BERGER PAINTS
Trusted Worldwide

75 YEARS OF TRUST

ANNUAL REPORT 2026



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75
YEARS OF
TRUST

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Maqbool H. H. Rahimtoola	Chairman
Dr. Mahmood Ahmad	Chief Executive
Mr. Tariq Ikram	Director
Mr. Zafar Suroor Qidwai	Director
Mr. Shahzad M. Hussain	Director
Mr. Ilyas Sharif	Director
Ms. Zareen Aziz	Director
Ms. Roohi Raees Khan	Director

AUDIT COMMITTEE

Mr. Tariq Ikram	Chairman
Mr. Maqbool H. H. Rahimtoola	
Ms. Zareen Aziz	

HUMAN RESOURCE COMMITTEE

Dr. Mahmood Ahmad
Mr. Shahzad M. Hussain

COMMITTEE FOR BUSINESS STRATEGIES

Mr. Tariq Ikram - Chairman
Mr. Zahid Majid (Alternate to Mr. Ilyas Sharif)

CHIEF FINANCIAL OFFICER

Mr. Nauman Afzal

COMPANY SECRETARY

Naveed Ahmed Zafar

BANKERS

MCB Bank Limited
National Bank of Pakistan
Allied Bank Limited
JS Bank Limited
Habib Metropolitan Bank Limited
Samba Bank Limited
Bank Islami Pakistan Limited
Bank Al-Habib Limited
Habib Bank Limited

AUDITORS

BDO Ebrahim & Co.
Chartered Accountants

SOLICITORS

Zafar & Associates LLP.

COMPANY REGISTRAR

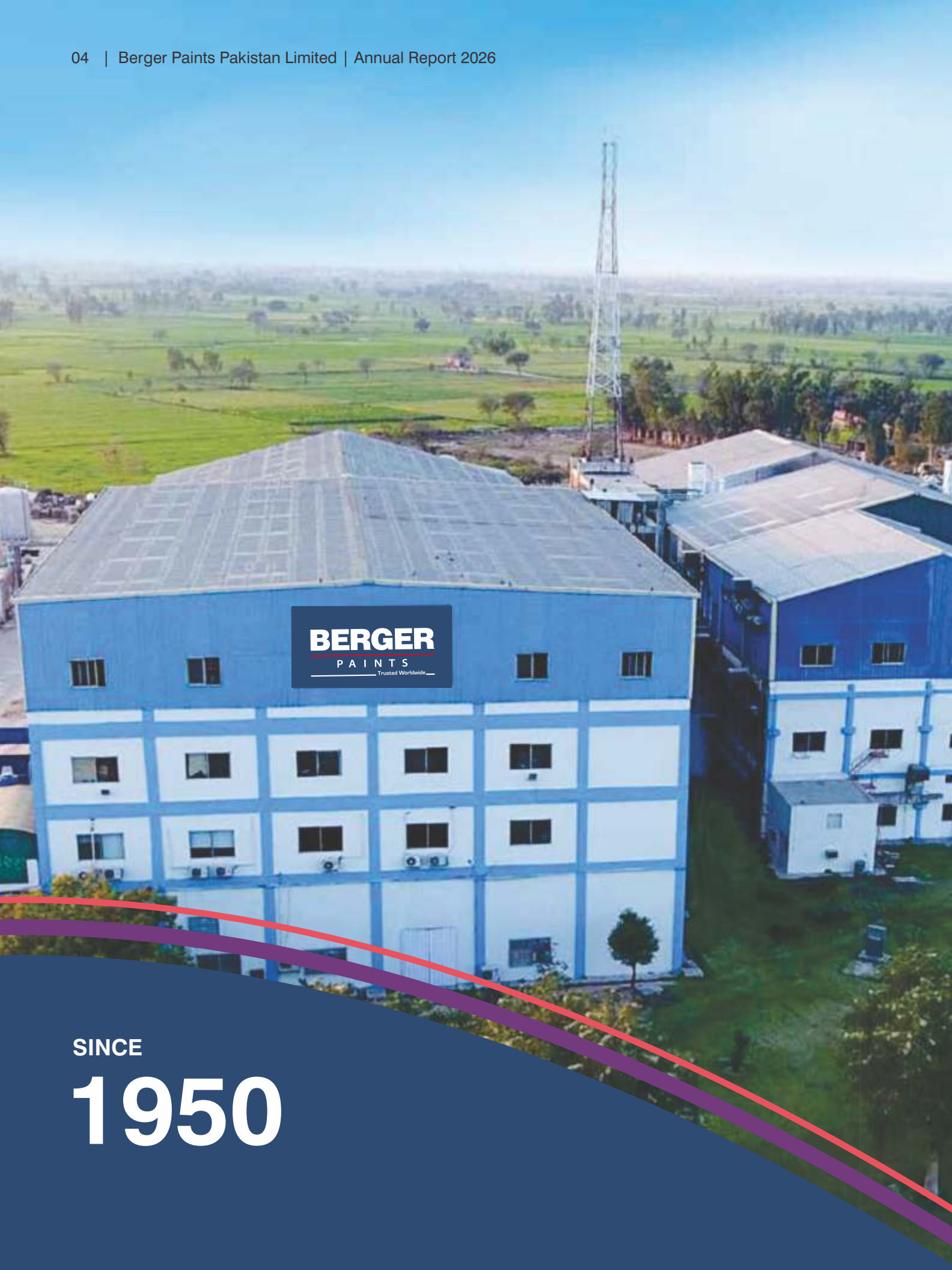
M/s Corplink (Private) Limited

REGISTERED OFFICE AND FACTORY

28 Km, Multan Road, Lahore.
Tel: 92 42 38102775
Fax: 92 42 37543450

WEB SITE

www.berger.com.pk



SINCE

1950



COMPANY PROFILE

About us

Welcome to Berger paints, your trusted partner in quality paints and coatings. Since 1950, we have been dedicated to providing exceptional products and services to cater to all your painting needs.

At Berger paints, we believe in the transformative power of color. Whether you're refreshing your home, renovating an office space, or embarking on a large-scale commercial project, our comprehensive range of paints and coatings offers solutions that blend innovation with sustainability.

Our commitment to quality is unwavering. We source only the finest raw materials and employ cutting-edge manufacturing processes to ensure that every can of paint meets the highest standards of durability, coverage, and environmental responsibility. Our products undergo rigorous testing to guarantee performance excellence in diverse climates and conditions.

What sets us apart is our dedication to customer satisfaction. We understand that choosing the right paint can be daunting, which is why our knowledgeable team is always ready to provide expert advice and guidance. From selecting the perfect color scheme to recommending the ideal finish, we are here to make your painting experience smooth and enjoyable.

Berger established its first local manufacturing facility in Karachi in 1955. In 2006, Berger established a state of the art manufacturing facility and head office in Lahore with its regional sales offices in Karachi, Islamabad and Multan.

MANUFACTURING MILESTONES

1955
First local manufacturing facility Karachi

2006
Manufacturing facility and head Office Lahore

VISION & MISSION

Vision

To be recognized as the most trusted, sustainable, and customer-oriented paint company in Pakistan.

Mission

Our mission is to deliver sustainable growth and regain market leadership by offering relevant products, ensuring strong distribution and availability, building brand-led demand, and executing with operational and financial discipline - enabled by capable people, a performance & innovation driven culture, effective corporate social responsibility, and continuous insight, measurement, and governance.

OUR VALUES



Customer First



Execution Excellence



Ownership & Accountability



Respect & Collaboration



Learning, Innovation & Adaptability



Integrity & Transparency

A COMMITMENT TO EXCELLENCE



ISO 9001-2015 Certified

As an ISO-9001-2015 certified company, Berger continues to upgrade and improve its range by introducing innovative products in line with consumer needs.

All products are tested at the company's own facilities before leaving the factory so that the highest quality control standards are maintained at all times. The company also follows a continuous process of investment in new equipment, such as computerized color matching technology, to ensure fast and accurate testing results at all times.

An on-going training system is also in place so that the most rigorous testing methods and procedures can be applied at the finished product stage.

A high standard of paints manufacturing is further ensured by using resin produced at Berger's own plant.

HEALTH, SAFETY & ENVIRONMENT



By the Grace of Almighty Allah and continued efforts of employees, we have reached a milestone of achieving 4 MILLION SAFE MAN HOURS, without any LTI which has now become a stepping stone to grow even stronger and safer. If God wills, with top management commitment and with continued efforts of all the employees, within no time we would be able to double and triple the safe man hours and it's possible only.

Special focus is placed at Berger on protection of the environment as well as health and safety of employees, customers and communities where it operates.

The company utilizes all available resources to pursue its EHS objectives by striving to attain economic prosperity and ecological balance.

Berger manufacturing facility conforms to the international and national environmental standards where the company is manufacturing environmental friendly products to minimize the potential effect on the people and the environment.

A clean and pollution-free environment is ensured at the company's manufacturing facilities through a Solvent Recovery Plant that recycles used solvent, a Dust/Vapor extraction system and a Xylene recovery system.

Safety training programs are organized on a regular basis for all personnel, factory workers and vendors to ensure safety of the work environment. Strict safety regulations for PPE's (Personal Protection Equipment) and work procedures are enforced at every step.

In addition, safety officers conduct regular Safety Audits that identify and rectify any non-compliance and enforce proper maintenance of safety procedures with active cooperation of all employees.

CUSTOMER SERVICE



Berger is not just a paint company; it offers one window solution across different paint product categories and business lines, in order to meet the demands of its valued customers.

Thorough Berger's Color Advisory Service free color consultancy can be accessed on UAN: 111-237-437 and Berger Helpline Number: 08000-2000. The service is very popular among customers of decorative paints. It offers professional advice on selection of appropriate color schemes and types of paints that should be used on different surfaces and in different environments.

Berger offers professional services to its industrial customers through a highly qualified and experienced Technical Services team. The team consists of highly trained staff in industrial and protective coating products that are offered to customers.The Technical Sales Officers make personal visits to address problems that the customers may be facing and have the relevant paint coating modified or adjusted according to the specific requirement.

UAN
111-237-437

BERGER HELPLINE
08000-2000

BUSINESS LINES

DECORATIVE BUSINESS

VEHICLE REFINISHES BUSINESS

AUTOMOTIVE BUSINESS

ROAD SAFETY

GENERAL INDUSTRIAL FINISHES

GOVERNMENT & MARINE

POWDER COATINGS

CONSTRUCTION CHEMICALS

PROTECTIVE COATINGS

ADHESIVES



DECORATIVE PAINTS

Transform your living spaces with Berger decorative paints, where creativity meets quality. Whether you're revitalizing your home's interior or enhancing its curb appeal, our extensive range of decorative paints offers you endless possibilities.



AUTOMOTIVE COATINGS

Our automotive paints are crafted using the latest technologies and highest quality materials to deliver outstanding color accuracy, durability, and resistance to environmental factors. Whether you're restoring a classic car or refinishing a modern vehicle, our paints ensure a flawless finish.

At Berger paints, we specialize in providing premium automotive paints that elevate the finish and durability of vehicles. With a commitment to innovation and quality, we cater to OEM requirements.

Berger Automotive products are utilized by top manufacturers of commercial and passenger vehicles, as well as respected producers of two wheelers in Pakistan.



GENERAL INDUSTRIAL FINISHES

Berger supplies industrial finishes to leading makers of domestic electric & non-electric appliances, auto spare part vendors, steel & metal product manufacturers, heavy industrial machines, transformer & metal furniture manufacturing units etc.

At Berger Paints, we prioritize quality and innovation. Our industrial coatings are formulated using advanced technologies and premium raw materials to ensure exceptional adhesion, corrosion resistance and color retention. Berger has designed a comprehensive industrial paint system tailored for its widespread customer base across the nation. This system includes a variety of finishes, encompassing undercoats, primers, air-drying enamels, varnishes, high-quality heat-resistant stoving finishes and varnishes, roller coating paints, lacquers, and epoxy-based finishes, ensuring a wide range of options to meet diverse industrial needs.

Each system has its unique characteristics designed to protect & safeguard products from all types of internal & external environmental conditions.

Committed to excellence Berger always has and will continue to provide its customers with industrial finishes that are considered value for money and reliable.



POWDER COATINGS

Enhance durability and aesthetics with Berger paints Powder Coating, where innovation meets performance. We specialize in providing high-quality powder coating solutions for a variety of industries and applications.

Berger provides an extensive range of shades in Bercoat & Oxyplast, available in Pure Polyester and Pure Epoxy-based systems. We offer customizable shades to meet specific customer preferences. Our finishes include glossy, matt, textured and antique options, tailored to fulfill diverse requirements.

Powder Coating is gaining rapid recognition in the industrial manufacturing sector for its economic and environmental friendly qualities. Manufacturers prioritize Powder Coatings for their products due to their durability, cost-effectiveness and quality. Berger stands as the preferred choice among conscientious manufacturers seeking reliable coating solutions.



PROTECTIVE COATINGS

Protective Coatings serve a dual purpose of protecting surfaces from chemical reactions as well as improving visual appeal. These protective paints conform to international standards of quality and are designed to resist the severity of extreme environmental as well as corrosive effects and other decaying agents. They have excellent resisting properties against chemicals, marine environment, oil spillage and saltwater. These coatings can be applied to concrete, cement renders, asbestos sheeting, steel/concrete pipelines, harbors, oil refineries, dams, barrages, chemical plants, battery rooms, etc.

The Protecton division of Berger makes heavy-duty protective coatings and anti-corrosive paints for specialized structures such as barrages, dams, industrial structures, pipelines and boilers, which are exposed to hostile environmental elements.



VEHICLE REFINISHES

At Berger paints, we specialize in delivering high-quality vehicle refinish solutions that restore and enhance the appearance of automobiles with precision and durability. Our advanced color matching technology ensures seamless blending and guarantees a flawless look that meets manufacturer standards.

Berger provides specialized technical expertise in the vehicle refinish segment, offering a wide range of products suited to for small touch-ups to complete restoration work ensuring OEM standard finish and durability along with excellent color matching.

In 2011, Berger secured the distribution rights for DuPont Performance Coatings, now known as Axalta Coating Systems. In Pakistan, Dupont is a prominent leader in the premium market segment, offering a comprehensive lineup of 2-K Finishes including binders, tinters, primers, top coats, clear coats, hardeners, and various types of thinners. These products are readily accessible at top-tier 3S dealerships, workshops, and retail markets.



ROAD SAFETY – LANE MARKING

Leading the way to a safe journey.

Berger has been a trailblazer in Pakistan by introducing the concept of integrated manufacturing and application for road marking products. Our state-of-the-art facility produces the advanced Cataphos hot-melt Thermoplastic (TP) paint, meeting BS 3262 specifications locally. We also manufacture a comprehensive range of road marking products, including Chlorinated Rubber (CR) paint and Water Based (WB) paint, tailored to various application standards.

In addition to road marking paints, Berger Road Safety offers a complete array of other high-quality road safety products. These include traffic signs, cat eyes/studs, guardrails, delineators, barriers, and more. Each product is crafted to ensure durability, visibility, and adherence to stringent safety standards, contributing to safer and more efficient road networks nationwide.



GOVERNMENT & MARINE

Berger stands tall amongst esteemed suppliers to the government and its subordinate bodies, armed forces, aviation sector, utility corporations, ports, shipping, research and development organizations, educational institutions and health sector. It provides a vast variety of products and services ranging from the architectural coatings to highly specialized products.

Given Pakistan's extensive coastal stretch, there is a critical need for reliable protection for sea-bound vessels and various onshore and offshore installations.

Berger's Government & Marine division fulfills this requirement by offering a broad spectrum of products, specifically formulated coatings designed for ships, aircraft, fuel storage facilities, warehouses and military ammunition depots, ensuring comprehensive and specialized protection across diverse maritime and defense applications.





CONSTRUCTION CHEMICALS

Berger is active in most facets of the construction industry and operates sales, warehousing and manufacturing facilities all over the country, thereby providing local markets with a prompt and informed customer service.

Berger has established a nationwide reputation for innovative construction technology based on extensive research and development together with experienced practical advice.

We offer a broad range of high-quality, intelligent and tailor-made products and systems to meet customer needs, improving the quality, safety, efficiency, economy, design and durability of construction. The product range of Berger comprises of products for almost every conceivable high performance chemical requirement of the building.



ADHESIVES

The flagship brand of Berger's Adhesives business is Berlith and NUlith. It is white glue with a base of plastic resin combined with high concentration, bonding strength and excellent application qualities. Used both, in the wood furniture and sports goods industries, the high adhesion strength of Berlith and NUlith, is ideal for gluing hardboard, chipboard, softwood, ply, Formica, etc.

Because of its strong plastic resin base, Berlith and NUlith are the best choice for use in kitchen cabinets and counters. They also serve as a suitable pasting glue for labels on plastic, glass, cartons, etc.

MARKETING ACTIVITIES

Berger x ADA

Berger Paints proudly sponsored the ADA Awards 2024–25 Seminar, titled “Art & Design as Catalyst 2.0,” held in collaboration with CECOS University and the IAP Peshawar Chapter. The event served as a meaningful platform for architects, designers, and students to come together for insightful discussions and creative exchange.

The seminar featured engaging sessions and a thought-provoking panel discussion that explored the role of art and design in shaping society and influencing cultural and social narratives. Participants actively engaged in conversations around innovation, and the evolving design landscape.

Berger Paints' sponsorship played a vital role in the success of the seminar. By powering this initiative, its commitment to building a creative community was reinforced. Once again Berger demonstrated its dedication to nurturing talent and supporting platforms that celebrate creativity.

ADA Magazine showed Berger's Truck Art Child Finder campaign during their seminar and also shared it on their social media platforms. This highlights how art and design can become powerful tools for meaningful change.



Blood Donation Camp

A blood donation camp was organized at Berger Paints Lahore factory in collaboration with the Fatimid Foundation. Employees actively participated in the initiative, and demonstrated a strong sense of willingness to contribute towards a meaningful cause. The camp was efficiently managed by the foundation's medical team, ensuring a smooth donation process for all participants. Such initiatives help address the ongoing demand for blood while encouraging employees to play a responsible role in supporting the community. The activity was well received and reflects Berger's continued focus on contributing to social welfare initiatives.







1122 Branding in Multan

Berger Paints contributed to yet another purposeful initiative by sponsoring and branding the 1122 office in Multan. This collaboration reflects Berger's continued support for organizations that play an important role in community welfare and public service.









MARKETING ACTIVITIES

International Abdul Nasir Basketball Court



Berger Paints Pakistan reaffirmed its strong commitment to sports development and community engagement by supporting the renovation of the International Abdul Nasir Basketball Court in Karachi. By contributing to the upgrade of this key facility, Berger has helped create a more professional and accessible space for young athletes to train and compete. Building on this momentum, Berger is also supporting the upcoming **Berger Paints Trophy Boys Triangular Basketball Series** in Sukkur. This initiative received notable media coverage, with features across prominent outlets including The Nation newspaper Pakistan and various television channels, further highlighting Berger's role in promoting sports at the grassroots level.











Iqbal Kitab Awards 2024-25

The event was organized by the Allama Iqbal Stamps Society, a group dedicated to preserving and promoting the legacy of Allama Iqbal, especially through stamps and literature. Berger Paints sponsored the event, showcasing their support for cultural and intellectual activities. They also contributed to the success of the awards by providing trophies, gifts, and certificates for the participants. The event was hosted by Mian Sajid Ali, the Associate Manager at Berger Paints. A total of 19 books were submitted for the awards, all centered around Allama Iqbal's thought and personality. Out of the 19, 16 books were in Urdu, reflecting the linguistic and cultural importance of Iqbal's original language. The awards aimed at providing a platform for young scholars in the field of Iqbal Studies, an essential step for nurturing the next generation of researchers who can contribute to the ongoing intellectual conversation surrounding Iqbal.









INVESTOR RELATIONS

REGISTERED OFFICE

28-KM Multan Road, Lahore.
Tel: 92 42 111 237 437
Fax: 92 42 35151549

SHARE REGISTRAR

M/s Corplink Private Limited, Wings Arcade, 1-K, Commercial Block K Model Town, Lahore, Punjab 54000
T: +92 42 35916714-19
F: +92 42 35869037

LISTING ON STOCK EXCHANGES

Ordinary shares of Berger Paints Pakistan Limited are listed on Pakistan Stock Exchange Limited.

STOCK CODE / SYMBOL

The stock code / symbol for trading in ordinary shares of Berger Paints Pakistan Limited at Pakistan Stock Exchange Limited is BERG.

STATUTORY COMPLIANCE

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant particulars as required under the Companies Act, 2017 and allied rules, the Securities and Exchange Commission of Pakistan Regulations and the listing requirements.

CASH DIVIDEND

Cash Dividend for the year ended June 30, 2026 at Rs. 5.00 per share i.e., 50%. This is in addition to interim dividends already paid at Rs. 0 per shares i.e. 0%.

BOOK CLOSURE DATES

The Share Transfer Books will remain closed from October 16, 2026 to October 23, 2026, both days inclusive.

DIVIDEND REMITTANCE

Ordinary dividend declared and approved at the Annual General Meeting will be paid within the statutory time limit of 15 days.

(i) For shares held in physical form: to shareholders whose names appear in the Register of Members of the Company after entertaining all requests for transfer of shares lodged with the Company on or before the book closure date.

(ii) For shares held in electronic from: to shareholders whose names appear in the statement of beneficial ownership furnished by CDC as at end of business on book closure date.

WITHHOLDING OF TAX & ZAKAT ON ORDINARY DIVIDEND

As per the provisions of the Income Tax Ordinance, 2001, income tax is deductible at source by the Company at prescribed rates wherever applicable. Zakat is also deductible at source from the ordinary dividend at the rate of 2.5% of the face value of the share, other than corporate holders or individuals who have provided an undertaking for nondeduction.

GENERAL MEETINGS & VOTING RIGHTS

Pursuant to section 132 of The Companies Act 2017, BPPL holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having circulation in Karachi, Lahore and Islamabad.

Shareholders having holding of at least 10% of voting rights may also apply to the Board of Directors to call for meeting of shareholders, and if the Board does not take action on such application within 21 days, the shareholders may themselves call the meeting.

All ordinary shares issued by the Company carry equal voting rights, Generally, matters at the general meetings are decided by a show of hands in the first instance. Voting by show of hands operates on the principle of “One Member-One Vote”. If majority of shareholders raise their hands in favor of a particular resolution, it is taken as passed, unless a poll is demanded.

Since the fundamental voting principle in the Company is “One Share-One Vote”, voting takes place by a poll, if demanded. On a poll being taken, the decision arrived by poll is final, overruling any decision taken on a show of hands.

INVESTOR'S GRIEVANCES

To date none of the investors or shareholders has filed any significant complaint against any service provided by the Company to its shareholders.

PROXIES

Pursuant to Section 137 of The Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another member as his/her proxy to attend and vote instead of him/her. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to appoint a proxy.

The instrument appointing a proxy (duly signed by the shareholder appointing that proxy) should be deposited at the office of the Company not less than forty-eight hours before the meeting.

WEB PRESENCE

Updated information regarding the Company can be accessed at its website, www.berger.com.pk. The website contains the latest financial results of the Company together with the Company's profile.

Fundamental knowledge and understanding of financial market is crucial for the general public and lack of financial literacy or capability makes them vulnerable to frauds. SECP recognizes the importance of investor education and therefore initiated this investor education program, called 'JamaPunji', an investor training program, to promote financial literacy in Pakistan.



FINANCIAL HIGHLIGHTS

Rupees in thousand

	Year Ended June 30,				
	2026	2025	2024	2023	2022
NET ASSETS					
Fixed Assets	**2,701,645**	2,293,081	2,246,298	2,306,831	1,628,184
Goodwill	**-**	-	-	-	-
Long Term Investments	**107,494**	99,393	76,595	78,479	70,915
Long Term Loans & Deposits	**75,254**	88,521	78,635	59,479	76,770
Deferred Taxation	**-**	-	-	-	-
Net Current Assets	**1,707,282**	1,679,867	1,669,792	1,449,633	923,707
Total	**4,591,675**	4,160,862	4,071,320	3,894,422	2,699,576
FINANCED BY					
Share Capital	**245,516**	245,516	245,516	245,516	204,597
Reserves	**2,298,556**	2,048,434	1,764,229	1,454,674	1,310,842
Surplus on Revaluation of Fixed Assets	**1,820,407**	1,387,257	1,437,720	1,495,613	830,273
	4,364,479	3,681,207	3,447,465	3,195,803	2,345,712
Long Term and Deferred Liabilities	**477,057**	479,655	623,855	698,619	353,864
Total	**4,841,536**	4,160,862	4,071,320	3,894,422	2,699,576
TURNOVER AND PROFITS					
Turnover	**9,176,156**	8,944,694	8,543,907	7,341,165	7,073,478
Gross Profit	**2,129,122**	1,853,973	1,721,282	1,483,113	1,222,010
	23.20%	20.73%	20.15%	20.20%	17.28%
Profit before tax	**505,805**	463,923	421,352	331,197	247,018
Taxation	**196,377**	165,400	158,489	91,136	45,132
Profit/(Loss) after tax	**309,428**	298,523	262,863	240,061	201,886
EARNING AND DIVIDENDS					
Earning per share	**12.60**	12.16	10.71	9.78	9.87
Interim Dividend per share-Cash (Rupee)	**-**	-	-	-	-
Final Dividend per share-Cash (Rupee)	**5.00**	5.00	4.00	-	4.00

CHAIRMAN'S REVIEW

It is my immense pleasure to submit this review report in compliance with Section 192(4) of the Companies Act, 2017, concerning the fiscal year ended June 30, 2026, for Berger Paints Pakistan Limited. This review evaluates the overall performance of the Company and the effectiveness of the Board of Directors, in furtherance of transparent and accountable corporate governance.

Overall Performance of the Company

The Company's financial and operating performance for the year, including net sales, profitability, margins and key financial ratios, is set out in detail in the Directors' Report accompanying these financial statements. The Board reviewed the quarterly and annual financial statements underlying that performance and satisfied itself as to their integrity and fair presentation.

Governance and Risk Management

The Board of Directors has exhibited a firm dedication to establishing a robust governance model through the prioritization of risk management protocols and a resilient control environment. The Company's Enterprise Risk Management framework, operating on the "Three Lines Model" of operational management, risk and compliance functions, and independent internal audit, enabled the Board to identify, assess and monitor key business, financial and compliance risks throughout the year.

Board Composition

The Board's structure notably includes non-executive and independent directors, aligning with the Code of Corporate Governance 2019. This composition is vital for incorporating varied viewpoints and cultivating transparency and integrity, thereby ensuring effective governance guided by the Board's collective expertise.

Board Committees

The Board is supported by three sub-committees, each chaired by an independent director and operating under Board-approved terms of reference. Their composition and activity during the year are summarized below:

Committee	Meetings	Role During the Year
Audit Committee	4	Reviewed quarterly and annual financial statements, internal and external audit findings, regulatory compliance, and the adequacy of internal controls.
Human Resource & ESG Committee	2	Reviewed compensation, performance management, succession planning and talent retention along with the additional ESG compliance framework
Committee for Business Strategies	2	Reviewed strategic objectives against market and economic developments and assessed opportunities for expansion and operational efficiency.

Regularly convened sub-committees provided comprehensive reports to the Board, adhering to the stipulations of the Code of Corporate Governance 2019. Frequent Board meetings, enhanced by the operational effectiveness of the committees, facilitated governance. Moreover, an annual performance evaluation of the Board, its committees and individual directors, conducted in accordance with the Code, ensured adherence to established benchmarks.

CHAIRMAN'S REVIEW

Board Oversight and Business Continuity

During the review period, the Board of Directors offered crucial guidance, fostering the sustainable operational and financial results set out above. Consistent communication with the Management team, alongside collaboration with internal and external auditors, facilitated efficient decision-making in Board and sub-Committee meetings. The Management team executed daily operations according to Board objectives, implemented internal controls, and adhered to regulatory mandates and industry best practices. The Board remains dedicated to enacting comprehensive business continuity plans to protect the welfare of employees and stakeholders amidst prevailing economic conditions, including continued exposure to imported, dollar-denominated raw materials, and will continue to define the Company's strategic path for the year ahead.

Election of Directors

The three-year constitutional term of the current Board of Directors is set to expire Consequently, fresh elections to elect 7 directors will be held during the upcoming Annual General Meeting (AGM) scheduled for 23 October 2026, in accordance with the provisions of Section 159 of the Companies Act, 2017. Berger looks forward to a reconstituted Board that continues to offer diverse expertise, independent oversight, and gender representation.

Acknowledgement

On behalf of Berger's Board, I extend my heartfelt appreciation to the management team, all our dedicated employees, customers, vendors, financiers, esteemed shareholders for their unwavering trust and steadfast commitment to the Company, as well as to our broader community of stakeholders for their continued support.

Maqbool H.H. Rahimtoola

Chairman

بورڈ کی نگرانی اور کاروبار کے تسلسل کو برقرار رکھنا:

جائزہ مدت کے دوران، بورڈ آف ڈائریکٹرز نے اہم رہنمائی فراہم کی جس کے نتیجے میں اوپر بیان کردہ پائیدار آپریشنل اور مالیاتی نتائج حاصل ہوئے۔ انتظامی ٹیم کے ساتھ مسلسل رابطے اور اندرونی و بیرونی آڈیٹرز کے ساتھ تعاون نے بورڈ اور ذیلی کمیٹی کے اجلاسوں میں موثر فیصلہ سازی کو آسان بنایا۔ انتظامی ٹیم نے بورڈ کے مقاصد کے مطابق روزمرہ کے امور انجام دیے، اندرونی کنٹرولز کا نفاذ کیا، اور ریگولیٹری تقاضوں اور صنعت کے بہترین طریقوں کی پاسداری کی۔ بورڈ موجودہ معاشی حالات — جن میں درآمدی اور ڈالر سے منسلک خام مال پر انحصار شامل ہے — کے باوجود ملازمین اور اسٹیک ہولڈرز کے مفادات کے تحفظ کے لیے کاروبار کے تسلسل کے جامع منصوبوں پر عمل درآمد کرنے کے لیے پرعزم ہے اور آنے والے سال کے لیے کمپنی کی اسٹریٹجک سمت کا تعین کرتا رہے گا۔

ڈائریکٹرز کا انتخاب:

موجودہ بورڈ آف ڈائریکٹرز کی تین سالہ آئینی مدت ختم ہونے والی ہے۔ لہٰذا کمپنیز ایکٹ 2017 کی دفعہ 159 کے تحت، 23 اکتوبر 2026 کو منعقد ہونے والے آئندہ سالانہ عام اجلاس (AGM) میں 7 ڈائریکٹرز کے انتخاب کے لیے نئے انتخابات ہوں گے۔ برجر (Berger) ایک ایسے تشکیلِ نو شدہ بورڈ کا منتظر ہے جو متنوع مہارت، آزادانہ نگرانی اور صنفی نمائندگی فراہم کرنے کا سلسلہ جاری رکھے۔

اظہارِ تشکر

برجر کے بورڈ کی جانب سے، میں انتظامی ٹیم، اپنے تمام مخلص ملازمین، صارفین، وینڈرز، مالی معاونین اور قابلِ احترام شیئر ہولڈرز کا کمپنی پر غیر متزلزل اعتماد اور پختہ وابستگی کے لیے، نیز اسٹیک ہولڈرز کی وسیع تر برادری کا ان کی مسلسل حمایت کے لیے تہہ دل سے شکریہ ادا کرتا ہوں۔

مقبول ایچ ایچ رحمت اللہ

چیئرمین

چیئرمین کا جائزہ

برائے سالِ اختتام 30 جون 2026

مجھے 'برجر پینٹس پاکستان لمیٹڈ' (Berger Paints Pakistan Limited) کے لیے 30 جون 2026 کو ختم ہونے والے مالی سال کے حوالے سے کمپنیز ایکٹ 2017 کی دفعہ 192(4) کی تعمیل میں یہ جائزہ رپورٹ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے۔ یہ جائزہ شفاف اور جوابدہ کارپوریٹ گورننس کے فروغ کے سلسلے میں کمپنی کی مجموعی کارکردگی اور بورڈ آف ڈائریکٹرز کی افادیت کا احاطہ کرتا ہے۔

کمپنی کی مجموعی کارکردگی

اس سال کے دوران کمپنی کی مالی اور آپریشنل کارکردگی — بشمول خالص فروخت (net sales)، منافع، مارجن اور اہم مالیاتی تناسب (ratios) — کی تفصیلات ان مالیاتی گوشواروں کے ساتھ منسلک 'ڈائریکٹرز کی رپورٹ' میں بیان کی گئی ہیں۔ بورڈ نے اس کارکردگی کی بنیاد بننے والے سہ ماہی اور سالانہ مالیاتی گوشواروں کا جائزہ لیا اور ان کی درستگی اور شفاف پیشکش (fair presentation) کے حوالے سے اطمینان کا اظہار کیا۔

گورننس اور رسک مینجمنٹ (خطرات کا انتظام)

بورڈ آف ڈائریکٹرز نے رسک مینجمنٹ کے اصولوں اور ایک مضبوط کنٹرول ماحول کو ترجیح دیتے ہوئے گورننس کا ایک مستحکم ماڈل قائم کرنے کے لیے پختہ عزم کا مظاہرہ کیا ہے۔ کمپنی کا 'انٹرپرائز رسک مینجمنٹ فریم ورک' — جو آپریشنل مینجمنٹ، رسک اور تعمیلی امور (compliance functions)، اور آزادانہ داخلی آڈٹ پر مشتمل "تھری لائنز ماڈل" (Three Lines Model) کے تحت کام کرتا ہے — نے بورڈ کو اس قابل بنایا کہ وہ پورے سال کے دوران کاروبار، مالیات اور تعمیل (compliance) سے متعلق اہم خطرات کی نشاندہی، جانچ اور نگرانی کر سکے۔

بورڈ کی تشکیل

بورڈ کے ڈھانچے میں نمایاں طور پر نان ایگزیکٹو اور آزاد ڈائریکٹرز شامل ہیں، جو 'کوڈ آف کارپوریٹ گورننس 2019' سے ہم آہنگ ہے۔ یہ تشکیل مختلف نقطہ ہائے نظر کو شامل کرنے اور شفافیت و دیانتداری کو فروغ دینے کے لیے انتہائی اہم ہے، جس سے بورڈ کی اجتماعی مہارت کی رہنمائی میں مؤثر گورننس کو یقینی بنایا جاتا ہے۔

بورڈ کی کمیٹیاں

بورڈ کو تین ذیلی کمیٹیوں کا تعاون حاصل ہے؛ ہر کمیٹی کی صدارت ایک آزاد ڈائریکٹر کرتا ہے اور یہ بورڈ کی منظور کردہ 'شرائطِ کار' (terms of reference) کے تحت کام کرتی ہیں۔ ان کی تشکیل اور سال بھر کی سرگرمیوں کا خلاصہ ذیل میں دیا گیا ہے:

کمیٹی	اجلاس	سال کے دوران کردار
آڈٹ کمیٹی	4	سہ ماہی اور سالانہ مالیاتی گوشواروں، اندرونی و بیرونی آڈٹ کے نتائج، ریگولیٹری تعمیل اور اندرونی کنٹرولز کے مناسب ہونے کا جائزہ لیا۔
ہیومن ریسورس اور ESG کمیٹی	2	معاوضے، کارکردگی کے انتظام، جانشینی کے منصوبے اور ٹیلنٹ (اہل افرادی قوت) کو برقرار رکھنے کے ساتھ ساتھ ESG کی تعمیل کے اضافی فریم ورک کا جائزہ لیا۔
کاروباری حکمت عملیوں کی کمیٹی	2	مارکیٹ اور معاشی پیش رفت کے تناظر میں اسٹریٹجک مقاصد کا جائزہ لیا اور توسیع و آپریشنل کارکردگی کے مواقع کا تخمینہ لگایا۔

باقاعدگی سے منعقد ہونے والی ذیلی کمیٹیوں نے 'کارپوریٹ گورننس کوڈ 2019' کی شرائط کی پاسداری کرتے ہوئے بورڈ کو جامع رپورٹس پیش کیں۔ کمیٹیوں کی آپریشنل افادیت کے باعث بورڈ کے کثرت سے ہونے والے اجلاسوں نے انتظامی امور (گورننس) کو مزید بہتر بنایا۔ مزید برآں، کوڈ کے مطابق بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز کی سالانہ کارکردگی کا جائزہ لیا گیا تاکہ طے شدہ معیارات کی پاسداری کو یقینی بنایا جا سکے۔

DIRECTORS' REPORT

For the year ended June 30, 2026

The Directors are pleased to present their report together with the audited financial statements of the Company for the year ended June 30, 2026.

Economic Overview

Pakistan's economy continued its recovery in FY2026, with real GDP growth provisionally estimated at 3.7% — the fastest pace in four years — supported by broad-based activity across agriculture, industry and services. Momentum moderated late in the year as the Middle East conflict pushed up global energy prices. Average inflation remained within single digits, easing to 9.2% by July 2026, while the State Bank kept its policy rate steady at 11.5%. The current account recorded a surplus for July–May on the back of strong remittances and export performance, and the stock market delivered strong returns amid continued IMF engagement. For the paints and coatings sector, the improved backdrop supported demand recovery, though reliance on dollar-denominated raw materials required disciplined procurement and cost management.

Business Performance

Net sales for the year rose 2.59% to Rs. 9,176 million. Gross profit grew 14.84% to Rs. 2,129 million, with gross margin expanding to 23.20% from 20.73% on a more favorable cost of sales and improved product mix. Selling and distribution expenses rose 10.63% and administrative expenses rose 14.58%, reflecting continued market activation and inflationary pressure. Finance cost fell 15.87% to Rs. 188.48 million on lower policy rates and efficient treasury management. Profit before tax increased 9.03% to Rs. 505.80 million, and profit after tax rose to Rs. 309.43 million.

Rupees in millions	30 June 2026	30 June 2025
Profit from Operation	**694.29**	687.95
Finance cost	**188.48**	224.03
Profit before tax	**505.80**	463.92
Profit after tax	**309.43**	298.52
Earnings per share (Rupees)	**12.60**	12.16

Future Outlook

Pakistan enters FY2027 on a firmer footing, with growth projected at 3.5%–4.5%, supported by budgetary incentives and continued macroeconomic stability, though risks remain from the Middle East conflict, elevated energy prices and lagged effects of the FY2025 floods. For the paints sector, reconstruction activity and a gradual pick-up in construction spending should support demand for decorative and protective coatings, while exposure to imported, dollar-denominated raw materials will keep margins sensitive to exchange rate and commodity price movements. The Company will continue to focus on operational efficiency, disciplined procurement and product innovation to protect profitability and long-term shareholder value.

Health, Safety & Environment

The Company maintained a robust HSE framework across its manufacturing facilities, with regular audits, employee training on chemical handling and emergency preparedness, and continued investment in personal protective equipment. Enhanced waste management practices — including safer storage, segregation and disposal of hazardous materials — supported the Company's environmental commitments. The Board remains committed to a zero-incident culture through continuous monitoring and investment in safety infrastructure.

Enterprise Risk Management

The Board oversees a structured Risk Management Framework under a Board-approved risk policy, identifying risks through management review, market analysis and stakeholder feedback, and assessing them for likelihood and impact against the Company's defined risk appetite. Mitigation plans are monitored on an ongoing basis. Governance follows the "Three Lines Model": operational management as the first line, risk/compliance/control functions as the second, and internal audit providing independent assurance as the third.

Board of Directors

Five Board meetings were held during the year. Attendance was as follows:

Director	Meetings Attended (of 5)
Mr. Maqbool H. H. Rahimtoola	5
Dr. Mahmood Ahmad	5
Mr. Tariq Ikram	5
Mr. Shahzad M. Hussain	5
Mr. Zafar A. Osmani	3
Ms. Zareen Aziz	5
Ms. Roohi Raees Khan	5
Mr. Zahid Majid (Alternate to Mr. Ilyas Sharif)	5

Further disclosures appear in the Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Board Committees

The Board is supported by three committees, each chaired by an independent Director and operating under Board-approved Terms of Reference:

Committee	Meetings	Role During the Year
Board Audit Committee	4	Reviewed quarterly and annual financial statements, internal and external audit findings, IFRS and regulatory compliance, and the adequacy of internal controls; confirmed effective safeguards over Company assets.
Human Resource Committee	2	Reviewed compensation, performance management and employee development policies; oversaw succession planning for key positions and monitored talent retention and engagement initiatives.
Committee for Business Strategy	2	Reviewed strategic objectives against market and economic developments, monitored implementation of key initiatives, and assessed opportunities for expansion, innovation and operational efficiency.

DIRECTORS' REPORT

For the year ended June 30, 2026

Corporate & Financial Information

- Consolidated financial statements incorporate the accounts of subsidiaries Berger DPI (Private) Limited and Berger Road Safety (Private) Limited.
- The holding company is M/s. Slotrapid Limited (incorporated in the B.V.I.), holding 52.05% of issued share capital as at June 30, 2026.
- Earnings per share: Rs. 12.60 (2025: Rs. 12.16).
- Dividend: the Board has proposed a final cash dividend of Rs. 5 per share for FY2026, subject to shareholder approval at the AGM.
- Auditors: M/s BDO Ebrahim & Co., Chartered Accountants, retire at the conclusion of the upcoming AGM; appointment for 2026–27 rests with shareholders.
- All related party transactions were reviewed and approved by the Board.
- The Company complied with the Code of Corporate Governance requirements of the Pakistan Stock Exchange listing regulations for the year; the Statement of Compliance is attached.
- The pattern of shareholding as at June 30, 2026 is disclosed on page 39 of this report.

Statement of Corporate Financial Reporting Framework

- Financial statements are drawn up in conformity with the Companies Act, 2017, and fairly present the Company's state of affairs, results, cash flows and changes in equity.
- The Company's principal business is manufacturing, marketing and distribution of decorative and industrial paints and related products
- Proper books of account have been maintained, and appropriate accounting policies, consistently applied, conform to applicable International Accounting/Financial Reporting Standards.
- Accounting estimates are based on reasonable and prudent judgment, and internal controls are sound in design and effectively implemented.
- There is no significant doubt on the Company's ability to continue as a going concern, and no material departure from corporate governance best practices.
- Key operating and financial data for the last six years is annexed.
- The Directors, CEO, Executives and their spouses and minor children did not trade in the Company's shares during the year.

Value of retirement fund investments as at June 30, 2026:

Fund (as at June 30, 2026)	Rupees in '000
Berger Paints Executive Staff Pension Fund	136,370
Berger Paints Gratuity Fund	135,804
Berger Paints Provident Fund	411,106

Corporate Social Responsibility

Berger recognizes and embraces its social responsibilities, thereby reinforcing the connection between the Company and society. Among its initiatives, Berger has developed an environmentally friendly program that repurposes leftover paint waste into usable products, which are then donated to schools in underserved communities, as well as to Mosques and Churches. Additionally, the "Truck Art - Child Finder" campaign, in collaboration with the Roshni Helpline, aims to locate missing children and has garnered international recognition, securing two silver and three bronze trophies. Acknowledging the pressing issue of food insecurity, Berger contributes by providing meals prepared at its plant for employees and sharing surplus food with underprivileged children at a nearby Mosque. In response to the last year devastating floods that impacted the nearest localities of Lahore and southern area of the country, the company has demonstrated commendable corporate social responsibility by contributing to relief efforts aimed at alleviating the suffering of affected communities. Recognizing the importance of cultural and religious institutions in the recovery process, the organization has taken the initiative to arrange for the comprehensive repainting of a mixed boys' and girls' madrassa and mosque that were severely damaged by rising waters. This endeavor not only seeks to restore these vital places of worship and learning but also aims to reinstate a sense of hope and normalcy within the community, reflecting the company's commitment to social welfare and community resilience.

The Directors thank the Company's shareholders, stakeholders and customers for their continued support, and acknowledge the dedication of all tier of employees in advancing the Company's mission.

