification. Such Account Holders and Sub-Account Holders should also bring/know their respective participation I.D. No. and the CDC Account No. and in case of Proxy, he/she must enclose an attested copy of his/her CNIC or Passport. Representative(s) of corporate member(s) should bring attested copy of Board Resolution/Power of Attorney and/ or all such documents that are required for such purpose under Circular No.1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan ("SECP"). Proxy form is also available on the Company's website www.hoehst.com.pk

Withholding Tax on Dividend Income

Please further note that under Section 150 of the Income Tax Ordinance, 2001 and pursuant to Finance Act 2020, withholding tax on dividend income will be deducted as per law for persons appearing and not appearing in Active Tax Payer List (ATL). According to clarification received from Federal Board of Revenue (FBR) withholding tax will be determined separately on 'Active/Inactive' status of Principal Shareholder as well as Joint Holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares with joint shareholders are requested to provide shareholding proportions of Principal Shareholder and Joint Holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Company Name	Folio/CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

- a. The required information must reach our Share Registrar by April 01, 2026; otherwise, it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s) and tax will be deducted accordingly.
- b. Shareholders are therefore requested to please check and ensure the status from Active Taxpayers List (ATL) available at FBR website <http://www.fbr.gov.pk/> as well as ensure that their CNIC/Passport number has been recorded by the Participant/Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate bodies (non-Individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant/Investor Account Services or in case of physical shareholding by the Company's Share Registrar.
- c. Withholding tax exemption from dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Company's Share Registrar by April 01, 2026.
- d. Non-resident shareholder(s) shall submit declaration of undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of residential status for the purposes of tax deduction on dividend to the Company Share Registrar's FAMCO Share Registration Services (Pvt.) Limited. or email at info.shares@famcosrs.com at the latest by April 01, 2026. Member may send a declaration using a standard format as placed on Registrar and Company's websites as mentioned below:

www.famcosrs.com
www.hoehst.com.pk

Statutory Code of Conduct at AGM

The Members are requested to observe the Statutory Code of Conduct at AGM in accordance with Section 215 of the Companies Act, 2017 and Regulation 55 of the Companies Regulations, 2024, whereby shareholders are not permitted to exert influence or approach the Management directly for decisions which may lead to creation of hurdles in the smooth functioning of the Management. As mentioned in these provisions, shareholders shall not bring material that may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of the AGM and shall not conduct themselves in a manner to disclose any political affiliation. Additionally, the Company is not permitted to distribute gifts in any form to its shareholders in its meetings as per Section 185 of Companies Act, 2017.

Payment of Cash Dividend Through Electronic Mode (Mandatory)

In accordance with the Companies (Distribution of Dividend) Regulation 2017, shareholders are advised to provide their identification Number/Computerized National Identity Card (CNIC) Number and International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above referred office address or to the respective Participants/Broker (if shares are held through CDS Account). In case of non-receipt of information, the Company will be constrained to withhold payments of dividend.

For the convenience of shareholders e-Dividend Mandate form is attached on Registrar and Company's websites as mentioned below:

www.famcosrs.com

www.hoechst.com.pk

Submission of Copy of CNIC and/or NTN (Mandatory)

Further to SECP's directives, including SRO 831(1)/2012 and other relevant rules, for processing of electronic dividend the shareholder should provide CNIC number, except in the case of minor(s) and corporate shareholders.

As per Regulation No. 6 of the Companies (Distribution of Dividend) Regulations, 2017 and Section 243(3) of the Companies Act, 2017, the Company will be constrained to withhold payment of dividend to shareholders, in case of non-availability of identification number of the shareholder or authorized person (CNIC or NTN) and as the case may be.

Accordingly, the individual Members who have not yet submitted a copy of their valid CNIC to the Company's Share Registrar are once again requested to send their CNIC copy at the earliest directly to the Company's Share Registrar at FAMCO Share Registration Services (Pvt.) Limited, 8-F, Near Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi. Corporate entities are requested to provide their National Tax Number (NTN) and Folio Number along with the authorized representative's CNIC copy.

Zakat Deduction

To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" to the Share Registrar. In case shares are held in scripless form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their participant/ Investor Account Services. Further, Non-Muslim shareholders are also required to be Solemn Affirmation (on format available on Company's website) with the Share Registrar of the Company in case shares are held in physical certificates or with CDC Participant/Investor Account Services in case shares are in scripless form. No exemption from deduction of Zakat will be allowed unless the above documents complete in all respects have been made available as above.

Change of Address and/or Email Address

Shareholders having physical shares are requested to promptly notify change in their postal address(s) and/or email address if any, to Share Registrar, in writing whereas CDC account holders are requested to update their addresses with their CDC Participant/CDC Investor Account Services.

Unclaimed Dividend/Shares

Under Section 244 of the Companies Act, 2017 the Company is required to approach shareholders to claim their unclaimed dividends/shares. In this regard the Company has been reaching out to its shareholders by publishing notices in newspapers after sending individual letters. Those shareholders, who have not claimed their dividend amounts and/or shares as yet, are hereby requested to ensure that their claims for unclaimed dividend amounts and/or shares certificate are lodged promptly to the Company's Share Registrar.

Conversion of Physical Shares into CDC Account

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP. Shareholders having physical shareholding(s) are encouraged to open a CDC sub-account with any broker or Investor Account directly with CDC to place their physical shares into scripless form. This is beneficial in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

Availability of Annual Audited Financial Statements

In accordance with Section 223 of the Companies Act, 2017 and pursuant to SRO 389(1)/2023 dated March 21, 2023, the audited financial statements of the Company for the year ended December 31, 2025, along with the Directors', Auditors', and Chairman Report thereon, Notice of Annual General Meeting, and other related materials have been made available on the Company's website and published for sharing using a QR Code.

The Company has obtained shareholders' approval to do so in the Annual General Meeting held on April 08, 2024. Furthermore, members are hereby informed that pursuant to Section 223(6) and 473 of the Companies Act 2017, whereby circulation of Audited Financial Statements and Notice of the Meeting has been allowed in electronic format through email, the same has been circulated through email in cases where email address has been provided by the member to the Company and hence the consent of member to receive the copies through email is not required.

Members can request a hard copy of the same, which shall be provided free of cost, within one week, if a request has been made by the member on the standard request form available on the website of the Company.

Page left blank intentionally

I/We _____
of _____ being member(s) of
Hoechst Pakistan Limited and holder of _____
Ordinary Shares as per Share Register Folio _____ and/or CDC Participant I.D. No. and
Sub Account No. _____ hereby appoint Mr./Ms. _____ of
_____ or failing him / her _____

of _____ as my/our proxy in my/our absence to attend and vote for me/us on
my/our behalf at the 58th Annual General Meeting of the Company to be held on Wednesday, the 08th day of
April 2026, at 11:00 a.m. at the Auditorium of the Institute of Chartered Accountants of Pakistan, Chartered
Accountants Avenue, Clifton, Karachi and at any adjournment thereof.

Signed _____ this day of _____ 2026.

1. Witness

Signature:

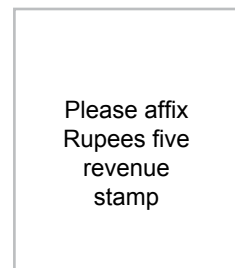
Name: _____

Address: _____

CNIC or _____

Passport No. _____

Signature



(Signature should agree
with the specimen signature
registered with the Company)

2. Witness

Signature:

Name: _____

Address: _____

CNIC or _____

Passport No. _____

Note:

Proxies must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the Company.

CDC Shareholders and their Proxies are requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.

تشکیل نیابت داری

85واں سالانہ اجلاس عام

کمپنی سیکریٹری
ہکسٹ پاکستان لمیٹڈ
پلاٹ 23، سکنر 22، کورنگی
انڈسٹریل ایریا، کراچ۔ 74900

میں/ہم _____ بابت _____ بحیثیت ممبر (ممبران) برائے ہکسٹ پاکستان لمیٹڈ اور ہولڈرز

بابت _____ عمومی شیئر رجسٹر فولیو نمبر _____ اور/یا سی ڈی سی پارٹیشننگ _____ اور

سکرپشن نمبر _____ بذریعہ ہذا _____ بابت یا ان کی عدم حاضری پر _____ کو
اپنا/ہمارا پراکسی مقرر کر رہا ہوں/کر رہے ہیں جو کمپنی کے 58ویں سالانہ اجلاس عام بروز بدھ 08 اپریل 2026 بوقت 11:00 بجے صبح بمقام دی انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس
ایونیو، کلفٹن، کراچی میں منعقد ہوگا۔ کسی زیر التوا تاریخ پر منعقد ہونے والے اجلاس میں میری/ہماری غیر موجودگی کی صورت میں میری/ہماری جگہ شکرکت کرنے اور ووٹ دینے کے
لئے بطور نیابت داری شریک ہوں گے۔

دستخط مورخہ _____ 2026

1. گواہ:

دستخط: _____

نام: _____

پتہ: _____

سی این آئی سی نمبر _____

پاسپورٹ نمبر _____

2. گواہ:

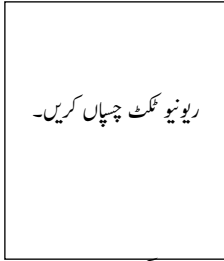
دستخط: _____

نام: _____

پتہ: _____

سی این آئی سی نمبر _____

پاسپورٹ نمبر _____



(دستخط کمپنی میں پہلے سے

موجود نمونہ کے مطابق ہونے

چاہئے)

نوٹ:

پراکسی کے موثر ہونے کے لئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ نیابت دار کا کمپنی کارکن ہونا ضروری نہیں ہے۔ سی ڈی سی کے حصص یافتگان اور ان کے
نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ شناختی کارڈ نمبر یا پاسپورٹ کی تصدیق کاپی پراکسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

Electronic Credit Mandate Form

Dear Shareholder,

We wish to inform you that in accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive your dividends directly in your Bank account, please complete the particulars as mentioned below and return this letter duly signed along with a copy of your Computerized/Smart National Identity Card (CNIC/SNIC) to the Share Registrar of the Company M/s FAMCO Share Registrtrion Services (Pvt.) Limited, 8-F, Near Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi.