On behalf of the Board

Chief Executive **Director**

Lahore

Dated: September 23, 2026

ڈائریکٹرز کی رپورٹ

برائے سالِ اختتام 30 جون 2026

ڈائریکٹرز کو 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کی آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

معاشی جائزہ:

مالی سال 2026 میں پاکستان کی معیشت کی بحالی کا عمل جاری رہا؛ زراعت، صنعت اور خدمات کے شعبوں میں وسیع البنیاد سرگرمیوں کی بدولت حقیقی جی ڈی پی (GDP) کی شرحِ نمو کا عبوری تخمینہ 3.7 فیصد لگایا گیا، جو گزشتہ چار سالوں میں سب سے تیز رفتار ہے۔ سال کے آخری حصے میں اس رفتار میں کچھ کمی آئی کیونکہ مشرقِ وسطیٰ کے تنازعے نے عالمی سطح پر توانائی کی قیمتوں میں اضافہ کر دیا۔ اوسط افراطِ زر سنگل ڈیجٹ (10 فیصد سے کم) کی سطح پر رہا اور جولائی 2026 تک کم ہو کر 9.2 فیصد پر آ گیا، جبکہ اسٹیٹ بینک نے اپنی پالیسی ریٹ کو 11.5 فیصد پر برقرار رکھا۔ ترسیلاتِ زر اور برآمدات کی بہترین کارکردگی کی بدولت جولائی تا مئی کے دوران کرنٹ اکاؤنٹ سرپلس (اضافی بچت) ریکارڈ کیا گیا، اور آئی ایم ایف کے ساتھ مسلسل رابطوں کے دوران اسٹاک مارکیٹ نے بھی شاندار منافع دیا۔ پینٹس اور کوٹنگز کے شعبے کے لیے، بہتر ہوتے ہوئے معاشی ماحول نے طلب کی بحالی میں مدد دی، اگرچہ ڈالر میں قیمت والے خام مال پر انحصار کے باعث محتاط خریداری اور لاگت کے مؤثر انتظام کی ضرورت رہی۔

کاروباری کارکردگی:

سال کے دوران خالص فروخت 2.59 فیصد اضافے کے ساتھ 9,176 ملین روپے تک پہنچ گئی۔ مجموعی منافع (Gross profit) میں 14.84 فیصد اضافہ ہوا اور یہ 2,129 ملین روپے رہا؛ فروخت کی لاگت میں بہتری اور مصنوعات کے بہتر امتزاج (product mix) کی بدولت مجموعی مارجن 20.73 فیصد سے بڑھ کر 23.20 فیصد ہو گیا۔ فروخت اور تقسیم کے اخراجات میں 10.63 فیصد اور انتظامی اخراجات میں 14.58 فیصد اضافہ ہوا، جو مارکیٹ میں مسلسل سرگرمی اور افراطِ زر کے دباؤ کی عکاسی کرتے ہیں۔ کم پالیسی ریٹ اور ٹریژری کے مؤثر انتظام کی بدولت مالیاتی لاگت (finance cost) میں 15.87 فیصد کمی آئی اور یہ 188.48 ملین روپے رہی۔ ٹیکس سے قبل منافع 9.03 فیصد اضافے کے ساتھ 505.80 ملین روپے ہو گیا، اور ٹیکس بعد منافع بڑھ کر 309.43 ملین روپے تک پہنچ گیا۔

روپے (ملین میں)	2026	2025
آپریشن سے منافع	694.29	687.95
مالیاتی لاگت	188.48	224.03
ٹیکس سے قبل منافع	505.80	463.92
ٹیکس کے بعد منافع	309.43	298.52
فی حصص آمدنی (روپے)	12.60	12.16

مستقبل کا آؤٹ لک:

پاکستان مالی سال 2027 میں مضبوط بنیادوں پر داخل ہو رہا ہے، جس کی شرحِ نمو 4.5%–3.5% متوقع ہے، بجٹ کی ترغیبات اور مسلسل میکرو اکنامک استحکام کی مدد سے، اگرچہ مشرقِ وسطیٰ کے تنازعات، توانائی کی بلند قیمتوں اور مالی سال 2025 کے سیلاب کے پسماندہ اثرات سے خطرات بدستور موجود ہیں۔ پینٹ سیکٹر کے لیے، تعمیرِ نو کی سرگرمی اور تعمیراتی اخراجات میں بتدریج اضافہ آرائشی اور حفاظتی ملمعوں کی مانگ کو سہارا دے گا، جب کہ درآمد شدہ، ڈالر سے متعین خام مال کی نمائش مارجن کو شرحِ مبادلہ اور اجناس کی قیمتوں کی نقل و حرکت کے لیے حساس بنائے گی۔ کمپنی منافع اور طویل مدتی حصص یافتگان کی قدر کے تحفظ کے لیے آپریشنل کارکردگی، نظم و ضبط کی خریداری اور مصنوعات کی جدت پر توجہ مرکوز رکھے گی۔

صحت، حفاظت اور ماحولیات:

کمپنی نے اپنی مینوفیکچرنگ سہولیات میں ایک مضبوط HSE فریم ورک کو برقرار رکھا، جس میں باقاعدہ آڈٹ، کیمیکل ہینڈلنگ اور ہنگامی تیاری کے بارے میں ملازمین کی تربیت، اور ذاتی حفاظتی آلات میں سرمایہ کاری جاری رکھی گئی۔ فضلہ کے انتظام کے بہتر طریقے - بشمول محفوظ ذخیرہ کرنے، خطرناک مواد کو الگ کرنا اور ٹھکانے لگانا - نے کمپنی کے ماحولیاتی وعدوں کی حمایت کی۔ بورڈ مسلسل نگرانی اور حفاظتی انفراسٹرکچر میں سرمایہ کاری کے ذریعے صفر واقعات کے کلچر کے لیے پرعزم ہے۔

انٹرپرائز رسک مینجمنٹ:

بورڈ بورڈ سے منظور شدہ رسک پالیسی کے تحت ایک منظم رسک مینجمنٹ فریم ورک کی نگرانی کرتا ہے، انتظامی جائزہ، مارکیٹ کے تجزیے اور اسٹیک ہولڈر کے تاثرات کے ذریعے خطرات کی نشاندہی کرتا ہے، اور کمپنی کی متعین خطرے کی بھوک کے خلاف امکانات اور اثرات کا اندازہ لگاتا ہے۔ تخفیف کے منصوبوں کی مسلسل نگرانی کی جاتی ہے۔ گورننس "تھری لائنز ماڈل" کی پیروی کرتی ہے: پہلی لائن کے طور پر

آپریشنل مینجمنٹ، دوسری کے طور پر رسک/مپلائینس/کنٹرول کے افعال، اور تیسرے کے طور پر آزاد یقین دہانی فراہم کرنے والا اندرونی آڈٹ۔

بورڈ آف ڈائریکٹرز:

سال کے دوران بورڈ کے پانچ اجلاس ہوئے۔ حاضری حسب ذیل تھی:

ڈائریکٹر	شرکت کردہ اجلاس (کل 5 میں سے)
جناب مقبول ایچ ایچ رحیم ٹولہ	5
ڈاکٹر محمود احمد	5
جناب طارق اکرام	5
جناب شہزاد ایم حسین	5
جناب ظفر اے عثمانی	3
محترمہ زرین عزیز	5
محترمہ روحی رئیس خان	5
جناب زاہد مجید (جناب الیاس شریف کے متبادل)	5

بورڈ کی کمیٹیاں:

بورڈ کو تین کمیٹیوں کا تعاون حاصل ہے؛ ہر کمیٹی کی سربراہی ایک آزاد ڈائریکٹر کرتے ہیں اور یہ بورڈ کی جانب سے منظور شدہ 'ضابطہ کار' (Terms of Reference) کے تحت کام کرتی ہیں۔

کمیٹی	اجلاس	سال کے دوران کردار
بورڈ کی آڈٹ کمیٹی	4	سہ ماہی اور سالانہ مالیاتی گوشواروں، اندرونی و بیرونی آڈٹ کے نتائج، IFRS اور ضوابط کی پاسداری، نیز اندرونی کنٹرولز کی مناسبت کا جائزہ لیا؛ اور کمپنی کے اثاثوں کے تحفظ کے مؤثر اقدامات کی تصدیق کی۔
کمیٹی برائے انسانی وسائل	2	معاوضے، کارکردگی کے انتظام اور ملازمین کی ترقی سے متعلق پالیسیوں کا جائزہ لیا؛ اہم عہدوں کے لیے جانشینی کے منصوبوں (succession planning) کی نگرانی کی اور ٹیلنٹ کو برقرار رکھنے اور ملازمین کی وابستگی بڑھانے کے اقدامات کا جائزہ لیا۔
کمیٹی برائے کاروباری حکمتِ عملی	2	مارکیٹ اور معاشی پیش رفت کے تناظر میں اسٹریٹجک اہداف کا جائزہ لیا، کلیدی اقدامات کے نفاذ کی نگرانی کی، اور توسیع، جدت طرازی اور آپریشنل کارکردگی کے مواقع کا تخمینہ لگایا۔

مزید انکشافات 'لسٹڈ کمپنیوں (کارپوریٹ گورننس کے ضابطہ کار) کے ضوابط 2019' کی تعمیل سے متعلق بیان میں موجود ہیں۔

کارپوریٹ اور مالیاتی معلومات:

*"مجموعی (Consolidated) مالیاتی گوشواروں میں ذیلی کمپنیوں 'برجر ڈی پی آئی (پرائیویٹ) لمیٹڈ' اور 'برجر روڈ سیفٹی (پرائیویٹ) لمیٹڈ' کے کھاتے شامل ہیں۔

*ہولڈنگ کمپنی 'میسرز سلاٹ ریپڈ لمیٹڈ' (جو بی وی آئی میں رجسٹرڈ ہے)، جس کے پاس 30 جون 2026 تک جاری کردہ شیئر کیپٹل کا 52.05 فیصد حصہ موجود ہے۔

*فی شیئر آمدنی: 12.60 روپے (2025: 12.16 روپے)۔

*منافعِ حصص (Dividend): بورڈ نے مالی سال 2026 کے لیے ____ روپے فی شیئر حتمی نقد منافعِ حصص کی تجویز دی ہے، جس کا انحصار سالانہ عام اجلاس (AGM) میں شیئر ہولڈرز کی منظوری پر ہے۔

*آڈیٹرز: میسرز بی ڈی او اور ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، آئندہ سالانہ عام اجلاس کے اختتام پر سبکدوش ہو رہے ہیں؛ 2026-27 کے لیے تقرری کا اختیار شیئر ہولڈرز کے پاس ہے۔

*متعلقہ فریقین (related parties) کے ساتھ ہونے والے تمام لین دین کا جائزہ بورڈ نے لیا اور ان کی منظوری دی۔

ڈائریکٹرز کی رپورٹ

برائے سالِ اختتام 30 جون 2026

* کمپنی نے اس سال کے دوران پاکستان اسٹاک ایکسچینج کے لسٹنگ ضوابط کے تحت 'کارپوریٹ گورننس کے ضابطہِ اخلاق' کی ضروریات کی تعمیل کی ہے؛ تعمیلی بیان (Statement of Compliance) منسلک ہے۔

*30 جون 2026 تک شیئر ہولڈنگ کا نمونہ اس رپورٹ کے صفحہ ____ پر ظاہر کیا گیا ہے۔

کارپوریٹ مالیاتی رپورٹنگ کے فریم ورک کا بیان:

*مالیاتی گوشوارے 'کمپنیز ایکٹ 2017' کے مطابق تیار کیے گئے ہیں اور یہ کمپنی کے امور کی صورتحال، نتائج، کیش فلو (نقدی کے بہاؤ) اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

* کمپنی کا بنیادی کاروبار آرائشی اور صنعتی پینٹس (رنگوں) اور متعلقہ مصنوعات کی تیاری، مارکیٹنگ اور تقسیم ہے۔

*اکاؤنٹس کی مناسب کتابیں رکھی گئی ہیں، اور مناسب اکاؤنٹنگ پالیسیاں، جن کا مستقل اطلاق کیا گیا ہے، قابلِ اطلاق بین الاقوامی اکاؤنٹنگ/ مالیاتی رپورٹنگ کے معیارات سے مطابقت رکھتی ہیں۔

*اکاؤنٹنگ کے تخمینے معقول اور محتاط فیصلے پر مبنی ہیں، اور اندرونی کنٹرولز (internal controls) ڈیزائن کے اعتبار سے مستحکم ہیں اور ان پر مؤثر طریقے سے عمل درآمد کیا گیا ہے۔

* کمپنی کی 'گوئنگ کنسرن' (کاروبار جاری رکھنے) کی صلاحیت پر کوئی نمایاں شبہ نہیں ہے، اور کارپوریٹ گورننس کے بہترین طریقوں سے کوئی اہم انحراف نہیں پایا گیا۔

* گزشتہ چھ سالوں کا کلیدی آپریشنل اور مالیاتی ڈیٹا منسلک ہے۔

*ڈائریکٹرز، سی ای او، ایگزیکٹوز اور ان کے شریکِ حیات اور نابالغ بچوں نے سال کے دوران کمپنی کے حصص کی خرید و فروخت نہیں کی۔

30 جون 2026 کو ریٹائرمنٹ فنڈ کی سرمایہ کاری کی مالیت

فنڈز (بمورخہ 30 جون 2026)	ہزار روپوں میں
برجر پینٹس ایگزیکٹو اسٹاف پنشن فنڈ	136,370
برجر پینٹس گریجوٹی فنڈ	135,804
برجر پینٹس پروویڈنٹ فنڈ	411,106

کارپوریٹ سماجی ذمہ داری:

برجر (Berger) اپنی سماجی ذمہ داریوں کو تسلیم کرتا ہے اور انہیں بخوشی اپناتا ہے، جس سے کمپنی اور معاشرے کے درمیان تعلق مزید مستحکم ہوتا ہے۔ اپنے اقدامات کے سلسلے میں، برجر نے ماحول دوست پروگرام متعارف کرایا ہے جس کے تحت پینٹ کے بچے ہوئے فضلے کو قابلِ استعمال مصنوعات میں تبدیل کیا جاتا ہے۔ یہ مصنوعات پسماندہ علاقوں کے اسکولوں کے ساتھ ساتھ مساجد اور گرجا گھروں کو عطیہ کی جاتی ہیں۔ مزید برآں، 'روشنی ہیلپ لائن' کے اشتراک سے چلائی جانے والی مہم "ٹرک آرٹ- چائلڈ فائنڈر" (Child Finder-Truck Art) کا مقصد لاپتہ بچوں کا سراغ لگانا ہے۔ اس مہم نے بین الاقوامی سطح پر پذیرائی حاصل کی ہے اور دو سلور (چاندی) نیز تین برانز (کانسی) کی ٹرافیاں جیتی ہیں۔ خوراک کی عدم دستیابی (food insecurity) کے سنگین مسئلے کے پیشِ نظر، برجر اپنے پلانٹ میں ملازمین کے لیے تیار کردہ کھانا فراہم کرنے اور اضافی کھانا قریبی مسجد میں ضرورت مند بچوں تک پہنچانے کے ذریعے اپنا حصہ ڈالتا ہے۔ گزشتہ سال آنے والے تباہ کن سیلابوں، جنہوں نے لاہور کے قریبی علاقوں اور ملک کے جنوبی حصے کو متاثر کیا تھا، کے ردِعمل میں کمپنی نے متاثرہ برادریوں کی تکالیف کم کرنے کے لیے امدادی سرگرمیوں میں حصہ لے کر قابلِ ستائش کارپوریٹ سماجی ذمہ داری کا مظاہرہ کیا۔ بحالی کے عمل میں ثقافتی اور مذہبی اداروں کی اہمیت کو سمجھتے ہوئے، ادارے نے لڑکوں اور لڑکیوں کے مشترکہ مدرسے اور مسجد کی مکمل رنگ و روغن (repainting) کا انتظام کرنے کا اقدام اٹھایا ہے؛ یہ مقامات پانی کی سطح بلند ہونے سے شدید متاثر ہوئے تھے۔ اس کاوش کا مقصد نہ صرف عبادت اور تعلیم کے ان اہم مراکز کی بحالی ہے بلکہ کمیونٹی میں امید اور معمول کے حالات کا احساس دوبارہ پیدا کرنا بھی ہے، جو سماجی بہبود اور کمیونٹی کی قوتِ مدافعت (resilience) کے لیے کمپنی کے عزم کی عکاسی کرتا ہے۔

ڈائریکٹرز کمپنی کے شیئر ہولڈرز، اسٹیک ہولڈرز اور صارفین کا ان کی مسلسل حمایت پر شکریہ ادا کرتے ہیں، اور کمپنی کے مشن کو آگے بڑھانے میں ہر سطح کے ملازمین کی لگن کو سراہتے ہیں۔

بورڈ کی جانب سے

چیف ایگزیکٹو ڈائریکٹر

لاہور

مورخہ: 23 ستمبر 2026

PATTERN OF SHAREHOLDING

as on 30 June 2026

THE COMPANIES ACT 2017	**(Section 227(2)(f))**
Name of the Company	**BERGER PAINTS PAKISTAN LIMITED**
Pattern of holding of the shares held by the shareholders as at	**30-06-2026**

FORM 20

No. of Shareholders	------Shareholdings------ From	To	Total Shares Held
1,060	1	100	30,924
633	101	500	179,634
406	501	1,000	328,393
528	1,001	5,000	1,326,724
115	5,001	10,000	903,448
45	10,001	15,000	572,237
18	15,001	20,000	309,282
18	20,001	25,000	414,794
8	25,001	30,000	223,805
6	30,001	35,000	199,688
3	35,001	40,000	110,316
5	40,001	45,000	218,946
2	45,001	50,000	100,000
3	50,001	55,000	158,800
1	60,001	65,000	60,677
2	65,001	70,000	130,948
1	70,001	75,000	75,000
1	75,001	80,000	80,000
1	85,001	90,000	87,010
1	90,001	95,000	94,080
2	95,001	100,000	200,000
1	100,001	105,000	102,320
1	105,001	110,000	109,350
1	110,001	115,000	110,001
1	125,001	130,000	130,000
1	130,001	135,000	131,983
1	135,001	140,000	138,712
1	170,001	175,000	174,535
1	190,001	195,000	195,000
2	195,001	200,000	395,104
1	245,001	250,000	249,067
1	280,001	285,000	280,681
1	350,001	355,000	354,424
1	375,001	380,000	377,695
1	580,001	585,000	580,548
1	590,001	595,000	591,164
1	615,001	620,000	619,477
1	705,001	710,000	708,836
1	715,001	720,000	718,836
1	12,775,001	12,780,000	12,779,176
2,879			**24,551,615**

CATEGORIES OF SHAREHOLDER

as of 30 June 2026

Particulars	Shares Held	Percentage
Directors, CEO and their spouse and minor children	720,964	2.94%
Associated Companies, undertakings and related parties (Parent Company)	12,779,176	52.05%
NIT & ICP	356,433	1.45%
Banks, DFI & NBFC	210	0.00%
Insurance Companies	67,500	0.27%
Modarbas and Mutual Funds	0	0.00%
General Public (Local)	9,388,308	38.24%
General Public (Foreign)	20,300	0.08%
Others	1,218,724	4.96%
Company Total	**24,551,615**	**100.00%**
Categories of Shareholders Required under the code of Corporate Governance as at June 30, 2026		
DIRECTORS THEIR SPOUSES & MINOR CHILDREN:		
DR. MAHMOOD AHMED	2	0.00%
MR. MUHAMMAD ILYAS	1	0.00%
MR. MAQBOOL H. H. RAHIMTOOLA (CDC)	2,121	0.01%
MR. SHAHZAD MUMTAZ HUSSAIN	1	0.00%
MISS ZARINE AZIZ	1	0.00%
MR. TARIQ IKRAM	1	0.00%
MRS. ROOHI R. KHAN	1	0.00%
MRS. AYESHA MAHMOOD W/O DR. MAHMOOD AHMAD	718,836	2.93%
	720,964	**2.94%**
ASSOCIATED COMPANIES:		
SLOTRAPID LIMITED (CDC)	12,779,176	52.05%
	12,779,176	**52.05%**
NIT & ICP:		
M/S INVESTMENT CORPORATION OF PAKISTAN	795	0.00%
M/S. NATIONAL BANK OF PAKISTAN TURSTEE DEPARTMENT	1,214	0.00%
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST (CDC)	354,424	1.44%
	356,433	**1.45%**
BANKS, DFI & NBFC	210	0.00%
INSURANCE COMPANIES	67,500	0.27%
MODARBAS AND MUTUAL FUNDS	0	0.00%
GENERAL PUBLIC (LOCAL)	9,388,308	38.24%
GENERAL PUBLIC (FOREIGN)	20,300	0.08%
OTHERS	1,218,724	4.96%
	10,695,042	**43.56%**
	24,551,615	**100.00%**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **76th Annual General Meeting of Berger Paints Pakistan Limited** will be held at 28-Km Off, Multan Road, Lahore, and / or virtually via video-link/Zoom Cloud meetings on Friday **October 23, 2026 at 10:00 am.** to transact the following business:

Ordinary Business:

1. To confirm minutes of Annual General Meeting held on October 27, 2025.
2. To receive, consider and adopt the Audited Accounts of the Company along with consolidated Accounts for the year ended June 30, 2026 together with the Auditors' Report, Chairman's Review and Directors' Report thereon.
3. Subject to the approval of shareholders to elect 7 directors of the Company, for a term of three years, in accordance with section 159 of the Companies Act 2017. The names of the retiring directors are as follows:
   - Mr. Maqbool H.H. Rahimtoola
   - Mr. Tariq Ikram
   - Mr. Shahzad M. Hussain
   - Ms. Roohi Raees Khan
   - Mr. Ilyas Sharif
   - Ms. Zarine Aziz
   - Mr. Zafar Suroor Qidwai
4. To appoint Auditors for the year ending June 30, 2027 and fix their remuneration.
5. To approve the announced dividend in Cash @ 50% i.e. Rs. 5.00 per share of Rs. 10 each for the year 2026, as recommended by the Board of Directors.
6. To consider any other business, that may be placed before the members with the permission of the chair.

By Order of the Board

Lahore: October 02, 2026

Registered Office
28-Km Off, Multan Road, Lahore.

Naveed Ahmed Zafar
Company Secretary

Notes:

1) The Share Transfer Books will remain closed from October 16, 2026 to October 23, 2026, both days inclusive and the final dividend will be paid to the Members whose name will appear in the Register of Members on October 16, 2026. Members (Non-CDC) are requested to promptly notify the Company's Registrar on any change in their addresses and submit, if applicable to them, the non-deduction of Zakat Form CZ-50 with Registrar of the Company M/s Corplink Private Limited, Wings Arcade, 1-K, Commercial Block K, Model Town, Lahore, Punjab, 54000. All Members holding the shares through the CDC are requested to please update their addresses and Zakat status with their Participations.

2) A member entitled to attend and vote at this meeting may appoint another member as his / her proxy to attend and vote for him / her. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. A proxy must be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

3) CDC Accounts Holders will further have to follow the guidelines as laid down in Circular 1, dated the January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

4) CDC Account Holders will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

Attendance of AGM through Video-Link

The entitled shareholders whose name appear in the Books of Company by the close of business in October 16, 2026 who are interested to attend AGM through online platform are hereby requested to get themselves registered with the Company Secretary office by providing the following details at the earliest but not later than 48 hours before the time of AGM at df.secretary@berger.com.pk.

Name of Shareholders	CNIC No.	Folio No. / CDS No.	Cell Number	Email Address

Upon the receipt of above information from interested shareholders, the Company will send the login details at their email addresses. The Company will convene the meeting through "Zoom Cloud Meetings" which can be downloaded from Google Play or App Store. Our shareholders are therefore requested to download the application ahead of the meeting. On the AGM day, shareholders will be able to login and participate in the AGM proceedings through smart phones or Computer devices from any convenient location.

The login facility will be opened 30 minutes before the meeting time to enable the participants to join meeting after identification and verification process.

The entitled shareholders (whose name appeared in the books of Company by the close of Business on October 16, 2026 along with the details mentioned above may send their comments/suggestions for the proposed agenda items at the above email address at least 48 hours before the meeting.

Electronic Notice of AGM

The company has been dispatching the notice of AGM to all the members through post to their registered address. In addition, the Notice along with the proxy form is available on Company website www.berger.com.pk. and has been sent to the PSX via the PUCARS system. In the event of any difficulty in accessing the Notice or proxy form, members can contact the Company via email at DF.Secretary @berger.com.pk. the Company will send a copy of the Notice and proxy form via e-mail only to those members who place a request in writing and have provided their e-mail addresses to the Share Registrar of the Company, Corplink (Private) Limited.

For Attending the Meeting:

i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration detail is uploaded as per the Regulations, shall authenticate their identity by showing his/her original Computerized National Identity Card("CNIC") or original passport at the time of attending the meeting through video-link.

ii. In case of corporate entity, Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless provided earlier) at the time of the meeting.

For Appointing Proxies:

i. In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration detail is uploaded as per the CDC Regulations shall submit the proxy form as per the above requirement.

ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii. Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv. The proxy shall produce his / her original CNIC or original passport at the time of the meeting.

v. In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be submitted (unless provided earlier) along with the proxy form to Company.

Election of Directors

For Election of Directors, any person who seeks to contest the Election shall, whether he/she is a retiring director or otherwise, send his/her nomination for Election, duly signed by the Member or Members making the nomination or by their duly authorized representative, to the Company at its Registered Office, Berger Paints Pakistan Limited, 28-Km Off, Multan Road, Lahore, which should be received not less than fourteen (14) clear days before the date of the Meeting in terms of Section 159(3) of the Companies Act, 2017.

Categories for Election of Directors

In compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulation, 2019 Election of Directors will be held in the following categories:

1. Female Director

2. Independent Directors

3. Other Directors

Any member while submitting his/her Notice of Intention shall select any one of the above categories and clearly mention his Notice of Intention for which category he/she seeks to contest the Election of Directors.

Candidates for Directorship

Every nomination of a candidate for Election must be accompanied with the following documents:

Consent of the Candidate to act as Director in appendix to form 9, duly and signed by the Candidate, as required by the Companies Act 2017;

Declaration of the Candidate for being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria as set out in the Companies Act 2017 to act as Director of a Listed Company;

Confirmation of the Candidate that he/she is not serving as Director in more than seven listed companies simultaneously, provided that his/her limit shall not include the directorship in the listed subsidiary; and

A detailed profile of the Candidate along with a copy of valid CNIC, Folio or CDC account number, Contact details and Office Address.

In case of an Independent Director, a declaration of the candidate as per the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Potential candidates may contact the Company Secretary at df.secretary@berger.com.pk. for any queries or assistance on the above.

The final list of contesting directors will be circulated not later than seven days before the date of the said Meeting.

NOTICE OF ANNUAL GENERAL MEETING

Submission of copies of CNIC and NTN Certificate (Mandatory).

Pursuant to the directives of the SECP, the dividend of shareholders whose CNIC / SNIC or NTN (in case of corporate entities), are not available with the Share Registrar shall be withheld. Shareholders are therefore, requested to submit a copy of their valid CNIC/SNIC (if not already provided) to the Company's Share Registrar, M/s Corplink Private Limited, Wings Arcade, 1-K, Commercial Block K Model Town, Lahore, Punjab 54000.

Withholding Tax on Dividend

Government of Pakistan through Finance Act, 2019 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

(a)	For filers of income tax returns:	15%
(b)	For non-filers of income tax returns:	30%

Shareholders, who are filers, are advised to make sure that their names are entered into latest Active Taxpayers List (ATL) provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as non-filers and tax on their cash dividend will be deducted at the rate of 30% instead of 15%.

Withholding Tax on Dividend in case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the Joint Account Holder(s) (where shareholding has not been determined by the Principal Shareholder) for deduction of withholding tax on dividends of the Company, shareholders are requested to furnish the shareholding ratio details of themselves as Principal shareholder and their Joint Holders, to the Company's Share Registrar ,in writing as per format given below enabling the Company to compute withholding tax of each shareholder accordingly.

Company Name	Folio/CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder(s)	
			Name & CNIC No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion (No. of Shares)

The required information must reach our Share Registrar within 10 days of this notice, otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s).

Payment of Cash Dividend through Electronic Mode (Mandatory)

The provisions of Section 242 of the Companies Act, 2017 (“ACT”) provides that any dividend declared by a listed company shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. SECP has advised in their Circular No. 18 of 2017 dated August 01, 2017 to all listed companies to ensure that with effect from November 01, 2017 as also provided in the Companies (Distribution of Dividends) Regulations, 2017 (as amended from time to time) cash dividends shall be paid through electronic mode only. Therefore, shareholders are requested to provide the details of their bank mandate specifying: (a) title of account, (b) account number (c) IBAN (d) bank name and (e) branch name, code and address to the Company or Share Registrar. Those shareholders who hold shares with participants / Central Depository Company of Pakistan (CDC) are advised to provide the same to their concerned participant / CDC. Please note that as per Section 243(3) of the Act, listed companies are entitled to withhold payment of dividend, if necessary, information is not provided by shareholders. For the convenience of shareholders e-Dividend Mandate Form is available on Company's website.

E-Voting

Members can exercise their right to demand a poll subject to meeting requirements of Section 143-145 of the Act and applicable clauses of Companies (Postal Ballot) Regulations 2018.

Video Conference

Pursuant to SECP Circular No.10 of 2014 dated May 21, 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 10 days prior to the date of Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility please provide the following information to the Share Registrar, M/s Corplink Private Limited, Wings Arcade, 1-K, Commercial Block K Model Town, Lahore, Punjab 54000.

I/We, of being a member of Berger Paints Pakistan Limited holder of Ordinary Share(s) as per Register Folio No. _____ hereby opt for video conference facility at (Please insert name of the City).

Unclaimed Dividend

Shareholders who have not claimed their dividend are advised to contact our Share Registrar to collect /enquire about their unclaimed dividend, if any. As per the provisions of Section 244 of the Act, any shares issued or dividend declared by the Company which have remained unclaimed/unpaid for a period of three years from the date on which it was due and payable, are required to be deposited with Securities and Exchange Commission of Pakistan for the credit of Federal Government after issuance of notices to the Shareholders to file their claim. The details of the shares issued and dividend declared by the Company which have remained due for more than three years are available on the Company's website http://www.berger.com.pk. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case no claim is lodged, the Company shall proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of the Act.

Transmission of Annual Report 2026

i. In accordance with Section 223(6) of the Companies Act, 2017 and pursuant to the SECP's Notification No. SRO 389 (1)/2023 dated March 21, 2023, the Annual Report for the financial year ended on June 30, 2026 of the Company containing inter alia the audited financial statements, auditors report, directors' and Chairman's reports thereon may be viewed and downloaded by following the QR Code and web-link as given hereunder:

https://www.berger.com.pk/financial-statements

ii. Annual Report has also been e-mailed to those shareholders who have provided their valid e-mail IDs to the Company.

iii. The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand.

نوٹس برائے سالانہ اجلاس عام

نوٹس ہذا سے مطلع کیا جاتا ہے کہ برجر پینٹس پاکستان لمیٹڈ کا چھہترواں (76واں) سالانہ اجلاس عام مؤرخہ 23 اکتوبر 2026ء بروز جمعہ سہ پہر 10:00 بجے KM-28- ملتان روڈ, لاہور اور/یا بذریعہ وڈیو لنک/زوم کلاؤڈ فاصلاتی طور پر مندرجہ ذیل امور پر بحث کے لئے منعقد ہوگا:

عمومی امور

1. 27 اکتوبر 2025ء کو منعقدہ سالانہ اجلاس عام کی کارروائی کی توثیق کرنا۔
2. 30 جون 2026ء کو اختتام پذیر سال کے لئے کمپنی کے پڑتال شدہ کھاتے بمعہ منجمد اکاؤنٹس، آڈیٹرز رپورٹ، چیئرمین کی جائزہ رپورٹ اور اس پر ڈائریکٹرز کی رپورٹ کو وصول کرنا، زیرغور لانا اور اپنانا۔
3. کمپنیز ایکٹ 2017 کی دفعہ 159 کے تحت، تین سال کی مدت کے لیے کمپنی کے 7 ڈائریکٹرز کے انتخاب کے سلسلے میں شیئر ہولڈرز کی منظوری سے مشروط۔ سبکدوش ہونے والے ڈائریکٹرز کے نام درج ذیل ہیں:
   - جناب مقبول ایچ ایچ رحمت اللہ
   - جناب طارق اکرام
   - جناب شہزاد ایم حسین
   - محترمہ روحی رئیس خان
   - جناب الیاس شریف
   - محترمہ زرین عزیز
   - جناب ظفر سرور قدوائی
4. 30 جون 2027ء کو اختتام پذیر سال کے لئے آڈیٹرز کی تقرری کرنا اور ان کا مشاہیرہ طے کرنا۔
5. .بورڈ آف ڈائریکٹرز کی سفارشات پر سال 2026 کے لئے ہر 10 روپے کے حصص پر 5.00 روپے فی حصص یعنی 50 فیصد کی شرح سے اعلان شدہ نقد منافع منقسمہ کی منظوری دینا۔
6. چیئرمین کی اجازت سے اراکین کے سامنے رکھے جانے والے دیگر امور کو زیرغور لانا۔

لاہور: 02 اکتوبر 2026

بحکم بورڈ

رجسٹرڈ آفس
KM-28- ملتان روڈ لاہور

نوید احمد ظفر
کمپنی سیکریٹری

مندرجات:

1) شیئر ٹرانسفر books مؤرخہ 16 اکتوبر 2026ء تا 23 اکتوبر 2026 (بشمول دونوں ایام) بند رہیں گی۔ 16 اکتوبر 2026ء کو اراکین کے رجسٹر پر ظاہر ہونے والے اراکین کو ہی حتمی منافع منقسمہ ادا کیا جائے گا۔ (نان CDC) اراکین سے درخواست ہے کہ وہ اپنے پتہ میں تبدیلی کی بابت کمپنی رجسٹرار کو فوراً آگاہ کریں اور، اگر ان پر لاگو ہو، زکوٰۃ کی عدم کٹوتی کا فارم CZ-50 کمپنی رجسٹرار میسرز کارپ لنک پرائیویٹ لمیٹڈ، ونگز آرکیڈ، 1-K کمرشل بلاک K، ماڈل ٹاؤن لاہور پنجاب 54000 کو جمع کرائیں۔ CDC کے ذریعے حصص کے مالک تمام اراکین کو درخواست کی جاتی ہے اپنے پتہ اور اپنی شرکت کے ساتھ زکوٰۃ کی حیثیت کو اپ ڈیٹ کریں۔

2) اس اجلاس میں شرکت اور ووٹ کرنے کا/کی اہل رکن کسی دوسرے/دوسری رکن کو اپنی جگہ شرکت اور ووٹ کرنے کے لئے اپنا پراکسی مقرر کرسکتا/سکتی ہے۔ پراکسی کو مؤثر کرنے کی غرض سے پراکسی فارم کمپنی کے رجسٹرڈ آفس میں اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل پہنچ جانا چاہئے۔ پراکسی کو لازمی کمپنی کا رکن ہونا چاہئے۔

3) CDC اکاؤنٹس ہولڈر کو مؤرخہ 26 جنوری، 2000ء کو جاری کردہ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر نمبر 1 میں بیان ہدایات پر عمل کرنا ہوگا۔

4) CDC اکاؤنٹ ہولڈرز کو مذکورہ زیریں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایات پر بھی عمل کرنا ہوگا:

بذریعہ وڈیو لنک AGM میں شرکت:

16 اکتوبر 2026 کو کاروبار بند ہونے تک کمپنی کے کھاتوں میں درج اہل شیئر ہولڈرز جو سالانہ اجلاس عام میں بذریعہ آن لائن پلیٹ فارم شرکت کرنا چاہتے ہیں انہیں سالانہ اجلاس عام کے آغاز سے کم از کم 48 گھنٹے قبل کمپنی سیکریٹری کو df.secretary@berger.com.pk پر مندرجہ ذیل تفصیلات فراہم کرنے کی درخواست کی جاتی ہے۔

نام شیئر ہولڈر	شناختی کارڈ نمبر	فولیو/CDS نمبر	سیل نمبر	ای میل ایڈریس

خواہشمند شیئر ہولڈرز سے مذکورہ بالا معلومات موصول ہونے پر کمپنی لاگ اِن کی تفصیلات ان کے ای میل ایڈریس پر بھیجے گی۔ کمپنی ''زوم کلاؤڈ میٹنگز'' کے ذریعے اجلاس طلب کرے گی۔ یہ ایپ گوگل پلے یا ایپ سٹور سے ڈاؤن لوڈ کی جاسکتی ہے۔ لہٰذا ہم اپنے شیئر ہولڈرز سے درخواست کرتے ہیں کہ اجلاس سے قبل یہ ایپلیکیشن ڈاؤن لوڈ کرلیں۔ اجلاس کے دن، شیئر ہولڈرز لاگ اِن کرسکیں گے اور بذریعہ سمارٹ فون یا کمپیوٹر آلات اپنے رہائشی مقام سے اجلاس عام میں شرکت کرسکیں گے۔ لاگ اِن کی سہولت اجلاس کے انعقاد سے 30 منٹ قبل شروع کردی جائے گی تاکہ شرکاء اپنی شناخت اور تصدیق کے عمل سے گزر کر اجلاس میں شامل ہوسکیں۔

16 اکتوبر 2026ء کو کاروبار بند ہونے تک کمپنی کے کھاتوں میں درج اہل شیئر ہولڈرز مذکورہ بالا معلومات کے ہمراہ اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل مذکورہ بالا ای میل ایڈریس پر مجوزہ ایجنڈا آئٹمز سے متعلق رائے/تجاویز ارسال کرسکتے ہیں۔

AGM کا الیکٹرونک نوٹس:

کمپنی نے AGM کا نوٹس تمام اراکین کو ان کے رجسٹرڈ پتہ پر ارسال کردیا ہے۔ مزید برآں نوٹس بمعہ پراکسی فارم کمپنی کی ویب سائٹ www.berger.com.pk پر بھی موجود ہے اور اسے PUCARS کے ذریعے PSX کو بھیج دیا گیا ہے۔ نوٹس یا پراکسی فارم تک رسائی میں کسی بھی مشکل کی صورت میں راکین کمپنی کے ساتھ ای میل df.secretary@berger.com.pk کے ذریعے رابطہ کرسکتے ہیں۔ کمپنی نوٹس اور پراکسی فارم کی نقل صرف ان اراکین کو ای میل کرے گی جنہوں نے کمپنی کے شیئر رجسٹرار کارپ لنک (پرائیویٹ) لمیٹڈ کو بذریعہ ای میل درخواست کی ہوگی۔

اجلاس میں شرکت کے لئے:

i. فرد واحد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/ یا ایسے افراد جن کی سیکیورٹیز گروپ اکاؤنٹ میں موجود ہیں اور ان کی رجسٹریشن تفصیلات ضوابط کے تحت شائع کی گئی ہیں کو بذریعہ ویڈیو لنک اجلاس میں شرکت کی بابت اپنی شناخت ثابت کرنے کے لئے اپنا اصلی شناختی کارڈ نمبر یا اصلی پاسپورٹ پیش کرنا ہوگا۔

ii. کاروباری ادارے کی صورت میں بوڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ بمعہ نامزد فرد کے نمونہ کے دستخط اجلاس کے موقع پر پیش کرنا ہوں گے (اگر پہلے جمع نہیں کرائے گئے ہیں)۔

پراکسیز کی تقرری کے لئے:

i. فرد واحد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/ یا ایسے افراد جن کی سیکیورٹیز گروپ اکاؤنٹ میں موجود ہیں اور ان کی رجسٹریشن تفصیلات ضوابط کے تحت شائع کی گئی ہیں کو مذکورہ بالا معیار کے مطابق پراکسی فارم جمع کرانا ہوگا۔

ii. دو افراد پراکسی فارم کے گواہ ہوں گے جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج ہونے چاہئیں۔

iii. مستفید ہونے والے مالکان اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول پراکسی کے ساتھ لازمی منسلک ہوں۔

iv. اجلاس کے موقع پر پراکسی اپنا اصلی شناختی کارڈ یا اصلی پاسپورٹ پیش کرے گا/گی۔

v. کاروباری ادارے کی صورت میں پراکسی فارم کے ہمراہ بوڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ بمعہ نامزد

ڈائریکٹرز کا انتخاب:

ڈائریکٹرز کے انتخاب کے سلسلے میں، جو بھی شخص انتخاب لڑنے کا خواہشمند ہو — خواہ وہ سبکدوش ہونے والا ڈائریکٹر ہو یا کوئی اور اسے اپنا نامزدگی کا پرچہ کمپنی کے رجسٹرڈ دفتر (برجر پینٹس پاکستان لمیٹڈ، 28-کلومیٹر ملتان روڈ، لاہور) میں بھیجنا ہوگا۔ اس نامزدگی پر نامزد کرنے والے رکن (یا اراکین) یا ان کے مجاز نمائندے کے دستخط ہونے چاہئیں، اور یہ پرچہ کمپنیز ایکٹ 2017 کی دفعہ 159 (3) کے تحت اجلاس کی تاریخ سے کم از کم چودہ (14) مکمل دن قبل موصول ہوجانا چاہیے۔

ڈائریکٹرز کے انتخاب کے لیے زمرہ جات:

لسٹڈ کمپنیز (کارپوریٹ گورننس کا ضابطہ) ریگولیشن، 2019 کے ضابطہ 7A کی شقوں کی تعمیل میں، ڈائریکٹرز کا انتخاب درج ذیل زمرہ جات میں کیا جائے گا:

1. خاتون ڈائریکٹر
2. آزاد ڈائریکٹرز (Independent Directors)
3. دیگر ڈائریکٹرز

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کوئی بھی رکن اپنا 'ارادے کا نوٹس' (Notice of Intention) جمع کرواتے وقت مذکورہ بالا زمرہ جات میں سے کسی ایک کا انتخاب کرے گا اور اپنے نوٹس میں واضح طور پر یہ ذکر کرے گا کہ وہ کس زمرے کے تحت ڈائریکٹرز کے انتخاب میں حصہ لینے کا خواہشمند ہے۔

ڈائریکٹرشپ کے امیدوار:

انتخاب کے لیے امیدوار کی ہر نامزدگی کے ساتھ درج ذیل دستاویزات منسلک ہونی چاہئیں:

کمپنیز ایکٹ 2017 کے تقاضوں کے مطابق، امیدوار کی جانب سے باقاعدہ دستخط شدہ 'فارم 9 کے اپنڈیکس میں بطور ڈائریکٹر کام کرنے کی رضامندی۔

امیدوار کا یہ بیان حلفی/اعلامیہ کہ وہ 'لسٹڈ کمپنیز (کارپوریٹ گورننس کا ضابطہ) ضوابط، '2019 کے تقاضوں اور کمپنیز ایکٹ 2017 میں بیان کردہ اہلیت کے معیار (بطور لسٹڈ کمپنی ڈائریکٹر کام کرنے کے لیے) پر پورا اترتا/اترتی ہے۔

امیدوار کی جانب سے اس بات کی تصدیق کہ وہ بیک وقت سات سے زیادہ لسٹڈ کمپنیوں میں بطور ڈائریکٹر خدمات انجام نہیں دے رہا/رہی ہے (بشرطیکہ اس حد میں لسٹڈ ذیلی کمپنی میں ڈائریکٹرشپ شامل نہ ہو)؛ اور امیدوار کا تفصیلی پروفائل بمعہ درست شناختی کارڈ (CNIC) کی کاپی، فولیو یا سی ڈی سی (CDC) اکاؤنٹ نمبر، رابطے کی تفصیلات اور دفتر کا پتہ۔

آزاد ڈائریکٹر (Independent Director) کی صورت میں، 'لسٹڈ کمپنیز (کارپوریٹ گورننس کا ضابطہ) ضوابط، '2019 کے مطابق امیدوار کا اعلامیہ۔

ممکنہ امیدوار مذکورہ بالا امور کے بارے میں کسی بھی قسم کی معلومات یا معاونت کے لیے کمپنی سیکریٹری سے df.secretary@berger.com.pk پر رابطہ کر سکتے ہیں۔

انتخاب میں حصہ لینے والے ڈائریکٹرز کی حتمی فہرست مذکورہ اجلاس کی تاریخ سے کم از کم سات دن قبل جاری کر دی جائے گی۔

شناختی کارڈ اور NTN سرٹیفکیٹ (لازمی) کی نقول جمع کرانا:

SECP ہدایات کی پیروی میں ایسے شیئر ہولڈرز جن کے شناختی کارڈ/SNIC یا (کاروباری ادارہ کی صورت میں) NTN شیئر رجسٹرار کے پاس موجود نہیں ان کو منافع منقسمہ کی ادائیگی روک دی جائے گی۔ لہٰذا شیئر ہولڈرز کو اپنے کارآمد شناختی کارڈ/SNIC کی نقل کمپنی کے شیئر رجسٹرار میسرز کارپ لنک پرائیویٹ لمیٹڈ ونگز آرکیڈ، 1-K، کمرشل بلاک K، ماڈل ٹاؤن، لاہور، پنجاب 54000 کو جمع کرانے کی درخواست کی جاتی ہے (اگر پہلے مہیا نہیں کیا گیا ہے)۔

ڈیویڈنڈ پر ودہولڈنگ ٹیکس:

حکومت پاکستان نے فنانس ایکٹ 2019 کے ذریعے انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 میں کچھ ترامیم کی ہیں جس کے تحت کمپنیوں کی طرف سے ادا کردہ ڈیویڈنڈ کی رقم پر ودہولڈنگ ٹیکس کی کٹوتی کے لیے مختلف شرحیں تجویز کی گئی ہیں۔ ٹیکس کی یہ شرحیں درج ذیل ہیں:

(a)	انکم ٹیکس گوشوارے جمع کرانے والوں کے لیے :	15%
(b)	انکم ٹیکس گوشوارے جمع نہ کرنے والوں کے لیے:	30%

شیئر ہولڈرز، جو فائلرز ہیں، کو مشورہ دیا جاتا ہے کہ وہ اس بات کو یقینی بنائیں کہ ڈیویڈنڈ کی ادائیگی کے وقت ان کے نام ایف بی آر کی ویب سائٹ پر فراہم کردہ تازہ ترین ایکٹو ٹیکس پیئرز لسٹ (اے ٹی ایل) میں درج ہیں، بصورت دیگر ان کے ساتھ نان فائلرز سمجھا جائے گا اور ان پر ٹیکس وصول کیا جائے گا۔ نقد منافع 15% کی بجائے 30% کی شرح سے کاٹا جائے گا۔

جوائنٹ اکاؤنٹ ہولڈرز کی صورت میں ڈیویڈنڈ پر ودہولڈنگ ٹیکس:

کمپنی کے ڈیویڈنڈ پر ودہولڈنگ ٹیکس کی کٹوتی کے لیے جوائنٹ اکاؤنٹ ہولڈرز (جہاں پرنسپل شیئر ہولڈر کے ذریعے شیئر ہولڈنگ کا تعین نہیں کیا گیا ہے) کے شیئر ہولڈنگ تناسب کا تعین کرنے کے لیے ریگولیٹرز کی ہدایات پر عمل کرنے کے لیے کمپنی کو قابل بنانے کے لیے، شیئر ہولڈرز پرنسپل شیئر ہولڈر اور ان کے جوائنٹ ہولڈرز کے بطور شیئر ہولڈنگ تناسب کی تفصیلات کمپنی کے شیئر رجسٹرار کو تحریری طور پر درج ذیل فارمیٹ کے مطابق فراہم کرنے کی درخواست کی تاکہ کمپنی اس کے مطابق ہر شیئر ہولڈر کے ود ہولڈنگ ٹیکس کا حساب کر سکے۔

کمپنی	فولیو/سی ڈی ایس اکاؤنٹ نمبر	کل شیئرز	پرنسپل شیئر ہولڈر		جوائنٹ شیئر ہولڈرز	
			نام اور CNIC نمبر	شیئر ہولڈنگ تناسب (حصص کی تعداد)	نام اور CNIC نمبر	شیئر ہولڈنگ تناسب (حصص کی تعداد)

مطلوبہ معلومات اس نوٹس کے 10 دنوں کے اندر ہمارے شیئر رجسٹرار تک پہنچنی چاہئیں، ورنہ یہ سمجھا جائے گا کہ حصص پر نسپل شیئر ہولڈر اور جوائنٹ ہولڈرز کے پاس برابر ہیں۔

الیکٹرانک موڈ کے ذریعے نقد ڈیویڈنڈ کی ادائیگی (لازمی):

کمپنیز ایکٹ، 2017 ("ACT") کے سیکشن 242 کی دفعات یہ فراہم کرتی ہیں کہ لسٹڈ کمپنی کی طرف سے اعلان کردہ کوئی بھی ڈیویڈنڈ صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار شیئر ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادا کیا جائے گا۔ ایس ای سی پی نے اپنے سرکلر نمبر 18 آف 2017 مورخہ 01 اگست 2017 میں تمام لسٹڈ کمپنیوں کو مشورہ دیا ہے کہ وہ 01 نومبر 2017 سے اس بات کو یقینی بنائیں کہ کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈز) ریگولیشنز، 2017 (جیسا کہ وقتاً فوقتاً ترمیم کی گئی ہے) وقت) نقد منافع صرف الیکٹرانک موڈ کے ذریعے ادا کیا جائے گا۔ لہذا، حصص یافتگان سے درخواست کی جاتی ہے کہ وہ اپنے بینک مینڈیٹ کی تفصیلات فراہم کریں جس میں یہ وضاحت کی گئی ہے: (a) اکاؤنٹ کا عنوان، (b) اکاؤنٹ نمبر (c) IBAN (d) بینک کا نام اور (e) برانچ کا نام، کوڈ اور کمپنی کو پتہ یا شیئر رجسٹرار۔ وہ شیئر ہولڈرز جو شرکاء/سینٹرل ڈپازٹری کمپنی آف پاکستان (CDC) کے پاس حصص رکھتے ہیں انہیں مشورہ دیا جاتا ہے کہ وہ اپنے متعلقہ شریک/CDC کو فراہم کریں۔ براہ کرم نوٹ کریں کہ ایکٹ کے سیکشن 243(3) کے مطابق، لسٹڈ کمپنیاں ڈیویڈنڈ کی ادائیگی روکنے کی حقدار ہیں، اگر شیئر ہولڈرز کی جانب سے ضروری معلومات فراہم نہیں کی جاتی ہیں۔ شیئر ہولڈرز کی سہولت کے لیے ای ڈیویڈنڈ مینڈیٹ فارم کمپنی کی ویب سائٹ پر دستیاب ہے۔

غیر دعویدار ڈیویڈنڈ:

جن شیئر ہولڈرز نے اپنے ڈیویڈنڈ کا دعویٰ نہیں کیا ہے انہیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیئر رجسٹرار سے رابطہ کریں تاکہ اپنے غیر دعویٰ شدہ ڈیویڈنڈ کے بارے میں معلومات حاصل کریں، اگر کوئی ہے۔ ایکٹ کے سیکشن 244 کی دفعات کے مطابق، کمپنی کی طرف سے جاری کردہ یا ڈیویڈنڈ کا اعلان کردہ کوئی بھی حصص جو اس تاریخ سے تین سال کی مدت تک غیر دعویدار/بغیر ادا شدہ رہ گیا ہے جس تاریخ کو یہ واجب الادا اور قابل ادائیگی ہے، کو سیکیورٹیز کے پاس جمع کرنا ضروری ہے۔ اور ایکسچینج کمیشن آف پاکستان نے شیئر ہولڈرز کو اپنا دعوی دائر کرنے کے نوٹس جاری کرنے کے بعد وفاقی حکومت کے کریڈٹ کے لیے۔ کمپنی کی جانب سے جاری کیے گئے شیئرز اور ڈیویڈنڈ کی تفصیلات جو تین سال سے زائد عرصے سے بقایا ہیں کمپنی کی ویب سائٹ http://www.berger.com.pk پر دستیاب ہیں۔ شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اس بات کو یقینی بنائیں کہ غیر دعویٰ شدہ ڈیویڈنڈ اور شیئرز کے لیے ان کے دعوے فوری طور پر درج کیے جائیں۔ کوئی دعویٰ درج نہ ہونے کی صورت میں، کمپنی ایکٹ کے سیکشن 244(2) کے مطابق وفاقی حکومت کے پاس غیر دعوی شدہ/بغیر ادا شدہ رقم اور حصص جمع کرنے کے لیے آگے بڑھے گی۔

ای ووٹنگ:

ممبران ایکٹ کے سیکشن 143-145 کے تقاضوں اور کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی لاگو شقوں کے ساتھ مشروط رائے شماری کا مطالبہ کرنے کا اپنا حق استعمال کر سکتے ہیں۔

ویڈیو کانفرنس:

SECP مراسلہ نمبر 10/2014 مؤرخہ 21 مئی 2014ء کے تحت اگر کمپنی دور دراز جگہ پر مقیم 10 فی صد یا زائد شیئر ہولڈنگ کے حامل اراکین سالانہ اجلاس عام کے انعقاد سے دس (10) یوم قبل اجلاس میں بذریعہ ویڈیو کانفرنس شرکت کی درخواست کریں تو مذکورہ شہر میں سہولت دستیاب ہونے پر کمپنی وڈیو کانفرنس کی سہولت کا بندوبست کرے گی۔ یہ سہولت حاصل کرنے کے لئے براہِ کرم شیئر رجسٹرار میسرز کارپ لنک پرائیویٹ لمیٹڈ، ونگز آرکیڈ، 5-1، کمرشل بلاک K، ماڈل ٹاؤن لاہور، پنجاب 54000 کو مندرجہ ذیل معلومات فراہم کریں۔

میں/ہم بحیثیت رکن برجر پینٹس لمیٹڈ پاکستان رجسٹر پورٹ فولیو نمبر ..... کے تحت عمومی حصص کے مالک ہیں لہذا یہاں باضابطہ طور پر ..... میں/ہم ویڈیو کانفرنس سہولت حاصل کرنے کا انتخاب کرتے ہیں۔

سالانہ رپورٹ 2026ء کی ترسیل:

i. 23 اکتوبر 2026ء کو منعقد ہونے والے سالانہ اجلاس عام میں کمپنی کے اراکین کی منظوری سے مشروط اور SECP کے نوٹیفکیشن نمبر SRO 389(1)/2023 مؤرخہ 21 مارچ 2023ء کی پیروی میں مالیاتی سال مختتمہ 30 جون 2026ء کے لئے کمپنی کی مالیاتی اسٹیٹمنٹس پر مشتمل سالانہ رپورٹ، آڈیٹرز رپورٹ، ڈائریکٹرز اور چیئرمین کی رپورٹ مندرجہ ذیل QR کوڈ اور ویب لنک سے ڈاؤن لوڈ اور دیکھی جا سکتی ہے:

https://www.berger.com.pk/financial-statements

نوٹس برائے سالانہ اجلاس عام

ii. سالانہ رپورٹ ان شیئر ہولڈرز کو بھی ای میل کی جا چکی ہے جنہوں نے اپنے کار آمد ای میل آئی ڈی کمپنی کو جمع کرائے ہیں۔

iii. جو شیئر ہولڈرز مذکورہ بالا دستاویزات کی کاغذی نقل حاصل کرنا چاہتے ہیں وہ سالانہ رپورٹ اور کمپنی کی ویب سائٹ پر دستیاب معیاری درخواست فارم کمپنی سیکریٹری/شیئر رجسٹرار کو جمع کرا سکتے ہیں اس کے بعد کمپنی درخواست موصول ہونے کے ایک ہفتہ کے اندر مذکور ہالا دستاویزات کی کاغذی نقول خواہشمند شیئر ہولڈرز کو بالکل مفت فراہم کرے گی۔

GENDER PAY GAP STATEMENT

Under SECP Circular 10 of 2024 For the Year Ended June 30, 2026

Berger Paints Pakistan Limited is committed to maintaining transparency and fairness in pay practices across the organization. In compliance with the disclosure requirements of Circular 10 of 2024 issued by the Securities and Exchange Commission of Pakistan (SECP), the Company has prepared its gender pay gap analysis for the year ended June 30, 2026.



Gender Pay Gap Results

Indicator	2026	2025
Mean Gender Pay Gap	**22.08%**	19.99%
Median Gender Pay Gap	**(2.38%)**	(3.74%)

Interpretation

- The mean gender pay gap standing at 22.08% in 2026 represents an increase compared to 19.99% in 2025,. This calculation is based on the prescribed SECP formula. In practice, this overarching figure is driven by broader structural factors—such as functional role distribution, workforce demographics, job level representation, and tenure differences.
- The median gender pay gap remains negative at -2.38% in 2026, demonstrating that, at the mid-point of the pay distribution, female employees continue to earn slightly more than male employees.

Commitment and Way Forward

- Ensuring equal pay for equal work across all roles.
- Improving female representation in managerial, technical, and leadership positions.
- Regularly reviewing compensation frameworks to promote equity.
- Implementing talent development and mentorship programs to support gender diversity.

Conclusion

The Company acknowledges its gender pay metrics for the year and remains committed to building an inclusive and equitable workplace. Continuous monitoring and targeted initiatives will further strengthen diversity, equity, and inclusion in the years ahead.

Chief Executive Officer
Date: September 10, 2026

STATEMENT OF COMPLIANCE

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

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

1. **The total number of directors as of June 30, 2026, are seven (7)** (excluding one casual vacancy arising on June 26, 2026) as per the following:

a.	Male	Five
b.	Female	Two

2. **The composition of the Board as of June 30, 2026, is as follows:**

Category	No.	Name
i) Independent Directors	3*	Mr. Tariq Ikram Ms. Roohi R.Khan (Female Director) Ms. Zareen Aziz (Female Director)
ii) Non-Executive Directors	3	Mr. Maqbool H. H. Rahimtoola Mr. Shehzad M. Hussain Mr. Ilyas Sharif
iii) Executive Director	1	Dr. Mahmood Ahmad
iv) Female Directors	2	Ms. Roohi R.Khan Ms. Zareen Aziz

**Note: Mr. Zafar Aziz Osmani, an Independent Director, passed away on June 26, 2026. Pursuant to Section 155(3) of the Companies Act, 2017, a casual vacancy on the Board shall be filled within ninety (90) days. The Board of Directors will fill the casual vacancy in its upcoming meeting scheduled for September 23, 2026, within the statutory timeframe.*

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including Berger Paints Pakistan Limited;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;
8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. The Directors of the Company have attended the Directors' Training program who were required as per the applicable Code of Corporate Governance prescribed timelines;

10. The Board has approved the appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:**

Mr. Tariq Ikram	Chairman
Mr. Maqbool H. H. Rahimtoola	Member
Ms. Zareen Aziz	Member

b) HR and Remuneration Committee

Mr. Zafar A. Osmani (Late)	Chairman
Dr. Mahmood Ahmed	Member
Mr. Shehzad M. Hussain	Member

c) Committee for Business Strategies

Mr. Tariq Ikram	Chairman
Mr. Zafar Aziz Osmani (Late)	Member
Mr. Zahid Majid (Alternate to Mr. Ilyas Sharif)	Member

***Note: Following the sad demise of Mr. Zafar Aziz Osmani on June 26, 2026, the reconstitution/re-appointment of members/chairmanship for the HR & Remuneration Committee and Committee for Business Strategies will be approved by the Board in its meeting scheduled for September 23, 2026.*

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

14. The frequency of the meetings of the committees were as following:

    Board of Directors (BOD): Five (5)

    Audit Committee: Four (4)

    HR and Remuneration Committee: Two (2)

    Committee for Business Strategies: Two (2)

15. The Board has set up an effective internal audit function and the staff is suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

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

STATEMENT OF COMPLIANCE

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

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

18. We confirmed that all requirements of 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 below:

Sr. No.	Requirement	Explanation
1	Role of the Board and its member to address Sustainability Risks and Opportunities: As per regulation 10A of the code of corporate governance, the Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. The Board may establish a sustainability committee.	The Board currently provides governance and oversight for the Company's Environmental, Social, and Governance (ESG) initiatives, with these responsibilities assigned to the HR Committee. The Terms of Reference for the Human Resource and ESG Committee have been updated accordingly. The Board will ensure timely compliance with regulations promulgated by the SECP on June 12, 2024, which will be applicable to the company after June 2028, through the Human Resource and ESG Committee.
2	Risk Management Committee: As per regulation 30 of the code of corporate governance, the Board may constitute the risk management committee.	The Board itself and through its Audit Committee annually reviews business risks facing the Company to ensure that a sound system of risk identification, risk management and related systemic and internal controls is being maintained to safeguard assets. All material controls (financial, operational, compliance) are monitored and reviewed. The Board ensures that risk mitigation measures are robust.
3	Nomination Committee: As per regulation 29 of the code of corporate governance, the Board may constitute a separate committee, designated as the nomination committee.	The Board effectively discharges all the responsibilities of Nomination Committee as recommended by the Code. It regularly monitors and assesses the requirements with respect to any changes needed on Board's committees including chairmanship of those committees. The Board also actively monitors requirements regarding its structure, size and composition and timely reviews and adapts any necessary changes in that regard. In future the board may consider the nomination committee.

Sr. No.	Requirement	Explanation
4	Disclosure of significant policies on website: As per Regulation 35 of the Code of Corporate Governance, the company may post: • Significant policies; • Brief synopsis of term of references of the Board Committees; and • Key elements of the director's remuneration policy	Although these are well circulated among the relevant employees and directors, The Company may consider to post required policies as per regulation 35 of the code of corporate governance in due course.

Maqbool H. H Rahimtoola
Chairman

Dr. Mahmood Ahmed
Chief Executive Officer

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF BERGER PAINTS 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 Berger Paints Pakistan Limited for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2026.

BDO Ebrahim & Co.
CHARTERED ACCOUNTANTS
Engagement Partner: Muhammad Imran

Lahore

Date: October 01, 2026

UDIN: CR202610131phXUbiGAS



Unconsolidated Financial Statements

for the year ended June 30, 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Berger Paints Pakistan Limited
Report on the Audit of the Unconsolidated Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

Sr. No.	Key audit matter	How the matters were addressed in our audit
1.	**Trade debts & revenue recognition**	
	(Refer note 34 to the annexed unconsolidated financial statements) The Company is principally engaged in the production and sale of paints, varnishes and other related items in the local and export markets. • Revenue from sale of goods is recognised when the performance obligation is satisfied by transferring control of promised goods to the customers. • We consider revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company. In addition, revenue was also considered as an area of an inherent risk of material misstatement and significant audit risk as part of the audit process.	Our audit procedures in relation to the revenue, included the following: • Understood and evaluated management controls over revenue and checked their validation; • Performed verification of sales with underlying documentation including dispatch documents and sales invoices; • Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the correct period; • Verified that sales prices are approved by the appropriate authority; • Tested on a sample basis, specific discounts as per Company's policy;

Sr. No.	Key audit matter	How the matters were addressed in our audit
	(Refer note 15 to the annexed unconsolidated financial statements) As at June 30, 2026, the Company's gross trade debts were Rs. 3,313.805 million against which provision of Rs. 253.619 million has been recognized. We identified recoverability of trade debts as key audit matter as it involves significant management judgement in determining the expected credit loss.	• Assessed the adequacy of disclosures made in the unconsolidated financial statements related to revenue. Our key audit procedures to valuation and existence of trade debts included: • Obtained an understanding of the Company's processes and design and implementation of internal controls relating to credit control processes (credit limits), debt collection process and making expected credit loss for doubtful receivables. • Testing the accuracy of aging report, on sample basis, by comparing individual balances in the report with underlying documentation. • Assessing the appropriateness of assumptions and estimates made by management for the expected credit loss by comparing on sample basis, historic cash collection, actual write offs and cash receipts from customers subsequent to reporting date. • Circulated external confirmations and performed alternative audit procedures in the absence of receipts of external confirmations.
2.	**Inventories**	
	(Refer to Notes 5.5 & 14 of the unconsolidated financial statements) As at June 30, 2026, the Company held Rs. 1,977.314 million in inventories. Given the size of the inventory balance relative to the total assets of the Company and the estimates and judgements described below, the valuation of inventory required significant audit attention. Inventory is held at the lower of cost and net realizable value determined using the monthly weighted average cost method / average cost plus production overheads. At year end, the valuation of inventory is reviewed by management and the cost of inventory is reduced where inventory is forecast to be sold below cost. The determination of whether inventory will be realized for a value less than cost requires management to exercise judgement and apply assumptions. Management undertake the following procedures for determining the level of write down required: • Use inventory aging reports together with historical trends to estimate the likely future salability of slow-moving and older inventory items;	Our audit procedures involved assessing the Company's accounting policies over existence and valuation of inventory in compliance with applicable accounting standards. • We tested the costing of the inventory and performed net realizable value testing to assess whether the cost of the inventory exceeds net realizable value. • We performed an analytical review of the inventory to compare and investigate any unexpected or unusual variation between current year and prior year and discuss these with management and also corroborate with underlying record. • We checked final stock valuation sheet to physical stock taking sheet to ensure that all items are included. • We reconciled final stock valuation sheet to general ledger and stock ledger and checked amount to appropriate sources and investigate unusual items. • We assessed the Company's disclosures in the unconsolidated financial statements in respect of inventory. • We checked that the provision made is appropriate in the circumstances.

Sr. No.	Key audit matter	How the matters were addressed in our audit
	• The Company reviews the carrying amount of inventories on a regular basis and provision is made for obsolescence if there is any change in usage pattern and physical form of related inventories; and • Perform a line-by-line analysis of remaining inventory to ensure it is stated at the lower of cost and net realizable value and a specific write down is recognized if required.	• Attended the physical inventory count conducted by the Company, observed the count procedures, performed test counts on a sample basis, and assessed the appropriateness and reasonableness of management's process for ensuring completeness and accuracy of inventory records.

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of the 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.

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 cash flows and the unconsolidated statement of changes in equity 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 Muhammad Imran.



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

Lahore
Date: October 01, 2026
UDIN: AR202610131aINBgCKJi

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,701,645	2,293,081
Investment property	8	3,800	-
Long term investments	9	107,494	99,393
Long term loans and advances	10	27,828	45,546
Long term deposits	11	47,426	42,975
		2,888,193	2,480,995
CURRENT ASSETS			
Stores, spare parts and loose tools	13	30,952	35,456
Stock in trade	14	1,977,314	1,540,911
Trade debts - unsecured	15	2,827,613	2,785,490
Loans and advances	16	290,192	255,044
Trade deposits and short term prepayments	17	50,517	54,552
Other receivables	18	213,654	139,352
Tax refund due from government	19	260,103	250,726
Short term investment	20	127,393	91,000
Cash and bank balances	21	421,739	295,706
		6,199,477	5,448,237
Non current asset held for sale	22	246,061	-
TOTAL ASSETS		9,333,731	7,929,232
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital		500,000	500,000
Issued, subscribed and paid-up share capital	23	245,516	245,516
Capital reserves			
Revaluation surplus on property, plant and equipment	24.3	1,820,407	1,387,257
Other reserves	24	74,672	63,126
		1,895,079	1,450,383
Revenue reserves			
General reserve	24	285,000	285,000
Accumulated profits	24	1,938,884	1,700,308
		2,223,884	1,985,308
		4,364,479	3,681,207
NON-CURRENT LIABILITIES			
Long term financing - secured	25	193,775	157,459
Long term diminishing musharaka	26	-	41,666
Deferred grant	27	8,162	12,058
Long term employee benefits	28	101,264	172,513
Deferred taxation - net	12	173,856	95,959
		477,057	479,655
CURRENT LIABILITIES			
Trade and other payables	29	2,492,343	2,296,315
Current portion of long term financing	30	110,360	222,395
Unclaimed dividend		7,714	13,539
Accrued markup	31	44,453	34,650
Short term borrowings - secured	32	1,837,325	1,201,471
		4,492,195	3,768,370
TOTAL LIABILITIES		4,969,252	4,248,025
TOTAL EQUITY AND LIABILITIES		9,333,731	7,929,232
CONTINGENCIES AND COMMITMENTS	33		

The annexed notes from 1 to 61 form an integral part of these unconsolidated financial statements.

Chief Financial Officer Chief Executive Director

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Revenue from contract with customers - net	34	9,176,156	8,944,694
Cost of sales	35	(7,047,034)	(7,090,721)
Gross profit		2,129,122	1,853,973
Selling and distribution expenses	36	(1,032,020)	(932,881)
Administrative and general expenses	37	(287,778)	(251,158)
Impairment loss charged during the year	15.3	(130,102)	(27,353)
Other operating expenses	38	(80,794)	(48,692)
		(1,530,694)	(1,260,084)
Profit from operations		598,428	593,889
Other income	39	95,857	94,060
		694,285	687,949
Finance cost	40	(188,480)	(224,026)
Profit before income tax and levy		505,805	463,923
Levy	41	(1)	(3)
Profit before income tax		505,804	463,920
Taxation	42	(196,377)	(165,397)
Profit after taxation		309,427	298,523
Earnings per share - basic and diluted (Rupees)	43	12.60	12.16

The annexed notes from 1 to 61 form an integral part of these unconsolidated financial statements.

Chief Financial Officer | Chief Executive | Director

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Profit after taxation for the year		309,427	298,523
Other comprehensive income			
Items that will be reclassified subsequently to statement of profit or loss		-	-
Items that will not be reclassified subsequently to statement of profit or loss			
Net fair value gain on investment classified as FVOCI	9.2.2	16,815	26,263
Related deferred tax liability on fair value gain on investment classified as FVOCI		(5,269)	(10,712)
		11,546	15,551
Actuarial gain on staff retirement benefits	28.1.3	9,147	17,874
Related deferred tax impact		(3,384)	-
		5,763	17,874
Revaluation surplus on property, plant and equipment - net		630,948	-
Related deferred tax liability on revaluation surplus		(151,654)	-
	24.3	479,294	-
		496,603	33,425
Total comprehensive income for the year		806,030	331,948

The annexed notes from 1 to 61 form an integral part of these unconsolidated financial statements.

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

	Reserves							
		Capital reserves			Revenue reserves			
	Issued, subscribed and paid-up share capital	Revaluation surplus on property, plant and equipment	Share premium	Fair value reserve	General reserve	Accumulated profits	Total reserves	Total
	(Rupees in thousand)							
Balance as at July 01, 2024	245,516	1,437,720	34,086	13,489	285,000	1,431,654	3,201,949	3,447,465
Total comprehensive income for the year ended June 30, 2024								
Profit after taxation for the year	-	-	-	-	-	298,523	298,523	298,523
Other comprehensive income for the year								
- Fair value gain on investment classified as FVOCI	-	-	-	15,551	-	-	15,551	15,551
- Actuarial loss on staff retirement benefits	-	-	-	-	-	17,874	17,874	17,874
Total comprehensive income for the year	-	-	-	15,551	-	316,397	331,948	331,948
Transfer of incremental depreciation from revaluation surplus on property, plant and machinery - net of tax	-	(50,463)	-	-	-	50,463	-	-
Transactions with the owners of the Company								
Final cash dividend for the year ended June 30, 2024 @ Rs. 4 per share	-	-	-	-	-	(98,206)	(98,206)	(98,206)
	-	(50,463)	-	-	-	(47,743)	(98,206)	(98,206)
Balance as at June 30, 2025	245,516	1,387,257	34,086	29,040	285,000	1,700,308	3,435,691	3,681,207
Total comprehensive income for the year ended June 30, 2025								
Profit after taxation for the year	-	-	-	-	-	309,427	309,427	309,427
Other comprehensive income for the year								
- Revaluation surplus on property, plant and equipment	-	479,294	-	-	-	-	479,294	479,294
- Fair value gain on investment classified as FVOCI	-	-	-	11,546	-	-	11,546	11,546
- Actuarial gain on staff retirement benefits	-	-	-	-	-	5,763	5,763	5,763
Total comprehensive income for the year	-	479,294	-	11,546	-	315,190	806,030	806,030
Transfer of incremental depreciation from revaluation surplus on property, plant and machinery - net of tax	-	(46,144)	-	-	-	46,144	-	-
Transactions with the owners of the Company								
Final cash dividend for the year ended June 30, 2025 @ Rs. 5 per share	-	-	-	-	-	(122,758)	(122,758)	(122,758)
	-	(46,144)	-	-	-	(76,614)	(122,758)	(122,758)
Balance as at June 30, 2026	245,516	1,820,407	34,086	40,586	285,000	1,938,884	4,118,963	4,364,479

The annexed notes from 1 to 61 form an integral part of these unconsolidated financial statements.

Chief Financial Officer | Chief Executive | Director

UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flows from operating activities before working capital changes	45	1,163,364	908,344
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		4,504	(4,531)
Stock-in-trade		(488,654)	(75,367)
Trade debts - unsecured		(172,225)	(209,866)
Loans and advances		(35,148)	(11,097)
Trade deposits and short term prepayments		4,035	(19,026)
Other receivables		(51,340)	(100,101)
		(738,828)	(419,988)
Increase in current liabilities:			
Trade and other payables		187,392	160,820
Cash generated from operations		611,928	649,176
Finance cost paid		(178,677)	(238,771)
Tax paid		(305,864)	(252,968)
Long term employee benefits paid		(103,509)	(13,238)
Workers' Profit Participation Fund paid	29.3	(21,964)	(24,533)
Workers' Welfare Fund paid	29.4	(11,044)	(8,283)
Long term loans (disbursed) / received - net		17,718	(230)
Long term deposits realised		(4,451)	(9,656)
		(607,791)	(547,679)
Net cash generated from operating activities		4,137	101,497
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(264,358)	(252,252)
Proceeds from disposal of property, plant and equipment	7.1.2	11,502	8,707
Mark-up received on term deposit and long term loans		20,408	21,698
Proceeds from / (investment made) in short term investments - net		(36,393)	30,000
Net cash used in investing activities		(268,841)	(191,847)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan obtained under long term financing		113,580	129,480
Repayment of long term financing		(63,447)	(77,620)
Repayments from long term diminishing musharaka		(166,667)	(166,667)
Short term borrowings - net		629,053	531,836
Dividend paid		(128,583)	(97,145)
Net cash generated from financing activities		383,936	319,884
Net increase in cash and cash equivalents		119,232	229,534
Cash and cash equivalents at beginning of the year		295,706	66,172
Cash and cash equivalents at end of the year	44	414,938	295,706

The annexed notes from 1 to 61 form an integral part of these unconsolidated financial statements.

Chief Financial Officer | Chief Executive | Director

UNCONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

Berger Paints Pakistan Limited (the "Company") was incorporated in Pakistan on March 25, 1950 as a Private Limited Company under the Companies Act 1913 (now Companies Act, 2017) and was subsequently converted into a Public Limited Company. The Company is listed on the Pakistan Stock Exchange (PSX). The principal business activity of the Company is manufacturing and trading of paints, varnishes and other related items. Slotrapid Limited, based in British Virgin Islands, is the Holding Company. The aggregate percentage of holding is 52.05%.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical locations and addresses of the Company's business units including production facilities are as under:

The registered office of the Company is situated at 28-KM Multan Road, Lahore which is its only manufacturing facility.

Regional office	Office address
Factory	28-KM Multan Road, Lahore.
Karachi	X-3 Manghopir Road, S.I.T.E
Islamabad	Plot No. 201, Street 1, Sector, I-10/3
Multan	174/A Lodhi Colony, MRE, Opposite Hascol Petrol Pump, MDA Road

3 BASIS OF PREPARATION

3.1 Separate financial statements

These unconsolidated financial statements are the separate financial statements of the Company in which investments in subsidiary and associates are accounted for on the basis of cost of investment less identified impairment, if any rather than on the basis of reported results and net assets of the investees. Consolidated financial statements of the Company are prepared separately.

The Company has following investments:

Company name	Country of incorporation	Percentage of shareholding	Nature of business
Subsidiary			
Berger DPI (Private) Limited	Pakistan	51%	Execution of contracts relating to application of road marking paints and installation of road safety equipment.
Associate			
3S Pharmaceuticals (Private) Limited	Pakistan	49%	Manufacturing of medicines
Wholly owned subsidiary of Berger DPI (Private) Limited			
Berger Road Safety (Private) Limited	Pakistan	Subsidiary of Berger DPI (Private) Limited	The Company is principally engaged in application of road marking paints and installation of various road safety equipment.

3.2 Statement of compliance

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

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

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

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

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

3.3 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention 'except for:

- measurement of certain financial instruments at fair value;
- the measurement of certain items of property, plant and equipment at revalued amounts;
- recognition of employee retirement benefits at present value; and
- certain foreign currency translation adjustments.

3.4 Functional and presentation currency

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

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

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

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

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

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

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

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

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

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

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

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

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

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

5 MATERIAL ACCOUNTING POLICIES

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

5.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any identified impairment loss, except for freehold and leasehold land, buildings thereon and plant and machinery, which are stated at revalued amounts less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Cost comprises purchase price, non refundable duties and taxes after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to the revaluation surplus on property, plant and equipment account except for a reversal of deficit already charged to statement of profit or loss. A revaluation deficit is recognised in profit or loss, except for a deficit directly offsetting a previous surplus, in which case the deficit is taken to revaluation surplus on property, plant and equipment. The revaluation surplus on property, plant and equipment to the extent of the annual incremental depreciation based on the revalued carrying amount of the assets is transferred annually directly to accumulated profit net of related deferred tax. Any accumulated depreciation at the revaluation date is eliminated against the gross carrying amount of the assets and the net amount is adjusted to the revalued amount of the assets.

Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to accumulated profits. All transfers to / from revaluation surplus on property, plant and equipment account are net of applicable deferred tax.

Depreciation on all property, plant and equipment except freehold land is charged to profit or loss using the straight line method whereby the cost less residual value of an asset is written off over its estimated useful life. Residual values are reviewed at each reporting date and adjusted if the impact on depreciation is significant.

Useful lives are regularly reviewed by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is put to use while depreciation on assets disposed off is charged up to the month preceding the disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of property, plant and equipment are represented by the difference between the sale proceeds and the carrying amount of the asset and is recognised as an income or expense in statement of profit or los

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized

Right-of-use asset and Lease liability

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

The Company applies a practical expedient and, does not recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets, if any. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

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

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

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

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

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 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.

Significant judgement in determining the lease term of contracts with renewal options

"The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. "

Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during the construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use as intended.

The Company assesses at each reporting date whether there is any indication that the assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to determine whether they are recorded in excess of their recoverable amounts. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is charged to profit or loss currently except for impairment loss on revalued assets, which is recognised directly against any revaluation surplus for the related asset to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for the same asset.

5.2 Intangible assets

Intangibles are recognised when it is probable that the expected future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Intangibles are measured initially at cost. The cost of intangible comprises of its purchase price including non-refundable purchase taxes after deducting trade discounts and rebates and includes other costs directly attributable to acquisition. Cost incurred after the asset is in the condition necessary for it to operate in the manner intended by management are recognised in statement of profit or loss.

5.2.1 Goodwill acquired in business combinations

The purchase method of accounting is used to account for the acquisition of businesses by the Company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed, if any, at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities, if any, assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as goodwill. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment loss, if any.

5.3 Investments in equity instruments of subsidiaries and associates

Investments in subsidiaries and associates where the Company has significant influence are measured at cost less impairment, if any, in the Company's separate financial statements.

The Company is required to issue consolidated financial statements along with its separate financial statements, in accordance with the requirements of IAS-27 'Separate Financial Statements'. Investments in associates, in the consolidated financial statements, are accounted for using equity method in accordance with IAS-28 'Investment in Associates'.

Investment in unquoted subsidiary is initially valued at cost. At subsequent reporting dates, the Company reviews the carrying amount of the investment to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Where impairment loss subsequently reverses, the carrying amount of investment is increased to its revised recoverable amount but limited to the extent of initial cost of investment. Reversal of impairment losses are recognised in the profit or loss.

The profits and losses of subsidiaries are carried forward in their financial statements and not dealt within these financial statements except to the extent of dividend declared by the subsidiaries which are recognised in other income. Gains and losses on disposal of investment is included in other income. When the disposal of investment in subsidiary resulted in loss of control such that it becomes an associate, the retained investment is carried at cost.

5.4 Stores, spare parts and loose tools

These are valued at moving weighted average cost less any identified impairment except for items in transit, which are valued at invoice price and related expenses incurred. Items considered obsolete are carried at nil value. General stores and spare parts are charged to statement of profit or loss. The Company reviews the carrying amount of stores on a regular basis and provision is made for obsolescence if there is any change in usage pattern and physical form of related stores.

5.5 Stock in trade

Stock in trade is valued at lower of cost and Net Realizable Value (NRV).

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and valuation has been determined as follows:

Raw materials, packing materials and semi-

processed goods	Monthly weighted average cost
Finished goods	Monthly weighted average manufacturing cost
Finished goods purchased for resale	Monthly weighted average cost
Stock in transit	Invoice value plus other charges paid thereonup to the reporting date

NRV signifies the estimated selling price in the ordinary course of business less estimated costs of completion and selling expenses.

Provision for obsolete and slow moving stock in trade is based on management's estimate and is recognised in unconsolidated financial statements whenever necessary.

5.6 Trade debts and other receivables

These are classified at amortized cost and are initially recognised when they are originated and measured at fair value of consideration receivable. An impairment allowance i.e. expected credit loss is calculated based on actual credit loss experience over the past three years. The Company applies a simplified approach in calculating Expected Credit Loss (ECL). The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Company recognises a loss allowance based on lifetime ECLs at each reporting date. The impairment allowance is recognised in the statement of profit or loss. These assets are written off when there is no reasonable expectation of recovery.

5.7 Cash and cash equivalents

Cash and cash equivalents comprise of cash and balances, investments with maturities of three months or less from acquisition date that are subject to insigni?cant risk of changes in fair value and bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

5.8 Financial instruments

5.8.1 Classification and measurement of financial assets and financial liabilities

Under IFRS 9, on initial recognition, the Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value either through other comprehensive income (FVOCI), or through profit or loss (FVTPL); and

- Those to be measured at amortized cost.

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

The following assessments are made on the basis of the facts and circumstances that exist at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation of certain financial assets with respect to subsequent measurement either through profit or loss or other comprehensive income.

A financial asset is measured at amortized cost if it meets both of the following conditions:

- it is held within business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

i) Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including an interest / markup or dividend income, are recognised in statement of profit or loss.

ii) Financial assets at amortized cost

These assets are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains, losses and impairment are recognised in statement of profit or loss.

iii) Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Other net gains and losses are recognised in statement of comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to statement of profit or loss.

iv) Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised in statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to statement of profit or loss.

5.8.2 Impairment

The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI

An impairment loss is recognised if the carrying amount of the assets exceeds its estimated recoverable amount. Impairment losses are recognised in 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.

Additional information about how the company measures allowance for impairment is detailed in note 49.1.3.4 of the unconsolidated financial statements.

5.8.3 Derecognition

Financial assets

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

The Company might enter into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

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

5.8.4 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

5.9 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The recoverable amount of an asset or cash-generating unit is the higher 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. 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").

The Company's corporate assets generally do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. 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 profit or loss.

Impairment loss recognised in prior periods is 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 that are used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

5.10 Non current asset held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and are available for immediate sale and sale is highly probable. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

5.11 Investment property

Investment property is the property which is held either to earn rental income or for capital appreciation or for both. Investment property is initially recognised at cost, being the fair value of the consideration given. Subsequent to initial recognition investment property is carried at either at fair value or cost less accumulated depreciation or impairment allowance, if any. The Company has opted to carry investment property at cost less accumulated depreciation.

When an item of property, plant and equipment is transferred to investment property following a change in its use, the transfer is accounted for at the carrying amount of the property at the date of transfer, as the investment property is subsequently measured using the cost model. Accordingly, no gain or loss is recognised on the transfer. Following the transfer, the investment property is carried at cost less accumulated depreciation and accumulated impairment losses, if any, in accordance with the Company's accounting policy for investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its carrying value at the date of reclassification becomes its cost for accounting purposes.

5.12 Provisions

Provisions are recognised when, the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimates of the obligations can be made. Provisions are reviewed periodically and adjusted to reflect the current best estimates.

5.13 Contingent assets

Contingent assets are possible assets those arise 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 and are disclosed when inflow of economic benefits is probable. Contingent assets are not recognised until their realization become virtually certain.

5.14 Contingent liabilities

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

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.15 Revenue recognition

Revenue represents the fair value of the consideration received or to be received from the sale of goods, net of sales tax, sales return and related discounts. Revenue is measured based on the consideration specified in a contract with customer. The Company recognises revenue when it transfers control of the goods. The customers obtain control when the goods are delivered to them and have been accepted at their premises except for exports where control is transferred at the time of dispatch Invoices are generated at that point in time. The Company's customer arrangements contain a single performance obligation to transfer manufactured or purchased paints, varnishes and other related items.

Revenue from contract with customers primarily includes sale of paints and coatings. Revenue is recognised when performance obligations are satisfied by transferring control of a good or service to a customer, either at a point in time or over time of an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is recognised in accordance with the aforementioned principle by applying the following steps:

i) Identify the contract with a customer.
ii) Identify the performance obligation in the contract.
iii) Determine the transaction price of the contract.
iv) Allocate the transaction price to each of the separate performance obligations in the contract.
v) Recognise the revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. Any bundled goods or services that are distinct are separately recognised, and any discounts or rebates on the contract price are generally allocated to the separate elements.

a) Sale of goods

Revenue is recognised when (or as) the entity satisfies performance obligation by transferring control of a promised goods or services to the customer (i.e. after obtaining customer acknowledgment at the time of delivery of goods).Transfer of control over goods and services to customer in most situations is considered to be the main indicator of the customer's ability to direct the use of and obtain the benefits from the asset and largely also coincides with the physical transfer of the goods and the obligation of the customer to pay. In case of expected returns, no revenue is recognised for such products.

Variable considerations, including among others rebates and discounts are accrued for as performance obligations are satisfied and revenue is recognised. Variable considerations are only recognised when it is highly probable that it is not subject to significant reversal.

Revenue is measured at the fair value of the consideration received or receivable for the goods sold, net of returns, discounts and sales tax.

b) Other

Profit on short-term bank deposits, investment and other is accounted for on a time-apportioned basis using the effective interest rate method.

Financial income on funds invested, mark-up / interest income on lending's made by the Company and amortization gains on interest free loans given to staff is accounted for using the effective interest rate method.

Income from the sale of scrap is recognised when control of the scrap is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled.

5.16 Financial expenses

Financial expenses are recognised using the effective interest rate method and comprise of mark-up / interest expense on borrowings, along with amortization losses.

5.17 Contract liabilities

A contract liability is the obligation of the Company 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.

5.18 Taxation

Income tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in equity.

Current tax

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any.

The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. Under / over paid amount of current tax is recorded as tax refundable / payable due from / to the Government.

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

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for;

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

- temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

5.19 Levy

The amount calculated on taxable income using the notified tax rate is recognised as current income tax expense for the year in the statement of profit or loss. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is recognised as a levy.

5.20 Borrowings

Loans and borrowings are recorded at the proceeds received. Finance cost are accounted for on accrual basis and are shown as interest and mark-up accrued to the extent of the amount remaining unpaid.

Short term borrowings are classified as current liabilities unless the Company has unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Borrowing cost on long term finances and short term borrowings which are obtained for the acquisition of qualifying assets are capitalized as part of cost of that asset. All other borrowing costs are charged to profit and loss account in the period in which these are incurred. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost as allowed under IAS 23 "Borrowing cost".

5.21 Trade and other payables

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

5.22 Employee benefits

5.22.1 Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

5.22.2 Defined benefit plan

The Company operates the following defined benefit schemes:

a) An approved and funded pension scheme for all executives; and
b) An approved and funded gratuity scheme for all its permanent employees.

Pension scheme

The Company offers pension benefits to its executive staff. Monthly pension is calculated as two percent of the average basic salary of the last year multiplied with pensionable service.

Gratuity scheme

The Company offers gratuity benefits to all of its permanent employees, and is payable to employees having service in the Company for minimum five years. The gratuity benefits provided by the Company is calculated by multiplying last drawn basic salary with number of years of service and gratuity factor.

Actuarial valuations are carried out using the 'Projected Unit Credit Method'. Contributions to the schemes are based on these valuations. Remeasurements of the defined benefit liability, which comprise actuarial gains and losses, is recognised immediately in other comprehensive income. The Company determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of benefit payments. Interest expense and other expenses related to defined benefit plan are recognised in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The actual return on plan assets represents the difference between the fair value of plan assets at the beginning of the year and as at the end of the year after adjustments for contributions made by the Company as reduced by benefits paid during the year.

5.22.3 Defined contribution plan

Provident fund

The Company also operates a recognised provident fund scheme for its employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of ten percent of basic salary for executive and non-executive staff.

5.22.4 Other long term benefits - Accumulated compensated absences

The Company also provides for compensated absences for all eligible employees in accordance with the rules of the Company. The Company accounts for these benefits in the period in which the absences are earned. Employees are entitled to earned leaves of 21 days per annum. The unutilized leaves are accumulated subject to a maximum of 42 days. The unutilized accumulated leaves can be encashed at the time the employee leaves Company service. The accumulated leave balance in excess of 42 days of an employee is ignored while determining benefit obligations.

The Company uses the actuarial valuations carried out using the projected unit credit method for valuation of its accumulated compensated absences. Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to profit or loss. The amount recognised in the statement of financial position represents the present value of the defined benefit obligation. Actuarial gains and losses are charged to the profit or loss immediately in the year when these occur.

5.22.5 Other employee benefits

The Company employees are offered interest free long term loans for purchase of vehicles. The term of loan ranges for a period of 3-10 years. Deductions are made from salaries as per agreed repayment schedule. The loan amount is required to be repaid immediately as the employment contract ceases on termination or resignation of the employees. The loans are secured against title of vehicles. These loans have been discounted at market rate.

5.23 Foreign currency transactions and translation

Foreign currency transactions are translated into Pak Rupees which is the Company's functional and presentation currency using the exchange rates approximating those prevailing at the date of the transaction. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the statement of financial position date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the reporting date, exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to income. Non-monetary assets and liabilities denominated in foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the date of the initial transaction.

5.24 Dividends and appropriations to general reserve

Dividends and appropriations to general reserves are recognised in the unconsolidated financial statements in the period in which these are approved.

5.25 Share capital

Share capital is classified as equity and recognised at the face value. Incremental costs, net of tax, directly attributable to the issue of new shares are shown as a deduction in equity.

5.26 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

5.27 Capital reserves - Share premium

This reserve can be utilized by the Company only for the purposes specified in section 81(3) of the Companies Act, 2017.

5.28 Related party transactions

Transactions and contracts with the related parties are based on the policy approved by the Board.

5.29 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss as incurred.

5.30 Government grants

The Company recognises benefit of a government loan at a below-market rate of interest as a government grant provided there is a reasonable assurance that the grant will be received and Company will comply with all attached conditions. The benefit of loan at below market rate of interest is measured as the difference between the initial carrying value of the loan in accordance with IFRS 9 and the proceeds received. The benefit is generally accounted for and presented as deferred grant in accordance with IAS 20 as a separate line item in statement of financial position. Subsequently, the grant is recognised in statement of profit or loss as other income, on a systematic basis over the periods in which the expenses for which the grant is intended to compensate.

5.31 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' results are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company has only one reportable segment.

5.32 Loans, advances, deposits, prepayments and other receivables

Loans, advances, deposits, prepayment and other receivables are carried at original amount less provision made for doubtful receivables based on a review of all outstanding amounts at the year end. Balance considered irrecoverable are written off.

5.33 Contingencies

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

6 USE OF JUDGMENTS AND ESTIMATES

The preparation of these unconsolidated financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effects the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

'The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to Company's financial statements are:

	Note
- Property, plant and equipment	5.1
- Stock in trade	5.5
- Trade debts - unsecured	5.6
- Impairment of cash generating unit	5.9
- Recoverability of deferred tax assets	5.18
- Long term employee benefits	5.22
- Taxation	5.18
- Stores, spare parts and loose tools	5.4
- Contingencies	5.33
- Provisions	5.12

a) Income taxes

The Company takes into account relevant provisions of the current income tax laws while providing for current and deferred taxes as explained in note 5.18 to these unconsolidated financial statements.

b) Defined benefit plan

Certain actuarial assumptions have been adopted by external professional valuer for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect unrecognised gains and losses in those years.

c) Property, plant and equipment

The estimates for revalued amounts, if any, of different classes of property, plant and equipment, are based on valuation performed by external professional valuers and recommendation of technical teams of the Company. Further, the Company reviews the value of the assets for possible impairment on an annual basis.

Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment. As explained in note 7 to these unconsolidated financial statements, the Company has revalued its free hold land as on June 30, 2026.

d) Stores and spares

Management has made estimates for realizable amount of slow moving and obsolete stores and spares items to determine provision for slow moving and obsolete items. Any future change in the estimated realizable amounts might affect carrying amount of stores and spares with a corresponding affect on amounts recognised in profit and loss account as provision / reversal.

e) Financial instrument

The fair value of the financial instrument that are not traded in an active market is determined by using valuation techniques based on assumption that are dependent on conditions existing at the balance sheet.

f) Provision for doubtful receivables

The Company uses a provision matrix to calculate ECLs for trade receivables and other receivables. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

g) Fair value measurement

A number of assets and liabilities included in the financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Establishment's financial and non- financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilised are (the fair value hierarchy):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

h) Provision and contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on its judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognised at the balance sheet date.

i) Impairment of assets

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.

j) Stock-in-trade

The Company reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock in-trade is adjusted where the net realizable value is below the cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

7 PROPERTY, PLANT AND EQUIPMENT

	Note	2026	2025
		(Rupees in thousand)	
Operating fixed assets	7.1	2,284,980	2,017,341
Capital work in progress	7.2	-	71,056
Right-of-use-asset	7.3	416,665	204,684
		2,701,645	2,293,081

7.1 Operating fixed assets

The following is the statement of property, plant and equipment:

Description	Freehold land	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Laboratory equipment	Electric fittings	Computer and related accessories	Office equipment	Furniture and fixtures	Vehicles		Total
										Owned	Diminishing musharaka	
	(Rupees in thousand)											
Net carrying value basis												
Year ended June 30, 2026												
Opening net book value (NBV)	1,064,285	369,900	19,376	284,895	17,122	78,588	6,688	12,570	4,032	94,531	65,354	2,017,341
Additions (at cost)	-	80,341	-	28,372	12,963	36,681	4,520	753	-	66,279	101,705	331,614
Revaluation gain/(loss)	221,071	(4,483)	35,558	172,955	-	-	-	-	-	-	-	425,101
Disposals (at NBV)	-	-	-	-	-	-	(891)	-	-	-	(757)	(1,648)
Transferred to non current asset held for sale	(258,186)	-	-	-	-	-	-	-	-	-	-	(258,186)
Depreciation charge for the year	-	(48,894)	(4,262)	(78,281)	(5,310)	(17,967)	(2,765)	(3,237)	(1,679)	(37,195)	(29,652)	(229,242)
Closing net book value	1,027,170	396,864	50,672	407,941	24,775	97,302	7,552	10,086	2,353	123,615	136,650	2,284,980
Gross carrying value basis												
Year ended June 30, 2026												
Cost / revalued amount	1,027,170	610,968	83,499	829,958	75,844	224,298	48,721	36,908	31,907	255,517	161,786	3,386,576
Accumulated depreciation and impairment losses	-	(214,104)	(32,827)	(422,017)	(51,069)	(126,996)	(41,169)	(26,822)	(29,554)	(131,902)	(25,136)	(1,101,596)
Net book value (NBV)	1,027,170	396,864	50,672	407,941	24,775	97,302	7,552	10,086	2,353	123,615	136,650	2,284,980
Net carrying value basis												
Year ended June 30, 2025												
Opening net book value (NBV)	1,064,285	381,004	23,642	306,158	18,784	93,316	5,432	13,358	5,840	97,117	4,305	2,013,241
Additions (at cost)	-	33,890	-	59,406	2,747	1,043	4,081	2,159	-	29,691	70,545	203,562
Disposals (at NBV)	-	-	-	-	-	-	-	-	-	(951)	-	(951)
Depreciation charge for the year	-	(44,994)	(4,266)	(80,669)	(4,409)	(15,771)	(2,825)	(2,947)	(1,808)	(31,326)	(9,496)	(198,511)
Closing net book value	1,064,285	369,900	19,376	284,895	17,122	78,588	6,688	12,570	4,032	94,531	65,354	2,017,341
Gross carrying value basis												
Year ended June 30, 2025												
Cost / revalued amount	1,064,285	535,110	47,941	628,631	62,881	187,617	45,719	36,155	31,907	189,238	74,998	2,904,482
Accumulated depreciation and impairment losses	-	(165,210)	(28,565)	(343,736)	(45,759)	(109,029)	(39,031)	(23,585)	(27,875)	(94,707)	(9,644)	(887,141)
Net book value (NBV)	1,064,285	369,900	19,376	284,895	17,122	78,588	6,688	12,570	4,032	94,531	65,354	2,017,341
Useful life in years	-	20	10 - 20	2 - 13	10	4 - 10	4	4 - 10	10	5	5	

7.1.1 Plant and machinery includes a 750-KVA generator which has been obtained under diminishing musharaka facility from the First Habib Modaraba amounting to Rs. 31.5 million.

7.1.2 Disposal of operating assets

Particulars of assets	Sold to		Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposal
	Name	Relationship with the Company	----------(Rupees in thousand)----------					
2026								
Motor vehicles								
FAW-V2 (LEA-19A-7080)	Shaban AHmad	3rd Party	1,549	1,549	-	1,507	1,507	Auction
Toyota Corolla (LEB-16-8869)	Rana M. Saleem Khan	3rd Party	2,190	2,190	-	3,067	3,067	Auction
Suzuki Swift (LED-18-9463)	Asim Mumtaz	3rd Party	138	85	53	2,407	2,354	Auction
Suzuki Wagon-R (VXR AHE-299)	Rana Umair Saleem	3rd Party	1,760	1,056	704	2,412	1,708	Auction
Honda Civic (ADL-166)	Nauman Afzal	Employee	4,142	4,142	-	837	837	Company policy
Toyota Corolla (ABD-236)	Khawar Nasir	Employee	3,393	3,393	-	836	836	Company policy
Suzuki Alto (ABV-032)	Sehar Afzal	Employee	1,745	1,745	-	436	436	Company policy
Computer and related accessories								
IT equipment	Meeran Corporation	3rd Party	196	143	53	-	(53)	Scrap
IT equipment	Meeran Corporation	3rd Party	28	25	3	-	(3)	Scrap
IT equipment	Meeran Corporation	3rd Party	305	108	197	-	(197)	Scrap
IT equipment	Meeran Corporation	3rd Party	989	351	638	-	(638)	Scrap
			16,435	14,787	1,648	11,502	9,854	
2025								
Motor vehicles								
Toyota Yaris-ADE-587	Waleed Minhas	Employee	2,853	1,902	951	2,557	1,606	Company policy
Suzuki Cultus-LEC-14-694	Rana M. Saleem	3rd Party	1,056	1,056	-	1,212	1,212	Auction
Toyota Altis AGJ-17-075	Usman Adeel	Employee	2,533	2,533	-	633	633	Company policy
Toyota Altis-LEF-19-8261	Shahid Nizami	Employee	2,706	2,706	-	625	625	Company policy
Plant and machinery								
Generator	Ammer Co International	3rd Party	6,661	6,661	-	3,680	3,680	Auction
			15,809	14,858	951	8,707	7,756	

7.1.2.1 The computer equipment and related accessories were sold as scrap to Meeran Corporation. The related proceeds have been recognised in other income. The amount of income attributable to the scrap value and sale proceeds could not be determined separately.

7.1.3 Had there been no revaluation, the carrying amount of revalued assets would have been as follows:

	2026	2025
	(Rupees in thousand)	
Freehold land	174,863	207,183
Leasehold land (right-of-use-asset)	3,099	3,193
Buildings on freehold land	241,036	172,515
Buildings on leasehold land	24,934	25,713
Plant and machinery	100,132	81,644
	544,064	490,248

7.1.4 The forced sale value of revalued assets as per latest available revaluation reports are as follows:

Particulars	Date of revaluation	(Rupees in thousand)
Freehold land	June 30, 2026	873,094
Building on freehold land	June 30, 2026	337,334
Building on leasehold land	June 30, 2026	43,071
Plant and machinery	June 30, 2026	305,955

7.1.5 Fair value measurement of free hold land is based on the valuations carried out by an independent valuer M/s. Harvestor Services (Private) Limited as at June 30, 2026 on the basis of market value.