CDC shareholders are requested to submit their Dividend Mandate Form and CNIC/SNIC directly to their broker (participant)/CDC

Yours faithfully
For Hoechst Pakistan Limited

Syed Muhammad Taha Naqvi
Company Secretary

SHAREHOLDER'S SECTION:

I hereby communicate to receive my future dividends directly in my Bank account as detailed below:

Name of shareholder :

Folio Number / CDC Account No.: _____

Contact number of shareholder: _____

Title of bank account of shareholder: _____

IBAN Number (see below Note No. 1): _____

Name of Bank: _____

Bank branch & full mailing address: _____

CNIC/SNIC No. (copy attached): _____

NTN (in case of corporate entity): _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company/broker (participant)/CDC informed in case of any change in the said particulars in future.

Shareholder's Signature

Date: _____

CNIC No.
(Copy attached)

Note:

1. Please provide complete International Bank Account Number (IBAN), after checking with your concerned branch to enable electronic credit directly into your bank account.
2. Please provide declaration for non-deduction of Zakat, if applicable
3. The payment of cash dividend will be processed on the basis of the account number alone. The Company is entitled to rely on the account number as per your instructions. The Company shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, delay, or failure in performance of any of its obligations hereunder which is caused by incorrect payment instructions and /or due to any event beyond the control of the Company.

ایلیٹرونک کریڈٹ مینڈیٹ فارم

معزز شیئر ہولڈر

آپ کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 242 کی شقوں کے مطابق ایک لسٹڈ کمپنی کے لئے یہ ضروری ہے کہ وہ اپنے شیئر ہولڈرز کو نقد منافع منقسمہ کی ادائیگی صرف بذریعہ ایلیٹرونک طریقہ کار براہ راست شیئر ہولڈرز کی جانب سے نامزد کردہ بینک اکاؤنٹ میں کرے۔

اپنے منافع منقسمہ کو براہ راست اپنے بینک اکاؤنٹ میں وصولی کی غرض سے برائے مہربانی ذیل میں درج کوائف کو مکمل کریں اور اس خط کو باقاعدہ دستخط کر کے اپنے کمیونٹرائزڈ/اسمارٹ شناختی کارڈ کی کاپی کے ہمراہ کمپنی کے رجسٹرار میسرز فیمکو شیئرز رجسٹریشن (پرائیوٹ) لمیٹڈ، 8 ایف، نزد ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ لہس، شاہراہ فیصل، کراچی کو جمع کرا دیں۔

سی ڈی سی شیئر ہولڈرز سے درخواست ہے کہ اپنے منافع منقسمہ کے مینڈیٹ اور کمیونٹرائزڈ شناختی کارڈ کی کاپی کو براہ راست اپنے بروکر (پارٹنرسپینٹ)/سی ڈی سی کو جمع کرا دیں۔

آپ کے مخلص
بکسٹ پاکستان لمیٹڈ

سید محمد نقوی
کمپنی سیکریٹری

شیئر ہولڈرز پر کریں:

میں بذریعہ ہذا اطلاع دیتا ہوں کہ آئندہ میں اپنے منافع منقسمہ کو براہ راست اپنے بینک اکاؤنٹ میں درج ذیل تفصیل کے مطابق وصول کروں گا۔

شیئر ہولڈر کا نام:

فولیو نمبر/سی ڈی سی اکاؤنٹ نمبر:

شیئر ہولڈر کا رابطہ نمبر:

شیئر ہولڈر کا بینک اکاؤنٹ کا نام:

آئی پی اے این نمبر (نیچے درج نوٹ نمبر 1 ملاحظہ فرمائیں):

بینک کا نام:

بینک برانچ اور ڈاک کا مکمل پتہ:

کمیونٹرائزڈ شناختی کارڈ نمبر (کاپی منسلک کریں):

این ٹی این (کارپوریٹ ادارے کی صورت میں):

آگاہ کیا جاتا ہے کہ میر جانب سے فراہم کردہ مذکورہ بالا کوائف دردت اور میری معلومات کے عین مطابق ہیں اور میں آئندہ ان کوائف میں کسی بھی تبدیلی کی صورت میں کمپنی / پارٹنرسپینٹ / سی ڈی سی انویسٹر اکاؤنٹ سروسز کو مطلع کرتا رہوں گا۔

کمیونٹرائزڈ/اسمارٹ شناختی کارڈ نمبر (کاپی منسلک)

شیئر ہولڈر کے دستخط

نوٹ:

- برائے مہربانی اپنا مکمل آئی پی اے این اپنی متعلقہ برانچ سے چیک کرنے کے بعد فراہم کریں تاکہ ایلیٹرونک کریڈٹ براہ راست آپ کے بینک اکاؤنٹ میں ممکن ہو سکے۔
- نقد منافع منقسمہ کی ادائیگی صرف نینک اکاؤنٹ نمبر پر عمل میں لائی جائے گی۔ کمپنی آپ کی ہدایات کے مطابق اکاؤنٹ نمبر پر انحصار کرنے کا استحقاق رکھتی ہے۔ کمپنی ایسے کسی بھی نقصان، ضیاع، مالی ذمے داری یا دعویٰ کے لئے بلواسطہ قطعی ذمے دار نہ ہوگی جو کسی غلطی، تاخیر ایسی کسی کالی ادائیگی کی پرفارمنس میں ناکامی کی صورت میں سامنے آئے جو ادائیگی کی غلط اور نامناسب ہدایات کی وجہ سے ہو اور/یا کسی ایسے واقعے کے باعث پیش آئے جس پر کمپنی کا کو اختیار نہ ہو۔

Request Form for Transmission of Annual Report and Notices

The Share Registrar

FAMCO Share Registrtrion Services (Pvt.) Limited,
8-F, Near Hotel Faran Block-6, Nursery,
P.E.C.H.S. Shahrah-e-Faisa, Karachi-74000

Dear Sir,

I hereby request you to send me the Annual Report of Hoechst Pakistan Limited for the year ended December 31, 2025 and all notices under the Companies Act, 2017 at my postal / email address give below:

(Postal/email address of the shareholder)

The above address will be recorded in the members register maintained under Section 119 of the Companies Act, 2017. I will inform the Company and its Share Registrar about any change in my postal address immediately.

Regards,

(Signature)

Name of the Shareholders

Folio No:

(In case of physical shareholding)

CDC Account No.: _____

Note: Individual CDC Account holders should submit copy of their Computerized National Identity Card (CNIC) alongwith this request form.

درخواست برائے ترسیل سالانہ رپورٹ اور نوٹسز

شیئر رجسٹرار
فیکو شیئر رجسٹریشن (پرائیوٹ) لمیٹڈ
ایف-8، نزد ہوٹل فاران، نرسری، بلاک-6
پی ای سی ایچ ہس، شاہراہ فیصل
کراچی کو جمع کراویں۔

عزیز محترم

میں بذریعہ ہذا آپ سے درخواست کرتی/کرتا ہوں کہ بکٹ پاکستان لمیٹڈ کی سالانہ رپورٹ اور نوٹسز برائے 2025 کمپنیز ایکٹ 2017 کے تحت میرے درج ذیل ڈاک/ای میل ایڈریس پر ارسال کئے جائیں۔

(شیئر ہولڈرز کا ڈاک/ای میل ایڈریس)
مذکورہ بالا ڈاک/ای میل ایڈریس کمپنیز ایکٹ 2017 کے سیکشن 119 کے تحت تیار کردہ ممبران کے رجسٹر میں ریکارڈ کر لیا جائے میں کمپنی اور اس کے شیئر رجسٹرار کو اپنے ایڈریس میں کسی بھی تبدیلی کے بارے میں فوری طور پر اطلاع کر دوں گا/گی۔

منجانب

(دستخط)

شیئر ہولڈر کا نام

فولیو نمبر:

(فربیکل شیئر ہولڈنگ کی صورت میں)

سی ڈی سی اکاؤنٹ نمبر:

نوٹ: انفرادی سی ڈی سی اکاؤنٹ ہولڈرز کو اس درخواست فارم کے ساتھ اپنے کمپیوٹر ائزڈ قومی شناختی کارڈ (سی این آئی سی) کی کاپی جمع کرانی ہوگی۔

شیر ہولڈرز کی سہولت کے لئے ای ڈیویڈنڈ مینڈیٹ فارم کمپنی کی اس ویب سائٹ پر دستیاب ہے۔