7.1.6 Particulars of immovable fixed assets

Freehold lands of the Company are located at 28-Km, Multan Road, Lahore, measuring 128.9 Kanals, and Lodhi Colony, Multan measuring 2.65 Kanals.

Leasehold land of the Company is located at Sector I-10/3, Industrial Area, Islamabad, measuring 5.56 Kanals.

Buildings, plant and machinery and other immovable fixed assets of the Company are constructed on above mentioned freehold land and leasehold land.

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

	Note	2026	2025
		(Rupees in thousand)	
Cost of sales	35	146,303	142,607
Selling and distribution expenses	36	56,080	39,181
Administrative and general expenses	37	32,850	22,730
	7.1.8	235,233	204,518

7.1.8 This includes depreciation on leasehold land (right-of-use-asset) amounting to Rs. 5.99 million (2025: Rs. 5.99 million) charged to selling and distribution expenses.

7.1.9 The cost of fully depreciated assets which are still in use is Rs. 187.58 million (2025: Rs. 136.67 million).

7.1.10 Fair value measurement level and valuation techniques used to determine fair value has been disclosed in the note 49.2 to these unconsolidated financial statements.

7.2 Capital work in progress

	Note	2026	2025
		(Rupees in thousand)	
This comprises of:			
Civil works		-	43,520
Plant and machinery		-	25,034
Electrical installations		-	239
Furniture's and fixtures		-	91
Office equipments		-	556
Computers and related accessories		-	133
Laboratory equipment		-	1,483
	7.2.1	-	71,056

7.2.1 Movement of carrying value is as follows:

Description	Civil works	Plant and machinery	Electrical installations	Furniture's and fixtures	Office equipments	Computers and related accessories	Laboratory equipment	Total
	(Rupees in thousand)							
Year ended June 30, 2026								
Opening balance	43,520	25,034	239	91	556	133	1,483	71,056
Additions (at cost)	36,821	3,338	36,442	-	197	4,387	11,480	92,665
Reversal/Adjustment	-	-	-	(91)	-	-	-	(91)
Transferred to operating fixed assets	(80,341)	(28,372)	(36,681)	-	(753)	(4,520)	(12,963)	(163,630)
Closing balance	-	-	-	-	-	-	-	-
Year ended June 30, 2025								
Opening balance	13,695	8,488	-	91	109	-	-	22,383
Additions (at cost)	63,715	75,952	1,282	-	2,606	4,124	4,230	151,909
Transferred to operating fixed assets	(33,890)	(59,406)	(1,043)	-	(2,159)	(3,991)	(2,747)	(103,236)
Closing balance	43,520	25,034	239	91	556	133	1,483	71,056

		Note	2026	2025
			(Rupees in thousand)	
7.3	**Right-of-use-asset**			
	Opening net book value		204,684	210,675
	Additions during the year		-	-
	Revaluation gain	24.3	217,972	-
	Depreciation charge for the year		(5,991)	(5,991)
	Closing net book value		416,665	204,684

7.3.1 The Company has a lease contract of its warehouse. Lease liability against the right-of-use asset has been paid off at the start of the contract.

7.3.2 Fair value measurement of lease hold land is based on the valuations carried out by an independent valuer M/s. Harvestor Services (Private) Limited as at June 30, 2026 on the basis of market value.

7.3.3 The forced sale value of revalued assets as per latest available revaluation reports are as follows:

Particulars	Date of revaluation	Note	(Rupees in thousand)
Leasehold land	June 30, 2026		354,166

		Note	2026	2025
			(Rupees in thousand)	
8	**INVESTMENT PROPERTY**			
	Plot/land	8.1	3,800	-
8.1	**Movement is as follows:**			
	Opening balance at the start of the year		-	-
	Additions during the year - cost	8.2	3,800	-
	Disposals during the year		-	-
	Closing balance at the end of the year		3,800	-

8.2 During the year, the Company acquired a land/plot against receivable and classified the same as investment property. Subsequent to initial recognition, the investment property is measured using the cost model in accordance with the applicable financial reporting framework. The estimated fair value of the plot, located at Plot No. 282, Block F1, 8 Marla, Bahria Town, Lahore amounting to Rs. 4 million. Further, this is an open-file plot and has not yet been transferred in the name of the Company. The Company is in the process of taking appropriate steps for the transfer.

9	**LONG TERM INVESTMENTS**			
	In equity instruments - at cost	9.1	39,242	47,956
	Investment in equity instrument classified as FVOCI	9.2	68,252	51,437
			107,494	99,393

			Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
9.1	**In equity instruments - at cost**				
	No. of shares - ordinary	**Name of the Company**	**Percentage**		
(i)	**Subsidiary Company - unlisted**				
2026	**2025**				
765,000	765,000	Berger DPI (Private) Limited	51%	2,550	2,550
		Less: Impairment loss		(2,550)	-
		The face value of these shares is Rs. 10 each		-	2,550
	No. of shares - ordinary	**Name of the Company**	**Percentage**		
(ii)	**Associated Company - unlisted**				
2026	**2025**				
392,000	392,000	3S Pharmaceutical (Private) Limited	49%	68,599	68,599
		Less: Impairment loss		(29,357)	(23,193)
				39,242	45,406
				39,242	47,956

The face value of these shares is Rs. 100 each.

The recoverable amount of investment in associate was based on fair value less costs of disposal, estimated using adjusted net asset method. Following the impairment loss in prior year, the recoverable amount of the investment was equal to its carrying amount. The associated company is not fully operational yet and expenses are being incurred to running the company which has resulted in loss to the associated company.

9.1.1	**Movement of impairment loss is as follows:**			
	As at July 01		-	-
	Impairment during the year	9.1.2	2,550	-
	As at June 30		2,550	-

9.1.2 This impairment has been charged during the year, as a matter of prudence, as the project of the investee company is not operating and there is significant uncertainty regarding future earnings and related cashflows.

9.1.3	**Movement of impairment loss is as follows:**			
	As at July 01		23,193	19,728
	Impairment during the year	38	6,164	3,465
	As at June 30		29,357	23,193
9.2	**Investment in equity instrument classified as FVOCI**			
	Buxly Paints Limited - listed			
	Cost		3,830	3,830
	Fair value adjustment	9.2.2	64,422	47,607
			68,252	51,437

9.2.1 The Company owns 273,600 (2025: 273,600) fully paid ordinary shares of Rs. 10 each representing 19.00% (2025: 19.00%) investment of total shares in Buxly Paints Limited. As at year end, the market value of each share was Rs. 249.46 (2025: Rs. 188).

	Note	2026	2025
		(Rupees in thousand)	
9.2.2 Fair value adjustment is as follows;			
As at July 01		47,607	21,344
Fair value gain		16,815	26,263
As at June 30		64,422	47,607
10 LONG TERM LOANS AND ADVANCES			
Unsecured			
Considered good			
Loans to employees	10.1	8,324	12,850
Long term advances	10.3	19,504	32,696
		27,828	45,546
10.1 Movement for loans to employees - secured			
Opening balance		29,952	48,037
Disbursements during the year		8,127	3,890
Repayments during the year		(14,630)	(21,975)
		23,449	29,952
Discounting adjustment for recognition at fair value - deferred employee benefits	11	(9,515)	(14,560)
Closing balance		13,934	15,392
Current portion shown under current assets	16	(5,610)	(2,542)
		8,324	12,850

10.2 These represent interest free loans provided to the employees of the Company in accordance with the terms of their employment, under a scheme for the purchase of motor vehicles. These loans are secured by keeping title of the underlying assets in the name of the Company till final settlement. The loans are recoverable over a period of three to ten years. These loans have been discounted using market rate as at reporting date and the corresponding discounting impact has been recognised as prepaid employee benefits.

10.2.1 Directors of the Company were not given any loan during the year.

10.3 This represents advances given to various suppliers for capital expenditure.

	Note	2026	2025
		(Rupees in thousand)	
11 LONG TERM DEPOSITS			
Deposits - unsecured			
- Considered good		37,911	28,415
- Considered doubtful	11.1	5,287	5,287
		43,198	33,702
Prepaid employee benefits	10	9,515	14,560
Less: Allowance for doubtful deposits	11.1	(5,287)	(5,287)
	11.2	47,426	42,975

	Note	2026	2025
		(Rupees in thousand)	

11.1 Movement in allowance for doubtful deposits is as follows:

Balance as at July 01	5,287	5,287
Provision during the year	-	-
Balance as at June 30	5,287	5,287

11.2 These include deposits given to utility companies, deposits against lease and tender deposits.

11.3 These deposits do not carry any interest or mark-up and are not recoverable within one year. IFRS 9 requires long-term non interest bearing financial assets to be discounted at average borrowing rate of the Company. The impact of discounting is considered immaterial by the management.

12 DEFERRED TAXATION - NET

Deferred tax liability on taxable temporary differences arising in respect of			
- Accelerated tax depreciation		(6,741)	43,708
- Surplus on revaluation of fixed assets		(336,550)	(206,760)
- Fair value gain on investment classified as FVOCI		(23,836)	(18,567)
		(367,127)	(181,619)
Deferred tax asset on deductible temporary differences arising in respect of:			
- Impairment allowance on financial assets		111,416	65,834
- Investment in related parties		11,806	9,045
- Provision for slow moving stock		29,561	10,781
- Long term employee benefit	12.1	37,468	-
- Deferred grant		3,020	-
		193,271	85,660
		(173,856)	(95,959)

12.1 During the year, the Company has revised its estimates relating to the tax treatment of long-term employee benefits and long-term financing against the Musharakah vehicle. Previously, the related tax deductions were determined based on the provisions recognised in the financial statements and the previous basis of financing treatment. The Company has now revised its approach to claim under the tax liability based on the benefits/amounts actually paid , resulting in a corresponding change in the measurement of deferred tax.

Had there been no change in the accounting estimates, the deferred tax liability at year end would have been higher by Rs. 48.17 million, and profit after tax for the year would have been lower by Rs. 48.17 million.

		Note	2026	2025
			(Rupees in thousand)	
12.2	**Movement in deferred tax balances is as follows:**			
	As at July 01		(95,959)	(134,447)
	recognised in profit or loss:			
	- Accelerated tax depreciation including surplus on revaluation of fixed assets		(25,565)	24,180
	- Charge / (reversal) of impairment allowance on financial assets		45,582	14,328
	- Investment in related parties		2,761	4,291
	- Provision for slow moving stock		18,780	6,401
	- Long term employee benefit		40,852	-
			82,410	49,200
	recognised in other comprehensive income:			
	- Fair value gain on investment classified as FVOCI		(5,269)	(10,712)
	- Revaluation surplus on fixed assets		(151,654)	-
	- Actuarial gain on staff retirement benefits		(3,384)	-
			(160,307)	(10,712)
	As at June 30		(173,856)	(95,959)
13	**STORES, SPARE PARTS AND LOOSE TOOLS**			
	Stores in hand	13.2	30,952	35,456

13.1 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

13.2 The stores and spares include items that have remained in inventory for more than one year. No provision for impairment has been recognised, as management believes that the net realizable value of these stores and spares exceeds their carrying amount and that the items remain usable in the Company's current operations.

14	**STOCK IN TRADE**			
	Raw and packing materials			
	- in hand		596,435	568,796
	- in transit		393,404	260,981
			989,839	829,777
	Semi processed goods		195,456	156,317
	Finished goods			
	- Manufactured	14.1	834,563	544,250
	- Trading		37,351	38,211
			871,914	582,461
			2,057,209	1,568,555
	Provision for slow moving and obsolete stocks	14.2		
	- Raw material		(13,967)	(15,174)
	- Semi processed goods		(1,861)	(3,358)
	- Finished goods		(64,067)	(9,112)
			(79,895)	(27,644)
			1,977,314	1,540,911

14.1 Aggregate stocks with a cost of Rs. 21.81 million (2025: Rs. 35.20 million) are being valued at net realizable value of Rs. 20.14 million (2025: Rs. 32.21 million).

	Note	2026	2025
		(Rupees in thousand)	
14.2 Provision for slow moving and obsolete stocks			
As at the beginning of year		27,644	96,228
Provision made during the year		58,266	18,130
Reversal during the year		(2,704)	(4,140)
Write off during the year		(3,311)	(82,574)
As at year end		79,895	27,644

14.3 The cost of stock in trade recognised as an expense amounted to Rs. 6,176 million (2025: Rs. 5,929 million).

14.4 Stock-in-trade up to a maximum amount of Rs. 5,007 million (2025: Rs. 4,474 million) are under hypothecation of commercial banks as security for short term borrowings.

15 TRADE DEBTS - UNSECURED

Considered good			
Related parties	15.1 & 15.2	404,141	354,445
Others		2,656,045	2,638,317
		3,060,186	2,992,762
Considered doubtful			
Related parties		22,503	7,608
Others		231,116	115,909
		253,619	123,517
Impairment allowance on trade debts	15.3	(253,619)	(123,517)
Provision for discounts	15.4	(232,573)	(207,272)
		2,827,613	2,785,490
15.1 Trade debts include the following amounts due from the following related parties:			
Buxly Paints Limited - related party	15.1.1	426,644	362,053

15.1.1 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 426.64 million (2025: Rs. 362.05 million).

15.1.2 The Company has recognised impairment allowance on these balances as at June 30, 2026 amounting to Rs. 22.5 million (2025: Rs. 7.61 million).

		Note	2026	2025
			(Rupees in thousand)	
15.2	**Aging of related party balances**			
	Considered good			
	0 - 30 days		149,715	43,867
	Considered doubtful			
	31 - 60 days		23,411	55,837
	61 - 90 days		38,474	14,091
	91 - 120 days		42,919	67,646
	121 - 180 days		172,125	85,251
	181 - 364 days		-	95,361
	over one year		-	-
			426,644	362,053
15.3	**Movement in allowance for expected credit losses**			
	Balance as at July 01		123,517	96,164
	Provision for the year		130,102	27,353
	Balance as at June 30		253,619	123,517
15.4	**Provision for discounts**			
	Balance as at July 01		207,272	216,835
	Charge for the year - net	34	1,971,000	2,057,452
	Discounts paid during the year		(1,945,699)	(2,067,015)
	Balance as at June 30		232,573	207,272
16	**LOANS AND ADVANCES**			
	Current portion of long term loans:			
	Due from employees			
	- considered good		4,077	1,009
	- considered doubtful		1,533	1,533
		10	5,610	2,542
	Less: Impairment allowance	16.1	(1,533)	(1,533)
			4,077	1,009
	Advances - unsecured, considered good:			
	- employees		1,585	1,242
	- suppliers		284,530	252,793
			286,115	254,035
			290,192	255,044
16.1	**Movement in impairment allowance is as follows:**			
	Balance as at July 01		1,533	1,533
	Charged during the year		-	-
	Balance as at June 30		1,533	1,533

	Note	2026	2025
		(Rupees in thousand)	
17 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits			
- considered good		31,972	35,171
- considered doubtful		10,515	10,515
		42,487	45,686
Less: Impairment allowance	17.1	(10,515)	(10,515)
		31,972	35,171
Short term prepayments		18,545	19,381
		50,517	54,552
17.1 Movement in impairment allowance is as follows:			
Balance as at July 01		10,515	11,390
Provision made during the year		-	(875)
Balance as at June 30		10,515	10,515
18 OTHER RECEIVABLES			
LC margin		1,145	18,236
Sales tax	18.5	149,972	74,652
Receivable from related parties	18.1	51,713	35,881
Export rebate		10,305	12,665
Provision against export rebate	18.4	(10,305)	(9,736)
		-	2,929
Accrued interest		5,932	5,600
Insurance claim receivable		-	681
Others		4,892	740
Due from provident fund		-	633
		213,654	139,352
18.1 Other receivables include the following amounts due from the following related parties:			
Berger Road Safety (Private) Limited - subsidiary of Berger DPI (Private) Limited	18.1.2	16,939	15,111
Buxly Paints Limited	18.1.6	46,507	31,697
3S Pharmaceuticals (Private) Limited - related party	18.1.4	8,131	7,288
	18.1.5	71,577	54,096
Less: Impairment allowance	18.3	(19,864)	(18,215)
		51,713	35,881

18.1.1 These balances includes markup charged to related party balances. This closing balance includes interest receivable amounting to Rs. 27.76 million (2025: Rs. 2.17 million) from Buxly Paints Limited, Rs. 1.83 million (2025: Rs. 1.74 million) from Berger Road Safety (Private) Limited and Rs. 0.84 million (2025: 0.95 million) from 3S Pharmaceuticals (Private) Limited.

18.1.2 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 16.94 million (2025: Rs. 20.08 million).

18.1.3 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 46.51 million (2025: Rs. 31.69 million).

18.1.4 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 8.13 million (2025: Rs. 7.54 million).

18.1.5 This represents receivables related to sharing of common expenses under normal trade as per agreed terms.

18.1.6 The Company holds the title documents of land owned by related party i.e., Buxly Paints Limited, which are retained in the Company's custody against the outstanding receivable balance.

	Note	2026	2025
		(Rupees in thousand)	
18.2 Aging of related party balances			
Past due 0 - 30 days		7,333	3,838
Past due 31 - 60 days		5,727	3,779
Past due 61 - 90 days		4,925	2,519
Past due 91 - 120 days		6,500	3,970
Past due 121 - 180 days		11,387	7,241
Past due 181 - 364 days		13,722	15,775
Past due over one year		21,983	16,974
		71,577	54,096
18.3 Movement in impairment allowance is as follows:			
Balance as at July 01		18,215	15,838
Provision charged during the year		1,649	2,377
Balance as at June 30		19,864	18,215
18.4 Movement in provision against export rebate is as follows:			
Balance as at July 01		9,736	9,736
Provision for the year		569	-
Balance as at June 30		10,305	9,736

18.5 This represents unclaimed sales tax invoices from the Federal Board of Revenue (FBR) and Punjab Revenue Authority (PRA), which will be adjusted against output tax in subsequent sales tax returns.

19 TAX REFUND DUE FROM GOVERNMENT

Tax refund due from Government		189,951	189,951
Taxation - net	19.1	70,152	60,775
		260,103	250,726

		Note	2026	2025
			(Rupees in thousand)	
19.1	**Taxation - net**			
	Addition: advance taxes and taxes withheld			
	- for the tax year 2025		-	258,549
	- for the tax year 2026		255,864	21,654
	- for the tax year 2027		50,000	-
	Advance tax adjusted		60,775	-
	Tax refund rejected	38.1	(17,700)	-
	Provision for the year	42	(278,787)	(219,428)
	Closing balance		70,152	60,775
20	**SHORT TERM INVESTMENT**			
	At amortized cost			
	Term deposit receipts (TDRs)			
	JS Bank Limited	20.1	51,000	41,000
	Bank Islami Pakistan Limited	20.2	50,000	50,000
	Habib Metro Bank Limited	20.3	26,393	-
			127,393	91,000

20.1 This represents investment in Term Deposit Receipts (TDRs) with JS Bank Limited, having maturity periods of one year and maturing between July 16, 2026 to April 20, 2027. These carry mark-up ranging from 7.47% to 17.00% (2025: 8.92% to 22.00%) per annum.

20.2 This represents, investment in Term Deposit Receipts (TDRs) with the Bank Islami Pakistan Limited, having a maturity period of one year and maturing on October 09, 2026. This carries mark-up of 8.5% (2025: 18.5%) per annum.

20.3 This represents, investment in Term Deposit Receipts (TDRs) with the Habib Metro Bank Limited, having a maturity period of six months and maturing between August 26, 2026 to September 02, 2026. This carries mark-up of 8.15% to 9.4% per annum.

		Note	2026	2025
			(Rupees in thousand)	
21	**CASH AND BANK BALANCES**			
	Cash at bank:			
	Local currency			
	- current accounts		396,831	270,568
	- saving accounts	21.1	24,286	24,286
	Cash in hand		622	852
			421,739	295,706

21.1 Balances in deposit accounts carry interest ranging from 9.70% to 9.25% (2025: 9.25% to 19%) per annum.

		Note	2026	2025
			(Rupees in thousand)	
22	**NON CURRENT ASSET HELD FOR SALE**			
	Land and building	22.1	246,061	-

22.1 Reconciliation of non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder :

	Note	2026	2025
		(Rupees in thousand)	
As at July 01		-	-
Add: Carrying value of freehold land transferred from property, plant and equipment during the year	7.1	258,186	-
Less: Carrying value of assets disposed off during the year		-	-
Less: Cost to sell		(12,125)	-
As at June 30		246,061	-

22.2 Freehold land and building thereon situated at Property No. 36, Industrial Estate, Kot Lakhpat, Lahore, have been classified as held for sale during the year ended June 30, 2026. In accordance with the requirements of IFRS 5, the carrying amount of the asset has been written down to their fair value less costs to sell, amounting to Rs. 246.061 million. Subsequent to the year-end, the Company has entered into a sale agreement with the prospective buyer for the disposal of the land for an amount of Rs. 295 million. Further, the building situated on the land was already fire-damaged and impaired when the property was acquired. Accordingly, no historical carrying value has been attributed to the building in the Company's books.

23 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	2026	2025	2026	2025
	(Number of shares)		(Rupees in thousand)	
Authorised share capital				
Ordinary shares of Rs. 10 each	50,000,000	50,000,000	500,000	500,000
Issued, subscribed and paid-up share capital				
Voting ordinary shares of Rs. 10 each fully paid up in cash	12,135,798	12,135,798	121,358	121,358
Voting ordinary shares of Rs. 10 each issued as bonus shares	12,415,817	12,415,817	124,158	124,158
	24,551,615	24,551,615	245,516	245,516

23.1 As at June 30, 2026, Slotrapid Limited, the Holding Company, and their nominees hold 12,779,176 (2025: 12,779,176) voting ordinary shares of Rs. 10 each representing 52.05% (2025: 52.05%) of the ordinary paid up capital of the Company.

23.2 Movement of share capital is as follows:

Opening balance		245,516	245,516
Shares issued during the year	23.3	-	-
Closing balance		245,516	245,516

23.3 There is no shareholder agreement for voting rights, board selection, rights of first refusal and block voting.

	Note	2026	2025
		(Rupees in thousand)	
24 RESERVES			
Capital reserves			
Share premium reserve	24.1	34,086	34,086
Fair value reserve - net of tax	24.2	40,586	29,040
		74,672	63,126
Revaluation surplus on property, plant and machinery - net of tax	24.3	1,820,407	1,387,257
		1,895,079	1,450,383
Revenue reserves			
General reserve	24.3.3	285,000	285,000
Accumulated profits		1,938,884	1,700,308
		2,223,884	1,985,308
		4,118,963	3,435,691

24.1 This reserve can be utilized by the Company for the purpose specified in section 81(2) of the Companies Act, 2017.

24.2 This represents fair value reserve created on investment classified as FVOCI.

24.3 Revaluation surplus on property, plant and machinery - net of tax

As at beginning of the year	1,387,257	1,437,720
Surplus/(loss) arising on revaluation:		
Freehold land	213,432	-
Leasehold land	137,322	-
Building on freehold land	(2,824)	-
Building on leasehold land	22,402	-
Plant and machinery	108,962	-
	479,294	-
	1,866,551	1,437,720
Incremental depreciation - net of tax	(46,144)	(50,463)
	1,820,407	1,387,257

24.3.1 The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

24.3.2 The latest valuation of freehold land, leasehold land, building on freehold land, building on leasehold land and plant and machinery was carried out by M/s. Harvestor Services (Private) Limited, an independent valuer on June 30, 2026. The valuation was determined by reference to current market value of the similar properties / assets. The most significant input into this valuation approach is price per acre for land, price per square foot for buildings and present operational condition and age of plant and machinery respectively.

24.3.3 This represents reserve held for future expansion of the company and further for mitigating any future losses that may occur during business operations.

	Note	2026	2025
		(Rupees in thousand)	
25 LONG TERM FINANCING - SECURED			
Secured			
Mark-up based financing from conventional banks:			
JS Bank Limited	25.1	11,062	19,549
National Bank of Pakistan Limited	25.2	45,671	53,128
		56,733	72,677
Islamic mode of financing:			
First Habib Modaraba	25.3	201,803	135,726
		258,536	208,403
Mark-up based financing from conventional banks:			
Current portion shown under current liabilities	30	(19,950)	(20,781)
Islamic mode of financing:			
Current portion shown under current liabilities	30	(44,811)	(30,163)
		(64,761)	(50,944)
		193,775	157,459

25.1 This represents long term loan facility amounting to Rs. 63 million to finance 0.604 MW grid pegged solar power plant. The outstanding balance is repayable in quarterly installments of Rs. 2.25 million each ending in July 2027. Markup is payable quarterly and is charged at the rate of 6% per annum. The facility is secured against an equitable mortgage and first charge on land and building of Lahore factory of the Company.

25.2 This represents long term loan facility amounting to Rs. 100 million. The loan was obtained under SBP refinancing scheme for Temporary Economic Refinance. The facility is repayable in quarterly installments of Rs. 2.8 million each ending in September 2031. Markup is payable quarterly and is charged at 3 month Kibor plus 5% spread per annum. This facility was secured against first pari passu charge amounting to Rs. 134 million over all present and future current assets of the Company.

		Note	2026	2025
			(Rupees in thousand)	
25.3	**First Habib Modaraba**			
	- First Habib Modaraba - facility 1	25.3.1	-	1,329
	- First Habib Modaraba - facility 2	25.3.2	-	400
	- First Habib Modaraba - facility 3	25.3.3	-	1,440
	- First Habib Modaraba - facility 4	25.3.4	-	629
	- First Habib Modaraba - facility 5	25.3.5	-	2,055
	- First Habib Modaraba - facility 6	25.3.6	-	1,627
	- First Habib Modaraba - facility 7	25.3.7	7,435	12,583
	- First Habib Modaraba - facility 8	25.3.8	2,864	3,564
	- First Habib Modaraba - facility 9	25.3.9	7,041	9,171
	- First Habib Modaraba - facility 10	25.3.10	8,833	11,317
	- First Habib Modaraba - facility 11	25.3.11	10,120	12,779
	- First Habib Modaraba - facility 12	25.3.12	26,280	32,120
	- First Habib Modaraba - facility 13	25.3.13	5,322	6,408
	- First Habib Modaraba - facility 14	25.3.14	4,907	5,909
	- First Habib Modaraba - facility 15	25.3.15	12,374	14,699
	- First Habib Modaraba - facility 16	25.3.16	6,821	8,011
	- First Habib Modaraba - facility 17	25.3.17	9,950	11,685
	- First Habib Modaraba - facility 18	25.3.18	14,460	-
	- First Habib Modaraba - facility 19	25.3.19	12,340	-
	- First Habib Modaraba - facility 20	25.3.20	7,570	-
	- First Habib Modaraba - facility 21	25.3.21	14,922	-
	- First Habib Modaraba - facility 22	25.3.22	19,776	-
	- First Habib Modaraba - facility 23	25.3.23	2,145	-
	- First Habib Modaraba - facility 24	25.3.24	9,407	-
	- First Habib Modaraba - facility 25	25.3.25	8,760	-
	- First Habib Modaraba - facility 26	25.3.26	10,476	-
			201,803	135,726

25.3.1 This represents diminishing musharika facility amounting to Rs. 5.21 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in September 2025. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid. This facility has been fully repaid.

25.3.2 This represents diminishing musharika facility amounting to Rs. 1.795 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in December 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid. This facility has been fully repaid.

25.3.3 This represents diminishing musharika facility amounting to Rs. 6.04 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in November 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid. This facility has been fully repaid.

25.3.4 This represents diminishing musharika facility amounting to Rs. 4.81 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in September 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid. This facility has been fully repaid.

25.3.5 This represents diminishing musharika facility amounting to Rs. 8.91 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in April 2026. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.6 This represents diminishing musharika facility amounting to Rs. 3.94 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in October 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid. This facility has been fully repaid.

25.3.7 This represents diminishing musharika facility amounting to Rs. 22.8 million for purchase of vehicles. The facility was repayable in 16 quarterly installments ending in June 2027. Profit was payable quarterly and charged at the rate of three month's KIBOR plus 1% per annum. The facility was secured against charge over present and future current and fixed assets of the Company. The title of asset was held jointly by the Company and the lender till the facility was fully repaid.

25.3.8 This represents diminishing musharika facility amounting to Rs. 4.4 million for purchase of vehicles. The facility was repayable in 20 quarterly installments ending in March 2029. Profit was payable quarterly and charged at the rate of three month's KIBOR plus 1% per annum. The facility was secured against charge over present and future current and fixed assets of the Company. The title of asset was held jointly by the Company and the lender till the facility was fully repaid.

25.3.9 This represents diminishing musharika facility amounting to Rs. 11.8 million for purchase of vehicles. The facility was repayable in 20 quarterly installments ending in May 2029. Profit was payable quarterly and charged at the rate of three month's KIBOR plus 1% per annum. The facility was secured against charge over present and future current and fixed assets of the Company. The title of asset was held jointly by the Company and the lender till the facility was fully repaid.

25.3.10 This represents diminishing musharika facility amounting to Rs. 13.80 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in August 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.11 This represents diminishing musharika facility amounting to Rs. 14.77 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in October 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.12 This represents diminishing musharika facility amounting to Rs. 36.50 million for purchase of generator. The facility is repayable in 20 quarterly installments ending in September 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.25% per annum, with periodic review. The facility is secured against charge registered with SECP over the asset value. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.13 This represents diminishing musharika facility amounting to Rs. 7.36 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in November 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.14 This represents diminishing musharika facility amounting to Rs. 6.77 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in November 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.15 This represents diminishing musharika facility amounting to Rs. 16.21 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in February 2030. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.16 This represents diminishing musharika facility amounting to Rs. 8.52 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in March 2030. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.17 This represents diminishing musharika facility amounting to Rs. 12.42 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in April 2030. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Company. The title of asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.18 This represents a diminishing musharika facility amounting to Rs. 17.25 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in August 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.19 This represents a diminishing musharika facility amounting to Rs. 15.05 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in August 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.20 This represents a diminishing musharika facility amounting to Rs. 9.03 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in August 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.21 This represents a diminishing musharika facility amounting to Rs. 17.08 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in November 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.22 This represents a diminishing musharika facility amounting to Rs. 21.76 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in December 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.23 This represents a diminishing musharika facility amounting to Rs. 2.60 million for the purchase of other assets. The facility is repayable in quarterly installments ending in February 2028. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.24 This represents a diminishing musharika facility amounting to Rs. 10.35 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in February 2031. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.25 This represents a diminishing musharika facility amounting to Rs. 9.32 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in April 2031. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.26 This represents a diminishing musharika facility amounting to Rs. 11.15 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in May 2031. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Company. The title of the asset is held jointly by the Company and the lender till the facility is fully repaid.

25.3.27 The Company has total credit facilities of Rs. 163 million (2025: Rs. 163 million) at the year end. Whereas the Company has availed credit facilities of Rs. 163 million (2025: Rs. 163 million) and unavailed credit facilities of Nil (2025: Nil) at the year end.

	Note	2026	2025
		(Rupees in thousand)	
26 LONG TERM DIMINISHING MUSHARAKA			
Secured:			
Islamic mode of financing:			
Berger Paints Pakistan Limited (BPPL) - Sukuk of Rs. 500 million	26.1	41,666	208,333
Current portion shown under current liabilities:			
	30	(41,666)	(166,667)
		-	41,666

26.1 In 2023, the Company issued Rs. 484 million BPPL Sukuk certificates, having face value of Rs. 1 million each aggregating to Rs. 484 million and entered into a diminishing musharaka agreement with the investment agent, Pak Oman Investment Company (trustee on behalf of the Sukuk holders) as a co-owner of the musharaka assets. The issue resulted in cash receipt of subscription money of Rs. Rs. 484 million. The Sukuk certificates carry profit at the rate of 3 months KIBOR + 1.5% with quarterly rental payments. These certificates are issued for a tenure of four years and are structured in such a way that first quarterly principal repayment installment commenced from the quarter ended September 2023. Under this arrangement the Company sold the beneficial ownership of the musharaka assets, its freehold land and building on freehold land, to the investment agent (for the benefit of Sukuk holders) although legal title remains with the Company. The overall arrangement has been accounted for in these financial statements on the basis of substance of the transaction.

	Note	2026	2025
		(Rupees in thousand)	
27 DEFERRED GRANT			
Balance as at July 01		16,842	22,622
Amortization of grant during the year	39	(4,747)	(5,780)
		12,095	16,842
Less: current portion of deferred grants	30	(3,933)	(4,784)
Balance as at June 30		8,162	12,058

27.1 This represents deferred grant recognised in respect of the benefit of below-market interest rate on long term finance facility as referred to in notes 25.1 and 25.2. The benefit has been measured as the difference between the fair value of the loan and the proceeds received. Company received term finance facility under Refinancing / Temporary Economic Refinance Facility Scheme of the State Bank/ of Pakistan from different banks. ICAP issued the guidance for accounting of said financing through circular No. 11/2020, and based on this, the Company recognised the Deferred Grant in accordance with the requirements of IAS 20-Accounting for Government Grants and Disclosure of Government Assistance.

	Note	2026	2025
		(Rupees in thousand)	
28 LONG TERM EMPLOYEE BENEFITS			
Defined benefit obligation			
Staff pension fund	28.1	(3,977)	1,371
Staff gratuity fund	28.1	69,687	139,967
		65,710	141,338
Other long term employee benefits			
Accumulating compensated absences	28.2	35,554	31,175
		101,264	172,513

Defined benefit obligation

As mentioned in note 5.22 the Company operates an approved funded gratuity and pension schemes for all its permanent employees. Actuarial valuation of the scheme is carried out every year and the latest actuarial valuation was carried out at June 30, 2026. Projected Unit Credit method based on the following assumptions was used for these valuations:

Valuation discount rate	12.25%	15.75%
Expected rate of increase in salaries	11.25%	14.75%
Withdrawal rates	Age-Based (per appendix)	Age-Based (per appendix)
Expected mortality rate	SLIC (2001-05)	SLIC (2001-05)
Retirement age	60 years	60 years

28.1 Statement of financial position reconciliation

	2026		2025	
	Pension	Gratuity	Pension	Gratuity
	(Rupees in thousand)			
Present value of defined benefit obligation	132,393	205,491	116,062	175,716
Fair value of plan assets	(136,370)	(135,804)	(114,691)	(35,749)
	(3,977)	69,687	1,371	139,967

28.1.1 Movement in defined benefit obligation is as follows:

Obligation as at July 01	116,062	175,716	99,250	152,584
Employees' contribution not paid to the fund by the Company	1,916	-	1,693	-
Service cost	3,023	18,860	2,822	16,652
Interest cost	14,341	21,787	13,702	20,743
Benefits paid	(2,671)	(2,829)	(2,760)	(8,842)
Remeasurement loss / (gain)	(278)	(8,043)	1,355	(5,421)
Obligation as at June 30	132,393	205,491	116,062	175,716

	2026		2025	
	Pension	Gratuity	Pension	Gratuity
	(Rupees in thousand)			
28.1.2 Movement in the fair value of plan assets is as follows:				
Fair value as at July 01	114,691	35,749	91,993	30,451
Expected return on plan assets	5,758	10,381	12,686	4,263
Remeasurement loss	14,430	(4,932)	12,772	1,035
Company's contribution	4,162	97,435	-	8,842
Benefits paid	(2,671)	(2,829)	(2,760)	(8,842)
Fair value as at June 30	136,370	135,804	114,691	35,749
28.1.3 Movement in net liability in the statement of financial position is as follows:				
Net liability as at July 01	1,371	139,966	7,257	122,133
Charge for the year	2,934	30,267	3,838	33,132
Charge to other comprehensive income during the year	(6,036)	(3,111)	(11,417)	(6,457)
Company's contribution	(4,162)	(97,435)	-	(8,841)
Employees' contribution deducted but not paid to the fund	1,916	-	1,693	-
Net liability as at June 30	(3,977)	69,687	1,371	139,967
28.1.4 Charge for the year - net				
Current service cost	3,022	18,860	2,822	16,652
Interest cost	14,341	21,788	13,702	20,743
Expected return on plan assets	(14,430)	(10,381)	(12,686)	(4,263)
	2,933	30,267	3,838	33,132
28.1.5 Actual return on plan assets	20,188	5,449	25,458	5,298
28.1.6 The charge for the year has been allocated as follows:				
Cost of sales	1,266	13,750	1,647	13,670
Selling and distribution expenses	1,331	11,284	1,746	13,724
Administrative and general expenses	337	5,233	445	5,738
	2,933	30,267	3,838	33,132
28.1.7 Plan assets comprise of the following:				
Collective investment schemes	99,743	25,000	81,830	25,052
Cash at bank	36,627	110,804	32,861	10,697
	136,370	135,804	114,691	35,749

28.1.8 Amounts for the current year and previous four years of the fair value of plan assets, present value of defined benefit obligation and deficit thereon is as follows:

As at June 30,	2026	2025	2024	2023	2022
	(Rupees in thousand)				
Present value of defined benefit obligation	337,884	291,776	251,832	213,349	212,260
Fair value of plan assets	(272,174)	(150,438)	(122,444)	(93,329)	(87,735)
Deficit	65,710	141,338	129,388	120,020	124,525
Experience adjustment:					
Loss / (gain) on obligations	(8,322)	(4,066)	(6,941)	(19,607)	6,195
Gain on plan assets	24,810	16,949	16,446	12,071	10,814

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at reporting date.

28.1.9 Expected expense for next year

The expected expense to the pension and gratuity schemes for the year ending June 30, 2027 works out to Rs. 2.71 million and Rs. 30.53 million respectively.

28.1.10 The plans expose the Company to the actuarial risks such as:

Salary risks

The risk that the final salary at the time of cessation of service may be greater than that assumed in determination of present value of defined benefits obligations. As the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increase.

Mortality / withdrawal risks

The risks that the actual mortality / withdrawal experiences is different. The effect depends upon beneficiaries' service / age distribution and the entitled benefits of the beneficiary.

Interest rate risks

The risk that bond interest rate may be different. A decrease in bond interest rate will increase the liability, and vice versa.

28.1.11 Actuarial assumptions sensitivity analysis

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 1% with all other variables held constant, the impact on the present value of the defined benefit obligation as at June 30, 2026 would have been as follows:

Impact on present value of defined benefit obligation as at June 30, 2026

	Change		Pension		Gratuity	
			Increase to	Decrease to	Increase to	Decrease to
			---------- (Rupees in thousand) ----------			
Discount rate	±	1%	114,030	153,702	186,031	226,993
Future salary	±	1%	146,251	119,853	226,988	186,029

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

28.1.12 Weighted average duration of the defined benefit obligation is 17 years and 10 years for pension and gratuity plans, respectively.

	Note	2026	2025
		(Rupees in thousand)	
28.2 Other long term employee benefits			
Movement in accumulated compensated absences			
Balance as at July 01		31,175	28,071
Provision during the year	28.2.2	8,207	9,196
Payments made during the year		(3,828)	(6,092)
Balance as at June 30		35,554	31,175
28.2.1 Reconciliation of present value of liability			
Present value of liability as at July 01		31,175	28,071
Service cost		3,560	3,169
Interest on defined benefit liability		3,658	3,503
Benefits paid		(3,828)	(6,092)
Remeasurement gain		989	2,524
Present value of liability as at June 30		35,554	31,175
28.2.2 Charge for the year			
Service cost		3,560	3,169
Interest on defined benefit liability		3,658	3,503
Remeasurement gain		989	2,524
		8,207	9,196
28.2.3 The charge for the year has been allocated as follows:			
Cost of sales		1,255	1,614
Selling and distribution expenses		4,205	5,317
Administrative and general expenses		2,747	2,265
		8,207	9,196

28.2.4 Expected expense for next year

The expected expense pertaining to accumulated compensated absences for the year ending June 30, 2027 works out to Rs. 8.02 million.

28.2.5 Actuarial assumptions sensitivity analysis

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 1% with all other variables held constant, the impact on the present value of the defined benefit obligation as at June 30, 2026 would have been as follows:

Impact on present value of defined benefit obligation as at June 30, 2026

			Defined benefit obligation	
		Change	Increase to	Decrease to
Discount rate	±	1%	32,185	39,274
Future salary	±	1%	39,276	32,186

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

28.2.6 Weighted average duration of the defined benefit obligation is 10 years.

	Note	2026	2025
		(Rupees in thousand)	
29 TRADE AND OTHER PAYABLES			
Trade and other creditors		1,358,466	1,360,461
Import bills payable		564,408	473,962
Contract liabilities	34.4	91,408	70,008
Accrued expenses		83,788	79,301
Provision for infrastructure cess	29.1	96,087	96,087
Royalty payable to related parties	29.2	75,808	61,656
Technical fee payable		40,090	40,090
Workers' Profit Participation Fund	29.3	31,007	25,879
Workers' Welfare Fund	29.4	15,947	12,440
Due to statutory authorities		11,442	-
Advance against sale of vehicle from employee	29.5	58,272	39,314
Witholding tax payable		8,050	3,866
Due to provident fund		2,280	-
Advance against land held for sale	29.6	20,000	-
Others		35,290	33,251
		2,492,343	2,296,315
29.1 Provision for infrastructure cess			
Balance as at July 01		96,087	96,087
Provision for the year		-	-
Balance as at June 30		96,087	96,087

29.1.1 Pursuant to Honorable Supreme Court order in September 2021, during the year, the Company is paying this Cess as per the Sindh Development and Maintenance of Infrastructure Cess Act, 2017. However, in the said order, interim relief was provided to the companies, and recovery of the Cess payable was suspended till any further order.

The Company is a party to an appeal pending before the Honourable Supreme Court of Pakistan, filed against the decision of the Honourable Sindh High Court in respect of the Sindh Development & Maintenance of Infrastructure Cess. As at the reporting date, the appeal remains pending adjudication. Further, the Company has not opted for either the lump-sum payment option or the instalment arrangement prescribed under the Sindh Development & Maintenance of Infrastructure Cess (Amendment) Act, 2026, pending the outcome of the matter before the Supreme Court. Accordingly, in the absence of a settlement agreement or a determined settlement strategy by management, the provision recognised in respect of the Cess continues to be carried at its existing amount, with no adjustment made for present value measurement, discounting or current/non-current classification.

	Note	2026	2025
		(Rupees in thousand)	
29.2 This includes amount due to the following related parties:			
Slotrapid Limited - Holding Company		75,776	61,624
Buxly Paints Limited - Associated Company		32	32
		75,808	61,656
29.3 Workers' Profits Participation Fund			
Balance as at July 01		25,879	28,449
Allocation for the year		27,092	21,278
Interest on funds utilized in the Company's business		-	685
		52,971	50,412
Payments during the year		(21,964)	(24,533)
Balance as at June 30		31,007	25,879

29.3.1 Interest on outstanding liability towards Workers' Profit Participation Fund is charged at bank rate plus 2.50% per annum as required under the Companies Profits (Workers' Participation) Act, 1968.

29.4 Workers' Welfare Fund			
Balance as at July 01		12,440	9,699
Allocation for the year		14,551	11,024
Interest on funds utilized in the Company's business		-	-
		26,991	20,723
Payments/adjustments during the year		(11,044)	(8,283)
Balance as at June 30		15,947	12,440
29.5 Advance against sale of vehicle from employee			
Deduction from salaries	29.5.1	58,272	39,314

29.5.1 This represents the balance deducted against employees' salaries for the vehicles scheme. This will be adjusted against the disposal of fixed assets on retirement/leaving of employees or completion of full deduction.

29.6 This amount represents advance received against land held for sale (disclosed in note 22 to these unconsolidated financial statements). Subsequent to the year-end, the Company has entered into a sale agreement with the prospective buyer for the disposal of the land for an amount of Rs. 295 million.

30 CURRENT PORTION OF LONG TERM FINANCING			
Current portion of long term financing	25	64,761	50,944
Current portion of long term diminishing musharaka	26	41,666	166,667
Current portion of deferred income	27	3,933	4,784
		110,360	222,395

	Note	2026	2025
		(Rupees in thousand)	
31 ACCRUED MARKUP			
Mark-up based borrowings from conventional banks			
Long term financing - secured		786	1,068
Short term running finances - secured		43,592	33,220
		44,378	34,288
Mark-up based borrowings from Islamic banks			
Long term diminishing musharaka - secured		75	362
		44,453	34,650
32 SHORT TERM BORROWINGS - SECURED			
Secured from financial institution			
Mark-up based borrowings from conventional banks			
Short term running finance - secured	32.1	1,648,681	961,343
		1,648,681	961,343
Mark-up based borrowings from Islamic banks			
Short term running finance - secured	32.2	188,644	240,128
		188,644	240,128
		1,837,325	1,201,471

32.1 Short term financing - Conventional banks

This represents utilized amount of short term running finance facilities under mark-up arrangements available from commercial banks aggregating to Rs. 1,700 million (2025: Rs. 1,350 million). These facilities are secured against joint pari passu charge over all the present and future current assets of the Company and carry mark-up at rates ranging between 11.08% and 13.66% (2025: 11.33% and 20.24%) per annum, payable quarterly.

32.2 Short term running finances - Islamic banks

This represents utilized amount of short term running finance facilities under mark-up arrangements available from commercial banks aggregating to Rs. 800 million (2025: Rs. 300 million). These facilities are secured against registered charge over the current assets of the Company and carry mark-up at rates ranging between 11.49% and 12.78% (2025: 11.33% and 22.02%) per annum, payable quarterly.

32.3 The Company has total credit facilities of Rs. 2,500 million (2025: 1,650 million) at the year end. Whereas the Company has availed credit facilities of Rs. 2,500 million (2025: Rs. 1,650 million) and unavailed credit facilities of Nil (2025: Nil) at the year end.

33 CONTINGENCIES AND COMMITMENTS

33.1 Contingencies

a) The Company contracted Allied Engineering for installation of solar panels and solar systems at the factory. The process was to be completed in different phases. After the completion of initial phase, issues were identified in the solar systems installed. The Company opted to get the solar systems installed from another vendor while inviting Allied Engineering to reach a settlement. However, Allied Engineering wanted full execution of the contract and full payment of the agreed amount, out of which Rs. 4 million is unpaid at the reporting date. The management on the basis of legal advice, believes that it has a strong case and no further financial obligation is expected to arise.

b) The Sindh Revenue Board (SRB) through an assessment raised sales tax demand amounting to Rs. 39.34 million along-with penalty. Department (SRB) had inadvertently added all royalty figures appearing in accounts including royalty receivable, royalty payable, royalty expense and related party transfers for the calculation of tax on royalties. The Company, through its legal counsel, filed an appeal before the Commissioner (Appeals) SRB on the grounds that amount of sales tax is not correctly calculated and the provisions of Sindh Sales Tax on Services Act, 2011 are not applicable for the reason that the Company is managing its affairs from the province of Punjab. The Commissioner (Appeals) had reduced the demand to Rs. 8.18 million, against which the Company had filed an appeal before Appellate Tribunal SRB which is pending adjudication. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these unconsolidated financial statements.

c) During 2018, the Deputy Commissioner Inland Revenue (DCIR) issued show cause notices for collection of income tax under section 236G / 236H of the Income Tax Ordinance 2001. In this regard, the taxation officer raised demand of Rs. 19.1 million for tax years 2016 vide order dated August 30, 2017 The Company through its legal counsel filed appeals to Commissioner Inland Revenue Appeals (CIR - A) against the said order, partial relief was granted by CIR-A. Being aggrieved from the CIR-A order, the Company through its legal counsel filed appeal before ATIR which has been heard on January 10, 2024 but no judgment has been announced as of yet. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these unconsolidated financial statements.

d) The Additional Commissioner Inland Revenue (ACIR) and Deputy Commissioner Inland Revenue (DCIR), while proceeding U/S 122 of the Income Tax Ordinance, 2001 created income tax demands amounting to Rs. 484.38 million and Rs. 213.12 million for the tax years 2014 and 2016 respectively vide two separate orders. The Company filed an appeal before Commissioner Inland Revenue (Appeals), the Commissioner Inland Revenue (Appeals) remanded the case on some issues and confirmed additions to the tune of Rs. 32.99 million and Rs. 9.2 million for the tax year 2014 and 2016 respectively.