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www.hoechst.com.pk

سی این آئی سی اور/یا این ٹی این کی کاپی جمع کرانا لازمی

SECP کی ہدایات کے سلسلے میں، بشمول ایس آر او 2012/831(1) اور دیگر متعلقہ ضوابط، الیکٹرونک ڈیویڈنڈ کی پروسیسنگ کے لئے، شیر ہولڈرز کو اپنا سی این آئی سی نمبر فراہم کرنا ضروری ہے، سوائے چھوٹا بچہ اور کارپوریٹ شیر ہولڈرز ہونے کی صورت میں۔

کمپنیز (ڈسٹری بیوٹن آف ڈیویڈنڈ) ریگولیشنز 2017 اور کمپنیز ایکٹ 2017 کے سیکشن 243(3) کے مطابق شیر ہولڈرز یا مجاز فرد کی شناخت نمبر (سی این آئی سی یا این ٹی این نمبر) کی عدم دستیابی یا جو بھی صورت ہو، کمپنی ان شیر ہولڈرز کو ڈیویڈنڈ کی ادائیگی روکنے کی پابند ہوگی۔

اسی کے مطابق جن ممبرز نے انفرادی حیثیت میں اپنے کارآمد سی این آئی سی کی کاپی کمپنی کے شیر رجسٹرار کو فراہم نہیں کی ہے، ان سے ایک مرتبہ پھر درخواست ہے کہ ان اپنے سی این آئی سی کی کاپی جلد از جلد براہ راست کمپنی کے شیر رجسٹرار کو فیکو شیر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، 8 ایف، متصل ہوٹل فاران، زسری، بلاک 6، پی ای سی ایچ ایس، شارع فیصل کراچی کو بھیج دیں۔ کاروریٹ اداروں سے درخواست ہے کہ اپنے نیشنل ٹیکس نمبر (این ٹی این) اور فولیو نمبر مع مجاز نمائندہ کے سی این آئی سی کی کاپی فراہم کر دیں۔

زکوٰۃ کی کوٹھی

زکوٰۃ کی کوٹھی سے استثنیٰ حاصل کرنے کے لئے، شیر ہولڈرز سے درخواست ہے کہ زکوٰۃ ڈکلیئریشن فارم ”سی زیڈ 50“ این بے ایس پی پر شیر رجسٹرار کو بھیجیں۔ شیرز کے اسکرپ لیس ہونے کی صورت میں، زکوٰۃ ڈکلیئریشن فارم ”سی زیڈ 50“ اپنے شرکاء/انویسٹر اکاؤنٹ سروسز کے ذریعے شیر ہولڈرز کے سی ڈی سی اکاؤنٹ میں لازمی طور پر اپ لوڈ کریں۔ غیر مسلم شیر ہولڈرز کو بھی Solemn Affirmation (فارمیٹ کمپنی کی ویب سائٹ پر دستیاب ہے) شیرز کے فریکل ہونے کی صورت میں، کمپنی کے شیر رجسٹرار کے پاس یا شیرز کے اسکرپ لیس فارم میں ہونے کی صورت میں سی ڈی سی شرکاء/انویسٹر اکاؤنٹ سروسز کے پاس جمع کرانا ہوگا۔ زکوٰۃ کی کوٹھی سے کوئی استثنیٰ نہیں دیا جائے گا جب تک ہر لحاظ سے مکمل درج بالا دستاویزات، درج بالا کے مطابق جمع نہ کرئی گئی ہو۔

ڈاک اور/یا ای میل پتے میں تبدیلی

فریکل شیرز کے حامل شیر ہولڈرز سے درخواست ہے کہ اپنے ڈاک کے پتے (پتوں) اور/یا ای میل ایڈریس میں تبدیلی (اگر کوئی ہے) سے شیر رجسٹرار کو تحریری طور پر مطلع کریں جبکہ سی ڈی سی اکاؤنٹ ہولڈرز سے درخواست ہے کہ اپنے اپنے سی ڈی سی شرکاء/سی ڈی سی انویسٹر اکاؤنٹ سروس کے ساتھ اپ ڈیٹ کریں۔

غیر کلیم شدہ ڈیویڈنڈ/شیرز

کمپنیز ایکٹ 2017 کے سیکشن 244 کے تحت کمپنی شیر ہولڈرز کو ان کے غیر کلیم شدہ ڈیویڈنڈ/شیرز کے کلیم کے لئے رابطہ کرنا ہوگا۔ اس سلسلے میں کمپنی ان کو انفرادی طور پر مطلع کرنے کے ساتھ اخبارات میں نوٹس شائع کروا رہی ہے۔ جن شیر ہولڈرز نے ابھی تک اپنے ڈیویڈنڈ کی رقم اور/شیرز ابھی تک کلیم نہیں کئے ہیں، ان سے درخواست ہے کہ اپنے غیر کلیم شدہ رقم اور/یا شیر سربیکٹ اپنا کلیم فوری طور پر شیر رجسٹرار کو بھیجیں۔

فریکل شیرز کی سی ڈی سی اکاؤنٹ میں منتقلی

کمپنیز ایکٹ 2017 کے سیکشن 72 کے مطابق، ہر موجودہ لسٹڈ کمپنی کو اپنے فریکل شیرز فوری طور پر بک انٹری فارم میں منتقل کرنا ہوں گے جو مخصوص طریقے سے اور ایس ای سی پی کی مقررہ تاریخ تک کرائے جائیں۔ فریکل شیرز کے حامل شیر ہولڈرز کو کس بروکر یا سی ڈی سی کے ساتھ براہ راست انویسٹر اکاؤنٹ کھولنا ہوگا تاکہ وہ اپنے فریکل شیرز کو اسکرپ لیس فارم میں تبدیل کر سکیں۔ یہ ان کے لئے کئی طرح سے فائدہ مند ہے جس میں محفوظ تحویل اور جب چاہیں شیرز فروخت کرنے کی آسانی جبکہ پاکستان اسٹاک ایکسچینج کے موجودہ ضوابط کے مطابق فریکل شیرز کی فروخت ممنوع ہے۔

سالانہ آڈٹ شدہ مالی گوشواروں کی دستیابی

کمپنیز ایکٹ 2017 کے سیکشن 223 اور ایس آر او 2023/389(1) مورخہ 21 مارچ 2023 کے مطابق کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس برائے سال محترمہ 31 دسمبر 2025 مع ڈائریکٹرز، آڈیٹرز اور چیئرمین کی رپورٹ، سالانہ اجلاس عام کا نوٹس اور دیگر متعلقہ میٹریلز کمپنی کی ویب سائٹ پر دستیاب ہے اور کیو آر کوڈ کے ذریعے شیرنگ کے لئے شائع کیا گیا ہے۔

اس کام کے لئے کمپنی نے سالانہ اجلاس عام منعقدہ 08 اپریل 2024 میں شئر ہولڈرز کی منظوری حاصل کر لی ہے۔ مزید، ممبرز کو مطلع کیا جاتا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 223(6) اور 743 کی رو سے جس میں آڈٹ شدہ مالیاتی اسٹیٹمنٹس اور اجلاس کے نوٹس کی بذریعہ ای میل الیکٹرونک فارمیٹ میں سرکولیشن کی اجازت دی ہے، وہ ای میل کے ذریعے ان کو بھیج دیا گیا ہے جن کے ای میل ایڈریس ممبرز کے کمپنی کو فراہم کر دیئے ہیں اور ای میل کے ذریعے کلیاں وصول کرنے کی رضامندی کی ضرورت نہیں ہے۔

ممبرز ہارڈ کاپی کے حصول کے لئے درخواست دے سکتے ہیں جو ان کو بلا قیمت، ایک ہفتے کے اندر فراہم کر دی جائے گی اگر کمپنی کے ویب سائٹ پر ممبرز کی جانب سے معیاری درخواست فارم دستیاب ہو۔

اطلاع برائے 58 واں سالانہ اجلاس عام

ذریعہ ہذا مطلع کیا جاتا ہے کہ ہسٹ پاکستان لمیٹڈ کا 58 واں سالانہ اجلاس عام بدھ 8 اپریل 2026 کو صبح 11:00 بجے بمقام آڈیٹوریم، انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان، چارٹرڈ اکاؤنٹنٹس ایونیو، کاشن کراچی میں اور ورچوئل طور پر ویڈیو کانفرنس کی سہولت کے ذریعے درج ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

عمومی امور

- (1) کمپنی کے 57 ویں سالانہ اجلاس عام منعقدہ 08 اپریل 2025 کو کارروائی کی توثیق کرنا۔
- (2) کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس برائے سال محتملہ 31 دسمبر 2025 مع چیئرمین کا جائزہ، ڈائریکٹرز اور آڈیٹرز کی رپورٹس وصولی غور و خاص اور منظوری دینا۔
- کمپنی ایکٹ 2017 ('ایکٹ') کے سیکشن 223(6) کے تحت مطلوب اور اے جی ایم منعقدہ 08 اپریل 2024 میں کمپنی کے شیئر ہولڈرز سے منظور شدہ، کمپنی کے سالانہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس کمپنی کی ویب سائٹ پر اپ لوڈ کر دیے گئے ہیں جو درج ذیل لنک اور/یا کیو آر کوڈ کے ذریعے ڈاؤن لوڈ کئے جاسکتے ہیں۔