The Company through its legal counsel had filed an appeal before ATIR for both cases. For Tax year 2014, the ATIR has remanded back the case to CIR-A again, no date of hearing has been fixed as of yet. And for Tax year 2016 the ATIR remanded the case back to CIR-A. The Company through application dated March 27, 2025 has filled for rectification of the remand back order. The management believes that it has a strong arguable case and matter will be decided in favor of the Company. Hence no provision has been recorded in these financial statements.

e) The Commissioner Appeals - I, Lahore, vide its order for tax year 2016, deleted certain additions while remanding the case on certain issues and upheld the case on issue of contractor services which involves revenue amounting to Rs. 10.67 million. Appeal against this order has been filed which is pending adjudication. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these unconsolidated financial statements.

f) During the year 2016, a notice from Punjab Revenue Authority involving an amount of Rs. 11.45 million as royalty fee and technical services for the period October 2012 to March 2015 was issued which is under investigation / adjudication proceedings and no demand is raised. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these unconsolidated financial statements.

g) "Additional Commissioner Enforcement of Punjab Revenue Authority issued assessment order creating demand of Rs. 132 million under various section of Punjab Sales Tax on Services Act 2012. However, the Company through its legal counsel filed appeal before Commissioner Appeals PRA against the order of Additional Commissioner. The Commissioner Appeals through order dated April 16, 2024 has remanded back the case to the Additional Commissioner for further assessment, no hearing has been called by Additional Commissioner till date. "

h) DCIR raised a demand amounting to Rs. 10.5 million in relation to sales tax on sales of scrap stock burnt in fire in 2008 which was upheld by Commissioner Appeals. This demand was later reduced by Appellate Tribunal up to the demand pertaining to sales tax on fixed assets. The Company being aggrieved by the order of ATIR, filed an appeal before honorable Lahore high court which was remanded back to the ATIR and is pending adjudication. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these unconsolidated financial statements.

i) The DCIR passed order under section 161(1) for tax year 2014 and raised a demand amounting to Rs. 33.5 million. The Company filed an appeal before the Commissioner Inland Revenue (Appeals). The Appeals remanded back the case to the department for further assessment. Currently, no demand is in field against the Company.

j) Various cases on account of income tax and sales tax matters involving an amount Rs. 11.401 million are also pending. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome in all these cases, hence no provision has been recorded in these unconsolidated financial statements.

k) The Additional Commissioner IR issued a show cause notice dated April, 23, 2022 for tax year 2021 and subsequently passed order under section 122 (5A) to the Income Tax Ordinance, 2001 dated September 02, 2022 amounting to Rs. 455 million. The Company filed an appeal before Commissioner IR Appeals-1(CIR-A) Lahore. The CIR-A through order dated November 04, 2023 decided appeal partially in favor of the Company. The Company filled appeal against CIR-A order before ATIR, the appeal has been heard on March 01, 2024. The ATIR deleted the additions and upheld the decision of CIR-A of remanding back certain additions through order dated April 02, 2025. The Company through its legal counsel had filed an application for rectification of the said order, which has not been fixed as of yet. The Company is expecting a favorable outcome, accordingly no provision has been recorded in the books of accounts.

l) The DCIR issued a show cause notice dated June 26, 2023 on various matters. In response, the Company submitted replies through letters dated August 02, 2023, October 10, 2023, November 07, 2023, December 15, 2023, and May 15, 2023. Subsequently, the Deputy Commissioner Inland Revenue passed an order raising sales tax demand of Rs. 112.73 million along with penalty of Rs. 4.05 million. Being aggrieved, the Company filed an appeal before the Commissioner Inland Revenue Appeals, who, vide order No. 1/A-V dated May 13, 2024, upheld the demand. The Company then preferred an appeal before the Appellate Tribunal Inland Revenue. The Tribunal, vide order No. 1056/L8/2024 dated July 29, 2024, remanded the case back to the assessing officer for reconsideration. Pursuant to this, the assessing officer initiated fresh proceedings through Notice No. C.No./S.Tax/U-10/1579 dated August 20, 2024, to which the Company submitted its reply via letter No. LT/0757/24 dated November 04, 2024. The case is currently pending adjudication. The Company is expecting a favorable outcome, accordingly no provision has been recorded in the books of accounts.

m) The Company is facing claims, launched in the labor and civil courts, pertaining to salaries, staff retirement benefits and customer matters. The claims amount cannot be quantified due to nature of the claims.

33.2 Outstanding letters of guarantee as at June 30, 2026 amounts to Rs. 184.04 million (2025: Rs. 138.28 million).

33.3 Commitments

Outstanding letters of credit as at June 30, 2026 amounts to Rs. 693.51 million (2025: Rs. 649 million) for purchase of raw and packing materials.

	Note	2026	2025
		(Rupees in thousand)	
34 REVENUE FROM CONTRACT WITH CUSTOMERS			
Local	34.6	13,840,093	12,964,259
Export		47,101	147,908
		13,887,194	13,112,167
Less:			
Discounts		(1,971,000)	(2,057,452)
Sales tax		(2,740,038)	(2,110,021)
		(4,711,038)	(4,167,473)
		9,176,156	8,944,694

34.1 The Company is involved in trading of paints, varnishes and other related items. The performance obligation is satisfied upon delivery of goods. The Company makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 60 to 90 days from the date of delivery of goods.

	Note	2026	2025
		(Rupees in thousand)	
34.2 Timing of revenue recognition - net			
Goods and services transferred at a point in time		9,176,156	8,944,694
34.3 Geographical market			
Pakistan		9,129,055	8,796,786
Afghanistan		47,101	147,908
		9,176,156	8,944,694

34.4 Contract balances

Contract balances primarily comprises of contract liabilities, representing advance consideration received from customers for the purchase of products. Balance as at reporting date amounted to Rs. 91.41 million (2025: Rs. 70.00 million). Revenue recognised during the reporting period which was included in the contract liabilities at the beginning of the period amounted to Rs. 70.00 million (2025: Rs. 137.53 million).

34.5 Movement of contract liabilities is as follows:

Opening balance	70,008	137,526
Advance received	91,408	70,008
Income recognised	(70,008)	(137,526)
Closing balance	91,408	70,008

34.6 This includes an amount of Rs. 341.79 million and Rs. 36.98 million (2025: Rs. 363.91 million and Rs. 44.65 million) charged to Buxly Paints Limited, a related party of the Company for material and toll manufacturing, respectively.

		Note	2026	2025
			(Rupees in thousand)	
35	**COST OF SALES**			
	Finished goods as at July 01		544,250	576,086
	Cost of goods manufactured	35.1	7,281,532	7,080,331
	Provision /(reversal) slow moving finished goods		54,955	(64,444)
	Less: Finished goods as at June 30	14	(834,563)	(544,250)
	Consumption of finished goods purchased for resale	35.4	860	42,998
	Cost of sales		7,047,034	7,090,721
35.1	**Cost of goods manufactured**			
	Raw and packing materials consumed	35.2	6,175,705	5,929,496
	Freight and handling		304,132	342,227
	Stores and spare parts consumed		12,766	15,049
	Salaries, wages and other benefits	35.3	128,511	127,830
	Contracted services	35.5	260,641	206,109
	Travelling and conveyance		16,866	14,975
	Fuel, water and power		101,492	118,685
	Legal and professional		2,298	472
	Project application cost	35.7	36,760	47,515
	Insurance		10,117	9,229
	Repairs and maintenance		53,677	45,344
	Depreciation	7.1.7	146,303	142,607
	Toll manufacturing cost		35,221	42,519
	Office entertainment		10,022	5,733
	Security services		8,375	6,467
	Printing and stationery		947	2,389
	Communication		1,652	1,781
	Others		16,683	11,232
			7,322,168	7,069,659
	Opening stock of semi-processed goods		156,317	168,032
	Closing stock of semi-processed goods	14	(195,456)	(156,317)
	Provision reversed during the year		(1,497)	(1,043)
	Cost of goods manufactured		7,281,532	7,080,331
35.2	**Raw and packing materials consumed**			
	Raw and packing material as at July 01		829,777	667,861
	Purchases of raw and packing material		6,336,974	6,094,509
	Provision slow moving finished goods		(1,207)	(3,097)
	Less: Raw and packing material as at June 30	14	(989,839)	(829,777)
	Raw and packing materials consumed		6,175,705	5,929,496

35.3 Salaries, wages and benefits include Rs. 16.51 million (2025: Rs. 13.68 million) in respect of gratuity fund, Rs. 1.37 million (2025: Rs. 1.64 million) in respect of pension fund, Rs. 1.14 million (2025: Rs. 1.61 million) in respect of compensated absences and Rs. 4.21 million (2025: Rs. 4.80 million) in respect of provident fund contribution.

	Note	2026	2025
		(Rupees in thousand)	

35.4 The movement of finished goods purchased for resale is as follows:

Finished goods as at July 01	38,211	81,209
Add: Finished goods purchased for resale during the year	-	-
Less: Consumption of finished goods during the year	(860)	(42,998)
Finished goods as at June 30	37,351	38,211

35.5 This represents amount related to outsourced staff from FSC Integrated Services (Private) Limited.

35.6 This represents amount related to freight and handling charges for delivery of goods to customers and management considered this cost as part of the product.

35.7 This represents amount related to project undertaken for road marking and related services.

36 SELLING AND DISTRIBUTION EXPENSES

Salaries and other benefits	36.1	494,485	447,923
Contracted services	36.4	33,858	32,665
Travelling and conveyance		2,528	3,140
Rent, rates and taxes		10,327	3,862
Insurance		8,007	8,139
Fuel, water and power		2,879	3,374
Advertising and sales promotion		278,000	250,291
Technical services and royalty fee	36.2	130,121	125,148
Repairs and maintenance		2,539	4,379
Depreciation	7.1.7	56,080	39,181
Printing and stationery		1,058	1,976
Legal and professional		762	699
Communication		4,444	4,476
Others		6,932	7,628
		1,032,020	932,881

36.1 Salaries, wages and benefits include Rs. 13.55 million (2025: Rs. 13.72 million) in respect of gratuity fund, Rs. 1.49 million (2025: Rs. 1.75 million) in respect of pension fund, Rs. 3.82 million (2025: Rs. 5.26 million) in respect of compensated absences and Rs. 12.49 million (2025: Rs. 10.57 million) in respect of provident fund contribution.

36.2 This represents royalty and technical fee expense for the year. Detail is as follows:

Name and address of the party	Relationship with			
Slotrapid Limited (Suit # 1 Akara Building, 24 De-Cantro Street, Wickham Cay 1, Road Town, Tortola, British Virgin Island.)	Licensor (the Holding Company)	36.3	130,121	125,148
Oxyplast Belgium N.V. (Hulsdonk 35-B 9042/Gent – Mendonk, Belgium.)	Licensor		-	-
			130,121	125,148

36.3 During the year, company paid royalty fee amounting to Rs. 115.97 million (2025: Rs. 103.65 million).

36.4 This represents amounts relates to outsourced staff from FSC Integrated Services (Private) Limited.

	Note	2026	2025
		(Rupees in thousand)	
37 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and other benefits	37.1	170,407	155,893
Contracted services	37.2	3,143	2,392
Directors' meeting fee		5,775	3,400
Travelling and conveyance		24,629	21,906
Rent, rates and taxes		7,127	7,298
Insurance		5,087	4,538
Auditors' remuneration	37.3	3,936	3,533
Fuel, water and power		992	961
Repairs and maintenance		3,821	2,678
Depreciation	7.1.7	32,850	22,730
Printing and stationery		841	2,420
Legal and professional		19,127	19,006
Communication		3,271	3,380
Others		6,772	1,023
		287,778	251,158

37.1 Salaries, wages and benefits include Rs. 6.29 million (2025: Rs. 5.74 million) in respect of gratuity fund, Rs. 0.37 million (2025: Rs. 0.45 million) in respect of pension fund, Rs. 2.49 million (2025: Rs. 2.24 million) in respect of compensated absences and Rs. 7.19 million (2025: Rs. 6.39 million) in respect of provident fund contribution.

37.2 This represents amounts relates to outsourced staff from FSC Integrated Services (Private) Limited.

37.3 Auditors' remuneration

Audit fee	2,310	2,100
Consolidation and half yearly review	990	900
Out of pocket expenses	330	200
Statutory certifications and others	306	333
	3,936	3,533

38 OTHER OPERATING EXPENSES			
Workers' Welfare Fund	29.4	14,551	11,024
Workers' Profit Participation fund	29.3	27,092	21,278
Exchange loss - net		11,079	10,548
Advance tax	38.1	17,700	-
Impairment on investment in associate	9.1.1	8,714	3,465
Impairment on other receivables and deposits		1,658	2,377
		80,794	48,692

38.1 This represents advance tax of Rs. 17.70 million that was rejected by the Government during the tax year 2026. The Company claimed tax refund amounting to Rs. 77.87 million for the tax year 2025, against which Rs. 60.17 million was accepted, while the remaining Rs. 17.70 million was rejected.

	Note	2026	2025
		(Rupees in thousand)	
39 OTHER INCOME			
Income from financial assets			
Mark-up on term deposit receipts long term loan, saving account, and related party	39.1	43,370	23,874
Income from non-financial assets			
Sale of scrap		26,364	31,918
Gain on disposal of property, plant and equipment - net	7.1.2	9,854	7,756
Rental income and other services charged to related parties		1,231	1,200
Export rebate		84	2,100
Insurance claim		1,434	417
Amortization of deferred grant	27	4,747	5,440
Others		8,773	21,355
		95,857	94,060

39.1 This includes interest income of Rs. 27.76 million (2025: Rs. 2.17) charged on receivable balance from Buxly Paints Pakistan Limited and Rs. 1.83 million (2025: Rs. 1.74 million) charged on receivable balance from Berger Road Safety (Private) Limited.

40 FINANCE COST			
Islamic mode of financing:			
- Long term financing - secured		14,752	8,859
- Long term diminishing musharaka - secured		18,046	53,523
- Short term running finances - secured		19,401	9,512
		52,199	71,894
Mark-up based borrowings from conventional banks:			
- Long term financing - secured		8,842	10,507
- Short term financing - secured		-	15,396
- Short term running finances - secured		120,064	116,237
		128,906	142,140
Interest on WPPF		-	685
Bank charges		7,375	9,307
		188,480	224,026
41 LEVY			
Final tax	41.1		
- for the year		1	3
- prior year		-	-
Minimum tax		-	-
		1	3

41.1 This represents final taxes paid under Section 154A of Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21/IAS 37.

		Note	2026	2025
			(Rupees in thousand)	
42	**TAXATION**			
	Current			
	- for the year	42.1	282,338	213,326
	- prior year	42.2	(3,551)	1,271
			278,787	214,597
	Deferred			
	- current year	12.2	(82,410)	(49,200)
	- prior year		-	-
			196,377	165,397
42.1	**Current year tax includes super tax as follows:**			
	- current year		72,395	54,699
	- prior year		-	(410)
			72,395	54,289

42.2 This includes interest income of Rs. 27.76 million (2025: Rs. 2.17) charged on receivable balance from Buxly Paints Pakistan Limited and Rs. 1.83 million (2025: Rs. 1.74 million) charged on receivable balance from Berger Road Safety (Private) Limited.

42.3 Reconciliation of tax charge

Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss account is as follows:

Current tax liability for the year as per applicable tax laws	278,788	214,600
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(278,787)	(214,597)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(1)	(3)
Difference	-	-

42.4 The aggregate of final tax and income tax amounting to Rs. 278.788 million (2025: Rs. 214.600 million) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

Profit before income tax	505,804	463,920
Tax calculated at the rate of 29% (2025: 29%)	146,683	134,537
Super tax	72,395	54,699
Tax effect of:		
Prior year adjustment	(3,551)	1,271
Deferred tax income for the year	(82,410)	(49,200)
Temporary differences	63,261	24,090
	196,377	165,397

42.5 Comparison of tax provision against tax assessments

Years	Excess/ (Short)	Tax provision	Tax assessment/ tax return
		(Rupees)	
2024-25	3,550,540	214,597,276	211,046,736
2023-24	3,557,269	168,268,956	164,711,687
2022-23	(711,436)	114,679,017	115,390,453

42.6 As at June 30, 2026, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in the unconsolidated financial statements for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

43 EARNINGS PER SHARE - BASIC AND DILUTED

43.1 Earning per share - basic and diluted

	2026	2025
Profit attributable to ordinary shareholders (Rupees in thousand)	309,427	298,523
Weighted average number of shares outstanding during the year (Number of shares)	24,551,615	24,551,615
Earning per share - basic (Rupees)	12.60	12.16

43.2 No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options as at June 30, 2026, which would have an impact on earnings per share when exercised.

44 CASH AND CASH EQUIVALENTS

	Note	2026 (Rupees in thousand)	2025 (Restated)
Cash and bank balances	21	421,739	295,706
Short term borrowing - overdraft	32	(6,801)	-
		414,938	295,706

44.1 Short-term borrowings with maturities exceeding ninety days, previously included as cash and cash equivalents, have been reclassified as financing activities in the statement of cash flows. The corresponding figures have been updated accordingly.

45 CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation		505,805	463,923
Adjustments for non-cash and other items:			
Depreciation on property, plant and equipment	7.1.7	235,233	204,518
Gain on disposal of property, plant and equipment	39	(9,854)	(7,756)
Provision charged against slow moving stock - net		52,251	(68,584)
Impairment loss recorded during the year		130,102	27,353
Provision for long term employee benefit		41,407	46,166
Advance tax	38	17,700	-
Finance cost	40	188,480	224,026
Provision for Workers' Profit Participation Fund	38	27,092	21,963
Provision for Workers' Welfare Fund	38	14,551	11,024
Amortization of deferred grant	39	(4,747)	6,120
Impairment on investment in associate	38	8,714	3,465
Mark-up charged		(43,370)	(23,874)
		657,559	444,421
Net cash flow before working capital changes		1,163,364	908,344

46 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Unclaimed dividend	Long term diminishing musharaka	Long term financing	Short term borrowing	Total
	(Rupees in thousand)				
As at June 30, 2025	13,539	208,333	225,245	1,201,471	1,648,588)
Changes from financing cash flows					
Dividend paid	(128,583)	-	-	-	(128,583)
Short term borrowings - net	-	-	-	-	-
Loan obtained under long term financing	-	-	113,580	-	113,580
Repayment of long term financing	-	-	(63,447)	-	(63,447)
Short term borrowings - net	-	-	-	629,053	629,053
Long term diminishing musharaka - net	-	(166,667)	-	-	(166,667)
Total changes from financing cash flows	(128,583)	(166,667)	50,133	629,053	383,936
Other changes					
Adjustment of Government grant	-	-	(4,747)	-	(4,747)
Short term borrowings - cash and cash equivalents	-	-	-	6,801	6,801
Dividend declared	122,758	-	-	-	122,758
Total liability related other changes	122,758	-	(4,747)	6,801	124,812
As at June 30, 2026	7,714	41,666	270,631	1,837,325	2,157,336
As at June 30, 2024	12,478	375,000	167,291	669,635	1,224,404
Changes from financing cash flows					
Dividend paid	(97,145)	-	-	-	(97,145)
Short term borrowings - net	-	-	-	531,836	531,836
Loan obtained under long term financing	-	-	129,480	-	129,480
Repayment of long term financing	-	-	(77,620)	-	(77,620)
Long term diminishing musharaka - net	-	(166,667)	-	-	(166,667)
Total changes from financing cash flows	(97,145)	(166,667)	51,860	531,836	319,884
Other changes					
Adjustment of Government grant	-	-	6,094	-	6,094
	-	-	-	-	-
Short term borrowings - cash and cash equivalents					
Dividend declared	98,206	-	-	-	98,206
Total liability related other changes	98,206	-	6,094	-	104,300
As at June 30, 2025	13,539	208,333	225,245	1,201,471	1,648,588

47 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	2026			2025		
	Chief Executive	Executives	Non-Executive Directors	Chief Executive	Executives	Non-Executive Directors
	(Rupees in thousand)					
Fees	-	-	5,775	-	-	4,600
Managerial remuneration (including bonus)	22,000	116,121	-	22,000	93,741	-
Retirement and other long term benefits	2,000	85,177	-	2,000	68,525	-
House rent allowance	-	35,413	-	-	29,992	-
Utilities	-	7,870	-	-	6,665	-
Medical expenses	-	9,837	-	-	8,331	-
Provident fund	2,000	7,558	-	2,000	6,316	-
	26,000	261,976	5,775	26,000	213,570	4,600
Number of persons	1	41	7	1	35	7

47.1 Retirement and other long term benefits include benefits provided under provident fund, gratuity, pension and accumulated compensated absences.

47.2 The Chief Executive and certain other executives of the Company are provided with free use of Company cars. The approximate value of the benefit amounts to Rs. 53.74 million (2025: Rs. 36.73 million).

48 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company is a subsidiary of Slotrapid Limited, therefore all the subsidiaries and associates of the Holding Company are related parties of the Company. In addition related parties includes long term employee benefit, directors and key management personnel. Amounts due from and due to related parties, remuneration of directors and key management personnel are disclosed in the relevant notes.

Name of parties	Nature of relationship	Nature of transactions	Note	June 30, 2026		June 30, 2025	
				Transactions during the period	Closing balance	Transactions during the year	Closing balance
				(Rupees in thousand)			
Slotrapid Limited	Holding Company	Royalty expense		130,121	-	125,148	-
		Royalty payable		-	75,776	-	61,624
		Payment		115,970	-	103,650	-
		Dividend paid		66,927	-	43,287	-
Berger Road Safety (Private) Limited	Wholly owned subsidiary of Berger DPI (Private) Limited	Other receivable		-	16,939	-	15,111
		Interest income		1,825	-	1,749	-
3S Pharmaceutical (Private) Limited	Associated Company	Receipts / adjustments		415	-	1,215	-
		Impairment allowance		-	-	3,465	-
		Common expenditures incurred		416	-	1,732	-
		Other receivable		-	8,131	-	7,288
		Interest income		842	-	947	-
Buxly Paints Limited ("BPL")	Related Party	Sales - raw material		341,791	-	368,667	-
		Sales - toll manufacturing		36,982	-	39,890	-
		Rental expense		8,800	-	1,800	-
		Rental income and other services		1,231	-	1,200	-
		Common expenditures incurred		24,703	-	35,200	-
		Markup		27,757	-	2,176	-
		Receipts / adjustments		30,081	-	4,103	-
		Trade debt		-	426,644	-	362,053
		Royalty payable		-	32	-	32
		Other receivable		-	46,507	-	31,697
		Toll manufacturing - cost		35,221	-	42,519	-
Post employment benefit plans (Key Management Personnel)		Contribution to gratuity fund		97,435	-	8,842	-
		Gratuity fund payable		-	69,687	-	139,967
		Contribution to pension fund		2,246	-	-	-
		Pension fund receivable / payable		-	3,977	-	1,371
		Contribution to leave encashment		3,828		6,092	
		Leave encashment payable		-	35,554	-	31,175
		Contribution to provident fund		74,828	-	43,525	-
		Provident fund payable / receivable		-	2,280	-	633

48.1 Basis of relationship with the company

In respect of associated companies and holding company incorporated inside Pakistan with whom the company had entered into transaction during the financial year along with basis of relationship is as follows:

Name of related party	Country of Incorporation /origin	Relationship	Basis of Association	Shareholdings	Basis of Association	Shareholdings
			2026		2025	
Slotrapid Limited	British Virgin Island	Holding	Shareholding	52.05%	Shareholding	52.05%
Berger DPI (Private) Limited	Pakistan	Subsidiary	Shareholding	51%	Common management	51%
Berger Road Safety (Private) Limited	Pakistan	(Wholly owned subsidiary of Berger DPI (Private) Limited)	Shareholding	-	Common management	-
3S Pharmaceutical (Private) Limited	Pakistan	Associated	Shareholding	49%	Common management	49%
Buxly Paints Limited	Pakistan	Related Party	Common management	19%	Common management	19%
Dadex Externit Limited	Pakistan	Associated	Common management	-	Common management	-

48.2 In addition to these transactions, the Company has an agreement with BPL for construction and use of warehouse on BPL's land located at X-3 Manghopir Road, S.I.T.E., Karachi for a term of ten years at a nominal monthly rent. After the aforementioned term of ten years, the company will handover the possession of the building to BPL free of cost.

48.3 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Directors and Executive (note 46)". There are no transactions with key management personnel other than under their terms of employment except otherwise stated.

48.4 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

48.5 The Company holds a 19% equity interest in Buxly Paints Limited, a related party, which is classified as an equity investment measured at fair value through other comprehensive income (FVOCI). Although the Company's ultimate parent, Slotrapid Limited, holds an additional 37.6% interest in Buxly Paints Limited, resulting in an effective interest of 52.05% at the group level, management has determined that the Company does not have significant influence over the investee. Accordingly, the investment has been accounted for as an equity instrument at FVOCI.

48.6 The Company provides free of charge services (common office space and maintaing a books) to its related parties, Berger Road Safety (Private) Limited and Berger DPI (Private) Limited.

49 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

49.1 Risk management of financial instruments

The Company finances its operations through equity, borrowings and management of working capital with a view to obtain a reasonable mix between the various sources of finance to minimize the finance related risks to the entity.

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

- Market risk
- Credit risk
- Liquidity risk

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

49.1.1 Risk management framework

The Board of Directors have the overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect to changes in market conditions and the Company's activities. The Company through its training and management standards and procedures aims to maintain a disciplined and constructive control environment in which employees understand their roles and responsibilities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

49.1.2 Market risk

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

49.1.2.1 Currency risk

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. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the Euro (EUR), RMB (Chinese Yuan), United States Dollar (USD) and Japanese Yen (JPY). Currently, the Company's foreign exchange risk exposure is restricted to the amounts payable to foreign entities.

The Company's exposure to foreign exchange risk is as follows:

	2026	2025
	(Amount in thousand)	
Statement of financial position items		
Trade and other payables		
- USD	409	810
- RMB	2,271	256
Off statement of financial position items		
Outstanding letters of credit as at the year end are as follows:		
- CNY	3,943	2,516
- EUR	-	6,386
- USD	1,017	1,370

The following significant exchange rates were applied during the year:

	2026	2025
	(In rupees)	
Rupees per Euro		
Average rate for the year	325.18	315.62
Reporting date rate	317.52	332.83
Rupees per USD		
Average rate for the year	281.33	281.45
Reporting date rate	278.55	284.10
Rupees per RMB		
Average rate for the year	40.33	39.10
Reporting date rate	40.99	39.66
Rupees per JPY		
Average rate for the year	1.85	1.98
Reporting date rate	1.72	1.97

Sensitivity analysis

At reporting date, if the PKR had strengthened by one rupee against the foreign currencies with all other variables held constant, profit after tax for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on translation of foreign currency loans.

Effect on profit or loss		
- USD	290	575
- RMB	1,612	182

The weakening of the PKR against foreign currencies would have had an equal but opposite impact on the post tax profit. The sensitivity analysis prepared is not necessarily indicative of the effects on profit / (loss) for the year and assets / liabilities of the Company.

49.1.2.2 Price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers.

Sensitivity analysis

The Company's investments in equity instrument of other entities are publicly traded on the PSX. The summary below explains the impact of increase on the Company's surplus on investment classified as FVOCI to change in market price. The analysis is based on the assumption that the market price had increased by 10% with all other variables held constant:

	Impact on equity	
	2026	2025
	(Rupees in thousands)	
Buxly Paints Limited	6,825	5,144

The sensitivity analysis prepared is not necessarily indicative of the effects on profit after tax for the year and assets / liabilities of the Company.

49.1.2.3 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Significant interest rate risk exposures are primarily managed by a mix of borrowings at variable interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

	Effective rate		Carrying amount	
	2026	2025	2026	2025
Financial assets	(Percentage)		(Rupees in thousands)	
Fixed rate instruments				
Short term investment	7.47% to 17.00%	11%	127,393	91,000
Saving account	9.70-9.25%	9.25-19%	24,286	24,286

	Effective rate		Carrying amount	
	2026	2025	2026	2025
	(Percentage)		(Rupees in thousands)	
Financial liabilities				
Fixed rate instruments				
Long term financing - secured	5% to 6%	5% to 6%	56,733	72,677
Floating rate instruments				
Long term financing - secured	11.50% to 13.24%	16.25% to 23.20%	201,803	135,726
Long term diminishing musharaka	12.13% to 13.32%	17.58%	41,666	208,333
Short term running finance - secured	11.08% to 13.66%	12.89% to 23.58%	1,837,325	1,201,471
			2,080,794	1,545,530

Cash flow sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as for 2026.

	100 bps	
	Decrease	**Increase**
As at June 30, 2026	20,808	(20,808)
As at June 30, 2025	13,789	(13,789)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit after tax for the year and assets / liabilities of the Company.

49.1.3 Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Out of the total financial assets of Rs. 3,794 million (2025: Rs. 3,492 million) financial assets which are subject to credit risk amount to Rs. 3,794 million (2025: Rs. 3,492 million).

Credit risk represents the financial loss that would be recognised at the reporting date if the counterparties fail completely to perform as contracted / fail to discharge an obligation / commitment that it has entered into with the Company. Concentration of credit risk arises when a number of counterparties 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 economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of a company's performance to developments affecting a particular industry.

	2026	**2025**
	(Rupees in thousand)	
Long term loans - secured	13,934	15,392
Long term deposits	47,426	42,975
Trade debts - unsecured	2,827,613	2,785,490
Long term investments	107,494	99,393
Trade deposits	31,972	35,171
Other receivables		
- Receivable from related parties	51,713	35,881
- LC Margin	1,145	18,236
- Others	160,796	85,235
	213,654	139,352
Short term investment - secured	127,393	91,000
Bank balances	421,117	294,854
	3,790,603	3,503,627

Concentration of credit risk

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

	2026	2025
	(Rupees in thousand)	
Trade debts	2,827,613	2,785,490
Banking companies and financial institutions	549,655	404,090
Others	413,335	314,047
	3,790,603	3,503,627

49.1.3.1 Trade deposits and other receivables

Deposits and other receivables represents deposits held by government institutions and vendors. The Company has assessed, based on historical experience, that the expected credit loss associated with these financial assets is generally trivial. Hence, no additional allowance has been recognised in these unconsolidated financial statements.

49.1.3.2 Receivable from related party

The Company uses an allowance matrix to measure ECLs on receivables from related parties. Loss rates are determined using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency. The future recoveries from related parties are accounted for in calculating the loss rate.

49.1.3.3 Long term loans

Long term loans are due from employees of the Company and are secured against assets. Hence, the management believes that no impairment allowance is necessary in respect of these loans.

49.1.3.4 Trade debts

The Company uses an allowance matrix to measure ECLs of trade debts. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency. The future recoveries from trade debtors are accounted for in calculating the loss rate.

	Weighted average loss rate	Gross carrying amount	Loss allowance
June 30, 2026			
Past due 0 - 30 days	0.00%	1,078,299	-
Past due 31 - 60 days	2.20%	695,960	15,281
Past due 61 - 90 days	2.46%	639,963	15,748
Past due 91 - 120 days	3.84%	240,706	9,249
Past due 121 - 180 days	9.43%	357,482	33,704
Past due 181 - 364 days	32.81%	181,310	59,489
Past due over one year	100.00%	120,086	120,086
		3,313,806	253,557

June 30, 2025	Weighted average loss rate	Gross carrying amount	Loss allowance
		(Rupees in thousand)	
Past due 0 - 30 days	0.00%	1,000,998	-
Past due 31 - 60 days	0.55%	687,572	3,767
Past due 61 - 90 days	0.62%	501,639	3,120
Past due 91 - 120 days	0.99%	284,978	2,826
Past due 121 - 180 days	2.57%	278,464	7,144
Past due 181 - 364 days	8.92%	281,043	25,075
Past due over one year	100.00%	81,585	81,585
		3,116,279	123,517

49.1.3.5 Balances with banking companies

The Company held balances with banks, short term investments and LC margin amounting to Rs. 549.655 million as at June 30, 2026. These are held with banks and financial institutions counterparties, which are rated A1 to AAA, based on credit ratings from rating agencies.

Impairment on these financial assets has been measured on a 12 month expected loss basis and reflects short term maturities of the exposure. The Company considers that these balances have low credit risk based on the external ratings of the counterparties.

12 month probabilities of default are based on historical data supplied by PACRA and VIS rating agency for each credit rating. Loss given default (LGD) parameters generally reflect assumed recovery rates based on recovery rates assumed in Basel Guidelines for unsecured exposures.

		2026	2025
Bank balances	21	421,117	270,568
Short term investment	20	127,393	91,000
Other receivables	18	1,145	18,236
		549,655	379,804

49.1.3.6 Credit quality of financial assets

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Banks	Rating		Rating Agency	2026	2025
	Short term	Long term		(Rupees in thousand)	
Bank Al Habib Limited	A-1+	AAA	PACRA	26,114	24,286
Habib Metropolitan Bank Limited	A-1+	AAA	PACRA	188,995	187,635
Habib Bank Limited	A-1+	AAA	VIS	-	34
Al-Baraka Bank Pakistan Limited	A-1	AA-	VIS	-	6
National Bank of Pakistan	A-1+	AAA	PACRA	53,592	247
Bank Islami Pakistan Limited	A-1	AA-	PACRA	9,429	2,218
Samba Bank Limited	A-1	AA	PACRA	19,381	80,382
Faysal Bank Limited	A-1+	AA+	PACRA	46	46
MCB Bank Limited	A-1+	AAA	PACRA	121,354	-
Meezan Bank Limited	A-1+	AAA	VIS	2,205	-
				421,116	294,854
Deposits with bank/ TDRs:					
JS Bank Limited	AA-	AA-	PACRA	51,000	41,000
Bank Islami Pakistan Limited	A+	A+	VIS	50,000	50,000
Habib Metro Bank Limited	A-1+	AAA	PACRA	26,393	-
				127,393	91,000

The Company has not recognised an impairment allowance on bank balances during the year ended June 30, 2026, as the impact was immaterial.

49.1.4 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities, that are settled by delivering cash or other financial asset, or that such obligation will have to be settled in a manner unfavorable to Company. The Company's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit limits.

The following are the contractual maturities of financial liabilities as at June 30, 2026

Non derivative financial liabilities	Carrying amount	Contractual cash flow	Less than one year	Two to five years	More than five years
			(Rupees in thousand)		
Long term financing - secured	258,536	270,541	64,761	203,042	2,738
Long term diminishing musharaka	41,666	41,666	41,666	-	-
Trade and other payables	2,136,282	2,136,282	2,136,282	-	-
Interest / mark-up accrued on borrowings	44,453	44,453	44,453	-	-
Short term borrowings - secured	1,837,325	1,837,325	1,837,325	-	-
	4,318,262	4,330,267	4,124,487	203,042	2,738

The following are the contractual maturities of financial liabilities as at June 30, 2025

Non derivative financial liabilities	Carrying amount	Contractual cash flow	Less than one year	Two to five years	More than five years
			(Rupees in thousand)		
Long term financing - secured	208,403	208,403	50,944	143,372	14,087
Long term diminishing musharaka	208,333	208,334	166,667	41,667	-
Trade and other payables	2,091,901	2,091,901	2,091,901	-	-
Interest / mark-up accrued on borrowings	34,650	34,650	34,650	-	-
Short term borrowings - secured	1,201,471	825,499	825,499	-	-
	3,744,758	3,368,787	3,169,661	185,039	14,087

It is not expected that the cash flows on the maturity analysis could occur significantly earlier, or at significant different amount.

49.2 Fair value measurement of financial instruments

The carrying values of all financial assets and liabilities reflected in the unconsolidated financial statements approximate their fair values. 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.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (Level 1)

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)

- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount				Fair value			
	Note	Financial assets at amortized cost	FVOCI - equity instruments	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
As at June 30, 2026		Rupees in thousand							
Financial assets - measured at fair value									
Investment classified as FVOCI		-	68,252	-	68,252	68,252	-	-	68,252
Financial assets - at cost									
Long term investments		39,242	-	-	39,242	-	-	-	-
Financial assets - at amortized cost									
Long term loans - secured		13,934	-	-	13,934	-	-	-	-
Long term deposits		47,426	-	-	47,426	-	-	-	-
Trade debts		2,827,613	-	-	2,827,613	-	-	-	-
Trade deposits		31,972	-	-	31,972	-	-	-	-
Other receivables		213,654	-	-	213,654	-	-	-	-
Short term investment - secured		127,393	-	-	127,393	-	-	-	-
Cash and bank balances		421,117	-	-	421,117	-	-	-	-
		3,722,351	68,252	-	3,790,603	68,252	-	-	68,252
Financial liabilities - at amortized cost									
Long term financing - secured		-	-	258,536	258,536	-	-	-	-
Long term diminishing musharaka		-	-	41,666	41,666	-	-	-	-
Trade and other payables		-	-	2,136,282	2,136,282	-	-	-	-
Accrued markup		-	-	44,453	44,453	-	-	-	-
Short term borrowings - secured		-	-	1,837,325	1,837,325	-	-	-	-
		-	-	4,318,262	4,318,262	-	-	-	-

	Carrying amount				Fair value			
	Financial assets at amortized cost	FVOCI - equity instruments	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
				Rupees in thousand				
As at June 30, 2025								
Financial assets - measured at fair value								
Investment classified as FVOCI	-	51,437	-	51,437	51,437	-	-	51,437
Financial assets - at cost								
Long term investments	47,956	-	-	47,956	-	-	-	-
Financial assets - at amortized cost								
Loan to related party - secured	15,392	-	-	15,392	-	-	-	-
Long term deposits	42,975	-	-	42,975	-	-	-	-
Trade debts	2,785,490	-	-	2,785,490	-	-	-	-
Trade deposits	35,171	-	-	35,171	-	-	-	-
Other receivables	139,352	-	-	139,352	-	-	-	-
Short term investment - secured	91,000	-	-	91,000	-	-	-	-
Cash and bank balances	294,854	-	-	294,854	-	-	-	-
	3,452,190	51,437	-	3,503,627	51,437	-	-	51,437
Financial liabilities - at amortized cost								
Long term financing - secured	-	-	208,403	208,403	-	-	-	-
Long term diminishing musharaka	-	-	208,333	208,333	-	-	-	-
Trade and other payables	-	-	2,091,901	2,091,901	-	-	-	-
Accrued markup	-	-	34,650	34,650	-	-	-	-
Short term borrowings - secured	-	-	1,201,471	1,201,471	-	-	-	-
	-	-	3,744,758	3,744,758	-	-	-	-

49.3 Fair value versus carrying amounts

The Company has not disclosed the fair values of financial assets and liabilities which are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

49.4 Freehold land, leasehold land, building on freehold land, building on leasehold land and plant and machinery have been carried at revalued amounts determined by professional valuers (level 3 measurement) based on their assessment of the values as disclosed. The valuations are conducted by an independent valuation expert appointed by the Company. The valuation expert used a market based approach to arrive at the fair value of the Company's land and building. The valuation was determined by reference to current market value of the similar properties / assets. The most significant input into this valuation approach is price per acre for land, price per square foot for buildings and present operational condition and age of plant and machinery respectively. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these unconsolidated financial statements. Reconciliation of level three has been disclosed in relevant note and there is no transfer between fair value hierarchy.

50 CAPITAL RISK MANAGEMENT

The Company's objectives 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 adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings including current and non-current borrowings. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. The gearing ratios as at year end are as follows:

	2026	2025
	(Rupees in thousand)	
Long term loans	300,202	416,736
Short term borrowings	1,837,325	1,201,471
Total debt	2,137,527	1,618,207
Total equity	4,364,479	3,681,207
Total equity and debt	6,502,006	5,299,414
Gearing ratio	33:67	31:69

51 RESTRICTION ON TITLE AND ASSETS PLEDGED AS SECURITY

Mortgages and charges

First		
Hypothecation of all present and future current assets	2,337,000	2,337,000
Mortgage over land and building	1,268,171	1,268,171
Ranking		
Hypothecation of all present and future current assets	2,670,000	2,136,000

52 NUMBER OF EMPLOYEES

	2026	2025
	(Number of persons)	
The Company has employed following number of persons:		
- Factory employees	85	80
- Head office and regional employees	297	278
	382	358
- Average number of employees	292	233
- Average number of factory employees	82	80

53 PROVIDENT FUND RELATED DISCLOSURES

The Company operates funded contributory provident fund scheme for all its permanent and eligible employees. The following information is based on the un-audited financial statements of the provident fund:

	(Unaudited) June 30, 2026	(Audited) June 30, 2025
	(Rupees in thousands)	
Size of the fund	420,818	339,893
Cost of investments made	277,380	232,380
Percentage of investments - (% of total assets)	66%	68%
Fair value of investments	411,106	334,650

53.1 The break-up of investments is as follows:

	2026		2025	
	Rupees in thousands	% age	Rupees in thousands	% age
Investment in debt collective investment scheme	-	0%	-	0%
Investment in money market collective investment scheme	124,906	30%	66,274	20%
Investment in equity collective investment scheme	-	0%	-	0%
Bank balances	86,324	21%	70,688	21%
Certificate of deposits	102,319	25%	106,557	32%
Term deposit receipts	97,557	24%	91,131	27%
	411,106	100%	334,650	100%

The investments out of provident fund as at June 30, 2026 have been made in accordance with the requirements of section 218 of the Companies Act, 2017.

		2026	2025
		(Liters in thousand)	
54	**PRODUCTION CAPACITY**		
	Actual production	43,195	43,195

The capacity of the plant is indeterminable because it is a multi product plant involving varying processes of manufacturing. Actual production includes resin production of 17.28 million liters (2025: 17.28 million liters) which is used in the manufacture of the final product.

55 OPERATING SEGMENTS

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

55.2 Revenue from sale of paints and allied represents 100% (2025: 100%) of the total revenue of the Company.

55.3 99.66% (2025: 98.87%) sales of the Company relates to customers in Pakistan.

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

56 SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART 1 OF SCHEDULE IV OF THE COMPANIES ACT, 2017

Following information has been disclosed with the reference to disclosure requirements of fourth schedule of the Companies Act, 2017 relating to all shares Islamic Index.

	Description	Explanation	Note	2026	2025
				(Rupees in thousands)	
56.1	Statement of financial position				
	Assets:				
	Long-term and short-term Shariah compliant investments		20	50,000	50,000
	Shariah compliant bank deposits and bank balance		21	11,680	2,218
56.2	Statement of financial position				
	Liabilities:				
	Financing (long-term, short-term, or lease financing) obtained as per Islamic mode			432,113	417,520
	Interest or markup accrued on any conventional loan		31	44,378	34,288
56.3	Statement of profit or loss				
	Revenue earned from a Shariah compliant business segment		34	9,176,156	8,944,694
	Breakup of late payments or liquidated damages			Not applicable	Not applicable
	Gain or loss on dividend earned on Shariah compliant investments or share of profit from Shariah compliant associates			Not applicable	Not applicable
	Exchange gains earned using conventional derivatives financial instruments			Not applicable	Not applicable
	Profit paid on Islamic mode of financing		40	52,199	71,894
	Total interest earned on any conventional loan or advance		39	30,140	4,860
	Exchange loss			3,432	3,345
56.4	Sources and detailed breakup of other income				
	Profit earned from Shariah compliant, bank deposit, bank balances or TDRs:		39	7,247	7,666
	Profit earned from non - shariah Compliant, bank deposit, bank balances or TDRs:		39	5,697	11,336

Description	Explanation	Note	2026	2025
			(Rupees in thousands)	
	Interest on receivable from related parties	39	30,137	4,872
	Sale of scrap	39	26,364	31,918
	Gain on disposal of property, plant and equipment - net	39	9,854	7,756
	Rental income and other services charged to related parties	39	1,231	1,200
	Export rebate	39	84	2,100
	Insurance claim	39	1,434	417
	Amortization of deferred grant	39	4,747	5,440
	Others	39	8,773	21,355
56.5	**Sources and detailed breakup of finance cost**			
	Finance cost paid	40	52,199	71,894

Relationship with banks having Islamic windows

Bank Name	Region	Nature of transactions
Pak Oman Investment Company Limited	Pakistan	Sukuk
Bank Islami Pakistan Limited	Pakistan	TDR
Bank Islami Pakistan Limited	Pakistan	Long term financing
First Habib Modaraba	Pakistan	Long term financing
Meezan Bank Limited	Pakistan	Short term borrowing

57 CORRESPONDING FIGURES

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

58 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All significant transactions and events that have affected the Company's financial position and performance during the year have been adequately disclosed in the notes to these unconsolidated financial statements.

59 NON ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors of the Company in its meeting held on September 23, 2026 has proposed a final cash dividend of Rs. 5 per share, for the year ended June 30, 2026 for approval of the members in the Annual General Meeting to be held on October 23, 2026.

60 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on September 23, 2026 by the Board of Directors of the Company.

61 GENERAL

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



Consolidated Financial Statements

for the year ended June 30, 2026

Consolidated Financial Highlights

Rupees in thousand

	Year Ended June 30,				
	2026	2025	2024	2023	2022
NET ASSETS					
Fixed Assets	**2,701,645**	2,293,081	2,264,657	2,307,469	1,629,143
Goodwill	**-**	-	-	-	-
Long Term Investments	**113,327**	102,676	74,045	68,259	68,632
Long Term Loans & Deposits	**75,254**	88,521	78,635	59,480	76,770
Deferred Taxation	**-**	-	-	-	-
Net Current Assets	**1,726,180**	1,700,268	1,692,565	1,482,048	948,191
Total	**4,616,406**	4,184,546	4,109,902	3,917,256	2,722,736
FINANCED BY					
Share Capital	**245,516**	245,516	245,516	245,516	204,597
Reserves	**2,311,045**	2,066,589	1,784,811	1,477,703	1,340,904
Surplus on Revaluation of Fixed Assets	**1,826,240**	1,393,090	1,437,720	1,495,613	830,273
	4,382,801	3,705,195	3,468,047	3,218,832	2,375,774
Long Term and Deferred Liabilities	**477,057**	479,351	623,855	698,424	346,962
Total	**4,859,858**	4,184,546	4,091,902	3,917,256	2,722,736
TURNOVER AND PROFITS					
Turnover	**9,176,156**	8,944,694	8,543,907	7,347,337	7,125,276
Gross Profit	**2,129,123**	1,854,005	1,721,328	1,482,920	1,243,061
	23.20%	20.73%	20.15%	20.18%	17.45%
Profit before tax	**506,231**	461,489	419,100	335,732	251,551
Taxation	**196,060**	165,393	158,684	102,704	55,874
Profit/(Loss) after tax	**310,171**	296,096	260,416	233,028	195,677
EARNING AND DIVIDENDS					
Earning per share	**12.64**	12.11	10.62	9.48	7.91
Interim Dividend per share-Cash (Rupee)	**-**	-	-	-	-
Final Dividend per share-Cash (Rupee)	**5.00**	5.00	4.00	-	4.00

Directors' Report

For the year ended 30 June 2026

The Directors of the Holding Company present their report together with the audited consolidated financial statements for the year ended June 30, 2026.

Economy of Pakistan

Pakistan's economy recorded its strongest performance in four years, with GDP growth of around 3.7%. Inflation stayed moderate for most of the year but rose late on Middle East-driven oil prices, prompting the SBP to hold its policy rate at 11.5%. Remittances and exports strengthened the external account, while the paints industry saw a demand recovery, tempered by continued reliance on dollar-priced raw materials.

Business Performance

The Group's net sales rose 2.59% to Rs. 9,176 million, with gross profit up 14.84% to Rs. 2,129 million and gross margin improving to 23.2%. Selling costs rose 10.62% to Rs. 1,032 million and admin expenses rose 14.39% to Rs. 288 million, alongside a Rs. 130.10 million impairment charge. A 15.86% cut in finance cost to Rs. 188 million helped lift profit before tax by 9.69% to Rs. 506.23 million, and profit after tax by 4.75% to Rs. 310.17 million.