<https://hoechst.com.pk/investors/financial-reports>

- (3) سال محتملہ 31 دسمبر 2025 کے لئے حتمی منافع منقسمہ کی 190.00 روپے (1,900%) برائے 10 روپے والے فی عمومی شیئر کی شرح سے اداگیگی پر غور اور منظور کرنا، جس کی سفارش بورڈ آف ڈائریکٹرز نے کی ہے۔ یہ اس عبوری منافع منقسمہ بحساب 50.00 روپے (500%) فی شیئر کے علاوہ ہے جو سال کے دوران میں پہلے ہی ادا کیا جا چکا ہے۔
- (4) سال 2026 کے لئے کمپنی کے بیرونی آڈیٹرز کا تقرر کرنا اور ان کا مشاہرہ مقرر کرنا۔ موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) نے اہل ہونے کی بناء پر بطور آڈیٹرز تقرر کی رضامندی ظاہر کی ہے اور بورڈ آف ڈائریکٹرز نے ان کے تقرر کی سفارش کی ہے۔

دیگر امور

- (5) چیئرمین کی اجازت سے کسی دوسرے امور کی انجام دہی۔

بجلم بورڈ

سید محمد نعیمی
کمپنی سیکریٹری

کراچی

بتاریخ 18 مارچ 2026ء

ویڈیو کانفرنسنگ کی سہولت کے ذریعے سالانہ اجلاس عام کی کارروائی میں شرکت

سیکرٹری اینڈ ایگزیکٹو کمیشن آف پاکستان ("ایس ای سی پی") نے اپنے وقتاً فوقتاً جاری ہونے والے سرکلرز میں لسٹڈ کمپنیز کو ہدایت دی ہے کہ وہ سالانہ اجلاس عام ذاتی طور پر منعقد کرنے کے ساتھ ورچوئل بھی منعقد کریں۔ کمپنی نے اپنے شیئر ہولڈرز کو اے جی ایم میں شرکت کی مزید سہولت فراہم کرنے کے لئے درج ذیل انتظامات کئے ہیں:

اے جی ایم میں ورچوئل شرکت کے خواہشمند شیئر ہولڈرز سے درخواست ہے کہ وہ اپنے کوائف جس میں اپنا نام، فونیو نمبر اور ای میل پتہ درج ہو مورخہ 06 اپریل 2026 کو کاروباری اوقات کے اختتام تک اس مقرر کردہ ای میل پتے shares.desk@hoechst.com.pk پر خود کو رجسٹر کروالیں۔ لاگ ان کی تفصیلات اور اے جی ایم میں شرکت کے لئے رجسٹرڈ شیئر ہولڈرز کو ریپونس ای میل کے ذریعے فراہم کر دیا جائے گا۔ شیئر ہولڈرز کو اے جی ایم کے لیجنڈ آکٹم سے متعلق اپنا تیسرہ تجاویز درج بالا ای میل پتہ پر اسی تاریخ کو بھیجنے کی حوصلہ افزائی کی جاتی ہے۔

نوٹ:

حصص کی منتقلی کی کتاب کی بندش اور پراسیسوں کی تقرری

- 1- کمپنی کی شیئر ٹرانسفر بکس جمعرات 02 اپریل 2026 سے بدھ 08 اپریل 2026 تک (بشمول دونوں ایام) بند رہیں گی۔ کمپنی کے شیئر رجسٹرار، میسرز فیکو شیئر رجسٹرار سرومز (پرائیویٹ) لمیٹڈ کے دفتر ایف، متصل ہوٹل فاران، زمری، بلاک 6، پی ای سی ایف لیس، شارع فیصل، کراچی بدھ یکم اپریل 2026 کو کاروباری اوقات کے اختتام تک موصول ہونے والے ٹرانسفرز یا سی ڈی سی ضابطوں کے مطابق، سینٹرل ڈپازٹری سسٹم میں اپ ڈیٹ کئے گئے ٹرانسفرز ٹرانسفرز کی اہلیت کے مقصد کے لئے بروقت تصور ہونگے۔
- 2- کوئی ممبر جو اجلاس میں شرکت کرنے اور ووٹ دینے کا اہل ہے، اپنی جگہ کسی دوسرے فرد کو اجلاس میں شرکت کرنے، بولنے اور ووٹ دینے کے لئے اپنا پراسیس مقرر کر سکتا/سکتی ہے۔ پراسیس کے تقرری دستاویز لازمی طور پر اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں جمع کرا دی جائیں۔
- 3- فزیکل شیئرز کے حامل شیئر ہولڈرز کو اصل سی این آئی سی اور/یا شیئر ہولڈرز (ز) کے سی این آئی سی کا پی، جس کی پراسیس (ز) اس کے پاس ہوں، لازمی ہے۔ ایسے ہولڈرز (ز) کو بغیر سی این آئی سی کے اے جی ایم میں شرکت کرنے اور/یا شیئر ہولڈرز/ممبرز کے رجسٹر پر دستخط کرنے کی اجازت نہیں ہوگی۔

آڈٹ کمیٹی

بورڈ آڈٹ کمیٹی درج ذیل ممبران پر مشتمل ہے:

☆ جناب امتیاز احمد حسین لالی والا	☆ چیئر مین (خود مختار ڈائریکٹر)
☆ سید انیس احمد شاہ	☆ ممبر (خود مختار ڈائریکٹر)
☆ محترمہ سعدیہ نوید	☆ ممبر (خود مختار ڈائریکٹر)
☆ جناب محمد سلمان برنی	☆ ممبر (نان ایگزیکٹو ڈائریکٹر)

انسانی وسائل اور معاوضہ کمیٹی

انسانی وسائل اور معاوضہ کمیٹی درج ذیل ممبران پر مشتمل ہے:

☆ محترمہ سعدیہ نوید	☆ چیئر پرسن (خود مختار ڈائریکٹر)
☆ سید حیدر علی	☆ ممبر (نان ایگزیکٹو ڈائریکٹر)
☆ جناب ارشد علی گوہر	☆ ممبر (نان ایگزیکٹو ڈائریکٹر)
☆ جناب امتیاز احمد حسین لالی والا	☆ ممبر (خود مختار ڈائریکٹر)
☆ جناب محمد سلمان برنی	☆ ممبر (نان ایگزیکٹو ڈائریکٹر)

شینئر ہولڈنگ کا طرز

کمپنیز ایکٹ 2017 کے سیکشن 227 کے تحت شینئر ہولڈنگ کا طرز مع شینئر ہولڈرز کی کیئرگی بمطابق 31 دسمبر 2025 سالانہ رپورٹ کے صفحہ 179 پر درج ہے۔

آڈیٹرز

موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس رینائر ہو گئے ہیں اور انہوں نے خود کو دوبارہ تقرر کے لئے پیش کیا ہے۔ انہوں نے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی سی اے پی) کی جانب سے تلی بخش ریٹنگ حاصل کرنے کے ساتھ ساتھ انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (آئی ایف اے سی) کے ضابطہ اخلاق کی تعمیل کی تصدیق کی ہے جو کہ آئی سی اے پی کا معیار ہے۔

آڈٹ کمیٹی کی تجویز پر بورڈ آف ڈائریکٹرز نے ان کی 31 دسمبر 2026 کو ختم ہونے والے سال کے لے کمیٹی کے آڈیٹرز کے طور پر دوبارہ تقرری کی سفارش کی ہے جو کہ باہمی متفقہ فیس پر ہوگی۔

منافع منقسمہ

بورڈ آف ڈائریکٹرز نے سال مختتمہ 31 دسمبر 2025 کے لئے فی شینئر 190 روپے کے حساب سے حتمی نقد منافع منقسمہ کی سفارش کی ہے جس کو منظوری کے لئے 8 اپریل 2026 کو ہونے والے سالانہ اجلاس عام میں پیش کیا جائے گا۔ یہ اس 50 روپے فی شینئر عبوری نقد منافع منقسمہ کے علاوہ ہے جو سال کے دوران میں پہلے ہی ادا کیا جا چکا ہے۔


مستقبل کا منظر نامہ

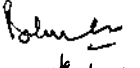
آنے والے سال کے لئے ہم اپنی استعداد میں اضافے کا عمل اور اپنی حکمت عملی کا جائزہ جار رکھیں گے تاکہ ملکی اور عالمی مارکیٹس کی بدلتی ہوئی صورتحال کی مطابقت اور ہم آہنگی کو یقینی بنایا جاسکے۔ آپ کی کمیٹی صارفین کو اعلیٰ و معیاری پروڈکٹس بہم پہنچانے پر توجہ مرکوز رکھتی ہے اور اس کے ساتھ ساتھ جدت، بہتر استعداد، موثر قیمت کے اقدامات کے ذریعے منافع کو بڑھانے اور شینئر ہولڈرز کی آمدنی میں کو زیادہ سے زیادہ کرنے کیلئے بھرپور طور پر کوشاں ہے۔

اعتراف

بورڈ شینئر ہولڈرز کے آنے والے سالانہ اجلاس عام میں سال 2025 کے دوران میں کمیٹی کی کارکردگی کے بارے میں گفت و شنید کرے گا۔ اس کے ساتھ کمیٹی شینئر ہولڈرز کے بورڈ پر بھروسے اور اعتماد کے لئے شکرگزار ہے۔ بورڈ اپنے تمام شینئر ہولڈرز کے مسلسل تعاون اور کمیٹی پر اعتماد اور تعاون پر ان کا ممنون ہے۔ بورڈ خصوصی طور پر پر عزم ملازمین کی تہنیتی اور پر خلوص کاوشوں پر بھی خراج تحسین پیش کرتا ہے جو کمیٹی کو ترقی کی راہ پر گامزن رکھنے کا سبب ہے۔

بحکم بورڈ


سجاد انوار
چیئر ایگزیکٹو آفیسر


سید باقر علی
چیئر مین

کراچی 18 فروری 2026

متعلقہ پارٹی کے ساتھ لین دین

کمپنی ایکٹ 2017 کے سیکشن 208، کمپنیز (ریلیٹڈ پارٹی ٹرانزیکشن اینڈ مینٹنس آف ریلیٹڈ ریکارڈز) ریگولیشنز 2018 کے مطابق، کمپنی نے:

- متعلقہ پارٹی کے ساتھ لین دین کی ایک پالیسی تیار کی ہے، جس کی بورڈ نے باقاعدہ منظوری دی ہے۔
- متعلقہ پارٹی کے ساتھ لین دین کے لئے شرائط کو، آرمر لینتھ ٹرانزیکشن، کا عنوان دیا گیا ہے۔
- متعلقہ پارٹی کے ساتھ لین دین کی منظوری کے لئے درکار مختصر معلومات کو بورڈ چیپرز میں ڈائریکٹرز کے لئے ظاہر کیا گیا ہے اور اس کو سرکولیت کیا گیا ہے۔

سال 2025 میں کئے گئے تمام متعلقہ پارٹی کے لین دین کو جائزہ اور منظوری کے لئے آڈٹ کمیٹی اور بورڈ کے سامنے پیش کیا گیا۔ آڈٹ کمیٹی نے ان لین دین کا باقاعدہ جائزہ لیا اور بورڈ نے متعلقہ اجلاس میں اس کی منظوری دی۔ یہ تمام لین دین 'آرمر لینتھ کی بنیاد پر کی گئیں جو بورڈ کی منظور کردہ ٹرانسفر پرائسنگ پالیسی کے مطابق ہے۔ کمپنی نے ایسی تمام لین دین کا ریکارڈ مع شرائط و ضوابط محفوظ رکھا ہے۔ مزید تفصیلات کے لئے برائے مہربانی مالیاتی گوشواراجات کا نوٹ 34 ملاحظہ کریں۔

اخلاقیات اور تعمیل

تعمیل ہماری کمپنی کے کاروباری عمل کا لازمی حصہ ہے جو ہمارے ضابطہء اخلاق میں شامل ہے۔ ضابطہ کو تمام ملازمین تک پہنچایا جاتا ہے اور یہ اردو اور انگریزی دونوں زبانوں میں دستیاب ہے۔ اخلاقی اصولوں کی ٹریننگ اور تعمیل کے تمام ملازمین کے لئے لازمی ہے جبکہ ملازمین کی خصوصی کیئرنگ کو اضافی خصوصی ٹریننگ بھی دی جاتی ہے۔

بورڈ آف ڈائریکٹرز کی تفہیل

بورڈ میں 9 ڈائریکٹرز (بشمول 2 خواتین ڈائریکٹرز)، 3 خود مختار ڈائریکٹرز، 5 نان ایگزیکٹو اور ایک ایگزیکٹو ڈائریکٹر شامل ہے۔

نام	تعداد	کیئرنگ
جناب امتیاز احمد حسین لالی والا سید انیس احمد شاہ	2	خود مختار ڈائریکٹر (مرد)
محترمہ سعدیہ نوید	1	خود مختار ڈائریکٹر (خاتون)
سید بابر علی سید حیدر علی جناب ارشد علی گوہر جناب محمد سلمان برنی	4	نان ایگزیکٹو ڈائریکٹر (مرد)
محترمہ اقرا سجاد	1	نان ایگزیکٹو ڈائریکٹر (خاتون)
جناب سجاد افتخار	1	ایگزیکٹو ڈائریکٹر (سی ای او)

سال 2025 میں بورڈ آف ڈائریکٹرز کے پانچ اجلاس ہوئے، ہر ڈائریکٹر کی حاضری کی تعداد درج ذیل ہے

ڈائریکٹر کا نام	اجلاس میں حاضری کی تعداد
سید بابر علی	5
سید حیدر علی	4
جناب ارشد علی گوہر	5
جناب امتیاز احمد حسین لالی والا	5
سید انیس احمد شاہ	5
جناب محمد سلمان برنی	5
محترمہ سعدیہ نوید	3
جناب سجاد افتخار	5
محترمہ اقرا سجاد	5

جو ڈائریکٹر اجلاس میں شرکت نہیں کر سکتے ان کو غیر حاضری کی رخصت دی گئی۔

ڈائریکٹرز کا مشاہرہ

کمپنی نان ایگزیکٹو ڈائریکٹرز اور خود مختار ڈائریکٹرز کو بورڈ کے اجلاس اور بورڈ کمیٹیوں کے اجلاس میں شرکت کے لئے معیاری فیس ادا کرتی ہے۔ بورڈ کی تعین کردہ فیس مارکیٹ کے معمولات کے مطابق ہوتی ہے اور کسی لحاظ سے بھی اس سطح کی نہیں ہوتی جس کو ان کی خود مختاری پر سمجھوتہ سمجھا جائے۔

اس کے علاوہ بورڈ نے چیئرمین اور نان ایگزیکٹو ڈائریکٹرز کو ایک فیس کی ادائیگی کی منظوری دی ہے جو وہ اپنی معمول کی ڈیوٹی کے علاوہ انتظامیہ کو رہنمائی اور مشاورت فراہم کرنے کے لئے دی جاتی ہے۔ ڈائریکٹرز کو ادائیگی کی تفصیلات مالیاتی گوشواراجات کے نوٹ 35 میں درج ہیں۔

صحت، تحفظ اور ماحولیات

کمپنی صحت، تحفظ اور ماحولیات (ایچ ایس ای) کے اعلیٰ معیار کو برقرار رکھنے کے لئے پر عزم ہے۔ کمپنی ایچ ایس ای کے بہترین معمولات کی پیروی کو یقینی بناتی ہے اور اس سلسلے میں باقاعدہ تربیتی پروگرام جاری رکھتے ہیں اور کمپنی کی حدود کے اندر اور باہر خطرات اور خدشات کی شناخت اور اس کے تدارک پر توجہ مرکوز رکھی جاتی ہے۔ سال کے دوران میں انجام پانے والے اقدامات میں سولر انرجی پروگرام پر عمل درآمد، پلاسٹک کے استعمال میں نمایاں کمی، اس کی جگہ ویر ہاؤس میں پیٹیلٹس کو چھاننے کے لئے دوبارہ قابل استعمال، بلیٹس کا استعمال، ایئر چنسی میں کام کی جگہ سے باہر نکلنے کے لئے باقاعدہ مشقیں، ایپلائرز کی سالانہ میڈیکل اسکریننگ اور تحفظ کی تربیتی مشقوں کا انعقاد شامل ہیں۔

کمپنی نے 18 ملین سیف مین آور حاصل کر لیا، یعنی 2025 تک حادثاتی نقصان (لیبل ٹی آئی) کا واقعہ نہیں آیا نہ ایسی اطلاع موصول ہوئی۔

پیکجیز گروپ کا حصہ ہونے کی بنا پر، پائیداری کا عزم ہماری اجتماعی اخلاقیات کا جزو لاینک ہے اور ہماری نو تشکیل شدہ پائیداری کی حکمت عملی سے مطابقت رکھتا ہے جس میں ای آر جی کے اصول اپنائے گئے ہیں۔ گروپ کا مشن "ایک بہتر کل کی تخلیق میں مصروف عمل" عالمی اشتراک پر مبنی ہے جو ہمارے مثبت تاثر کے فروغ دینے جبکہ کسی بھی منفی تاثر کو کم سے کم کرنے میں کوشاں ہے

ہمارے پروڈکشنز کے پروسیسز توانائی کی بچت کی ٹیکنالوجیز اور ضیاع میں کمی لانے کے اقدامات پر مبنی ہیں جس سے ایک زیادہ پائیدار مینوفیکچرنگ ایکو سسٹم قائم ہوتا ہے۔ پائیداری کے عزم کو قائم رکھنے کے لئے ہم نے درج ذیل اقدامات اٹھائے ہیں، جیسا کہ سالانہ رپورٹ کے ایچ ایس ای سیکشن میں واضح کئے گئے ہیں۔

☆ انرجی مینیجمنٹ ☆ سولر جزیشن ☆ واٹر مینیجمنٹ ☆ سی این جی مینیجمنٹ

ایک گروپ سسٹیم لیبلیٹی کمیٹی موجود ہے جس کا مقصد گروپ کمپنی کے پائیداری سے متعلق خدشات اور مواقع کی نگرانی کرنا ہے۔ یہ ڈائریکٹری، ایکیویٹی اور اکوٹن (ڈی ای اینڈ آئی) کے معمولات کو یقینی بناتی ہے، متعلقہ پائیداری سے متعلق غور و فکر کے بارے میں متعلقہ قوانین کی پیروی کی نگرانی کرتی ہے اور اس کا مناسب اظہار کرتی ہے۔ کمیٹی کی ٹرمز آف ریفرنس گروپ میں آپریشنز کا احاطہ کرتی ہے اور اجتماعی اقدامات کے فروغ کے لئے گروپ کمپنیوں کی متعلقہ حکمت عملی اور آپریشنز میں پائیداری کے اصولوں کو اپنانے کی ہدایات جاری کرتی ہے۔