Rupees in Thousand	
Profit before taxation	506,230
Taxation	(196,060)
Profit after taxation	310,170
Minority interest	147
Net profit for the year attributable to the Holding Company	**310,317**

The audited accounts of the Holding Company for the year ended June 30, 2026 are annexed.

Ultimate Holding Company

The Ultimate Holding Company of Berger Paints Pakistan Limited is M/s. Slotrapid Limited, which is incorporated in the British Virgin Islands (B.V.I.).

Profit Per Share

The profit per share for the year is Rs. 12.64 [2025: Rs. 12.11].

Auditors

The present auditors, M/s BDO Ebrahim & Co., Chartered Accountants, will retire at the conclusion of the upcoming Annual General Meeting, and auditors for the year 2026-27 will be appointed at the Annual General Meeting.

Corporate Governance

A statement of the corporate financial reporting framework appears in the Directors' Report of the Holding Company, which is annexed.

Other Information

All other relevant information has already been disclosed in the Directors' Report of the Holding Company.

ON BEHALF OF THE BOARD

Chief Executive **Director**

Lahore
Date: September 23, 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Berger Paints Pakistan Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of **BERGER PAINTS PAKISTAN LIMITED** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2026, 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 a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key audit matter	How the matters were addressed in our audit
1.	**Trade debts & revenue recognition**	
	(Refer note 35 to the annexed consolidated financial statements) The Group is principally engaged in the production and sale of paints, varnishes and other related items in the local and export markets. • Revenue from sale of goods is recognised when the performance obligation is satisfied by transferring control of promised goods to the customers. • We consider revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Group. In addition, revenue was also considered as an area of an inherent risk of material misstatement and significant audit risk as part of the audit process.	Our audit procedures in relation to the revenue, included the following: • Understood and evaluated management controls over revenue and checked their validation; • Performed verification of sales with underlying documentation including dispatch documents and sales invoices; • Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the correct period; • Verified that sales prices are approved by the appropriate authority; • Tested on a sample basis, specific discounts as per Group's policy;

Sr. No.	Key audit matter	How the matters were addressed in our audit
	(Refer note 16 to the annexed consolidated financial statements) As at June 30, 2026, the Group's gross trade debts were Rs. 3,059.874 million against which provision of Rs. 253.619 million has been recognized. We identified recoverability of trade receivables as key audit matter as it involves significant management judgement in determining the expected credit loss.	• Performed analytical procedures to analyse variation in the price and quantity sold during the year; • Tested journal entries relating to revenue recognised during the year based on identified risk criteria; and • Assessed the adequacy of disclosures made in the consolidated financial statements related to revenue. Our key audit procedures to existence and valuation of trade receivables included: • Obtained an understanding of the Group's processes and design and implementation of internal controls relating to credit control processes (credit limits), debt collection process and making expected credit loss for doubtful receivables. • Testing the accuracy of aging report, on sample basis, by comparing individual balances in the report with underlying documentation. • Assessing the appropriateness of assumptions and estimates made by management for the expected credit loss by comparing on sample basis, historic cash collection, actual write offs and cash receipts from customers subsequent to reporting date. • Circulated external confirmations and performed alternative audit procedures in the absence of receipts of external confirmations.
2.	**Inventories**	
	(Refer note 5.7 & 15 to the annexed consolidated financial statements) As at June 30, 2026, the Group held Rs. 1,977.314 million in inventories. Given the size of the inventory balance relative to the total assets of the Group and the estimates and judgements described below, the valuation of inventory required significant audit attention. As disclosed in Note 5.7, inventory is held at the lower of cost and net realizable value determined using the monthly weighted average cost method / average cost-plus production overheads. At year end, the valuation of inventory is reviewed by management and the cost of inventory is reduced where inventory is forecast to be sold below cost. The determination of whether inventory will be realized for a value less than cost requires management to exercise judgement and apply assumptions. Management undertake the following procedures for determining the level of write down required:	Our audit procedures involved assessing the Group's accounting policies over existence and valuation of inventory in compliance with applicable accounting standards. • We tested the costing of the inventory and performed net realizable value testing to assess whether the cost of the inventory exceeds net realizable value. • We performed an analytical review of the inventory to compare and investigate any unexpected or unusual variation between current year and prior year and discuss these with management and also corroborate with underlying record. • We checked final stock valuation sheet to physical stock taking sheet to ensure that all items are included. • We reconciled final stock valuation sheet to general ledger and stock ledger and checked amount to appropriate sources and investigate unusual items. • We assessed the Group disclosures in the consolidated financial statements in respect of inventory. • We checked that the provision made is appropriate in the circumstances.

Sr. No.	Key audit matter	How the matters were addressed in our audit
	• Use inventory aging reports together with historical trends to estimate the likely future salability of slow-moving and older inventory items; • The Group reviews the carrying amount of inventories on a regular basis and provision is made for obsolescence if there is any change in usage pattern and physical form of related inventories. • Perform a line-by-line analysis of remaining inventory to ensure it is stated at the lower of cost and net realizable value and a specific write down is recognized if required.	• We assessed the Group's disclosures in the consolidated financial statements in respect of inventory. • We checked that the provision made is appropriate in the circumstances. • Attended the physical inventory count conducted by the Group, observed the count procedures, performed test counts on a sample basis, and assessed the appropriateness and reasonableness of management's process for ensuring completeness and accuracy of inventory records.

Information Other than the consolidated financial statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the consolidated financial statements

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

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

The Board of Directors 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 Muhammad Imran.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

Lahore
Date: October 01, 2026
UDIN: AR202610131kdCQP9A4q

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,701,645	2,293,081
Investment property	8	3,800	-
Equity - accounted investee - unlisted	9	45,075	51,239
Long term investments - FVOCI	10	68,252	51,437
Long term loans and advances	11	27,828	45,546
Long term deposits	12	47,426	42,975
		2,894,026	2,484,278
CURRENT ASSETS			
Stores, spare parts and loose tools	14	30,952	35,456
Stock in trade	15	1,977,314	1,540,911
Trade debts - unsecured	16	2,827,301	2,785,490
Loans and advances	17	290,192	255,044
Trade deposits and short term prepayments	18	50,517	54,552
Other receivables	19	209,241	136,767
Tax refund due from government	20	287,033	277,339
Short term investment	21	127,393	91,000
Cash and bank balances	22	423,053	296,659
		6,222,996	5,473,218
Non current asset held for sale	23	246,061	-
TOTAL ASSETS		9,363,083	7,957,496
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital		500,000	500,000
Issued, subscribed and paid-up share capital	24	245,516	245,516
Capital reserves			
Revaluation surplus on property, plant and equipment	25.3	1,826,240	1,393,090
Other reserves	25	74,672	63,126
		1,900,912	1,456,216
Revenue reserves			
General reserve	25	285,000	285,000
Accumulated profits	25	1,951,373	1,711,907
		2,236,373	1,996,907
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		4,382,801	3,698,639
NON-CONTROLLING INTERESTS		6,409	6,556
TOTAL EQUITY		4,389,210	3,705,195
NON-CURRENT LIABILITIES			
Long term financing - secured	26	193,775	157,459
Long term diminishing musharaka	27	-	41,666
Deferred grant	28	8,162	12,058
Long term employee benefits	29	101,264	172,513
Deferred taxation - net	13	173,856	95,655
		477,057	479,351
CURRENT LIABILITIES			
Trade and other payables	30	2,496,964	2,300,895
Current portion of long term financing	31	110,360	222,395
Unclaimed dividend		7,714	13,539
Accrued markup	32	44,453	34,650
Short term borrowings - secured	33	1,837,325	1,201,471
		4,496,816	3,772,950
TOTAL LIABILITIES		4,973,873	4,252,301
TOTAL EQUITY AND LIABILITIES		9,363,083	7,957,496
CONTINGENCIES AND COMMITMENTS	34		

The annexed notes from 1 to 62 form an integral part of these consolidated financial statements.

Chief Financial Officer Chief Executive Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Revenue from contract with customers - net	35	9,176,156	8,944,694
Cost of sales	36	(7,047,033)	(7,090,689)
Gross profit		2,129,123	1,854,005
Selling and distribution expenses	37	(1,032,020)	(932,946)
Administrative and general expenses	38	(288,123)	(251,877)
Impairment loss charged during the year	16.3	(130,102)	(27,353)
Other operating expenses	39	(72,080)	(45,227)
		(1,522,325)	(1,257,403)
Profit from operations		606,798	596,602
Other income	40	94,088	92,388
		700,886	688,990
Finance cost	41	(188,491)	(224,036)
Share of loss of equity - accounted investee	9	(6,164)	(3,465)
Profit before income tax and levy		506,231	461,489
Levy	42	(1)	(3)
Profit before income tax		506,230	461,486
Taxation	43	(196,060)	(165,390)
Profit after taxation		310,170	296,096
Attributable to:			
Owners of the Company		310,317	297,289
Non-controlling interests		(147)	(1,193)
		310,170	296,096
Earnings per share - basic and diluted (Rupees)	44	12.64	12.11

The annexed notes from 1 to 62 form an integral part of these consolidated financial statements.

Chief Financial Officer | Chief Executive | Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Profit after taxation for the year		310,170	296,096
Other comprehensive income			
Items that will be reclassified subsequently to statement of profit or loss		-	-
Items that will not be reclassified subsequently to statement of profit or loss			
Net fair value gain on investment classified as FVOCI	10.2	16,815	26,263
Related deferred tax liability on fair value gain on investment classified as FVOCI		(5,269)	(10,712)
		11,546	15,551
Actuarial gain on staff retirement benefits	29.1.3	9,147	17,874
Related deferred tax impact		(3,384)	-
		5,763	17,874
Revaluation surplus on property, plant and equipment	25.3	630,948	-
Related deferred tax liability on revaluation surplus		(151,654)	-
		479,294	-
		496,603	33,425
Total comprehensive income for the year		806,773	329,521
Attributable to:			
Owners of the Company		806,920	330,714
Non-controlling interests		(147)	(1,193)
		806,773	329,521

The annexed notes from 1 to 62 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up share capital	Reserves					Total equity attributable to owners of the Parent Company	Non controlling Interests	Total
		Capital reserves			Revenue reserves				
		Revaluation surplus on property, plant and equipment	Share premium	Fair value reserve	General reserve	Accumulated profits			
	(Rupees in thousand)								
Balance as at July 01, 2024	245,516	1,437,720	34,086	13,489	285,000	1,444,487	3,460,298	7,749	3,468,047
Total comprehensive income for the year ended June 30, 2024									
Profit after taxation for the year	-	-	-	-	-	297,289	297,289	(1,193)	296,096
Other comprehensive income for the year									
- Fair value gain on investment classified as FVOCI	-	-	-	15,551	-	-	15,551	-	15,551
- Actuarial loss on staff retirement benefits	-	-	-	-	-	17,874	17,874	-	17,874
Total comprehensive income for the year	-	-	-	15,551	-	315,163	330,714	(1,193)	329,521
Transfer of incremental depreciation from revaluation surplus on property, plant and machinery - net of tax	-	(50,463)	-	-	-	50,463	-	-	-
Share of revaluation surplus of associated company	-	5,833	-	-	-	-	5,833	-	5,833
Transactions with the owners of the Company									
Final cash dividend for the year ended June 30, 2024 @ Rs. 4 per share	-	-	-	-	-	(98,206)	(98,206)	-	(98,206)
	-	(44,630)	-	-	-	(47,743)	(92,373)	-	(92,373)
Balance as at June 30, 2025	245,516	1,393,090	34,086	29,040	285,000	1,711,907	3,698,639	6,556	3,705,195
Total comprehensive income for the year ended June 30, 2025									
Profit after taxation for the year	-	-	-	-	-	310,317	310,317	(147)	310,170
Other comprehensive income for the year									
- Revaluation surplus on property, plant and equipment	-	479,294	-	-	-	-	479,294	-	479,294
- Fair value gain on investment classified as FVOCI	-	-	-	11,546	-	-	11,546	-	11,546
- Actuarial gain on staff retirement benefits	-	-	-	-	-	5,763	5,763	-	5,763
Total comprehensive income for the year	-	479,294	-	11,546	-	316,080	806,920	(147)	806,773
Transfer of incremental depreciation from revaluation surplus on property, plant and machinery - net of tax	-	(46,144)	-	-	-	46,144	-	-	-
Transactions with the owners of the Company									
Final cash dividend for the year ended June 30, 2025 @ Rs. 5 per share	-	-	-	-	-	(122,758)	(122,758)	-	(122,758)
	-	(46,144)	-	-	-	(76,614)	(122,758)	-	(122,758)
Balance as at June 30, 2026	245,516	1,826,240	34,086	40,586	285,000	1,951,373	4,382,801	6,409	4,389,210

The annexed notes from 1 to 62 form an integral part of these consolidated financial statements.

Chief Financial Officer | Chief Executive | Director

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash flows from operating activities before working capital changes	46	1,163,076	902,934
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		4,504	(4,531)
Stock-in-trade		(488,654)	(75,367)
Trade debts - unsecured		(171,913)	(209,866)
Loans and advances		(35,148)	(11,097)
Trade deposits and short term prepayments		4,035	(19,026)
Other receivables		(51,337)	(97,516)
		(738,513)	(417,403)
Increase in current liabilities:			
Trade and other payables		187,737	165,484
Cash generated from operations		612,300	651,015
Finance cost paid		(178,688)	(240,474)
Tax paid		(305,864)	(253,718)
Long term employee benefits paid		(103,509)	(13,238)
Workers' Profit Participation Fund paid	30.3	(21,964)	(24,533)
Workers' Welfare Fund paid	30.4	(11,044)	(7,504)
Long term loans received / (disbursed) - net		17,718	(230)
Long term deposits realised		(4,451)	(9,656)
		(607,802)	(549,353)
Net cash generated from operating activities		4,498	101,662
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(264,358)	(252,252)
Proceeds from disposal of property, plant and equipment	7.1.2	11,502	8,707
Mark-up received on term deposit and long term loans		20,408	21,698
(Investment made) / proceeds from short term investments - net		(36,393)	30,000
Net cash used in investing activities		(268,841)	(191,847)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan obtained under long term financing		113,580	129,480
Repayment of long term financing		(63,447)	(77,620)
Repayments from long term diminishing musharaka		(166,667)	(166,667)
Short term borrowings - net		629,053	531,836
Dividend paid		(128,583)	(97,145)
Net cash generated from financing activities		383,936	319,884
Net increase in cash and cash equivalents		119,593	229,699
Cash and cash equivalents at beginning of the year		296,659	66,960
Cash and cash equivalents at end of the year	45	416,252	296,659

The annexed notes from 1 to 62 form an integral part of these consolidated financial statements.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 REPORTING ENTITY INFORMATION

The group comprises of the following companies:

Parent Company

- Berger Paints Pakistan Limited

Subsidiary companies

- Berger DPI (Private) Limited

Berger DPI (Private) Limited was incorporated in Pakistan on December 9, 1997 as a private limited company under the Companies Ordinance, 1984 (Now Companies Act 2017). The principal activity of the Company includes execution of contracts relating to application of road marking paints. The Company is a subsidiary of Berger Paints Pakistan Limited, and the ultimate parent of the Company is Slotrapid Limited based in British Virgin Islands.

- Berger Road Safety (Private) Limited - subsidiary of Berger DPI (Private) Limited

Berger Road Safety (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984 (Now the Companies Act, 2017) as a private limited company on May 27, 2003. The Company is principally engaged in application of road marking paints and installation of various road safety equipment. The Company is a subsidiary of Berger DPI (Private) Limited (holding 99.998% of the paid up capital of the Company) and sub-subsidiary Berger Paints Pakistan Limited (holding 50.999% of the paid up capital of the Company through Berger DPI (Private) Limited), and the ultimate parent of the Company is Slotrapid Limited based in British Virgin Islands. Geographical location and address of business units/plants.

Associated company

- 3S Pharmaceuticals (Private) Limited

3S Pharmaceuticals (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984 (Now the Companies Act 2017) as a private limited company. The registered office of the company is situated at 5KM Off Raiwind Manga Road Lahore, Pakistan and the principal manufacturing facility of the Company is located at 5KM Off Raiwind Manga Road Lahore. The company is principally engaged in the manufacturing of quality medicines at its own pharmaceutical unit. The company is an associate of Berger Paints Pakistan Limited.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical locations and addresses of the Company's business units including production facilities are as under:

The registered office of the Group is situated at 28-KM Multan Road, Lahore which is its only manufacturing facility.

Regional office	Office address
Factory	28-KM Multan Road, Lahore.
Karachi	X-3 Manghopir Road, S.I.T.E
Islamabad	Plot No. 201, Street 1, Sector, I-10/3
Multan	174/A Lodhi Colony, MRE, Opposite Hascol Petrol Pump, MDA Road.

2.1 Berger Paints Pakistan Limited (the Parent Company) was incorporated in Pakistan on 25 March 1950 as a Private Limited Company under the Companies Act 1913 (now Companies Act, 2017) and was subsequently converted into a Public Limited Company. The Parent Company is listed on the Pakistan Stock Exchange (PSX). The principle business activity of the Company is manufacturing and trading of paints, varnishes and other related items. Slotrapid Limited, based in British Virgin Island is the Holding Company. The aggregate percentage of holding is 52.05%. The registered office of the Parent Company and its only manufacturing facility is located at 28-KM Multan Road, Lahore.

The Parent Company owns 51 percent of the share capital of Berger DPI (Private) Limited who in turn holds 100 percent share capital of the Berger Road Safety (Private) Limited. The Group is a subsidiary of Slotrapid Limited British Virgin Islands (the Holding Company).

Following is the pertinent information related to the Holding Company:

Particulars	**Related information**
Registered address	Suit # 1 Akara Building, 24 De-Cantro Street, Wickham Cay 1, Road Town, Tortola, British Virgin Island.
Principle officer - President / Director	Vernon Emmanuel Salazar Zurita
Aggregate Percentage of holding	52%
Operational status	Active

Auditor's opinion on latest consolidated financial statements of the Holding Company is not available as the country of incorporation does not have any such statutory requirement.

3 BASIS OF PREPARATION

3.1 Consolidated financial statements

These consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary companies as at June 30, 2026.

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which the control ceases.

The financial statements of the subsidiary companies have been consolidated on a line-by-line basis and the carrying values of the investments held by the Group have been eliminated against the shareholders' equity in the subsidiary companies.

The consolidated financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company, using consistent accounting policies.

All intragroup balances, transactions, income and expenses and profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full.

The subsidiaries are fully consolidated from the date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date that such control ceases.

(b) Non-controlling interest

Non-controlling interest is that part of net results of operations and of net assets of the subsidiaries which are not owned by the Group. Non-controlling interest is presented as a separate item in the consolidated financial statements.

NCI are measured initially at their proportionate share of acquiree's identifiable net assets at the date of acquisition. The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests result in gains and losses for the Group and are recorded in the consolidated statement of profit or loss.

(c) Interests in equity - accounted investees

The Group's interests in equity- accounted investees comprise interests in associates.

Associates are all entities over which the Group has significant influence but not control, or joint control over the financial and operating policies. The Group's share of its associate's post-acquisition profit or loss is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

3.2 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provision of, directives and notifications issued under the Companies Act, 2017.

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

3.3 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention 'except for:

- measurement of certain financial instruments at fair value;
- the measurement of certain items of property, plant and equipment at revalued amounts;
- recognition of employee retirement benefits at present value; and
- certain foreign currency translation adjustments.

3.4 Functional and presentation currency

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

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

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

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

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

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

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

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature- dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in consolidated financial statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

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

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

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

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

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

5 MATERIAL ACCOUNTING POLICIES

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

5.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any identified impairment loss, except for freehold and leasehold land, buildings thereon and plant and machinery, which are stated at revalued amounts less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Cost comprises purchase price, non refundable duties and taxes after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to the revaluation surplus on property, plant and equipment account except for a reversal of deficit already charged to consolidated statement of profit or loss. A revaluation deficit is recognized in profit or loss, except for a deficit directly offsetting a previous surplus, in which case the deficit is taken to revaluation surplus on property, plant and equipment. The revaluation surplus on property, plant and equipment to the extent of the annual incremental depreciation based on the revalued carrying amount of the assets is transferred annually directly to accumulated profit net of related deferred tax. Any accumulated depreciation at the revaluation date is eliminated against the gross carrying amount of the assets and the net amount is adjusted to the revalued amount of the assets.

Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to accumulated profits. All transfers to / from revaluation surplus on property, plant and equipment account are net of applicable deferred tax.

Depreciation on all property, plant and equipment except freehold land is charged to profit or loss using the straight line method whereby the cost less residual value of an asset is written off over its estimated useful life. Residual values are reviewed at each reporting date and adjusted if the impact on depreciation is significant.

Useful lives are regularly reviewed by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is put to use while depreciation on assets disposed off is charged up to the month preceding the disposal.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of property, plant and equipment are represented by the difference between the sale proceeds and the carrying amount of the asset and is recognized as an income or expense in consolidated statement of profit or loss.

Maintenance and normal repairs are charged to consolidated statement of profit or loss as and when incurred. Major renewals and improvements are capitalized.

Right-of-use asset and Lease liability

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

The Group applies a practical expedient and, does not recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets, if any. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

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

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

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

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

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 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 recognized as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

"The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. "

Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on property, plant and equipment during the construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use as intended.

The Group assesses at each reporting date whether there is any indication that the assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to determine whether they are recorded in excess of their recoverable amounts. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is charged to consolidated statement of profit or loss currently except for impairment loss on revalued assets, which is recognized directly against any revaluation surplus for the related asset to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for the same asset.

5.2 Intangible assets

Intangibles are recognized when it is probable that the expected future economic benefits will flow to the Group and the cost of the asset can be measured reliably. Intangibles are measured initially at cost. The cost of intangible comprises of its purchase price including non-refundable purchase taxes after deducting trade discounts and rebates and includes other costs directly attributable to acquisition. Cost incurred after the asset is in the condition necessary for it to operate in the manner intended by management are recognised in consolidated statement of profit or loss.

5.2.1 Goodwill acquired in business combinations

The purchase method of accounting is used to account for the acquisition of businesses by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed, if any, at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities, if any, assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognized as goodwill. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment loss, if any.

5.3 Non current asset held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and are available for immediate sale and sale is highly probable. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

5.4 Investment property

Investment property is the property which is held either to earn rental income or for capital appreciation or for both. Investment property is initially recognized at cost, being the fair value of the consideration given. Subsequent to initial recognition investment property is carried at either at fair value or cost less accumulated depreciation or impairment allowance, if any. The Group has opted to carry investment property at cost less accumulated depreciation.

When an item of property, plant and equipment is transferred to investment property following a change in its use, the transfer is accounted for at the carrying amount of the property at the date of transfer, as the investment property is subsequently measured using the cost model. Accordingly, no gain or loss is recognized on the transfer. Following the transfer, the investment property is carried at cost less accumulated depreciation and accumulated impairment losses, if any, in accordance with the Group's accounting policy for investment property.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its carrying value at the date of reclassification becomes its cost for accounting purposes.

5.5 Impairment

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

5.6 Stores, spares parts and loose tools

These are valued at moving weighted average cost less any identified impairment except for items in transit, which are valued at invoice price and related expenses incurred. Items considered obsolete are carried at nil value. General stores and spare parts are charged to consolidated statement of profit or loss. The Group reviews the carrying amount of stores on a regular basis and provision is made for obsolescence if there is any change in usage pattern and physical form of related stores.

5.7 Stock in trade

Stock in trade is valued at lower of cost and Net Realizable Value (NRV).

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and valuation has been determined as follows:

Raw materials, packing materials and semi-processed goods	Monthly weighted average cost
Finished goods	Monthly weighted average manufacturing cost
Finished goods purchased for resale	Monthly weighted average cost
Stock in transit	Invoice value plus other charges paid thereon up to the reporting date

NRV signifies the estimated selling price in the ordinary course of business less estimated costs of completion and selling expenses.

Provision for obsolete and slow moving stock in trade is based on management's estimate and is recognised in consolidated financial statements whenever necessary.

5.8 Trade debts and other receivables

These are classified at amortized cost and are initially recognised when they are originated and measured at fair value of consideration receivable. An impairment allowance i.e. expected credit loss is calculated based on actual credit loss experience over the two years. The Group applies a simplified approach in calculating Expected Credit Loss (ECL). The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group recognises a loss allowance based on lifetime ECLs at each reporting date. The impairment allowance is recognized in the consolidated statement of profit or loss. These assets are written off when there is no reasonable expectation of recovery.

5.9 Cash and cash equivalents

Cash and cash equivalents comprise, cash and balances, investments with maturities of three months or less from acquisition date that are subject to insigni?cant risk of changes in fair value and bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of consolidated statement of cash flows.

5.10 Financial instruments

5.10.1 Classification and measurement of financial assets and financial liabilities

Under IFRS 9, on initial recognition, the Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value either through other comprehensive income (FVOCI), or through profit or loss (FVTPL); and
- Those to be measured at amortized cost.

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

The following assessments are made on the basis of the facts and circumstances that exist at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation of certain financial assets with respect to subsequent measurement either through profit or loss or other comprehensive income.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

i) Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including an interest / markup or dividend income, are recognized in consolidated statement of profit or loss.

ii) Financial assets at amortised cost

These assets are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains, losses and impairment are recognized in consolidated statement of profit or loss.

iii) Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the consolidated statement of profit or loss. Other net gains and losses are recognized in the consolidated statement of comprehensive income. On derecognition, gains and losses accumulated in consolidated statement of comprehensive income are reclassified to consolidated statement of profit or loss.

iv) Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized in consolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in consolidated statement of comprehensive income and are never reclassified to consolidated statement of profit or loss.

5.10.2 Impairment

The Group recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI
- contract assets

An impairment loss is recognized if the carrying amount of the assets exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

Additional information about how the Group measures allowance for impairment is detailed in note 50.1.3 of the consolidated financial statements.

5.10.3 Derecognition

Financial assets

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

The Group might enter into transactions whereby it transfers assets recognized in its consolidated statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

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

5.10.4 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

5.11 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The recoverable amount of an asset or cash-generating unit is the higher 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. 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").

The Group's corporate assets generally do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

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

5.12 Provisions

Provisions are recognized when, the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimates of the obligations can be made. Provisions are reviewed periodically and adjusted to reflect the current best estimates.

5.13 Contingent assets

Contingent assets are possible assets those arise 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 and are disclosed when inflow of economic benefits is probable. Contingent assets are not recognized until their realization become virtually certain.

5.14 Contingent liabilities

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

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.15 Revenue recognition

Revenue represents the fair value of the consideration received or to be received from the sale of goods, net of sales tax, sales return and related discounts. Revenue is measured based on the consideration specified in a contract with customer. The Group recognises revenue when it transfers control of the goods. The customers obtain control when the goods are delivered to them and have been accepted at their premises except for exports where control is transferred at the time of dispatch Invoices are generated at that point in time. The Group's customer arrangements contain a single performance obligation to transfer manufactured or purchased paints, varnishes and other related items.

Revenue from contract with customers primarily includes sale of paints and coatings. Revenue is recognized when performance obligations are satisfied by transferring control of a good or service to a customer, either at a point in time or over time of an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is recognised in accordance with the aforementioned principle by applying the following steps:

i) Identify the contract with a customer.
ii) Identify the performance obligation in the contract.
iii) Determine the transaction price of the contract.
iv) Allocate the transaction price to each of the separate performance obligations in the contract.
v) Recognise the revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. Any bundled goods or services that are distinct are separately recognized, and any discounts or rebates on the contract price are generally allocated to the separate elements.

a) Sale of goods

Revenue is recognized when (or as) the entity satisfies performance obligation by transferring control of a promised goods or services to the customer (i.e. after obtaining customer acknowledgment at the time of delivery of goods).Transfer of control over goods and services to customer in most situations is considered to be the main indicator of the customer's ability to direct the use of and obtain the benefits from the asset and largely also coincides with the physical transfer of the goods and the obligation of the customer to pay. In case of expected returns, no revenue is recognized for such products.

Variable considerations, including among others rebates and discounts are accrued for as performance obligations are satisfied and revenue is recognized. Variable considerations are only recognized when it is highly probable that it is not subject to significant reversal.

Revenue is measured at the fair value of the consideration received or receivable for the goods sold, net of returns, discounts and sales tax.

b) Other

Profit on short-term bank deposits is accounted for on a time-apportioned basis using the effective interest rate method.

Financial income on funds invested, mark-up / interest income on lending's made by the Group and amortization gains on interest free loans given to staff is accounted for using the effective interest rate method.

'Income from the sale of scrap is recognized when control of the scrap is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled.

5.16 Financial expenses

Financial expenses are recognized using the effective interest rate method and comprise of mark-up / interest expense on borrowings, along with amortization losses.

5.17 Contract liabilities

A contract liability is the obligation of the Group 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 recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

5.18 Taxation

Income tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised in consolidated statement of comprehensive income, in which case it is recognised in equity.

Current tax

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any.

The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. Under / over paid amount of current tax is recorded as tax refundable / payable due from / to the Government.

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

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for;

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

5.19 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in the statement of profit or loss. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

5.20 Borrowings

Loans and borrowings are recorded at the proceeds received. Finance cost are accounted for on accrual basis and are shown as interest and mark-up accrued to the extent of the amount remaining unpaid.

Short term borrowings are classified as current liabilities unless the Group has unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Borrowing cost on long term finances and short term borrowings which are obtained for the acquisition of qualifying assets are capitalized as part of cost of that asset. All other borrowing costs are charged to profit and loss account in the period in which these are incurred. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost as allowed under IAS 23 "Borrowing cost".

5.21 Trade and other payables

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

5.22 Employee benefits

5.22.1 Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

5.22.2 Defined benefit plan

The Group operates the following defined benefit schemes for employees of Parent Group:

a) An approved and funded pension scheme for all executives; and
b) An approved and funded gratuity scheme for all its permanent employees.

Pension scheme

The Parent Group offers pension benefits to its executive staff. Monthly pension is calculated as two percent of the average basic salary of the last year multiplied with pensionable service.

Gratuity scheme

The Parent Group offers gratuity benefits all of its permanent employees, and is payable to employees having service in the Parent Group for minimum five years. The gratuity benefits provided by the Parent Group is calculated by multiplying last drawn basic salary with number of years of service and gratuity factor.

Actuarial valuations are carried out using the 'Projected Unit Credit Method'. Contributions to the schemes are based on these valuations. Remeasurements of the defined benefit liability, which comprise actuarial gains and losses, is recognised immediately in consolidated statement of comprehensive income. The Parent Group determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of benefit payments. Interest expense and other expenses related to defined benefit plan are recognized in profit or loss. The Parent Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The actual return on plan assets represents the difference between the fair value of plan assets at the beginning of the year and as at the end of the year after adjustments for contributions made by the Parent Group as reduced by benefits paid during the year.

5.22.3 Defined contribution plan

Provident fund

The Group also operates a recognized provident fund scheme for Parent Group's employees. Equal monthly contributions are made, both by the Parent Group and its employees, to the fund at the rate of ten percent of basic salary for executive and non-executive staff.

5.22.4 Other long term benefits - Accumulated compensated absences

The Group also provides for compensated absences for all eligible employees in accordance with the rules of the Parent Group. The Group accounts for these benefits in the period in which the absences are earned. Employees are entitled to earned leaves of 21 days per annum. The unutilized leaves are accumulated subject to a maximum of 42 days. The unutilized accumulated leaves can be encashed at the time the employee leaves Group service. The accumulated leave balance in excess of 42 days of an employee is ignored while determining benefit obligations.

The Group uses the actuarial valuations carried out using the projected unit credit method for valuation of its accumulated compensated absences. Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to profit or loss. The amount recognised in the consolidated statement of financial position represents the present value of the defined benefit obligation. Actuarial gains and losses are charged to the profit or loss immediately in the year when these occur.

5.22.5 Other employee benefits

The Parent Group's employees are offered interest free long term loans for purchase of vehicles. The term of loan ranges for a period of 3-10 years. Deductions are made from salaries as per agreed repayment schedule. The loan amount is required to be repaid immediately as the employment contract ceases on termination or resignation of the employees. The loans are secured against title of vehicles. These loans have been discounted at market rate.

5.23 Foreign currency transactions and translation

Foreign currency transactions are translated into Pak Rupees which is the Group's functional and presentation currency using the exchange rates approximating those prevailing at the date of the transaction. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the consolidated statement of financial position date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end, exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to income. Non-monetary assets and liabilities denominated in foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the date of the initial transaction.

5.24 Dividends and appropriations to general reserve

Dividends and appropriations to general reserves are recognized in the consolidated financial statements in the period in which these are approved.

5.25 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs, net of tax, directly attributable to the issue of new shares are shown as a deduction in equity.

5.26 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Group that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

5.27 Capital reserves - Share premium

This reserve can be utilized by the Group only for the purposes specified in section 81 (3) of the Companies Act, 2017.

5.28 Related party transactions

Transactions and contracts with the related parties are based on the policy approved by the Board.

5.29 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss as incurred.

5.30 Government grants

The Group recognises benefit of a government loan at a below-market rate of interest as a government grant provided there is a reasonable assurance that the grant will be received and Group will comply with all attached conditions. The benefit of loan at below market rate of interest is measured as the difference between the initial carrying value of the loan in accordance with IFRS 9 and the proceeds received. The benefit is generally accounted for and presented as deferred grant in accordance with IAS 20 as a separate line item in consolidated statement of financial position. Subsequently, the grant is recognised in consolidated statement of profit or loss as other income, on a systematic basis over the periods in which the expenses for which the grant is intended to compensate.

5.31 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' results are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Group has only one reportable segment.

5.32 Loans, advances, deposits, prepayments and other receivables

Loans, advances, deposits, prepayment and other receivables are carried at original amount less provision made for doubtful receivables based on a review of all outstanding amounts at the year end. Balance considered irrecoverable are written off.

5.33 Contingencies

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, existence of which 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 the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

6 USE OF JUDGMENTS AND ESTIMATES

The preparation of these consolidated financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effects the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to Group's consolidated financial statements are:

	Note
- Property, plant and equipment	5.1
- Stock in trade	5.7
- Trade debts - unsecured	5.8
- Impairment of cash generating unit	5.1

	Note
- Recoverability of deferred tax assets	5.13&5.14
- Long term employee benefits	5.22
- Taxation	5.18
- Stores, spare parts and loose tools	5.6
- Contingencies	5.33
- Provisions	5.12

a) Income taxes

The Group takes into account relevant provisions of the current income tax laws while providing for current and deferred taxes as explained in note 5.18 to these consolidated financial statements.

b) Defined benefit plan

Certain actuarial assumptions have been adopted by external professional valuer for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect unrecognized gains and losses in those years.

c) Property, plant and equipment

The estimates for revalued amounts, if any, of different classes of property, plant and equipment, are based on valuation performed by external professional valuers and recommendation of technical teams of the Group. Further, the Group reviews the value of the assets for possible impairment on an annual basis.

Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment. As explained in note 7 to these consolidated financial statements, the Group has revalued its free hold land as on June 30, 2026.

d) Stores and spares

Management has made estimates for realizable amount of slow moving and obsolete stores and spares items to determine provision for slow moving and obsolete items. Any future change in the estimated realizable amounts might affect carrying amount of stores and spares with a corresponding affect on amounts recognized in profit and loss account as provision / reversal.

e) Financial instrument

The fair value of the financial instrument that are not traded in an active market is determined by using valuation techniques based on assumption that are dependent on conditions existing at the balance sheet.

f) Provision for doubtful receivables

The Group uses a provision matrix to calculate ECLs for trade receivables and other receivables. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

g) Fair value measurement

A number of assets and liabilities included in the consolidated financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Establishment's financial and non- financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilised are (the fair value hierarchy):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

h) Provision and contingencies

The Group reviews the status of all pending litigations and claims against the Group. Based on its judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the balance sheet date.

i) Impairment of assets

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.

j) Stock-in-trade

The Group reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock in-trade is adjusted where the net realizable value is below the cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

	Note	2026	2025
		(Rupees in thousand)	
7 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	2,284,980	2,017,341
Capital work in progress	7.2	-	71,056
Right-of-use-asset	7.3	416,665	204,684
		2,701,645	2,293,081

7.1 Operating fixed assets

The following is the statement of property, plant and equipment:

Description	Freehold land	Buildings on freehold land	Buildings on leasehold land	Plant and machinery	Laboratory equipment	Electric fittings	Computer and related accessories	Office equipment	Furniture and fixtures	Vehicles		Total
										Owned	Diminishing musharaka	
	(Rupees in thousand)											
Net carrying value basis												
Year ended June 30, 2026												
Opening net book value (NBV)	1,064,285	369,900	19,376	284,895	17,122	78,588	6,688	12,570	4,032	94,531	65,354	2,017,341
Additions (at cost)	-	80,341	-	28,372	12,963	36,681	4,520	753	-	66,279	101,705	331,614
Revaluation gain/(loss)	221,071	(4,483)	35,558	172,955	-	-	-	-	-	-	-	425,101
Disposals (at NBV)	-	-	-	-	-	-	(891)	-	-	-	(757)	(1,648)
Transferred to non current asset held for sale	(258,186)	-	-	-	-	-	-	-	-	-	-	(258,186)
Depreciation charge for the year	-	(48,894)	(4,262)	(78,281)	(5,310)	(17,967)	(2,765)	(3,237)	(1,679)	(37,195)	(29,652)	(229,242)
Closing net book value	1,027,170	396,864	50,672	407,941	24,775	97,302	7,552	10,086	2,353	123,615	136,650	2,284,980
Gross carrying value basis												
Year ended June 30, 2026												
Cost / revalued amount	1,027,170	610,968	83,499	849,627	75,844	224,298	49,016	37,159	31,967	290,543	161,786	3,441,877
Accumulated depreciation and impairment losses	-	(214,104)	(32,827)	(441,686)	(51,069)	(126,996)	(41,464)	(27,073)	(29,614)	(166,928)	(25,136)	(1,156,897)
Net book value (NBV)	1,027,170	396,864	50,672	407,941	24,775	97,302	7,552	10,086	2,353	123,615	136,650	2,284,980
Net carrying value basis												
Year ended June 30, 2025												
Opening net book value (NBV)	1,064,285	381,004	23,642	306,480	18,784	93,316	5,439	13,358	5,870	97,116	4,305	2,013,599
Additions (at cost)	-	33,890	-	59,406	2,747	1,043	4,081	2,159	-	29,691	70,545	203,562
Disposals (at NBV)	-	-	-	-	-	-	-	-	-	(951)	-	(951)
Impairment	-	-	-	(173)	-	-	(1)	-	(27)	-	-	(201)
Depreciation charge for the year	-	(44,994)	(4,266)	(80,818)	(4,409)	(15,771)	(2,831)	(2,947)	(1,811)	(31,325)	(9,496)	(198,668)
Closing net book value	1,064,285	369,900	19,376	284,895	17,122	78,588	6,688	12,570	4,032	94,531	65,354	2,017,341
Gross carrying value basis												
Year ended June 30, 2025												
Cost / revalued amount	1,064,285	535,110	47,941	648,300	62,881	187,617	46,014	36,406	31,967	224,264	74,998	2,959,783
Accumulated depreciation and impairment losses	-	(165,210)	(28,565)	(363,405)	(45,759)	(109,029)	(39,326)	(23,836)	(27,935)	(129,733)	(9,644)	(942,442)
Net book value (NBV)	1,064,285	369,900	19,376	284,895	17,122	78,588	6,688	12,570	4,032	94,531	65,354	2,017,341
Useful life in years	-	20	10 - 20	2 - 13	10	4 - 10	4	4 - 10	10	5	5	

7.1.1 Plant and machinery includes a 750-KVA generator which has been obtained under diminishing musharaka facility from the First Habib Modaraba amounting to Rs. 31.5 million.

7.1.2 Disposal of operating assets

Particulars of assets	Sold to		Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposal
	Name	Relationship with the Company						
			----------(Rupees in thousand)----------					
2026								
Motor vehicles								
FAW-V2 (LEA-19A-7080)	Shaban AHmad	3rd Party	1,549	1,549	-	1,507	1,507	Auction
Toyota Corolla (LEB-16-8869)	Rana M. Saleem Khan	3rd Party	2,190	2,190	-	3,067	3,067	Auction
Suzuki Swift (LED-18-9463)	Asim Mumtaz	3rd Party	138	85	53	2,407	2,354	Auction
Suzuki Wagon-R (VXR AHE-299)	Rana Umair Saleem	3rd Party	1,760	1,056	704	2,412	1,708	Auction
Honda Civic (ADL-166)	Nauman Afzal	Employee	4,142	4,142	-	837	837	Company policy
Toyota Corolla (ABD-236)	Khawar Nasir	Employee	3,393	3,393	-	836	836	Company policy
Suzuki Alto (ABV-032)	Sehar Afzal	Employee	1,745	1,745	-	436	436	Company policy
Computer and related accessories								
IT equipment	Meeran Corporation	3rd Party	196	143	53	-	(53)	Scrap
IT equipment	Meeran Corporation	3rd Party	28	25	3	-	(3)	Scrap
IT equipment	Meeran Corporation	3rd Party	305	108	197	-	(197)	Scrap
IT equipment	Meeran Corporation	3rd Party	989	351	638	-	(638)	Scrap
			16,435	14,787	1,648	11,502	9,854	
2025								
Motor vehicles								
Toyota Yaris-ADE-587	Waleed Minhas	Employee	2,853	1,902	951	2,557	1,606	Company policy
Suzuki Cultus-LEC-14-694	Rana M. Saleem	3rd Party	1,056	1,056	-	1,212	1,212	Auction
Toyota Altis AGJ-17-075	Usman Adeel	Employee	2,533	2,533	-	633	633	Company policy
Toyota Altis-LEF-19-8261	Shahid Nizami	Employee	2,706	2,706	-	625	625	Company policy
Plant and machinery								
Generator	Ammer Co International	3rd Party	6,661	6,661	-	3,680	3,680	Auction
			15,809	14,858	951	8,707	7,756	

7.1.2.1 The computer equipment and related accessories were sold as scrap to Meeran Corporation. The related proceeds have been recognized in other income. The amount of income attributable to the scrap value and sale proceeds could not be determined separately.

7.1.3 Had there been no revaluation, the carrying amount of revalued assets would have been as follows:

	Note	2026	2025
		(Rupees in thousand)	
Freehold land		174,863	207,183
Leasehold land (right-of-use-asset)		3,099	3,193
Buildings on freehold land		241,036	172,515
Buildings on leasehold land		24,934	25,713
Plant and machinery		100,132	81,644
		544,064	490,248

7.1.4 The forced sale value of revalued assets as per latest available revaluation reports are as follows:

Particulars	Date of revaluation	(Rupees in thousand)
Freehold land	June 30, 2026	873,094
Building on freehold land	June 30, 2026	337,334
Building on leasehold land	June 30, 2026	43,071
Plant and machinery	June 30, 2026	305,955

7.1.5 Fair value measurement of free hold land is based on the valuations carried out by an independent valuer M/s. Harvestor Services (Private) Limited as at June 30, 2026 on the basis of market value.

7.1.6 Particulars of immovable fixed assets

Freehold lands of the Parent Company are located at 28-Km, Multan Road, Lahore, measuring 128.9 Kanals, and Lodhi Colony, Multan measuring 2.65 Kanals.

Leasehold land of the Parent Company is located at Sector I-10/3, Industrial Area, Islamabad, measuring 5.56 Kanals.

Buildings, plant and machinery and other immovable fixed assets of the Parent Company are constructed on above mentioned freehold land and leasehold land.

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

Cost of sales	36	146,303	142,607
Selling and distribution expenses	37	56,080	39,181
Administrative and general expenses	38	32,850	22,730
	7.1.8	235,233	204,518

7.1.8 This includes depreciation on leasehold land (right-of-use-asset) amounting to Rs. 5.99 million (2025: Rs. 5.99 million) charged to selling and distribution expenses.

7.1.9 The cost of fully depreciated assets which are still in use is Rs. 209.34 million (2025: Rs. 158.43 million).

7.1.10 Fair value measurement level and valuation techniques used to determine fair value has been disclosed in the note 49.2 to these consolidated financial statements.

	Note	2026	2025
		(Rupees in thousand)	
7.2 Capital work in progress			
This comprises of:			
Civil works		-	43,520
Plant and machinery		-	25,034
Electrical installations		-	239
Furniture's and fixtures		-	91
Office equipments		-	556
Computers and related accessories		-	133
Laboratory equipment		-	1,483
	7.2.1	-	71,056

7.2.1 Movement of carrying value is as follows:

Description	Civil works	Plant and machinery	Electrical installations	Furniture's and fixtures	Office equipments	Computers and related accessories	Laboratory equipment	Total
	(Rupees in thousand)							
Year ended June 30, 2026								
Opening balance	43,520	25,034	239	91	556	133	1,483	71,056
Additions (at cost)	36,821	3,338	36,442	-	197	4,387	11,480	92,665
Reversal/Adjustment	-	-	-	(91)	-	-	-	(91)
Transferred to operating fixed assets	(80,341)	(28,372)	(36,681)	-	(753)	(4,520)	(12,963)	(163,630)
Closing balance	-	-	-	-	-	-	-	-
Year ended June 30, 2025								
Opening balance	13,695	8,488	-	91	109	-	-	22,383
Additions (at cost)	63,715	75,952	1,282	-	2,606	4,124	4,230	151,909
Transferred to operating fixed assets	(33,890)	(59,406)	(1,043)	-	(2,159)	(3,991)	(2,747)	(103,236)
Closing balance	43,520	25,034	239	91	556	133	1,483	71,056

	Note	2026	2025
		(Rupees in thousand)	
7.3 Right-of-use-asset			
Opening net book value		204,684	210,675
Additions during the year		-	-
Revaluation gain	25.3	217,972	-
Depreciation charge for the year		(5,991)	(5,991)
Closing net book value		416,665	204,684

7.3.1 The Group has a lease contract of its warehouse. Lease liability against the right-of-use asset has been paid off at the start of the contract.

7.3.2 Fair value measurement of lease hold land is based on the valuations carried out by an independent valuer M/s. Harvestor Services (Private) Limited as at June 30, 2026 on the basis of market value.

7.3.3 The forced sale value of revalued assets as per latest available revaluation reports are as follows:

Particulars	Date of revaluation	(Rupees in thousand)
Leasehold land	June 30, 2026	354,166

8 INVESTMENT PROPERTY

		Note	2026	2025
			(Rupees in thousand)	
	Plot/land	8.1	3,800	-
8.1	Movement is as follows:			
	Opening balance at the start of the year		-	-
	Additions during the year - cost	8.2	3,800	-
	Disposals during the year		-	-
	Closing balance at the end of the year		3,800	-

8.2 During the year, the Group acquired a land/plot against receivable and classified the same as investment property. Subsequent to initial recognition, the investment property is measured using the cost model in accordance with the applicable financial reporting framework. The estimated fair value of the plot, located at Plot No. 282, Block F1, 8 Marla, Bahria Town, Lahore amounting to Rs. 4 million. Further, this is an open-file plot and has not yet been transferred in the name of the Group. The Group is in the process of taking appropriate steps for the transfer.

9 EQUITY - ACCOUNTED INVESTEE - UNLISTED

	Note	2026	2025
		(Rupees in thousand)	
Cost of investment - 3S Pharmaceutical (Private) Limited			
392,000 (2025: 392,000) fully paid ordinary shares of Rs. 100 each		68,599	68,599
Share of loss			
As at July 01		(16,819)	(13,354)
Share of loss for the year		(6,164)	(3,465)
		(22,983)	(16,819)
Share of other comprehensive income			
As at July 01		15,373	9,540
Share of OCI for the year	9.1	-	5,833
		15,373	15,373
Less: Accumulated impairment		(15,914)	(15,914)
Carrying value of investment as at June 30		45,075	51,239

9.1 This represents the Parent Company's share of the revaluation surplus of the associated company as at June 30, 2026.

9.2 The recoverable amount of investment in associate was based on fair value less costs of disposal, estimated using adjusted net asset method. Following the impairment loss in prior year, the recoverable amount of the investment was equal to its carrying amount. The associated company is not fully operational yet and expenses are being incurred to running the company which has resulted in loss to the associated company.