بورڈ نے اپنی میٹنگ منعقدہ 18 فروری 2026 کو کمپنی کی سسٹیم لیبلیٹی کمیٹی کی تشکیل کی منظوری دی جو کمپنی اور اس کے ذیلی اداروں کے پائیداری سے متعلق خدشات اور مواقع کی نگرانی کرے گی اور جائزہ پیش کرے گی۔

ذیلی کمپنی کی تشکیل

2024 میں کمپنی کے بورڈ آف ڈائریکٹرز نے ایک مقامی کل ملکیتی ذیلی کمپنی کی تشکیل کی منظوری دی جو لالگو ضوابط کی منظوری سے مشروط، صحت اور نیوٹریشن سے متعلق پروڈکٹس کی مینوفیکچرنگ اور ڈسٹری بیوٹن کے کاروبار کی ذمہ دار ہوگی۔ اس کے مطابق کمپنی نے ایک کل ملکیتی ذیلی کمپنی "ایچ پیک ویل نیس (پرائیویٹ) لمیٹڈ" کے نام سے قائم کی۔ سال کے دوران میں کمپنی نے ذیلی کمپنی میں 270 ملین روپے کی سرمایہ کاری کی۔

اس کے علاوہ بورڈ نے اپنی 19 دسمبر 2024 کو منعقد ہونے والی میٹنگ میں متحدہ عرب امارات (یو اے ای) میں ایک بیرون ملک کل ملکیتی ذیلی کمپنی قائم کرنے کی منظوری دی جو لالگو قوانین کی منظوری سے مشروط ہے، جو ابتدائی طور پر تجارتی اور کاروباری امور کی انجام دہی، مع متعلقہ ذیلی سرگرمیوں درآمد، برآمد، ڈسٹری بیوٹن اور ویر ہاؤسنگ کی خدمات انجام دینا شامل ہے۔ اس کے مطابق ایک کل ملکیتی بیرون ملک ذیلی کمپنی بنام "ہوٹیکسٹ بیگ ٹریڈنگ ایف زیڈ سی ڈی" قائم کردی گئی۔ اس سلسلے میں سال کے آخری کمپنی نے سبکدوشی کی رقم مبلغ 9-68 ملین روپے ادا کردی ہے۔

اجتماعی مالیاتی رپورٹنگ فریم ورک

- ☆ کمپنی کی انتظامیہ جانب سے تیار کردہ مالی گوشواروں میں کمپنی کے معاملات، آپریشنز کے نتائج، نقد رقوم کے بہاؤ اور لیکویڈٹی میں تبدیلی کو درست اور شفاف طور پر پیش کیا گیا ہے۔
- ☆ کمپنی کے کھاتے کی کتابوں کو مناسب طریقے سے رکھا گیا ہے۔
- ☆ مالیاتی گوشواراجات اور اکاؤنٹنگ کے تخمینے کی تیاری میں درست اکاؤنٹ پالیسیز لاگو کی گئی ہیں اور اکاؤنٹس کی پالیسیز موزوں اور محتاط فیصلوں پر مبنی ہیں
- ☆ مالیاتی گوشواراجات، پاکستان میں لاگو انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز کی بنیاد پر تیار کئے گئے ہیں۔
- ☆ اندرونی کنٹرول کا نظام اپنی ساخت میں مستحکم ہے اور موثر طور پر نافذ العمل ہے اور اس کی نگرانی کی جاتی ہے۔
- ☆ کاروبار کو موجودہ صورتحال جاری رکھنے میں کمپنی کی صلاحیت پر کوئی شک و شبہ نہیں ہے۔
- ☆ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں درج تفصیل کے مطابق کارپوریٹ گورننس کے بہترین معمولات سے کوئی مادی اعراض نہیں کیا گیا ہے۔
- ☆ گزشتہ سال کے کمپنی کے کاروباری عمل کے نتائج میں ہونے والی نمایاں تبدیلیوں کی تفصیلات مع ان کی وجوہات سالانہ رپورٹ میں درج ہیں۔
- ☆ گزشتہ چھ سال کا کلیدی آپریشننگ اور فنانشل ڈیٹا صفحہ 45 تا 49 پر درج ہے۔
- ☆ پروویڈنٹ اور گریجویٹی فنڈز کی سرمایہ کاری کی قدر بمطابق 31 دسمبر 2025 (غیر آڈٹ شدہ) درج ذیل ہے:

روپے ہزاروں میں

1,041,532

950,816

پروویڈنٹ فنڈ

گریجویٹی فنڈ

☆ واجب الادا ڈیوٹیڈ، قانونی چارجز اور ٹیکسز، اگر کوئی ہیں، مالیاتی اسٹیٹمنٹس میں ظاہر کئے گئے ہیں۔

☆ سال کے دوران میں ڈائریکٹرز اور ان کی شرکائی حیات نے کمپنی کے شیئرز میں کوئی کاروبار نہیں کیا۔

☆ چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری اور ایگزیکٹوز نے سال کے دوران میں کمپنی کے کسی شیئر کی خریداری نہیں کی۔

اندرونی آڈٹ اور کنٹرولز

کمپنی کا اپنا اندرونی آڈٹ اور کنٹرولز کا موثر نظام موجود ہے، جو اندرونی کنٹرولز کی موجودگی اور موثر ہونے کے بارے میں خود بخود معائنہ کے ساتھ بورڈ کو یقینی معلومات فراہم کرتا ہے۔ کمپنی کے رسک گورننس فریم ورک کی پیروی میں، آڈٹ کمیٹی سالانہ آڈٹ پلان کی منظوری دیتی ہے، جو اندرونی آڈٹ کے کام کو موثر اور خود مختار ہونے کو یقینی بناتی ہے۔ ڈائریکٹرز کو اعتماد ہے کہ اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور پورے سال کے دوران میں موثر طور پر اس پر عمل اور نگرانی جاری رہتی ہے

رسک منیجمنٹ

کمپنی کو مختلف نوعیت کے قانونی، ضابطوں اور آپریشنز کے رسک کا سامنا رہتا ہے۔ اس کے لئے اندرونی کنٹرولز اینڈ رسک منیجمنٹ فریم ورک موجود ہے جو رسک کے خاتمے کے لئے موجود ہے اور موثر طور پر کام کرتا ہے۔ کسی بھی نمایاں مسئلے کو اعلیٰ انتظامیہ اور بورڈ کے سامنے پیش کیا جاتا ہے۔

اسٹریٹجک رسک کی دیکھ بھال بورڈ آف ڈائریکٹرز، لیڈرشپ ٹیم کی معاونت کے ساتھ کرتا ہے جبکہ آپریشنل رسک کے لئے لیڈرشپ ٹیم انتظامات کرتی ہے۔ بعض بنیادی شعبہ جات، جو فارماسیوٹیکل ادارہ ہونے کی حیثیت کمپنی کے آپریشنز پر اثر انداز ہو سکتے ہیں، ان میں درج ذیل شامل ہیں:

- ☆ ادویات کی قیمتوں کا تعین
- ☆ کرنسی کی قدر میں کمی
- ☆ جعلی ادویات
- ☆ سپلائی چین میں رکاوٹیں
- ☆ اداروں سے وصولیائی میں تاخیر
- ☆ پروڈکٹ کے قرضہ جات کے کلیم

ہمارے لوگ اور ہمارا کلچر

ہمارے لوگوں کی صلاحیت اور ان کا جذبہ ہماری سب سے بڑی قوت ہے۔ ہمارے افراد مریضوں کے لئے بہترین پروڈکٹس تیار کرنے اور حل پیش کرنے کے لئے پرعزم ہیں۔ ہم خیال رکھتے، احترام کرنے، ہمت افزائی کرنے اور قیادت کرنے کے کلچر کو فروغ دینے پر یقین رکھتے ہیں جو ہمارے گروپ کی اقدار سے ہم آہنگ ہیں۔ ہم مزید متنوع اور باہمی شمولیت کے کام کے ماحول کی تخلیق جاری رکھتے ہیں جو ہمارے اور کمپنی دونوں کے لئے اعلیٰ ترین ہو۔

تنوع اور شمولیت

ہم شمولیت اور تنوع کو ایک ترقی پسند نقطہ نظر سمجھتے ہیں کیونکہ ہم چاہتے ہیں کہ ہر کوئی منفرد ہو اور ہمارے کاروبار کے لئے اپنا نقطہ نظر رکھتا ہو۔ ان منفرد نقطہ نظر اور ذاتی تجربات کی وسیع وراثت ہمارے کاروبار کو مضبوط تر بناتے ہیں جو ہماری جدت طرازی کی صلاحیت میں اضافے کے اضافے کے ساتھ مریضوں اور صارفین کی مختلف النوع ضروریات پوری کرنے کا باعث ہوتی ہے۔