9.3 Summarised financial information in respect of equity - accounted investee on the basis of its separate financial statements for the year ended June 30, 2026 and June 30, 2025 are set out below:

	Note	2026	2025
		(Rupees in thousand)	
Non current assets		93,370	96,004
Current assets		16,336	26,267
Non current liabilities		(6,949)	(6,949)
Current liabilities		(135)	(120)
Net assets - 100%		102,622	115,202
Percentage ownership interest		49.00%	49.00%
Group's share of net assets		50,285	56,449
Goodwill		9,860	9,860
Other adjustment		844	844
		60,989	67,153
Accumulated impairment of the investment		(15,914)	(15,914)
		45,075	51,239
Revenue		-	712
Loss for the year from operations		(12,580)	(7,151)
Group's share of income - post acquisition		(7,610)	(1,446)

10 LONG TERM INVESTMENT - FVOCI

	Note		
Investment in equity instrument classified as FVOCI		68,252	51,437
Buxly Paints Limited - listed			
Cost		3,830	3,830
Fair value adjustment	10.2	64,422	47,607
		68,252	51,437

10.1 The Group owns 273,600 (2025: 273,600) fully paid ordinary shares of Rs. 10 each representing 19.00% (2025: 19.00%) investment of total shares in Buxly Paints Limited. As at year end, the market value of each share was Rs. 249.46 (2025: Rs. 188).

10.2 Fair value adjustment is as follows;

As at July 01	47,607	21,344
Fair value gain	16,815	26,263
As at June 30	64,422	47,607

11 LONG TERM LOANS AND ADVANCES

	Note		
Unsecured			
Considered good			
Loans to employees	11.1	8,324	12,850
Long term advances	11.3	19,504	32,696
		27,828	45,546

	Note	2026	2025
		(Rupees in thousand)	

11.1 Movement for loans to employees - secured

Opening balance		29,952	48,037
Disbursements during the year		8,127	3,890
Repayments during the year		(14,630)	(21,975)
		23,449	29,952
Discounting adjustment for recognition at fair value - deferred employee benefits	12	(9,515)	(14,560)
Closing balance		13,934	15,392
Current portion shown under current assets	17	(5,610)	(2,542)
		8,324	12,850

11.2 These represent interest free loans provided to the employees of the Group in accordance with the terms of their employment, under a scheme for the purchase of motor vehicles. These loans are secured by keeping title of the underlying assets in the name of the Group till final settlement. The loans are recoverable over a period of three to ten years. These loans have been discounted using market rate as at reporting date and the corresponding discounting impact has been recognised as prepaid employee benefits.

11.2.1 Directors of the Group were not given any loan during the year.

11.3 This represents advances given to various suppliers for capital expenditure.

12 LONG TERM DEPOSITS

Deposits - unsecured			
- Considered good		37,911	28,415
- Considered doubtful	12.1	5,287	5,287
		43,198	33,702
Prepaid employee benefits	11	9,515	14,560
Less: Allowance for doubtful deposits	12.1	(5,287)	(5,287)
	12.2	47,426	42,975

12.1 Movement in allowance for doubtful deposits is as follows:

Balance as at July 01	5,287	5,287
Provision during the year	-	-
Balance as at June 30	5,287	5,287

12.2 These include deposits given to utility companies, deposits against lease and tender deposits.

12.3 These deposits do not carry any interest or mark-up and are not recoverable within one year. IFRS 9 requires long-term non interest bearing financial assets to be discounted at average borrowing rate of the Group. The impact of discounting is considered immaterial by the management.

	Note	2026	2025
		(Rupees in thousand)	
13 DEFERRED TAXATION - NET			
Deferred tax liability on taxable temporary differences arising in respect of			
- Accelerated tax depreciation		(6,741)	44,012
- Surplus on revaluation of fixed assets		(336,550)	(206,760)
- Fair value gain on investment classified as FVOCI		(23,836)	(18,567)
		(367,127)	(181,315)
Deferred tax asset on deductible temporary differences arising in respect of:			
- Impairment allowance on financial assets		111,416	65,834
- Investment in related parties		11,806	9,045
- Provision for slow moving stock		29,561	10,781
- Long term employee benefit	13.1	37,468	-
- Deferred grant		3,020	-
		193,271	85,660
		(173,856)	(95,655)

13.1 During the year, the Group has revised its estimates relating to the tax treatment of long-term employee benefits and long-term financing against the Musharakah vehicle. Previously, the related tax deductions were determined based on the provisions recognized in the consolidated financial statements and the previous basis of financing treatment. The Group has now revised its approach to claim under the tax liability based on the benefits/amounts actually paid, resulting in a corresponding change in the measurement of deferred tax.

13.2 Had there been no change in the accounting estimates, the deferred tax liability at year end would have been higher by Rs. 48.17 million, and profit after tax for the year would have been lower by Rs. 48.17 million.

13.3 Movement in deferred tax balances is as follows:

As at July 01	(95,655)	(134,447)
Recognized in profit or loss:		
- Accelerated tax depreciation including surplus on revaluation of fixed assets	(25,565)	24,484
- Charge / (reversal) of impairment allowance on financial assets	45,582	14,328
- Investment in related parties	2,761	4,291
- Provision for slow moving stock	18,780	6,401
- Long term employee benefit	40,852	-
	82,410	49,504
Recognized in other comprehensive income:		
- Fair value gain on investment classified as FVOCI	(5,269)	(10,712)
- Revaluation surplus on fixed assets	(151,654)	-
- Actuarial gain on staff retirement benefits	(3,384)	-
	(160,307)	(10,712)
As at June 30	(173,856)	(95,655)

	Note	2026	2025
		(Rupees in thousand)	

14 STORES, SPARE PARTS AND LOOSE TOOLS

Stores in hand	14.2	30,952	35,456

14.1 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

14.2 The stores and spares include items that have remained in inventory for more than one year. No provision for impairment has been recognised, as management believes that the net realizable value of these stores and spares exceeds their carrying amount and that the items remain usable in the Group's current operations.

15 STOCK IN TRADE

Raw and packing materials			
- in hand		596,435	568,796
- in transit		393,404	260,981
		989,839	829,777
Semi processed goods		195,456	156,317
Finished goods			
- Manufactured	15.1	834,563	544,250
- Trading		37,351	38,211
		871,914	582,461
		2,057,209	1,568,555
Provision for slow moving and obsolete stocks	15.2		
- Raw material		(13,967)	(15,174)
- Semi processed goods		(1,861)	(3,358)
- Finished goods		(64,067)	(9,112)
		(79,895)	(27,644)
		1,977,314	1,540,911

15.1 Aggregate stocks with a cost of Rs. 21.81 million (2025: Rs. 35.20 million) are being valued at net realizable value of Rs. 20.14 million (2025: Rs. 32.21 million).

15.2 Provision for slow moving and obsolete stocks

As at the beginning of year	27,644	96,228
Provision made during the year	58,266	18,130
Reversal during the year	(2,704)	(4,140)
Write off during the year	(3,311)	(82,574)
As at year end	79,895	27,644

15.3 The cost of stock in trade recognised as an expense amounted to Rs. 6,176 million (2025: Rs. 5,929 million).

15.4 Stock-in-trade up to a maximum amount of Rs. 5,007 million (2025: Rs. 4,474 million) are under hypothecation of commercial banks as security for short term borrowings.

		Note	2026	2025
			(Rupees in thousand)	
16	**TRADE DEBTS - UNSECURED**			
	Considered good			
	Related parties	16.1 & 16.2	404,141	354,445
	Others		2,655,733	2,650,300
			3,059,874	3,004,745
	Considered doubtful			
	Related parties		22,503	7,608
	Others		231,116	103,926
			253,619	111,534
	Impairment allowance on trade debts	16.3	(253,619)	(123,517)
	Provision for discounts	16.4	(232,573)	(207,272)
			2,827,301	2,785,490
16.1	**Trade debts include the following amounts due from the following related parties:**			
	Buxly Paints Limited - related party	16.1.1	426,644	362,053

16.1.1 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 426.64 million (2025: Rs. 362.05 million).

16.1.2 The Group has recognized impairment allowance on these balances as at June 30, 2026 amounting to Rs. 22.5 million (2025: Rs. 7.61 million).

16.2 Aging of related party balances

Considered good		
0 - 30 days	149,715	43,867
Considered doubtful		
31 - 60 days	23,411	55,837
61 - 90 days	38,474	14,091
91 - 120 days	42,919	67,646
121 - 180 days	172,125	85,251
181 - 364 days	-	95,361
over one year	-	-
	426,644	362,053

16.3 Movement in allowance for expected credit losses

Balance as at July 01	123,517	96,164
Provision for the year	130,102	27,353
Balance as at June 30	253,619	123,517

16.4 Provision for discounts

Balance as at July 01		207,272	216,835
Charge for the year - net	35	1,971,000	2,057,452
Discounts paid during the year		(1,945,699)	(2,652,466)
Balance as at June 30		232,573	207,272

		Note	2026	2025
			(Rupees in thousand)	
17	**LOANS AND ADVANCES**			
	Current portion of long term loans:			
	Due from employees			
	- considered good		4,077	1,009
	- considered doubtful		1,533	1,533
		11	5,610	2,542
	Less: Impairment allowance	17.1	(1,533)	(1,533)
			4,077	1,009
	Advances - unsecured, considered good:			
	- employees		1,585	1,242
	- suppliers		284,530	252,793
			286,115	254,035
			290,192	255,044
17.1	**Movement in impairment allowance is as follows:**			
	Balance as at July 01		1,533	1,533
	Charged during the year		-	-
	Balance as at June 30		1,533	1,533
18	**TRADE DEPOSITS AND SHORT TERM PREPAYMENTS**			
	Trade deposits			
	- considered good		31,972	35,171
	- considered doubtful		10,515	10,515
			42,487	45,686
	Less: Impairment allowance	18.1	(10,515)	(10,515)
			31,972	35,171
	Short term prepayments		18,545	19,381
			50,517	54,552
18.1	**Movement in impairment allowance is as follows:**			
	Balance as at July 01		10,515	11,390
	Provision made during the year		-	(875)
	Balance as at June 30		10,515	10,515
19	**OTHER RECEIVEABLES**			
	LC margin		1,145	18,236
	Sales tax	19.5	149,972	74,652
	Receivable from related parties	19.1	47,300	33,296
	Export rebate		10,305	12,665
	Provision against export rebate	19.4	(10,305)	(9,736)
			-	2,929
	Accrued interest		5,932	5,600
	Insurance claim receivable		-	681
	Others		4,892	740
	Due from provident fund		-	633
			209,241	136,767

		Note	2026	2025
			(Rupees in thousand)	
19.1	**Other receivables include the following amounts due from the following related parties:**			
	Buxly Paints Limited	19.1.2	46,507	31,697
	3S Pharmaceuticals (Private) Limited - related party	19.1.3	8,131	7,288
		19.1.4	54,638	38,985
	Less: Impairment allowance	19.3	(7,338)	(5,689)
			47,300	33,296

19.1.1 These balances includes markup charged to related party balances. This closing balance includes interest receivable amounting to Rs. 27.76 million (2025: Rs. 2.17 million) from Buxly Paints Limited and Rs. 0.84 million (2025: Rs. 0.95 million) from 3S Pharmaceuticals (Private) Limited.

19.1.2 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 46.51 million (2025: Rs. 31.69 million).

19.1.3 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 8.13 million (2025: Rs. 7.54 million).

19.1.4 This represents receivables related to sharing of common expenses under normal trade as per agreed terms.

19.1.5 The Group holds the title documents of land owned by related party i.e., Buxly Paints Limited, which are retained in the Company's custody against the outstanding receivable balance.

19.2	**Aging of related party balances**		
	Past due 0 - 30 days	7,183	3,838
	Past due 31 - 60 days	5,575	3,779
	Past due 61 - 90 days	4,775	2,519
	Past due 91 - 120 days	6,357	3,970
	Past due 121 - 180 days	11,116	7,241
	Past due 181 - 364 days	12,761	15,776
	Past due over one year	6,871	1,862
		54,638	38,985
19.3	**Movement in impairment allowance is as follows:**		
	Balance as at July 01	5,689	3,312
	Provision charged during the year	1,649	2,377
	Balance as at June 30	7,338	5,689
19.4	**Movement in provision against export rebate is as follows:**		
	Balance as at July 01	9,736	9,736
	Provision for the year	569	-
	Balance as at June 30	10,305	9,736

19.5 This represents unclaimed sales tax invoices from the Federal Board of Revenue (FBR) and Punjab Revenue Authority (PRA), which will be adjusted against output tax in subsequent sales tax returns.

		Note	2026	2025
			(Rupees in thousand)	
20	**TAX REFUND DUE FROM GOVERNMENT**			
	Tax refund due from Government		216,861	216,861
	Taxation - net	20.1	70,172	60,478
			287,033	277,339
20.1	**Taxation - net**			
	Addition: advance taxes and taxes withheld			
	- for the tax year 2025		-	258,549
	- for the tax year 2026		255,864	21,654
	- for the tax year 2027		50,000	-
	Advance tax adjusted		60,478	-
	Tax refund rejected	39.1	(17,700)	-
	Provision for the year	43	(278,470)	(219,725)
	Closing balance		70,172	60,478
21	**SHORT TERM INVESTMENT**			
	At amortised cost			
	Term deposit receipts (TDRs)			
	JS Bank Limited	21.1	51,000	41,000
	Bank Islami Pakistan Limited	21.2	50,000	50,000
	Habib Metro Bank Limited	21.3	26,393	-
			127,393	91,000

21.1 This represents investment in Term Deposit Receipts (TDRs) with JS Bank Limited, having maturity periods of one year and maturing between July 16, 2026 to April 20, 2027. These carry mark-up ranging from 7.47% to 17.00% (2025: 8.92% to 22.00%) per annum.

21.2 This represents, investment in Term Deposit Receipts (TDRs) with the Bank Islami Pakistan Limited, having a maturity period of one year and maturing on October 09, 2026. This carries mark-up of 8.5% (2025: 18.5%) per annum.

21.3 This represents, investment in Term Deposit Receipts (TDRs) with the Habib Metro Bank Limited, having a maturity period of six months and maturing between August 26, 2026 to September 02, 2026. This carries mark-up of 8.15% to 9.4% per annum.

22	**CASH AND BANK BALANCES**			
	Cash at bank:			
	Local currency			
	- current accounts		397,737	270,568
	- saving accounts	22.1	24,694	25,239
	Cash in hand		622	852
			423,053	296,659

22.1 Balances in deposit accounts carry interest ranging from 9.70% to 9.25% (2025: 9.25% to 19%) per annum.

23	**NON CURRENT ASSET HELD FOR SALE**			
	Land and building	23.1	246,061	-

23.1 Reconciliation of non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder :

	Note	2026	2025
		(Rupees in thousand)	
As at July 01		-	-
Add: Carrying value of freehold land transferred from property, plant and equipment during the year	7.1	258,186	-
Less: Carrying value of assets disposed off during the year		-	-
Less: Cost to sell		(12,125)	-
As at June 30		246,061	-

23.2 Freehold land and building thereon situated at Property No. 36, Industrial Estate, Kot Lakhpat, Lahore, have been classified as held for sale during the year ended June 30, 2026. In accordance with the requirements of IFRS 5, the carrying amount of the asset has been written down to their fair value less costs to sell, amounting to Rs. 246.061 million. Subsequent to the year-end, the Parent Company has entered into a sale agreement with the prospective buyer for the disposal of the land for an amount of Rs. 295 million. Further, the building situated on the land was already fire-damaged and impaired when the property was acquired. Accordingly, no historical carrying value has been attributed to the building in the books.

24 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	2026	2025	2026	2025
	(Number of shares)		(Rupees in thousand)	
Authorised share capital				
Ordinary shares of Rs. 10 each	50,000,000	50,000,000	500,000	500,000
Issued, subscribed and paid-up share capital				
Voting ordinary shares of Rs. 10 each fully paid up in cash	12,135,798	12,135,798	121,358	121,358
Voting ordinary shares of Rs. 10 each issued as bonus shares	12,415,817	12,415,817	124,158	124,158
	24,551,615	24,551,615	245,516	245,516

24.1 As at June 30, 2026, Slotrapid Limited, the Holding Company, and their nominees hold 12,779,176 (2025: 12,779,176) voting ordinary shares of Rs. 10 each representing 52.05% (2025: 52.05%) of the ordinary paid up capital of the Group.

24.2 Movement of share capital is as follows:

Opening balance		245,516	245,516
Shares issued during the year	24.3	-	-
Closing balance		245,516	245,516

24.3 There is no shareholder agreement for voting rights, board selection, rights of first refusal and block voting.

	Note	2026	2025
		(Rupees in thousand)	
25 RESERVES			
Capital reserves			
Share premium reserve	25.1	34,086	34,086
Fair value reserve - net of tax	25.2	40,586	29,040
		74,672	63,126
Revaluation surplus on property, plant and machinery - net of tax	25.3	1,826,240	1,393,090
		1,900,912	1,456,216
Revenue reserves			
General reserve	25.3.3	285,000	285,000
Accumulated profits		1,951,373	1,711,907
		2,236,373	1,996,907
		4,137,285	3,453,123

25.1 This reserve can be utilized by the Group for the purpose specified in section 81 (2) of the Companies Act, 2017.

25.2 This represents fair value reserve created on investment classified as FVOCI.

25.3 Revaluation surplus on property, plant and machinery - net of tax

As at beginning of the year		1,393,090	1,437,720
Surplus/(loss) arising on revaluation:			
Freehold and leasehold land	7.1	350,755	-
Building on freehold land	7.1	(2,824)	-
Building on leasehold land	7.1	22,402	-
Plant and machinery	7.1	108,961	-
		479,294	-
		1,872,384	1,437,720
Incremental depreciation - net of tax		(46,144)	(50,463)
Share of revaluation surplus of associated company		-	5,833
		1,826,240	1,393,090

25.3.1 The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

25.3.2 The latest valuation of freehold land, leasehold land, building on freehold land, building on leasehold land and plant and machinery was carried out by M/s. Harvestor Services (Private) Limited, an independent valuer on June 30, 2026. The valuation was determined by reference to current market value of the similar properties / assets. The most significant input into this valuation approach is price per acre for land, price per square foot for buildings and present operational condition and age of plant and machinery respectively.

25.3.3 This represents reserve held for future expansion of the Group and further for mitigating any future losses that may occur during business operations.

	Note	2026	2025
		(Rupees in thousand)	
26 LONG TERM FINANCING - SECURED			
Secured			
Mark-up based financing from conventional banks:			
JS Bank Limited	26.1	11,062	19,549
National Bank of Pakistan Limited	26.2	45,671	53,128
		56,733	72,677
Islamic mode of financing:			
First Habib Modaraba	26.3	201,803	135,726
		258,536	208,403
Mark-up based financing from conventional banks:			
Current portion shown under current liabilities	31	(19,950)	(20,781)
Islamic mode of financing:			
Current portion shown under current liabilities	31	(44,811)	(30,163)
		(64,761)	(50,944)
		193,775	157,459

26.1 This represents long term loan facility amounting to Rs. 63 million to finance 0.604 MW grid pegged solar power plant. The outstanding balance is repayable in quarterly instalments of Rs. 2.25 million each ending in July 2027. Markup is payable quarterly and is charged at the rate of 6% per annum. The facility is secured against an equitable mortgage and first charge on land and building of Lahore factory of the Parent Company.

26.2 This represents long term loan facility amounting to Rs. 100 million. The loan was obtained under SBP refinancing scheme for Temporary Economic Refinance. The facility is repayable in quarterly instalments of Rs. 2.8 million each ending in September 2031. Markup is payable quarterly and is charged at 3 month Kibor plus 5% spread per annum. This facility was secured against first pari passu charge amounting to Rs. 134 million over all present and future current assets of the Parent Company.

		Note	2026	2025
			(Rupees in thousand)	
26.3	**First Habib Modaraba**			
	- First Habib Modaraba - facility 1	26.3.1	-	1,329
	- First Habib Modaraba - facility 2	26.3.2	-	400
	- First Habib Modaraba - facility 3	26.3.3	-	1,440
	- First Habib Modaraba - facility 4	26.3.4	-	629
	- First Habib Modaraba - facility 5	26.3.5	-	2,055
	- First Habib Modaraba - facility 6	26.3.6	-	1,627
	- First Habib Modaraba - facility 7	26.3.7	7,435	12,583
	- First Habib Modaraba - facility 8	26.3.8	2,864	3,564
	- First Habib Modaraba - facility 9	26.3.9	7,041	9,171
	- First Habib Modaraba - facility 10	26.3.10	8,833	11,317
	- First Habib Modaraba - facility 11	26.3.11	10,120	12,779
	- First Habib Modaraba - facility 12	26.3.12	26,280	32,120
	- First Habib Modaraba - facility 13	26.3.13	5,322	6,408
	- First Habib Modaraba - facility 14	26.3.14	4,907	5,909
	- First Habib Modaraba - facility 15	26.3.15	12,374	14,699
	- First Habib Modaraba - facility 16	26.3.16	6,821	8,011
	- First Habib Modaraba - facility 17	26.3.17	9,950	11,685
	- First Habib Modaraba - facility 18	26.3.18	14,460	-
	- First Habib Modaraba - facility 19	26.3.19	12,340	-
	- First Habib Modaraba - facility 20	26.3.20	7,570	-
	- First Habib Modaraba - facility 21	26.3.21	14,922	-
	- First Habib Modaraba - facility 22	26.3.22	19,776	-
	- First Habib Modaraba - facility 23	26.3.23	2,145	-
	- First Habib Modaraba - facility 24	26.3.24	9,407	-
	- First Habib Modaraba - facility 25	26.3.25	8,760	-
	- First Habib Modaraba - facility 26	26.3.26	10,476	-
			201,803	135,726

26.3.1 This represents diminishing musharika facility amounting to Rs. 5.21 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in September 2025. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid. This facility has been fully repaid.

26.3.2 This represents diminishing musharika facility amounting to Rs. 1.795 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in December 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid. This facility has been fully repaid.

26.3.3 This represents diminishing musharika facility amounting to Rs. 6.04 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in November 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid. This facility has been fully repaid.

26.3.4 This represents diminishing musharika facility amounting to Rs. 4.81 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in September 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid. This facility has been fully repaid.

26.3.5 This represents diminishing musharika facility amounting to Rs. 8.91 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in April 2026. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.6 This represents diminishing musharika facility amounting to Rs. 3.94 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in October 2025. Profit is payable quarterly and charged at the rate of six month's KIBOR plus 1% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid. This facility has been fully repaid.

26.3.7 This represents diminishing musharika facility amounting to Rs. 22.8 million for purchase of vehicles. The facility was repayable in 16 quarterly installments ending in June 2027. Profit was payable quarterly and charged at the rate of three month's KIBOR plus 1% per annum. The facility was secured against charge over present and future current and fixed assets of the Parent Company. The title of asset was held jointly by the Parent Company and the lender till the facility was fully repaid.

26.3.8 This represents diminishing musharika facility amounting to Rs. 4.4 million for purchase of vehicles. The facility was repayable in 20 quarterly installments ending in March 2029. Profit was payable quarterly and charged at the rate of three month's KIBOR plus 1% per annum. The facility was secured against charge over present and future current and fixed assets of the Parent Company. The title of asset was held jointly by the Parent Company and the lender till the facility was fully repaid.

26.3.9 This represents diminishing musharika facility amounting to Rs. 11.8 million for purchase of vehicles. The facility was repayable in 20 quarterly installments ending in May 2029. Profit was payable quarterly and charged at the rate of three month's KIBOR plus 1% per annum. The facility was secured against charge over present and future current and fixed assets of the Parent Company. The title of asset was held jointly by the Parent Company and the lender till the facility was fully repaid.

26.3.10 This represents diminishing musharika facility amounting to Rs. 13.80 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in August 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.11 This represents diminishing musharika facility amounting to Rs. 14.77 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in October 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.12 This represents diminishing musharika facility amounting to Rs. 36.50 million for purchase of generator. The facility is repayable in 20 quarterly installments ending in September 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.25% per annum, with periodic review. The facility is secured against charge registered with SECP over the asset value. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.13 This represents diminishing musharika facility amounting to Rs. 7.36 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in November 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.14 This represents diminishing musharika facility amounting to Rs. 6.77 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in November 2029. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.15 This represents diminishing musharika facility amounting to Rs. 16.21 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in February 2030. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.16 This represents diminishing musharika facility amounting to Rs. 8.52 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in March 2030. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.17 This represents diminishing musharika facility amounting to Rs. 12.42 million for purchase of vehicles. The facility is repayable in 20 quarterly installments ending in April 2030. Profit is payable quarterly and charged at the rate of three-month KIBOR plus 1.00% per annum. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.18 This represents a diminishing musharika facility amounting to Rs. 17.25 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in August 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.19 This represents a diminishing musharika facility amounting to Rs. 15.05 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in August 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.20 This represents a diminishing musharika facility amounting to Rs. 9.03 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in August 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.21 This represents a diminishing musharika facility amounting to Rs. 17.08 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in November 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.22 This represents a diminishing musharika facility amounting to Rs. 21.76 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in December 2030. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.23 This represents a diminishing musharika facility amounting to Rs. 2.60 million for the purchase of other assets. The facility is repayable in quarterly installments ending in February 2028. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.24 This represents a diminishing musharika facility amounting to Rs. 10.35 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in February 2031. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.25 This represents a diminishing musharika facility amounting to Rs. 9.32 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in April 2031. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.26 This represents a diminishing musharika facility amounting to Rs. 11.15 million for the purchase of vehicles. The facility is repayable in quarterly installments ending in May 2031. Profit is payable quarterly and charged at the rate of six-month KIBOR plus 1.5% per annum, subject to a floor of 7% and ceiling of 22%. The facility is secured against charge over present and future current and fixed assets of the Parent Company. The title of the asset is held jointly by the Parent Company and the lender till the facility is fully repaid.

26.3.27 The Group has total credit facilities of Rs. 163 million (2025: Rs. 163 million) at the year end. Whereas the Group has availed credit facilities of Rs. 163 million (2025: Rs. 163 million) and unavailed credit facilities of Nil (2025: Nil) at the year end.

	Note	2026	2025
		(Rupees in thousand)	
27 LONG TERM DIMINISHING MUSHARAKA			
Secured:			
Islamic mode of financing:			
Berger Paints Pakistan Limited (BPPL) - Sukuk of Rs. 500 million	27.1	41,666	208,333
Current portion shown under current liabilities:			
	31	(41,666)	(166,667)
		-	41,666

27.1 In 2023, the Parent Company issued Rs. 484 million BPPL Sukuk certificates, having face value of Rs. 1 million each aggregating to Rs. 484 million and entered into a diminishing musharaka agreement with the investment agent, Pak Oman Investment Company (trustee on behalf of the Sukuk holders) as a co-owner of the musharaka assets. The issue resulted in cash receipt of subscription money of Rs. Rs. 484 million. The Sukuk certificates carry profit at the rate of 3 months KIBOR + 1.5% with quarterly rental payments. These certificates are issued for a tenure of four years and are structured in such a way that first quarterly principal repayment installment commenced from the quarter ended September 2023. Under this arrangement the Parent Company sold the beneficial ownership of the musharaka assets, its freehold land and building on freehold land, to the investment agent (for the benefit of Sukuk holders) although legal title remains with the Parent Company. The overall arrangement has been accounted for in these consolidated financial statements on the basis of substance of the transaction.

28 DEFERRED GRANT			
Balance as at July 01		16,842	22,622
Amortization of grant during the year	40	(4,747)	(5,780)
		12,095	16,842
Less: current portion of deferred grants	31	(3,933)	(4,784)
Balance as at June 30		8,162	12,058

28.1 'This represents deferred grant recognised in respect of the benefit of below-market interest rate on long term finance facility as referred to in notes 26.1 and 26.2. The benefit has been measured as the difference between the fair value of the loan and the proceeds received. The Group received term finance facility under Refinancing / Temporary Economic Refinance Facility Scheme of the State Bank/ of Pakistan from different banks. ICAP issued the guidance for accounting of said financing through circular No. 11/2020, and based on this, the Group recognized the Deferred Grant in accordance with the requirements of IAS 20-Accounting for Government Grants and Disclosure of Government Assistance.

	Note	2026	2025
		(Rupees in thousand)	

29 LONG TERM EMPLOYEE BENEFITS

Defined benefit obligation			
Staff pension fund	29.1	(3,977)	1,371
Staff gratuity fund	29.1	69,687	139,967
		65,710	141,338
Other long term employee benefits			
Accumulating compensated absences	29.2	35,554	31,175
		101,264	172,513

Defined benefit obligation

As mentioned in note 5.22 the Group operates an approved funded gratuity and pension schemes for all its permanent employees. Actuarial valuation of the scheme is carried out every year and the latest actuarial valuation was carried out at June 30, 2026. Projected Unit Credit method based on the following assumptions was used for these valuations:

	2026	2025
Valuation discount rate	12.25%	15.75%
Expected rate of increase in salaries	11.25%	14.75%
Withdrawal rates	Age-Based (per appendix)	Age-Based (per appendix)
Expected mortality rate	SLIC (2001-05)	SLIC (2001-05)
Retirement age	60 years	60 years

29.1 Statement of financial position reconciliation

	2026		2025	
	Pension	Gratuity	Pension	Gratuity
	(Rupees in thousand)			
Present value of defined benefit obligation	132,393	205,491	116,062	175,716
Fair value of plan assets	(136,370)	(135,804)	(114,691)	(35,749)
	(3,977)	69,687	1,371	139,967

29.1.1 Movement in defined benefit obligation is as follows:

Obligation as at July 01	116,062	175,716	99,250	152,584
Employees' contribution not paid to the fund by the Company	1,916	-	1,693	-
Service cost	3,023	18,860	2,822	16,652
Interest cost	14,341	21,787	13,702	20,743
Benefits paid	(2,671)	(2,829)	(2,760)	(8,842)
Remeasurement loss / (gain)	(278)	(8,043)	1,355	(5,421)
Obligation as at June 30	132,393	205,491	116,062	175,716

		2026		2025	
		Pension	Gratuity	Pension	Gratuity
		(Rupees in thousand)			
29.1.2	**Movement in the fair value of plan assets is as follows:**				
	Fair value as at July 01	114,691	35,749	91,993	30,451
	Expected return on plan assets	5,758	10,381	12,686	4,263
	Remeasurement loss	14,430	(4,932)	12,772	1,035
	Company's contribution	4,162	97,435	-	8,842
	Benefits paid	(2,671)	(2,829)	(2,760)	(8,842)
	Fair value as at June 30	136,370	135,804	114,691	35,749
29.1.3	**Movement in net liability in the statement of financial position is as follows:**				
	Net liability as at July 01	1,371	139,966	7,257	122,133
	Charge for the year	2,934	30,267	3,838	33,132
	Charge to other comprehensive income during the year	(6,036)	(3,111)	(11,417)	(6,457)
	Company's contribution	(4,162)	(97,435)	-	(8,841)
	Employees' contribution deducted but not paid to the fund	1,916	-	1,693	-
	Net liability as at June 30	(3,977)	69,687	1,371	139,967
29.1.4	**Charge for the year - net**				
	Current service cost	3,023	18,860	2,822	16,652
	Interest cost	14,341	21,788	13,702	20,743
	Expected return on plan assets	(14,430)	(10,381)	(12,686)	(4,263)
		2,934	30,267	3,838	33,132
29.1.5	Actual return on plan assets	20,188	5,449	25,458	5,298
29.1.6	**The charge for the year has been allocated as follows:**				
	Cost of sales	1,267	13,750	1,647	13,669
	Selling and distribution expenses	1,331	11,284	1,746	13,724
	Administrative and general expenses	337	5,233	445	5,739
		2,934	30,267	3,838	33,132
29.1.7	**Plan assets comprise of the following:**				
	Collective investment schemes	99,743	25,000	81,830	25,052
	Cash at bank	36,627	110,804	32,861	10,697
		136,370	135,804	114,691	35,749

29.1.8 Amounts for the current year and previous four years of the fair value of plan assets, present value of defined benefit obligation and deficit thereon is as follows:

As at June 30,	2026	2025	2024	2023	2022
	(Rupees in thousand)				
Present value of defined benefit obligation	337,884	291,776	251,832	213,349	212,260
Fair value of plan assets	(272,174)	(150,438)	(122,444)	(93,329)	(87,735)
Deficit	65,710	141,338	129,388	120,020	124,525
Experience adjustment:					
Loss / (gain) on obligations	(8,322)	(4,066)	(6,941)	(19,607)	6,195
Gain on plan assets	24,810	16,949	16,446	12,071	10,814

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at reporting date.

29.1.9 Expected expense for next year

The expected expense to the pension and gratuity schemes for the year ending June 30, 2027 works out to Rs. 2.71 million and Rs. 30.53 million respectively.

29.1.10 The plans expose the Company to the actuarial risks such as:

Salary risks

The risk that the final salary at the time of cessation of service may be greater than that assumed in determination of present value of defined benefits obligations. As the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increase.

Mortality / withdrawal risks

The risks that the actual mortality / withdrawal experiences is different. The effect depends upon beneficiaries' service / age distribution and the entitled benefits of the beneficiary.

Interest rate risks

The risk that bond interest rate may be different. A decrease in bond interest rate will increase the liability, and vice versa.

29.1.11 Actuarial assumptions sensitivity analysis

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 1% with all other variables held constant, the impact on the present value of the defined benefit obligation as at June 30, 2026 would have been as follows:

Impact on present value of defined benefit obligation as at June 30, 2026

	Change		Pension		Gratuity	
			Increase to	Decrease to	Increase to	Decrease to
			---------- (Rupees in thousand) ----------			
Discount rate	±	1%	114,030	153,702	186,031	226,993
Future salary	±	1%	146,251	119,853	226,988	186,029

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

29.1.12 Weighted average duration of the defined benefit obligation is 17 years and 10 years for pension and gratuity plans, respectively.

		Note	2026	2025
			(Rupees in thousand)	
29.2	**Other long term employee benefits**			
	Movement in accumulated compensated absences			
	Balance as at July 01		31,175	28,071
	Provision during the year	29.2.2	8,207	9,196
	Payments made during the year		(3,828)	(6,092)
	Balance as at June 30		35,554	31,175
29.2.1	**Reconciliation of present value of liability**			
	Present value of liability as at July 01		31,175	28,071
	Service cost		3,560	3,169
	Interest on defined benefit liability		3,658	3,503
	Benefits paid		(3,828)	(6,092)
	Remeasurement gain		989	2,524
	Present value of liability as at June 30		35,554	31,175
29.2.2	**Charge for the year**			
	Service cost		3,560	3,169
	Interest on defined benefit liability		3,658	3,503
	Remeasurement gain		989	2,524
			8,207	9,196
29.2.3	**The charge for the year has been allocated as follows:**			
	Cost of sales		1,255	1,614
	Selling and distribution expenses		4,205	5,317
	Administrative and general expenses		2,747	2,265
			8,207	9,196

29.2.4 Expected expense for next year

The expected expense pertaining to accumulated compensated absences for the year ending June 30, 2027 works out to Rs. 8.02 million.

29.2.5 Actuarial assumptions sensitivity analysis

If the significant actuarial assumptions used to estimate the defined benefit obligation at the reporting date, had fluctuated by 1% with all other variables held constant, the impact on the present value of the defined benefit obligation as at June 30, 2026 would have been as follows:

Impact on present value of defined benefit obligation as at June 30, 2026

		Change	Defined benefit obligation	
			Increase to	Decrease to
Discount rate	±	1%	32,185	39,274
Future salary	±	1%	39,276	32,186

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

29.2.6 Weighted average duration of the defined benefit obligation is 10 years.

	Note	2026	2025
		(Rupees in thousand)	
30 TRADE AND OTHER PAYABLES			
Trade and other creditors		1,359,674	1,361,972
Import bills payable		564,408	473,962
Contract liabilities	35.4	91,408	70,008
Accrued expenses		84,293	79,461
Provision for infrastructure cess	30.1	96,087	96,087
Royalty payable to related parties	30.2	75,808	61,656
Technical fee payable		40,090	40,090
Workers' Profit Participation Fund	30.3	31,007	25,879
Workers' Welfare Fund	30.4	16,726	13,219
Due to statutory authorities		11,442	-
Advance against sale of vehicle from employee	30.5	58,272	39,314
Witholding tax payable		8,067	3,883
Due to provident fund		2,280	-
Advance against land held for sale	30.6	20,000	-
Sales tax payable		2,113	2,113
Others		35,289	33,251
		2,496,964	2,300,895
30.1 Provision for infrastructure cess			
Balance as at July 01		96,087	96,087
Provision for the year		-	-
Balance as at June 30		96,087	96,087

30.1.1 Pursuant to Honorable Supreme Court order in September 2021, during the year, the Group is paying this Cess as per the Sindh Development and Maintenance of Infrastructure Cess Act, 2017. However, in the said order, interim relief was provided to the companies, and recovery of the Cess payable was suspended till any further order.

The Group is a party to an appeal pending before the Honourable Supreme Court of Pakistan, filed against the decision of the Honourable Sindh High Court in respect of the Sindh Development & Maintenance of Infrastructure Cess. As at the reporting date, the appeal remains pending adjudication. Further, the Group has not opted for either the lump-sum payment option or the instalment arrangement prescribed under the Sindh Development & Maintenance of Infrastructure Cess (Amendment) Act, 2026, pending the outcome of the matter before the Supreme Court. Accordingly, in the absence of a settlement agreement or a determined settlement strategy by management, the provision recognized in respect of the cess continues to be carried at its existing amount, with no adjustment made for present value measurement, discounting or current/non-current classification.

30.2 This includes amount due to the following related parties:			
Slotrapid Limited - Holding Company		75,776	61,624
Buxly Paints Limited - Associated Company		32	32
		75,808	61,656
30.3 Workers' Profits Participation Fund			
Balance as at July 01		25,879	28,449
Allocation for the year		27,092	21,278
Interest on funds utilized in the Company's business		-	685
		52,971	50,412
Payments during the year		(21,964)	(24,533)
Balance as at June 30		31,007	25,879

30.3.1 Interest on outstanding liability towards Workers' Profit Participation Fund is charged at bank rate plus 2.50% per annum as required under the Companies Profits (Workers' Participation) Act, 1968.

	Note	2026	2025
		(Rupees in thousand)	
30.4 Workers' Welfare Fund			
Balance as at July 01		13,219	9,699
Allocation for the year		14,551	11,803
Interest on funds utilized in the Company's business		-	-
		27,770	21,502
Payments/adjustments during the year		(11,044)	(8,283)
Balance as at June 30		16,726	13,219
30.5 Advance against sale of vehicle from employee			
Deduction from salaries	30.5.1	58,272	39,314

30.5.1 This represents the balance deducted against employees' salaries for the vehicles scheme. This will be adjusted against the disposal of fixed assets on retirement/leaving of employees or completion of full deduction.

30.6 This amount represents advance received against land held for sale (disclosed in note 23 to these consolidated financial statements). Subsequent to the year-end, the Parent Company has entered into a sale agreement with the prospective buyer for the disposal of the land for an amount of Rs. 295 million.

31 CURRENT PORTION OF LONG TERM FINANCING			
Current portion of long term financing	26	64,761	50,944
Current portion of long term diminishing musharaka	27	41,666	166,667
Current portion of deferred income	28	3,933	4,784
		110,360	222,395
32 ACCRUED MARKUP			
Mark-up based borrowings from conventional banks			
Long term financing - secured		786	1,068
Short term running finances - secured		43,592	33,220
		44,378	34,288
Mark-up based borrowings from Islamic banks			
Long term diminishing musharaka - secured		75	362
		44,453	34,650
33 SHORT TERM BORROWINGS - SECURED			
Secured from financial institution			
Mark-up based borrowings from conventional banks			
Short term running finance - secured	33.1	1,648,681	961,343
Mark-up based borrowings from Islamic banks			
Short term running finance - secured	33.2	188,644	240,128
		1,837,325	1,201,471

33.1 Short term financing - Conventional banks

This represents utilized amount of short term running finance facilities under mark-up arrangements available from commercial banks aggregating to Rs. 1,700 million (2025: Rs. 1,350 million). These facilities are secured against joint pari passu charge over all the present and future current assets of the Parent Company and carry mark-up at rates ranging between 11.08% and 13.66% (2025: 11.33% and 20.24%) per annum, payable quarterly.

33.2 Short term running finances - Islamic banks

This represents utilized amount of short term running finance facilities under mark-up arrangements available from commercial banks aggregating to Rs. 800 million (2025: Rs. 300 million). These facilities are secured against registered charge over the current assets of the Parent Company and carry mark-up at rates ranging between 11.49% and 12.78% (2025: 11.33% and 22.02%) per annum, payable quarterly.

33.3 The Group has total credit facilities of Rs. 2,500 million (2025: 1,650 million) at the year end. Whereas the Group has availed credit facilities of Rs. 2,500 million (2025: Rs. 1,650 million) and unavailed credit facilities of Nil (2025: Nil) at the year end.

34 CONTINGENCIES AND COMMITMENTS

34.1 Contingencies

a) The Parent Company contracted Allied Engineering for installation of solar panels and solar systems at the factory. The process was to be completed in different phases. After the completion of initial phase, issues were identified in the solar systems installed. The Parent Company opted to get the solar systems installed from another vendor while inviting Allied Engineering to reach a settlement. However, Allied Engineering wanted full execution of the contract and full payment of the agreed amount, out of which Rs. 4 million is unpaid at the reporting date. The management on the basis of legal advice, believes that it has a strong case and no further financial obligation is expected to arise.

b) The Sindh Revenue Board (SRB) through an assessment raised sales tax demand amounting to Rs. 39.34 million along-with penalty. Department (SRB) had inadvertently added all royalty figures appearing in accounts including royalty receivable, royalty payable, royalty expense and related party transfers for the calculation of tax on royalties. The Parent Company, through its legal counsel, filed an appeal before the Commissioner (Appeals) SRB on the grounds that amount of sales tax is not correctly calculated and the provisions of Sindh Sales Tax on Services Act, 2011 are not applicable for the reason that the Parent Company is managing its affairs from the province of Punjab. The Commissioner (Appeals) had reduced the demand to Rs. 8.18 million, against which the Parent Company had filed an appeal before Appellate Tribunal SRB which is pending adjudication. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these consolidated financial statements.

c) During 2018, the Deputy Commissioner Inland Revenue (DCIR) issued show cause notices for collection of income tax under section 236G / 236H of the Income Tax Ordinance 2001. In this regard, the taxation officer raised demand of Rs. 19.1 million for tax years 2016 vide order dated August 30, 2017 The Parent Company through its legal counsel filed appeals to Commissioner Inland Revenue Appeals (CIR - A) against the said order, partial relief was granted by CIR-A. Being aggrieved from the CIR-A order, the Parent Company through its legal counsel filed appeal before ATIR which has been heard on January 10, 2024 but no judgment has been announced as of yet. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these consolidated financial statements.

d) The Additional Commissioner Inland Revenue (ACIR) and Deputy Commissioner Inland Revenue (DCIR), while proceeding U/S 122 of the Income Tax Ordinance, 2001 created income tax demands amounting to Rs. 484.38 million and Rs. 213.12 million for the tax years 2014 and 2016 respectively vide two separate orders. The Parent Company filed an appeal before Commissioner Inland Revenue (Appeals), the Commissioner Inland Revenue (Appeals) remanded the case on some issues and confirmed additions to the tune of Rs. 32.99 million and Rs. 9.2 million for the tax year 2014 and 2016 respectively.

The Parent Company through its legal counsel had filed an appeal before ATIR for both cases. For Tax year 2014, the ATIR has remanded back the case to CIR-A again, no date of hearing has been fixed as of yet. And for Tax year 2016 the ATIR remanded the case back to CIR-A. The Parent Company through application dated March 27, 2025 has filled for rectification of the remand back order. The management believes that it has a strong arguable case and matter will be decided in favor of the Parent Company. Hence no provision has been recorded in these consolidated financial statements.

e) The Commissioner Appeals - I, Lahore, vide its order for tax year 2016, deleted certain additions while remanding the case on certain issues and upheld the case on issue of contractor services which involves revenue amounting to Rs. 10.67 million. Appeal against this order has been filed which is pending adjudication. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these consolidated financial statements.

f) During the year 2016, a notice from Punjab Revenue Authority involving an amount of Rs. 11.45 million as royalty fee and technical services for the period October 2012 to March 2015 was issued which is under investigation / adjudication proceedings and no demand is raised. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these consolidated financial statements.

g) "Additional Commissioner Enforcement of Punjab Revenue Authority issued assessment order creating demand of Rs. 132 million under various section of Punjab Sales Tax on Services Act 2012. However, the Parent Company through its legal counsel filed appeal before Commissioner Appeals PRA against the order of Additional Commissioner. The Commissioner Appeals through order dated April 16, 2024 has remanded back the case to the Additional Commissioner for further assessment, no hearing has been called by Additional Commissioner till date. "

h) DCIR raised a demand amounting to Rs. 10.5 million in relation to sales tax on sales of scrap stock burnt in fire in 2008 which was upheld by Commissioner Appeals. This demand was later reduced by Appellate Tribunal up to the demand pertaining to sales tax on fixed assets. The Parent Company being aggrieved by the order of ATIR, filed an appeal before honorable Lahore high court which was remanded back to the ATIR and is pending adjudication. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome, hence no provision has been recorded in these consolidated financial statements.

i) The DCIR passed order under section 161(1) for tax year 2014 and raised a demand amounting to Rs. 33.5 million. The Parent Company filed an appeal before the Commissioner Inland Revenue (Appeals). The Appeals remanded back the case to the department for further assessment. Currently, no demand is in field against the Parent Company.

j) Various cases on account of income tax and sales tax matters involving an amount Rs. 11.401 million are also pending. The management on the basis of opinion of the tax advisor is hopeful of a favorable outcome in all these cases, hence no provision has been recorded in these consolidated financial statements.

k) The Additional Commissioner IR issued a show cause notice dated April, 23, 2022 for tax year 2021 and subsequently passed order under section 122 (5A) to the Income Tax Ordinance, 2001 dated September 02, 2022 amounting to Rs. 455 million. The Parent Company filed an appeal before Commissioner IR Appeals-1(CIR-A) Lahore. The CIR-A through order dated November 04, 2023 decided appeal partially in favor of the Parent Company. The Parent Company filled appeal against CIR-A order before ATIR, the appeal has been heard on March 01, 2024. The ATIR deleted the additions and upheld the decision of CIR-A of remanding back certain additions through order dated February 04, 2025. The Parent Company through its legal counsel had filed an application for rectification of the said order, which has not been fixed as of yet. The Parent Company is expecting a favorable outcome, accordingly no provision has been recorded in the books of accounts.

l) The DCIR issued a show cause notice dated June 26, 2023 on various matters. In response, the Parent Company submitted replies through letters dated August 02, 2023, October 10, 2023, November 07, 2023, December 15, 2023, and May 15, 2023. Subsequently, the Deputy Commissioner Inland Revenue passed an order raising sales tax demand of Rs. 112.73 million along with penalty of Rs. 4.05 million. Being aggrieved, the Parent Company filed an appeal before the Commissioner Inland Revenue Appeals, who, vide order No. 1/A-V dated May 13, 2024, upheld the demand. The Parent Company then preferred an appeal before the Appellate Tribunal Inland Revenue. The Tribunal, vide order No. 1056/L8/2024 dated July 29, 2024, remanded the case back to the assessing officer for reconsideration. Pursuant to this, the assessing officer initiated fresh proceedings through Notice No. C.No./S.Tax/U-10/1579 dated August 20, 2024, to which the Parent Company submitted its reply via letter No. LT/0757/24 dated November 04, 2024. The case is currently pending adjudication. The Parent Company is expecting a favorable outcome, accordingly no provision has been recorded in the books of accounts.

m) The Parent Company is facing claims, launched in the labor and civil courts, pertaining to salaries, staff retirement benefits and customer matters. The claims amount cannot be quantified due to nature of the claims.

34.2 Outstanding letters of guarantee as at June 30, 2026 amounts to Rs. 184.04 million (2025: Rs. 138.28 million).

34.3 Commitments

Outstanding letters of credit as at June 30, 2026 amounts to Rs. 693.51 million (2025: Rs. 649 million) for purchase of raw and packing materials.