ہم ہراگنی، نفرت، ناجائز یا جارحانہ رویے یا کسی بھی قسم کے امتیاز برتنے کو برداشت نہیں کرتے۔ ہم تمام ملازمین کے لئے امتیازی سلوک یا جانبداری کے بارے میں تہمتی پروگرام منعقد کرتے ہیں جس میں ان کو امتیاز برتنے اور جانبداری سے باز رہنے اور ہماری اخلاقی اقدار کی پابندی کے بارے میں تربیت دی جاتی ہے جس سے نہ صرف غیر امتیازی کام کا ماحول فراہم ہوتا ہے بلکہ اخلاقیات اور دیانتداری کا کلچر فروغ پاتا ہے۔

تنوع اور شمولیت کا جذبہ اجاگر کرنے کے لئے کمپنی کے اقدامات

- ☆ اطمینان کیا جاتا ہے کہ بورڈ کی تشکیل صلاحیت، تجربہ، علم، نقطہ نظر اور صنف کے لحاظ سے درست طور پر متوازن ہو جو کمپنی کی حکمت عملی کی ضروریات سے مطابقت رکھتی ہو۔
- ☆ ایسا کلچر پیدا ہو جو پورے اسٹاف میں ہر سطح پر تنوع کے فروغ اور اہمیت کو اجاگر کرے۔
- ☆ مربوط تنوع اور شمولیت کے مقاصد حکمت عملی کے پلان کے ساتھ پالیسی میں شامل ہوں۔
- ☆ کمپنی میں خواتین کارکنان سے متعلق صنف کے لحاظ سے تنوع کے فرق کا تجزیہ، ان کو شامل رکھنے اور ان کی صلاحیتوں کو اجاگر کرنے، کام کے لئے سازگار ماحول کی فراہمی، بہتر میٹرنٹی لیوز، عدم ہراگنی اور اسپیک اپ پالیسیز اور فورم سے متعلق جائزہ لیا گیا۔ اس کے ساتھ ساتھ ایک خصوصی کمیٹی ہراگنی سے متعلق شکایات کی نگرانی کر رہی ہے۔
- ☆ اس بات کو یقینی بنایا گیا کہ متنوع اہداف، سینئر منیجمنٹ کے بنیادی کارکردگی (KPIs) کے اشاریے کا حصہ ہیں۔
- ☆ انتظامی عہدوں پر فائز خواتین ممبرز کی حوصلہ افزائی کے لئے ان کو سینئر منیجمنٹ یا ایگزیکٹو کی سطح کی پوزیشن پر ترقی دی گئی اور ان کی کارکردگی کی بنیاد پر اضافی ذمہ داریاں سونپی گئیں۔ اس سے کمپنی کے کلچر اور اس کی متنوع اور شمولیت کی پبلک ایجنج کی تشکیل نو ہوگی اور اس طرح کمپنی کی اپنے افراد کو اپنے ساتھ شامل رکھنے اور ہر سطح پر ان کی بہترین صلاحیتوں کو اجاگر کرنے میں مدد ملے گی۔

اجتماعی سماجی ذمہ داری

کمپنی ملک بھر میں لوگوں کی زندگی کو بہتر سے بہتر بنانے کے لئے کیونٹیز کے ساتھ تعاون اور اشتراک کی ایک طویل تاریخ رکھتی ہے۔ کمپنی تسلیم کرتی ہے کہ اجتماعی سماجی ذمہ داری (سی ایس آر) کے اقدامات کیونٹیز پر مثبت اثرات مرتب کرتے ہیں۔

سال کے دوران میں منعقد ہونے والی سی ایس آر سرگرمیوں کی تفصیلات سالانہ رپورٹ کے سی ایس آر سیکشن میں دی گئی ہیں۔

ڈائریکٹرز کی رپورٹ بابت غیر مجموعی مالیاتی گوشواراجات

برائے سال مختتمہ 31 دسمبر 2025

بورڈ آف ڈائریکٹرز، ہسٹ پاکستان لمیٹڈ (”کمپنی“ کی سالانہ رپورٹ مع کمپنی کے آڈٹ شدہ مالیاتی گوشواراجات برائے سال مختتمہ 31 دسمبر 2025 پیش کرتے ہوئے خوشی محسوس کر رہا ہے۔ ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق تیار کی گئی ہے۔

آپ کی کمپنی کا شمار پاکستان کی صف اول کی مستحکم ہیلتھ کیئر کمپنیز میں ہوتا ہے جو مریضوں کی ضروریات پر توجہ مرکوز رکھتی ہے اور معیاری دوائیں اور ویکسینز تیار کرنے، ان کے فروغ اور فروخت میں مصروف عمل ہے۔

کارکردگی کا عمومی جائزہ

سال 2025 کے دوران میں کمپنی کو 30,929 ملین روپے کی خالص سیلز حاصل ہوئی جو گزشتہ سال کے مقابلے میں 16% زیادہ ہے۔ کمپنی کے مارجن میں بھی بہتری آئی اور گزشتہ سال کے 32% کے مقابلے میں اس بار مجموعی مارجن 37% رہا۔ پروڈکٹ مارجن میں یہ بہتری بنیادی طور پر میٹریلز کی سپلائی کی قیمتوں پر دوبارہ گفت و شنید، بعض پروڈکٹس کی قیمتوں میں اضافے اور پروڈکشن کے استعداد سے متعلق پروڈکٹس کے ذریعے آئی۔

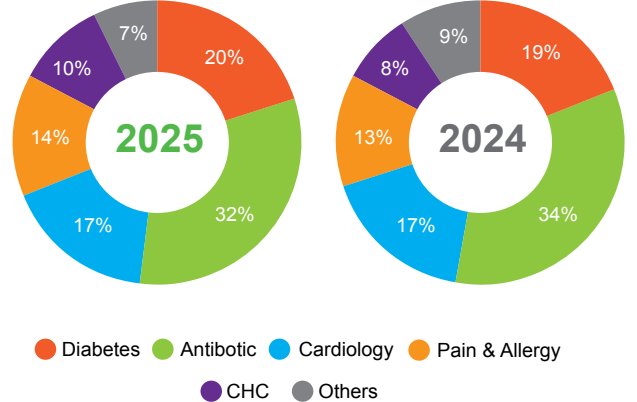
سال مختتمہ 31 دسمبر 2025 کے لئے بعد از ٹیکس منافع 2,910 ملین پاکستانی روپے رہا جبکہ اس کے مقابلے میں 2024 میں بعد از ٹیکس منافع 1,857 ملین پاکستانی روپے تھا۔ یہ آپریٹنگ کی لاگت کے کنٹرول پر زیادہ گہری توجہ، مستحکم یکساں ایلینجمنٹ ریٹ اور مستعد جاری سرمایہ اور ٹریڈری منیجمنٹ کا نتیجہ تھا۔

31 دسمبر 2024	31 دسمبر 2025
26,748	30,929
8,428	11,297
32%	37%
3,624	5,064
14%	16%
(145)	(100)
1,857	2,910
192.56	301.67

بنیادی مالیاتی جھلکیاں

- خالص فروخت
- مجموعی منافع
- مجموعی منافع %
- آپریٹنگ منافع
- آپریٹنگ منافع %
- مالیاتی لاگت
- بعد از ٹیکس منافع
- فی ٹیئر آمدنی (روپے)

خالص فروخت



ہیٹی بائیو ٹیکس، ڈیپریٹس اور کارڈیالوجی (امراض قلب) نے اپنی رفتار برقرار رکھی اور کمپنی کی مجموعی خالص فروخت میں 69 فیصد حصہ ڈالتے ہوئے سب سے زیادہ حصہ ڈالنے والے شعبے رہے۔ ہیٹی بائیو ٹیکس کی فروخت گزشتہ سال کے 9,184 ملین روپے سے بڑھ کر 10,008 ملین روپے تک پہنچ گئی، جس میں 9 فیصد اضافہ دیکھا گیا۔ یہ اضافہ بنیادی طور پر فلیجیل کی فروخت کی وجہ سے ہوا جو ہیٹی بائیو ٹیکس کی کل فروخت کا 78 فیصد ہے۔

ہمارے ڈیپریٹس پورٹ فولیو سے ہونے والی فروخت گزشتہ سال کے 4,964 ملین روپے کے مقابلے میں 6,066 ملین روپے تک پہنچ گئی، جو 22 فیصد کی شرح نمو کو ظاہر کرتی ہے۔ اس فروخت میں بڑے حصے دار لینٹس اور ایمارل رہے۔ اس ترقی میں ایک اور اہم کردار نیوڈیپار کا رہا جس میں سال کے دوران 145 فیصد اضافہ ہوا۔

کارڈیالوجی پورٹ فولیو کا ٹرن اوور 2024 میں 4,483 ملین روپے سے بڑھ کر 5,143 ملین روپے تک پہنچ گیا، جس نے 15 فیصد کی شرح نمو حاصل کی۔ اس کی بنیادی وجہ پیلوکس اور لیکس / لیسورائیڈز ہے جن میں بالترتیب 13 فیصد اور 46 فیصد اضافہ ہوا۔

ہیلتھ کیئر پورٹ فولیو سے حاصل ہونے والی آمدنی 2,257 ملین روپے سے بڑھ کر 3,012 ملین روپے تک پہنچ گئی، جس نے 33 فیصد کی شاندار شرح نمو درج کی۔ اس کی بنیادی وجہ لیشیرو جرینا اور سیلسن بلبو رہے جن میں بالترتیب 38 فیصد اور 32 فیصد اضافہ ہوا۔

چیئرمین کی جائزہ رپورٹ

مجھے چیئرمین کی جائزہ رپورٹ برائے سال 2025 پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔ ہم بکٹ میں اپنی بنیادی اقدار، دیانتداری، خیال، قیادت، احترام اور جرات پر عمل پیرا ہوتے ہوئے لوگوں کی زندگیوں کو بہتر سے بہتر بنانے کے مقصد کے ساتھ مصروف عمل ہیں۔

کمپنی نے زیر جائزہ سال کے دوران میں ٹاپ لائن کی ترقی میں 16% کا ہدف حاصل کر لیا ہے جس سے ملازمین کے آگے بڑھنے کے جذبہ اور پختہ عزم کا اظہار ہوتا ہے۔ انتظامیہ کی جانب سے قیمتوں میں اصلاح اور استعداد کے اقدامات نے کمپنی کے مالیاتی استحکام کو تقویت دینے میں نمایاں کردار ادا کیا۔

مالیاتی کارکردگی کا جائزہ

کمپنی نے 2025 میں 30,929 ملین روپے کی خالص فروخت حاصل کی جو گزشتہ سال کے مقابلے میں 16% زیادہ ہے جبکہ مستعد ذرائع کے حصول اور آپریشنز کی استعداد کے ذریعے 37% مجموعی منافع حاصل ہوا۔ سال 2025 میں کمپنی کا بعد از ٹیکس منافع 2,910 ملین روپے رہا جبکہ گزشتہ سال 1,857 ملین روپے تھا؛ جو آپریٹنگ کے اخراجات پر سخت کنٹرول، شرح مبادلہ کی مستحکم یکسانیت اور مستعد جاری سرمایہ کاری اور ٹریڈری ٹیجمنٹ کے باعث حاصل ہوا۔

ذیلی کمپنیز کی تشکیل

سال 2024 کے دوران میں بورڈ آف ڈائریکٹرز نے ترقی کی حکمت عملی اور تنوع کے مقاصد کے تحت دو کل ملکیتی ذیلی کمپنیز کی منظوری دی تھی۔ پہلی ذیلی کمپنی، جو مقامی طور پر قائم کی گئی ہے، صحت اور نیوٹریشن سے متعلق پروڈکٹس کی مینوفیکچرنگ اور ڈسٹری بیوشن کی ذمہ دار ہے اور اس نے زیر جائزہ سال میں کامیابی کے ساتھ آپریشنز کا آغاز کر دیا ہے۔

دوسری ذیلی کمپنی متحدہ عرب امارات میں بیرون ملک ادارے کے طور پر قائم کی گئی ہے جس کے ذمہ بنیادی اور متعلقہ آپریشنز ہیں جن میں تجارتی سطح پر کاروباری سرگرمیوں، مع درآمد، برآمد ڈسٹری بیوشن اور ویئر ہاؤسنگ کی خدمات انجام دینا شامل ہے۔ اگرچہ بیرون ملک ذیلی ادارے کے طور پر اس کا قیام سال کے دوران میں مکمل ہو گیا ہے، لیکن تجارتی سطح پر اس کے آپریشنز 2026 میں شروع کرنے کا منصوبہ ہے۔

بورڈ کے کام اور فیصلہ سازی

شیئر ہولڈرز کے نمائندہ ہونے کی حیثیت سے بورڈ کمپنی کے معاملات کے انتظامات اور موثر نگرانی کے امور انجام دیتا ہے۔ سال کے دوران میں بورڈ نے میری قیادت میں انتظامیہ سے قریبی تعلق کے ساتھ اس بات کو یقینی بنایا کہ تمام قانونی اور ضابطوں کی شرائط پر عمل درآمد کیا جا رہا ہے۔ اس کے ساتھ حکمت عملی کے مطابق جاری چیلنجز سے نمٹنے میں اور حکمت عملی کے اہداف کے حصول کے لئے رہنمائی اور ہدایات فراہم کرنا ہے۔

بورڈ کی سالانہ کارکردگی کی جانچ

سال کے دوران میں بورڈ نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کو یقینی بنانے میں تمام کوششیں جاری رکھیں اور بہترین کارپوریٹ گورننس کی سختی سے پابندی اور عمل درآمد کو مضبوط تر کرنے اور فارما کے محتاط معمولات پر عمل درآمد کے کلچر کو فروغ دیا۔

سال کے دوران میں بورڈ نے اپنی اور کمیٹیوں کی کارکردگی کی جانچ کے لئے ایک خود مختار جانچ کی فرم کی خدمات حاصل کیں تاکہ بورڈ ممبرز کو کمپنی کے استحکام اور مستقل کامیابیوں کے لئے ایک ٹیم کے طور پر موثر کردار ادا کرنے کی سہولت حاصل ہو۔ سال کے لئے بورڈ کی مجموعی کارکردگی تسلی بخش رہی۔

اعتراف

میں اپنے تمام شیئر ہولڈرز، کسٹمرز اور شریک بینکرز کے سال بھر مسلسل تعاون اور ہم پر اعتماد کا دل سے شکریہ ادا کرتا ہوں۔ میں بورڈ کے ممبران، چیف ایگزیکٹو آفیسر اور تمام ملازمین کا ان کے پختہ عزم، خلوص اور کمپنی کی ترقی اور کامیابی کے لئے ان کی قابل قدر خدمات کا بھی بے حد ممنون ہوں۔

سید باہر علی

کراچی 18 فروری 2026

ڈائریکٹرز کی رپورٹ بابت مجموعی مالیاتی گوشواراجات

دہرائے سال مختتمہ 31 دسمبر 2025

بکسٹ پاکستان لمیٹڈ کے ڈائریکٹرز اپنی کمپنی اور اس کے ذیلی ادارے ایچ پیک ویلنٹس (پرائیویٹ) لمیٹڈ (جو مشترکہ طور پر 'گروپ' کہلاتے ہیں) کے آڈٹ شدہ مجموعی مالیاتی اسٹیٹمنٹس برائے سال مختتمہ 31 دسمبر 2025 پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

بکسٹ پاکستان لمیٹڈ

بکسٹ پاکستان لمیٹڈ (ہولڈنگ کمپنی) نے سال مختتمہ 31 دسمبر 2025 میں 30,929 ملین روپے کی آمدنی حاصل کی جو گزشتہ سال کی آمدنی سے 16% زیادہ ہے اور 37% مجموعی منافع حاصل کیا جو گزشتہ سال کے مقابلے میں 32% زیادہ ہے۔ ہولڈنگ کمپنی کو بعد از ٹیکس 2,910 ملین روپے منافع حاصل ہوا جبکہ گزشتہ سال کی اسی مدت میں 1,857 ملین روپے حاصل ہوا تھا۔

ایچ پیک ویلنٹس (پرائیویٹ) لمیٹڈ

بکسٹ پاکستان لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 24 اپریل 2024 کو منعقد ہونے والی میٹنگ میں مقامی سطح پر ایک کل ملکیتی ذیلی کمپنی تشکیل دینے کی منظوری دی، جو لاگو ضوابط کی منظوری سے مشروط صحت اور نیوٹریشن سے متعلق مصنوعات کی مینوفیکچرنگ اور ڈسٹری بیوٹن کے امور انجام دے۔ اس کے مطابق 27 مئی 2024 کو ایچ پیک ویلنٹس (پرائیویٹ) لمیٹڈ (ذیلی کمپنی) کا قیام عمل میں آیا۔ سال کے دوران میں ہولڈنگ کمپنی نے اس ذیلی کمپنی میں 270 ملین روپے کی سرمایہ کاری کی۔ یہ سال کمپنی کے آپریشنز کا پہلا سال ہونے کی بنا پر فی الوقت پروڈکٹ لائن کے سیٹ اپ اور سپلائی چین انفراسٹرکچر کے پروسیس میں مصروف ہے۔ سال کے دوران میں کمپنی نے 26.9 ملین روپے کی آمدنی حاصل کی جبکہ کاروبار کے ڈیولپمنٹ کے ابتدائی اخراجات کے مرحلے میں 8.7 ملین روپے کا خالص نقصان اٹھانا پڑا۔

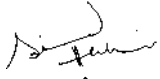
گروپ کی بنیادی مالیاتی جھلکیاں درج ذیل ہیں

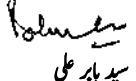
31 دسمبر 2024	31 دسمبر 2025
26,748	30,955
8,428	11,313
1,857	2,900
192.56	300.69

خالص فروخت
مجموعی منافع
بعد از ٹیکس منافع
آمدنی فی شیئر (روپے)

ہم اپنے کاروباری شرکا اور تمام اسٹیک ہولڈرز کے تعاون اور سرپرستی پر ان کے ممنون ہیں اور ایپلاؤز کی کاوشوں اور عزم کے لئے ممنون ہیں۔

بحکم بورڈ


سجاد انوار
چیف ایگزیکٹو آفیسر


سید یاقوب علی
چیئرمین
کراچی 18 فروری 2026



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