	Note	2026	2025
		(Rupees in thousand)	
35 REVENUE FROM CONTRACT WITH CUSTOMERS			
Local	35.6	13,840,093	12,976,766
Export		47,101	147,908
		13,887,194	13,124,674
Less:			
Discounts		(1,971,000)	(2,057,452)
Sales tax		(2,740,038)	(2,122,528)
		(4,711,038)	(4,179,980)
		9,176,156	8,944,694

35.1 The Parent Company is involved in trading of paints, varnishes and other related items. The performance obligation is satisfied upon delivery of goods. The Parent Company makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 60 to 90 days from the date of delivery of goods.

35.2 Timing of revenue recognition - net

Goods and services transferred at a point in time	9,176,156	8,944,694

35.3 Geographical market

Pakistan	9,129,055	8,796,786
Afghanistan	47,101	147,908
	9,176,156	8,944,694

35.4 Contract balances

Contract balances primarily comprises of contract liabilities, representing advance consideration received from customers for the purchase of products. Balance as at reporting date amounted to Rs. 91.41 million (2025: Rs. 70.00 million). Revenue recognized during the reporting period which was included in the contract liabilities at the beginning of the period amounted to Rs. 70.00 million (2025: Rs. 137.53 million).

35.5 Movement of contract liabilities is as follows:

Opening balance	70,008	137,526
Advance received	91,408	70,008
Income recongised	(70,008)	(137,526)
Closing balance	91,408	70,008

35.6 This includes an amount of Rs. 341.79 million and Rs. 36.98 million (2025: Rs. 363.91 million and Rs. 44.65 million) charged to Buxly Paints Limited, a related party of the Group for material and toll manufacturing, respectively.

		Note	2026	2025
			(Rupees in thousand)	
36	**COST OF SALES**			
	Finished goods as at July 01		544,250	576,086
	Cost of goods manufactured	36.1	7,281,531	7,080,299
	Provision /(reversal) slow moving finished goods		54,955	(64,444)
	Less: Finished goods as at June 30	15	(834,563)	(544,250)
	Consumption of finished goods purchased for resale	36.4	860	42,998
	Cost of sales		7,047,033	7,090,689
36.1	**Cost of goods manufactured**			
	Raw and packing materials consumed	36.2	6,175,705	5,929,496
	Freight and handling		304,132	342,227
	Stores and spare parts consumed		12,766	15,049
	Salaries, wages and other benefits	36.3	128,511	127,830
	Contracted services	36.5	260,640	206,109
	Travelling and conveyance		16,866	14,975
	Fuel, water and power		101,492	118,685
	Legal and professional		2,298	472
	Project application cost	36.7	36,760	47,515
	Insurance		10,117	9,229
	Repairs and maintenance		53,677	45,344
	Depreciation	7.1.7	146,303	142,575
	Toll manufacturing cost		35,221	42,519
	Office entertainment		10,022	5,733
	Security services		8,375	6,467
	Printing and stationery		947	2,389
	Communication		1,652	1,781
	Others		16,683	11,232
			7,322,167	7,069,627
	Opening stock of semi-processed goods		156,317	168,032
	Closing stock of semi-processed goods	15	(195,456)	(156,317)
	Provision reversed during the year		(1,497)	(1,043)
	Cost of goods manufactured		7,281,531	7,080,299
36.2	**Raw and packing materials consumed**			
	Raw and packing material as at July 01		829,777	667,861
	Purchases of raw and packing material		6,336,974	6,094,509
	Provision slow moving finished goods		(1,207)	(3,097)
	Less: Raw and packing material as at June 30	15	(989,839)	(829,777)
	Raw and packing materials consumed		6,175,705	5,929,496

36.3 Salaries, wages and benefits include Rs. 16.51 million (2025: Rs. 13.68 million) in respect of gratuity fund, Rs. 1.37 million (2025: Rs. 1.64 million) in respect of pension fund, Rs. 1.14 million (2025: Rs. 1.61 million) in respect of compensated absences and Rs. 4.21 million (2025: Rs. 4.80 million) in respect of provident fund contribution.

	Note	2026	2025
		(Rupees in thousand)	

36.4 The movement of finished goods purchased for resale is as follows:

Finished goods as at July 01	38,211	81,209
Add: Finished goods purchased for resale during the year	-	-
Less: Consumption of finished goods during the year	(860)	(42,998)
Finished goods as at June 30	37,351	38,211

36.5 This represents amount related to outsourced staff from FSC Integrated Services (Private) Limited.

36.6 This represents amount related to freight and handling charges for delivery of goods to customers and management considered this cost as part of the product.

36.7 This represents amount related to project undertaken for road marking and related services.

37 SELLING AND DISTRIBUTION EXPENSES

Salaries and other benefits	37.1	494,485	447,923
Contracted services	37.4	33,858	32,665
Travelling and conveyance		2,528	3,140
Rent, rates and taxes		10,327	3,862
Insurance		8,007	8,139
Fuel, water and power		2,879	3,374
Advertising and sales promotion		278,000	250,291
Technical services and royalty fee	37.2	130,121	125,148
Repairs and maintenance		2,539	4,379
Depreciation	7.1.7	56,080	39,246
Printing and stationery		1,058	1,976
Legal and professional		762	699
Communication		4,444	4,476
Others		6,932	7,628
		1,032,020	932,946

37.1 Salaries, wages and benefits include Rs. 13.55 million (2025: Rs. 13.72 million) in respect of gratuity fund, Rs. 1.49 million (2025: Rs. 1.75 million) in respect of pension fund, Rs. 3.82 million (2025: Rs. 5.26 million) in respect of compensated absences and Rs. 12.49 million (2025: Rs. 10.57 million) in respect of provident fund contribution.

37.2 This represents royalty and technical fee expense for the year. Detail is as follows:

Name and address of the party	Relationship with			
Slotrapid Limited (Suit # 1 Akara Building, 24 De-Cantro Street, Wickham Cay 1, Road Town, Tortola, British Virgin Island.)	Licensor (the Holding Company)	37.3	130,121	125,148
Oxyplast Belgium N.V. (Hulsdonk 35-B 9042/Gent – Mendonk, Belgium.)	Licensor		-	-
			130,121	125,148

37.3 During the year, the Group paid royalty fee amounting to Rs. 115.97 million (2025: Rs. 103.65 million).

37.4 This represents amounts relates to outsourced staff from FSC Integrated Services (Private) Limited.

		Note	2026	2025
			(Rupees in thousand)	
38	**ADMINISTRATIVE AND GENERAL EXPENSES**			
	Salaries and other benefits	38.1	170,407	155,893
	Contracted services	38.2	3,143	2,392
	Impairment on plant property and equipment	7.1	-	201
	Directors' meeting fee		5,775	3,400
	Travelling and conveyance		24,629	21,906
	Rent, rates and taxes		7,127	7,298
	Insurance		5,087	4,538
	Auditors' remuneration	38.3	4,281	3,926
	Fuel, water and power		992	961
	Repairs and maintenance		3,821	2,678
	Depreciation	7.1.7	32,850	22,855
	Printing and stationery		841	2,420
	Legal and professional		19,127	19,006
	Communication		3,271	3,380
	Others		6,772	1,023
			288,123	251,877

38.1 Salaries, wages and benefits include Rs. 6.29 million (2025: Rs. 5.74 million) in respect of gratuity fund, Rs. 0.37 million (2025: Rs. 0.45 million) in respect of pension fund, Rs. 2.49 million (2025: Rs. 2.24 million) in respect of compensated absences and Rs. 7.19 million (2025: Rs. 6.39 million) in respect of provident fund contribution.

38.2 This represents amounts relates to outsourced staff from FSC Integrated Services (Private) Limited.

38.3 Auditors' remuneration

Audit fee		2,310	2,100
Consolidation and half yearly review		990	900
Out of pocket expenses		330	200
Statutory certifications and others		306	333
		3,936	3,533
38.3.1 Auditors' remuneration of the Subsidiaries			
Audit fee		345	393
		4,281	3,926

39	**OTHER OPERATING EXPENSES**		
Workers' Welfare Fund	30.4	14,551	11,024
Workers' Profit Participation fund	30.3	27,092	21,278
Exchange loss - net		11,079	10,548
Advance tax	39.1	17,700	-
Impairment on other receivables and deposits		1,658	2,377
		72,080	45,227

39.1 This represents advance tax of Rs. 17.70 million that was rejected by the Government during the tax year 2026. The Group claimed tax refund amounting to Rs. 77.87 million for the tax year 2025, against which Rs. 60.17 million was accepted, while the remaining Rs. 17.70 million was rejected.

		Note	2026	2025
			(Rupees in thousand)	
40	**OTHER INCOME**			
	Income from financial assets			
	Mark-up on term deposit receipts long term loan, saving account, and related party	40.1	41,545	22,202
	Income from non-financial assets			
	Sale of scrap		26,364	31,918
	Gain on disposal of property, plant and equipment - net	7.1.2	9,854	7,756
	Rental income and other services charged to related parties		1,231	1,200
	Export rebate		84	2,100
	Insurance claim		1,434	417
	Amortization of deferred grant	28	4,747	5,440
	Others		8,829	21,355
			94,088	92,388

40.1 This includes interest income of Rs. 27.76 million (2025: Rs. 2.17) charged on receivable balance from Buxly Paints Limited.

41	**FINANCE COST**			
	Islamic mode of financing:			
	- Long term financing - secured		14,752	8,859
	- Long term diminishing musharaka - secured		18,046	53,523
	- Short term running finances - secured		19,401	9,512
			52,199	71,894
	Mark-up based borrowings from conventional banks:			
	- Long term financing - secured		8,842	10,507
	- Short term financing - secured		-	15,396
	- Short term running finances - secured		120,064	116,237
			128,906	142,140
	Interest on WPPF		-	685
	Bank charges		7,386	9,317
			188,491	224,036
42	**LEVY**			
	Final tax	42.1		
	- for the year		1	3
	- prior year		-	-
	Minimum tax		-	-
			1	3

42.1 This represents final taxes paid under Section 154A of Income Tax Ordinance, 2001 representing levy in terms of requirements of IFRIC 21/IAS 37.

		Note	2026	2025
			(Rupees in thousand)	
43	**TAXATION**			
	Current			
	- for the year	43.1	282,021	213,623
	- prior year	43.2	(3,551)	1,271
			278,470	214,894
	Deferred			
	- current year	13.2	(82,106)	(49,504)
	- prior year		-	-
			196,060	165,390
43.1	**Current year tax includes super tax as follows:**			
	- current year		72,313	54,019
	- prior year		-	(410)
			72,313	53,609

43.2 This represents a difference between net taxation charged in the consolidated financial statements and the income tax return filed in the last year.

43.3 Reconciliation of tax charge

Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss account is as follows:

	2026	2025
	(Rupees in thousand)	
Current tax liability for the year as per applicable tax laws	278,471	214,897
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(278,470)	(214,894)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(1)	(3)
Difference	-	-

43.4 The aggregate of final tax and income tax amounting to Rs. 278.471 million (2025: Rs. 214.897 million represents tax liability of the Group calculated under the relevant provisions of the Income Tax Ordinance, 2001.

Profit before income tax	506,230	461,486
Tax calculated at the rate of 29% (2025: 29%)	146,807	133,831
Super tax	72,313	54,019
Tax effect of:		
Prior year adjustment	(3,551)	1,271
Defered tax income for the year	(82,410)	(49,504)
Temporary differences	62,901	25,773
	196,060	165,390

43.5 Comparison of tax provision against tax assessments

Years	Excess/ (Short)	Tax provision	Tax assessment/ tax return
		(Rupees)	
2024-25	3,550,540	214,597,276	211,046,736
2023-24	3,557,269	168,268,956	164,711,687
2022-23	(711,436)	114,679,017	115,390,453

43.6 As at June 30, 2026, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in the consolidated financial statements for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

44 EARNINGS PER SHARE - BASIC AND DILUTED

44.1 Earning per share - basic and diluted

	2026	2025
Profit attributable to ordinary shareholders (Rupees in thousand)	310,317	297,289
Weighted average number of shares outstanding during the year (Number of shares)	24,551,615	24,551,615
Earning per share - basic (Rupees)	12.64	12.11

44.2 No figure for diluted earnings per share has been presented as the Group has not issued any instruments carrying options as at June 30, 2026, which would have an impact on earnings per share when exercised.

45 CASH AND CASH EQUIVALENTS

	Note	2026 (Rupees in thousand)	2025 (Restated)
Cash and bank balances	22	423,053	296,659
Short term borrowing - overdraft	33	(6,801)	-
		416,252	296,659

45.1 Short-term borrowings with maturities exceeding ninety days, previously included as cash and cash equivalents, have been reclassified as financing activities in the statement of cash flows. The corresponding figures have been updated accordingly.

46 CASH FLOWS FROM OPERATING ACTIVITIES

	Note	2026 (Rupees in thousand)	2025 (Restated)
Profit before taxation		506,231	461,489
Adjustments for non-cash and other items:			
Depreciation on property, plant and equipment	7.1.7	235,233	204,518
Gain on disposal of property, plant and equipment	40	(9,854)	(7,756)
Provision charged against slow moving stock - net		52,251	(68,584)
Impairment loss recorded during the year		130,102	15,370
Provision for long term employee benefit		41,407	46,166
Advance tax	39	17,700	-
Finance cost	41	188,491	225,785
Provision for Workers' Profit Participation Fund	39	27,092	21,963
Provision for Workers' Welfare Fund	39	14,551	11,024
Amortization of deferred grant	40	(4,747)	6,120
Impairment on property, plant and equipment			201
Share of loss of equity - accounted investee	9	6,164	3,465
Mark-up on term deposit receipts and long term loan		(41,545)	(16,827)
		656,845	441,445
Net cash flow before working capital changes		1,163,076	902,934

47 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Unclaimed dividend	Long term diminishing musharaka	Long term financing	Short term borrowing	Total
	(Rupees in thousand)				
As at June 30, 2025	13,539	208,333	225,245	1,201,471	1,648,588
Changes from financing cash flows					
Dividend paid	(128,583)	-	-	-	(128,583)
Short term borrowings - net	-	-	-	-	-
Loan obtained under long term financing	-	-	113,580	-	113,580
Repayment of long term financing	-	-	(63,447)	-	(63,447)
Short term borrowings - net	-	-	-	629,053	629,053
Long term diminishing musharaka - net	-	(166,667)	-	-	(166,667)
Total changes from financing cash flows	(128,583)	(166,667)	50,133	629,053	383,936
Other changes					
Adjustment of Government grant	-	-	(4,747)	-	(4,747)
Short term borrowings - cash and cash equivalents	-	-	-	6,801	6,801
Dividend declared	122,758	-	-	-	122,758
Total liability related other changes	122,758	-	(4,747)	6,801	124,812
As at June 30, 2026	7,714	41,666	270,631	1,837,325	2,157,336
As at June 30, 2024	12,478	375,000	167,291	669,635	1,224,404
Changes from financing cash flows					
Dividend paid	(97,145)	-	-	-	(97,145)
Short term borrowings - net	-	-	-	531,836	531,836
Loan obtained under long term financing	-	-	129,480	-	129,480
Repayment of long term financing	-	-	(77,620)	-	(77,620)
Long term diminishing musharaka - net	-	(166,667)	-	-	(166,667)
Total changes from financing cash flows	(97,145)	(166,667)	51,860	531,836	319,884
Other changes					
Adjustment of Government grant	-	-	6,094	-	6,094
	-	-	-	-	-
Short term borrowings - cash and cash equivalents					
Dividend declared	98,206	-	-	-	98,206
Total liability related other changes	98,206	-	6,094	-	104,300
As at June 30, 2025	13,539	208,333	225,245	1,201,471	1,648,588

48 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the consolidated financial statements for the year for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Parent Company are as follows:

	2026			2025		
	Chief Executive	Executives	Non-Executive Directors	Chief Executive	Executives	Non-Executive Directors
	(Rupees in thousand)					
Fees	-	-	5,775	-	-	4,600
Managerial remuneration (including bonus)	22,000	116,121	-	22,000	93,741	-
Retirement and other long term benefits	2,000	85,177	-	2,000	68,525	-
House rent allowance	-	35,413	-	-	29,992	-
Utilities	-	7,870	-	-	6,665	-
Medical expenses	-	9,837	-	-	8,331	-
Provident fund	2,000	7,558	-	2,000	6,316	-
	26,000	261,976	5,775	26,000	213,570	4,600
Number of persons	1	41	7	1	35	7

48.1 Retirement and other long term benefits include benefits provided under provident fund, gratuity, pension and accumulated compensated absences.

48.2 The Chief Executive and certain other executives of the Group are provided with free use of Group cars. The approximate value of the benefit amounts to Rs. 53.74 million (2025: Rs. 36.73 million).

49 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Parent Company is a subsidiary of Slotrapid Limited, therefore all the subsidiaries and associates of the Holding Company are related parties of the Group. In addition related parties includes long term employee benefit, directors and key management personnel. Amounts due from and due to related parties, remuneration of directors and key management personnel are disclosed in the relevant notes.

Name of parties	Nature of relationship	Nature of transactions	Note	June 30, 2026		June 30, 2025	
				Transactions during the period	Closing balance	Transactions during the year	Closing balance
				(Rupees in thousand)			
Slotrapid Limited	Holding Company	Royalty expense		130,121	-	125,148	-
		Royalty payable		-	75,776	-	61,624
		Payment		115,970	-	103,650	-
		Dividend paid		66,927	-	43,287	-
3S Pharmaceutical (Private) Limited	Associated Company	Receipts / adjustments		415	-	1,215	-
		Impairment allowance		-	-	3,465	-
		Common expenditures incurred		416	-	1,732	-
		Other receivable		-	8,131	-	7,288
		Interest income		842	-	947	-
Buxly Paints Limited ("BPL")	Related Party	Sales - raw material		341,791	-	363,912	-
		Sales - toll manufacturing		36,982	-	44,645	-
		Rental expense		8,800	-	1,800	-
		Rental income and other services		1,231	-	1,200	-
		Common expenditures incurred		24,703	-	35,200	-
		Markup		27,757	-	2,176	-
		Receipts / adjustments		30,081	-	4,103	-
		Trade debt		-	426,644	-	362,053
		Royalty payable		-	32	-	32
		Other receivable		-	46,507	-	31,697
		Toll manufacturing - cost		35,221	-	42,519	-
Post employment benefit plans (Key Management Personnel)		Contribution to gratuity fund		97,435	-	8,842	-
		Gratuity fund payable		-	69,687	-	139,967
		Contribution to pension fund		2,246	-	-	-
		Pension fund receivable / payable		-	3,977	-	1,371
		Contribution to leave encashment		3,828		6,092	
		Leave encashment payable		-	35,554	-	31,175
		Contribution to provident fund		74,828	-	43,525	-
		Provident fund payable / receivable		-	2,280	-	633

49.1 Basis of relationship with the Group

In respect of associated companies and holding company incorporated inside Pakistan with whom the Group had entered into transaction during the financial year along with basis of relationship is as follows:

Name of related party	Country of Incorporation /origin	Relationship	Basis of Association	Shareholdings	Basis of Association	Shareholdings
			2026		2025	
Slotrapid Limited	British Virgin Island	Holding	Shareholding	52.05%	Shareholding	52.05%
Berger DPI (Private) Limited	Pakistan	Subsidiary	Shareholding	51%	Common management	51%
Berger Road Safety (Private) Limited	Pakistan	(Wholly owned subsidiary of Berger DPI (Private) Limited)	Shareholding	-	Common management	-
3S Pharmaceutical (Private) Limited	Pakistan	Associated	Shareholding	49%	Common management	49%
Buxly Paints Limited	Pakistan	Related Party	Common management	19%	Common management	19%
Dadex Externit Limited	Pakistan	Associated	Common management	-	Common management	-

49.2 In addition to these transactions, the Group has an agreement with BPL for construction and use of warehouse on BPL's land located at X-3 Manghopir Road, S.I.T.E., Karachi for a term of ten years at a nominal monthly rent. After the aforementioned term of ten years, the Group will handover the possession of the building to BPL free of cost.

49.3 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Directors and Executive (note 48)". There are no transactions with key management personnel other than under their terms of employment except otherwise stated.

49.4 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Group considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

49.5 The Group holds a 19% equity interest in Buxly Paints Limited, a related party, which is classified as an equity investment measured at fair value through other comprehensive income (FVOCI). Although the Group's ultimate parent, Slotrapid Limited, holds an additional 37.6% interest in Buxly Paints Limited, resulting in an effective interest of 52.05% at the group level, management has determined that the Group does not have significant influence over the investee. Accordingly, the investment has been accounted for as an equity instrument at FVOCI.

50 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

50.1 Risk management of financial instruments

The Group finances its operations through equity, borrowings and management of working capital with a view to obtain a reasonable mix between the various sources of finance to minimize the finance related risks to the entity.

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

- Market risk
- Credit risk
- Liquidity risk

The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

50.1.1 Risk management framework

The Board of Directors have the overall responsibility for the establishment and oversight of Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect to changes in market conditions and the Group's activities. The Group through its training and management standards and procedures aims to maintain a disciplined and constructive control environment in which employees understand their roles and responsibilities.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

50.1.2 Market risk

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

50.1.2.1 Currency risk

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. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Group is exposed to currency risk arising from various currency exposures, primarily with respect to the Euro (EUR), RMB (Chinese Yuan), United States Dollar (USD) and Japanese Yen (JPY). Currently, the Group's foreign exchange risk exposure is restricted to the amounts payable to foreign entities.

The Group's exposure to foreign exchange risk is as follows:

	2026	2025
Statement of financial position items	**(Amount in thousand)**	
Trade and other payables		
- USD	409	810
- RMB	2,271	256
Off statement of financial position items		

	2026	2025
	(Amount in thousand)	
Outstanding letters of credit as at the year end are as follows:		
- CNY	3,943	2,516
- EUR	-	6,386
- USD	1,017	1,370

The following significant exchange rates were applied during the year:	2026	2025
	(In rupees)	
Rupees per Euro		
Average rate for the year	325.18	315.62
Reporting date rate	317.52	332.83
Rupees per USD		
Average rate for the year	281.33	281.45
Reporting date rate	278.55	284.10
Rupees per RMB		
Average rate for the year	40.33	39.10
Reporting date rate	40.99	39.66
Rupees per JPY		
Average rate for the year	1.85	1.98
Reporting date rate	1.72	1.97

Sensitivity analysis

At reporting date, if the PKR had strengthened by one rupee against the foreign currencies with all other variables held constant, profit after tax for the year would have been higher by the amount shown below, mainly as a result of net foreign exchange gain on translation of foreign currency loans.

Effect on profit or loss

- USD	290	575
- RMB	1,612	182

The weakening of the PKR against foreign currencies would have had an equal but opposite impact on the post tax profit. The sensitivity analysis prepared is not necessarily indicative of the effects on profit / (loss) for the year and assets / liabilities of the Group.

50.1.2.2 Price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group is not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers.

Sensitivity analysis

The Group's investments in equity instrument of other entities are publicly traded on the PSX. The summary below explains the impact of increase on the Group's surplus on investment classified as FVOCI to change in market price. The analysis is based on the assumption that the market price had increased by 10% with all other variables held constant:

	Impact on equity	
	2026	2025
	(Rupees in thousands)	
Buxly Paints Limited	6,825	5,144

The sensitivity analysis prepared is not necessarily indicative of the effects on profit after tax for the year and assets / liabilities of the Group.

50.1.2.3 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Significant interest rate risk exposures are primarily managed by a mix of borrowings at variable interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

	Effective rate		Carrying amount	
	2026	2025	2026	2025
	(Percentage)		(Rupees in thousands)	
Financial assets				
Fixed rate instruments				
Short term investment	7.47% to 17.00%	11%	127,393	91,000
Saving account	9.70-9.25%	9.25-19%	24,694	25,239

	Effective rate		Carrying amount	
	2026	2025	2026	2025
	(Percentage)		(Rupees in thousands)	
Financial liabilities				
Fixed rate instruments				
Long term financing - secured	5% to 6%	5% to 6%	56,733	72,677
Floating rate instruments				
Long term financing - secured	11.50% to 13.24%	16.25% to 23.20%	201,803	135,726
Long term diminishing musharaka	12.13% to 13.32%	17.58%	41,666	208,333
Short term running finance - secured	11.08% to 13.66%	12.89% to 23.58%	1,837,325	1,201,471
			2,080,794	1,545,530

Cash flow sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as for 2026.

	100 bps	
	Decrease	Increase
As at June 30, 2026	20,808	(20,808)
As at June 30, 2025	13,789	(13,789)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit after tax for the year and assets / liabilities of the Group.

50.1.3 Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Out of the total financial assets of Rs. 3,794 million (2025: Rs. 3,492 million) financial assets which are subject to credit risk amount to Rs. 3,794 million (2025: Rs. 3,492 million).

Credit risk represents the financial loss that would be recognized at the reporting date if the counterparties fail completely to perform as contracted / fail to discharge an obligation / commitment that it has entered into with the Group. Concentration of credit risk arises when a number of counterparties 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 economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of Group's performance to developments affecting a particular industry.

	2026	2025
	(Rupees in thousand)	
Long term loans - secured	13,934	15,392
Long term deposits	47,426	42,975
Trade debts - unsecured	2,827,301	2,785,490
Long term investments - FVOCI	68,252	51,437
Trade deposits	31,972	35,171
Other receivables		
- Receivable from related parties	47,300	33,296
- LC Margin	1,145	18,236
- Others	160,796	85,235
	209,241	136,767
Short term investment - secured	127,393	91,000
Bank balances	422,431	295,807
	3,747,950	3,454,039

Concentration of credit risk

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

Trade debts	2,827,301	2,785,490
Banking companies and financial institutions	550,969	405,043
Others	369,680	263,506
	3,747,950	3,454,039

50.1.3.1 Trade deposits and other receivables

Deposits and other receivables represents deposits held by government institutions and vendors. The Group has assessed, based on historical experience, that the expected credit loss associated with these financial assets is generally trivial. Hence, no additional allowance has been recognised in these consolidated financial statements.

50.1.3.2 Receivable from related party

The Group uses an allowance matrix to measure ECLs on receivables from related parties. Loss rates are determined using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency. The future recoveries from related parties are accounted for in calculating the loss rate.

50.1.3.3 Long term loans

Long term loans are due from employees of the Group and are secured against assets. Hence, the management believes that no impairment allowance is necessary in respect of these loans.

50.1.3.4 Trade debts

The Group uses an allowance matrix to measure ECLs of trade debts. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency. The future recoveries from trade debtors are accounted for in calculating the loss rate.

	Weighted average loss rate	Gross carrying amount	Loss allowance
June 30, 2026			
Past due 0 - 30 days	0.00%	1,078,299	-
Past due 31 - 60 days	2.21%	695,647	15,343
Past due 61 - 90 days	2.46%	639,963	15,748
Past due 91 - 120 days	3.84%	240,706	9,249
Past due 121 - 180 days	9.43%	357,482	33,704
Past due 181 - 364 days	32.81%	181,310	59,489
Past due over one year	100.00%	120,086	120,086
		3,313,493	253,619
June 30, 2025			
Past due 0 - 30 days	0.00%	1,000,998	-
Past due 31 - 60 days	0.55%	687,572	3,767
Past due 61 - 90 days	0.62%	501,639	3,120
Past due 91 - 120 days	0.99%	284,978	2,826
Past due 121 - 180 days	2.57%	278,464	7,144
Past due 181 - 364 days	8.92%	281,043	25,075
Past due over one year	100.00%	81,585	81,585
		3,116,279	123,517

50.1.3.5 Balances with banking companies

'The Group held balances with banks, short term investments and LC margin amounting to Rs. 550.969 million as at June 30, 2026. These are held with banks and financial institutions counterparties, which are rated A1 to AAA, based on credit ratings from rating agencies.

Impairment on these financial assets has been measured on a 12 month expected loss basis and reflects short term maturities of the exposure. The Group considers that these balances have low credit risk based on the external ratings of the counterparties.

12 month probabilities of default are based on historical data supplied by PACRA and VIS rating agency for each credit rating. Loss given default (LGD) parameters generally reflect assumed recovery rates based on recovery rates assumed in Basel Guidelines for unsecured exposures.

		2026	2025
Bank balances	22	422,431	295,807
Short term investment	21	127,393	91,000
Other receivables	19	1,145	18,236
		550,969	405,043

50.1.3.6 Credit quality of financial assets

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Banks	Rating		Rating	2026	2025
	Short term	Long term	Agency	(Rupees in thousand)	
Bank Al Habib Limited	A-1+	AAA	PACRA	26,114	24,286
Habib Metropolitan Bank Limited	A-1+	AAA	PACRA	190,310	188,588
Habib Bank Limited	A-1+	AAA	VIS	-	34
Al-Baraka Bank Pakistan Limited	A-1	AA-	VIS	-	6
National Bank of Pakistan	A-1+	AAA	PACRA	53,592	247
Bank Islami Pakistan Limited	A-1	AA-	PACRA	9,429	2,218
Samba Bank Limited	A-1	AA	PACRA	19,381	80,382
Faysal Bank Limited	A-1+	AA+	PACRA	46	46
MCB Bank Limited	A-1+	AAA	PACRA	121,354	-
Meezan Bank Limited	A-1+	AAA	VIS	2,205	-
				422,431	295,807
Deposits with bank/ TDRs:					
JS Bank Limited	AA-	AA-	PACRA	51,000	41,000
Bank Islami Pakistan Limited	A+	A+	VIS	50,000	50,000
Habib Metro Bank Limited	A-1+	AAA	PACRA	26,393	
				127,393	91,000

The Group has not recognised an impairment allowance on bank balances during the year ended June 30, 2026, as the impact was immaterial.

50.1.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities, that are settled by delivering cash or other financial asset, or that such obligation will have to be settled in a manner unfavorable to Group. The Group's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The Group finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit limits.

The following are the contractual maturities of financial liabilities as at June 30, 2026

	Carrying amount	Contractual cash flow	Less than one year	Two to five years	More than five years
Non derivative financial liabilities			(Rupees in thousand)		
Long term financing - secured	258,536	270,541	64,761	203,042	2,738
Long term diminishing musharaka	41,666	41,666	41,666	-	-
Trade and other payables	2,137,995	2,137,995	2,137,995	-	-
Interest / mark-up accrued on borrowings	44,453	44,453	44,453	-	-
Short term borrowings - secured	1,837,325	1,837,325	1,837,325	-	-
	4,319,975	4,331,980	4,126,200	203,042	2,738

The following are the contractual maturities of financial liabilities as at June 30, 2025

	Carrying amount	Contractual cash flow	Less than one year	Two to five years	More than five years
Non derivative financial liabilities			(Rupees in thousand)		
Long term financing - secured	208,403	208,403	50,944	143,372	14,087
Long term diminishing musharaka	208,333	208,334	166,667	41,667	-
Trade and other payables	2,091,901	2,091,901	2,091,901	-	-
Interest / mark-up accrued on borrowings	34,650	34,650	34,650	-	-
Short term borrowings - secured	1,201,471	825,499	825,499	-	-
	3,744,758	3,368,787	3,169,661	185,039	14,087

It is not expected that the cash flows on the maturity analysis could occur significantly earlier, or at significant different amount.

50.2 Fair value measurement of financial instruments

The carrying values of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values. 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.

Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	FVOCI - equity instruments	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
As at June 30, 2026		Rupees in thousand							
Financial assets - measured at fair value									
Investment classified as FVOCI		-	68,252	-	68,252	68,252	-	-	68,252
Financial assets - at cost									
Long term investments - FVOCI		68,252	-	-	68,252	-	-	-	-
Financial assets - at amortised cost									
Long term loans - secured		13,934	-	-	13,934	-	-	-	-
Long term deposits		47,426	-	-	47,426	-	-	-	-
Trade debts		2,827,301	-	-	2,827,301	-	-	-	-
Trade deposits		31,972	-	-	31,972	-	-	-	-
Other receivables		209,241	-	-	209,241	-	-	-	-
Short term investment - secured		127,393	-	-	127,393	-	-	-	-
Cash and bank balances		422,431	-	-	422,431	-	-	-	-
		3,747,950	68,252	-	3,816,202	68,252	-	-	68,252
Financial liabilities - at amortised cost									
Long term financing - secured		-	-	258,536	258,536	-	-	-	-
Long term diminishing musharaka		-	-	41,666	41,666	-	-	-	-
Trade and other payables		-	-	2,137,995	2,137,995	-	-	-	-
Accrued markup		-	-	44,453	44,453	-	-	-	-
Short term borrowings - secured		-	-	1,837,325	1,837,325	-	-	-	-
		-	-	4,319,975	4,319,975	-	-	-	-

		Carrying amount				Fair value			
		Financial assets at amortised cost	FVOCI - equity instruments	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
As at June 30, 2025		Rupees in thousand							
Financial assets - measured at fair value									
Investment classified as FVOCI		-	51,437	-	51,437	51,437	-	-	51,437
Financial assets - at cost									
Long term investments - FVOCI		-	-	-	-	-	-	-	-
Financial assets - at amortised cost									
Loan to related party - secured		15,392	-	-	15,392	-	-	-	-
Long term deposits		42,975	-	-	42,975	-	-	-	-
Trade debts		2,785,490	-	-	2,785,490	-	-	-	-
Trade deposits		35,171	-	-	35,171	-	-	-	-
Other receivables		139,352	-	-	139,352	-	-	-	-
Short term investment - secured		91,000	-	-	91,000	-	-	-	-
Cash and bank balances		294,854	-	-	294,854	-	-	-	-
		3,404,234	51,437	-	3,455,671	51,437	-	-	51,437
Financial liabilities - at amortised cost									
Long term financing - secured		-	-	208,403	208,403	-	-	-	-
Long term diminishing musharaka		-	-	208,333	208,333	-	-	-	-
Trade and other payables		-	-	2,091,901	2,091,901	-	-	-	-
Accrued markup		-	-	34,650	34,650	-	-	-	-
Short term borrowings - secured		-	-	1,201,471	1,201,471	-	-	-	-
		-	-	3,744,758	3,744,758	-	-	-	-

50.3 Fair value versus carrying amounts

The Group has not disclosed the fair values of financial assets and liabilities which are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

50.4 Freehold land, leasehold land, building on freehold land, building on leasehold land and plant and machinery have been carried at revalued amounts determined by professional valuers (level 3 measurement) based on their assessment of the values as disclosed. The valuations are conducted by an independent valuation expert appointed by the Group. The valuation expert used a market based approach to arrive at the fair value of the Group's land and building. The valuation was determined by reference to current market value of the similar properties / assets. The most significant input into this valuation approach is price per acre for land, price per square foot for buildings and present operational condition and age of plant and machinery respectively. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these consolidated financial statements. Reconciliation of level three has been disclosed in relevant note and there is no transfer between fair value hierarchy.

51 CAPITAL RISK MANAGEMENT

The Group's objectives 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 adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings including current and non-current borrowings. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. The gearing ratios as at year end are as follows:

	2026	2025
	(Rupees in thousand)	
Long term loans	300,202	416,736
Short term borrowings	1,837,325	1,201,471
Total debt	2,137,527	1,618,207
Total equity	4,382,801	3,705,195
Total equity and debt	6,520,328	5,323,402
Gearing ratio	33:67	30:70

52 RESTRICTION ON TITLE AND ASSETS PLEDGED AS SECURITY

Mortgages and charges		
First		
Hypothecation of all present and future current assets	2,337,000	2,337,000
Mortgage over land and building	1,268,171	1,268,171
Ranking		
Hypothecation of all present and future current assets	2,670,000	2,136,000

		2026	2025
		(Number of persons)	
53	**NUMBER OF EMPLOYEES**		
	The Group has employed following number of persons:		
	- Factory employees	85	80
	- Head office and regional employees	297	278
		382	358
	- Average number of employees	292	233
	- Average number of factory employees	82	80

54 PROVIDENT FUND RELATED DISCLOSURES

The Parent Company operates funded contributory provident fund scheme for all its permanent and eligible employees. The following information is based on the un-audited financial statements of the provident fund:

	(Unaudited) June 30, 2026	(Audited) June 30, 2025
	(Rupees in thousands)	
Size of the fund	420,818	339,893
Cost of investments made	277,380	232,380
Percentage of investments - (% of total assets)	66%	68%
Fair value of investments	411,106	334,650

54.1 The break-up of investments is as follows:

	2026		2025	
	Rupees in thousands	% age	Rupees in thousands	% age
Investment in debt collective investment scheme	-	0%	-	0%
Investment in money market collective investment scheme	124,906	30%	66,274	20%
Investment in equity collective investment scheme		0%	-	0%
Bank balances	86,324	21%	70,688	21%
Certificate of deposits	102,319	25%	106,557	32%
Term deposit receipts	97,557	24%	91,131	27%
	411,106	100%	334,650	100%

The investments out of provident fund as at June 30, 2026 have been made in accordance with the requirements of section 218 of the Companies Act, 2017.

		2026	2025
		(Liters in thousand)	
55	**PRODUCTION CAPACITY**		
	Actual production	43,195	43,195

The capacity of the plant is indeterminable because it is a multi product plant involving varying processes of manufacturing. Actual production includes resin production of 17.28 million liters (2025: 17.28 million liters) which is used in the manufacture of the final product.

56 OPERATING SEGMENTS

56.1 These consolidated financial statements have been prepared on the basis of single reportable segment.

56.2 Revenue from sale of paints and allied represents 100% (2025: 100%) of the total revenue of the Group.

56.3 99.66% (2025: 98.87%) sales of the Parent Company relates to customers in Pakistan.

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

57 SHARIAH COMPLIANCE DISCLOSURE

Following information has been disclosed with the reference to disclosure requirements of fourth schedule of the Companies Act, 2017 relating to all shares Islamic Index.

	Description	Explanation	Note	2026	2025
				(Rupees in thousands)	
57.1	Statement of financial position				
	Assets:				
	Long-term and short-term Shariah compliant investments		21	50,000	50,000
	Shariah compliant bank deposits and bank balance		22	11,680	2,218
57.2	Statement of financial position				
	Liabilities:				
	Financing (long-term, short-term, or lease financing) obtained as per Islamic mode			432,113	417,520
	Interest or markup accrued on any conventional loan		32	44,378	34,288
57.3	Statement of profit or loss				
	Revenue earned from a Shariah compliant business segment		35	9,176,156	8,944,694
	Breakup of late payments or liquidated damages			Not applicable	Not applicable
	Gain or loss on dividend earned on Shariah compliant investments or share of profit from Shariah compliant associates			Not applicable	Not applicable
	Exchange gains earned using conventional derivatives financial instruments			Not applicable	Not applicable
	Profit paid on Islamic mode of financing		41	52,199	71,894
	Total interest earned on any conventional loan or advance		40	30,137	4,872
	Exchange loss			3,432	3,345
57.4	Sources and detailed breakup of other income				
	Profit earned from Shariah compliant, bank deposit, bank balances or TDRs:		40	7,247	7,666
	Profit earned from non - shariah Compliant, bank deposit, bank balances or TDRs:		40	5,697	11,336
	Interest on receivable from related parties		40	30,137	4,872
	Sale of scrap		40	26,364	31,918
	Gain on disposal of property, plant and equipment - net		40	9,854	7,756
	Rental income and other services charged to related parties		40	1,231	1,200
	Export rebate		40	84	2,100
	Insurance claim		40	1,434	417
	Amortization of deferred grant		40	4,747	5,440
	Others		40	8,829	21,355
57.5	Sources and detailed breakup of finance cost	Finance cost paid	41	52,199	71,894

Relationship with banks having Islamic windows

Bank Name	Region	Nature of transactions
Pak Oman Investment Company Limited	Pakistan	Sukuk
Bank Islami Pakistan Limited	Pakistan	TDR
Bank Islami Pakistan Limited	Pakistan	Long term financing
First Habib Modaraba	Pakistan	Long term financing
Meezan Bank Limited	Pakistan	Short term borrowing

58 CORRESPONDING FIGURES

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

59 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE GROUP'S FINANCIAL POSITION AND PERFORMANCE

All significant transactions and events that have affected the Group's financial position and performance during the year have been adequately disclosed in the notes to these consolidated financial statements.

60 NON ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors of the Group in its meeting held on September 23, 2026 has proposed a final cash dividend of Rs. 5 per share, for the year ended June 30, 2026 for approval of the members in the Annual General Meeting to be held on October 23, 2026.

61 DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on September 23, 2026 by the Board of Directors of the Group.

62 GENERAL

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

Notes

Form of Proxy

The Secretary
Berger Paints Pakistan Limited
28 – KM, Multan Road, Lahore.

I/We _____

_____

r/o _____

_____

Being a member of Berger Pakistan Limited and a holder of _____

(No. of shares) _____

Ordinary shares as per folio number _____

_____

hereby appoint _____

_____

r/o _____

_____

On my/our behalf at the Annual General Meeting of the Company to be held on Friday October 23, 2026 at 10:00 am via video link / zoom at 28-KM Multan Road, Lahore and at any adjournment thereof.

Signed this _____ day of _____ 2026.

Signature on Rs. 50 Revenue Stamp

Notes:

1. The share transfer book will remain closed from October 16, 2026 to October 23, 2026 (both days inclusive)
2. A member of the Company entitled to attend, speak and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote on his/her behalf. The completed proxy form must be received at the registered office of the company not less than 48 hours before the meeting.
3. Any individual beneficial owner of CDC, entitled to vote at this meeting must bring his/her original CNIC with him/her to prove his/her identity, and in case of proxy, a copy of shareholder's attested CNIC must be attached with the proxy form. Representatives of Corporate members should also bring the usual documents required for such purpose.

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The Company Secretary

Berger Paints Pakistan Limited

28-KM Off, Multan Road, Lahore.

پراکسی کا فارم

دی سیکرٹری

برجر پینٹس پاکستان لمیٹڈ

28-KM – ملتان روڈ، لاہور

میں/ہم _____

_____

ساکن _____

_____

بطور ممبر برجر پینٹس پاکستان لمیٹڈ اور ہولڈر _____

(شیئرز کی تعداد) _____

فولیو نمبر کے مطابق آرڈنری شیئرز _____

تقرر کرتا/ کرتے ہیں _____

_____

ساکن _____

_____

میری/ہماری طرف سے کمپنی کے سالانہ اجلاس عام کیلئے جو 23 اکتوبر، 2026 صبح 10:00 بجے، ملتان روڈ سے 28 کلومیٹر لاہور میں منعقد کیا جائے گا یا التواء کی صورت میں کسی بھی دیگر وقت مقررہ پر منعقد ہوگا۔

آج بتاریخ _____ 2026 کو دستخط کیا۔

50 روپے کا رسیدی
ٹکٹ چسپاں کر
کے دستخط کریں۔

نوٹس:

☆ شیئر ٹرانسفر بک 16 اکتوبر، 2026 سے 23 اکتوبر، 2026 تک بند رہے گی (بشمول دونوں دن)۔

☆ کمپنی کا وہ ممبر جو میٹنگ میں شمولیت، بولنے اور ووٹ دینے کا اہل ہے، اپنی جگہ کسی اور ممبر کو بطور پراکسی شامل ہونے، بولنے اور ووٹ کا حق دے سکتا ہے۔ میٹنگ سے 48 گھنٹے قبل پراکسی کا یہ فارم جو ہر لحاظ سے مکمل ہو کمپنی کے رجسٹرڈ آفس میں جمع کرا دیا جائے۔

☆ سی ڈی سی (CDC) کا کوئی بھی انفرادی مالک انتفاعی جو اس میٹنگ میں ووٹ دینے کا اہل ہے اصلی قومی شناختی کارڈ ہمراہ لائے تاکہ شناخت ہو سکے اور پراکسی کی صورت میں پراکسی فارم کے ساتھ شیئر ہولڈر کے تصدیق شدہ قومی شناختی کارڈ کی کاپی لگانا لازم ہے۔ کارپوریٹ ممبران کے نمائندگان بھی اس مقصد کیلئے حسبِ معمول دستاویزات ہمراہ لائیں۔

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The Company Secretary

Berger Paints Pakistan Limited

28-KM Off, Multan Road, Lahore.

Electronic Dividend Mandate Form
Berger Paints Pakistan Limtied

Date: _____ / _____ / _____

In accordance with the provisions of section 242 of the Companies Act, 2017, dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. SECP vide Circular No. 18 of 2017 dated August 01, 2017, has presently waived this condition till October 31, 2017. Any dividend payable after this due date shall be paid in the prescribed manner only. Shareholders are requested to send their Electronic Dividend Mandate information duly filled and signed, along with attested copy of their CNIC to the Company's Share Registrar, M/s Corplink Private Limited, Wings Arcade, 1-K, Commercial Block K Model Town, Lahore, Punjab 54000. CDC shareholders are requested to submit their Dividend Mandate Form and attested copy of CNIC directly to their broker (participant)/CDC.

I/We _____ hereby authorize Berger Paints Pakistan Limited to directly credit cash dividend declared by it, if any, in the below mentioned bank account:

Name of shareholder: _____

Folio Number/CDC Account No.: _____of Berger Paints Pakistan Limited

Contact number of shareholder: _____

Title of Account: _____

IBAN (*): _____

Name of Bank: _____

Bank Branch: _____

Mailing Address of Branch: _____

CNIC No. (Attach attested copy): _____

NTN (in case of corporate entity): _____

It is stated that to the best of my/our knowledge and belief, the above particulars given by me/us are true and correct; and I/we shall keep Berger Paints Pakistan Limited and its Share Registrar informed in case of any changes in the said particulars in future.

_____ _____

Shareholder's Signature Date

NOTES: *Please provide complete IBAN (International Bank Account Number), after checking with your concerned Bank branch to enable electronic credit directly into your bank account.

**The shareholders who hold shares in Physical Form are requested to fill the above mentioned E-Dividend Bank Mandate Form and send it to the Company's Share Registrar at

M/s Corplink Private Limited, Wings Arcade, 1-K, Commercial Block K Model Town, Lahore, Punjab 54000,

Contact +92 42 35916714,

E-mail address: corplink786@gmail.com

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The Company Secretary

Berger Paints Pakistan Limited

28-KM Off, Multan Road, Lahore.

الیکٹرونک ڈیویڈنڈ مینڈیٹ فارم
برجر پینٹس پاکستان لمیٹڈ

تاریخ: ...../...../.....

کمپنیز ایکٹ 2017ء کے سیکشن 242 کے قواعد کی روشنی میں نقد کی صورت میں واجب الادا منافع منقسمہ صرف الیکٹرونک ذرائع سے اہل شیئر ہولڈرز کے مقررہ بینک اکاؤنٹ میں براہِ راست منتقل کیا جائے گا۔ SECP نے مؤرخہ 01 اگست، 2017ء کے سرکلر نمبر 18/2017 کے ذریعے وقتی طور پر 31 اکتوبر 2017ء تک اس شرط سے استثنیٰ دے دیا ہے۔ مقررہ تاریخ کے بعد واجب الادا منافع منقسمہ صرف طے شدہ طریقہ کار کے مطابق ہی ادا کیا جائے گا۔ شیئر ہولڈرز سے درخواست ہے کہ وہ طے شدہ طریقہ کار کے مطابق باقاعدہ دستخط و پر شدہ اپنی الیکٹرونک ڈیوڈنڈ مینڈیٹ معلومات بمعہ مصدقہ نقل شناختی کارڈ کمپنی کے شیئر رجسٹرار میسرز کارپلنک پرائیویٹ لمیٹڈ، ونگز آرکیڈ، 1-K، کمرشل بلاک K ماڈل ٹاؤن لاہور پنجاب 54000 کو جمع کرائیں۔ CDC شیئر ہولڈرز سے درخواست ہے کہ وہ اپنے ڈیویڈنڈ مینڈیٹ فارم اور شناختی کارڈ کی مصدقہ نقل اپنے بروکر (شریک)/CDC کو براہ راست جمع کرائیں۔

میں/ہم ..... یہاں برجر پینٹس پاکستان لمیٹڈ کو اعلان کردہ منافع منقسمہ کو مندرجہ ذیل بینک اکاؤنٹ میں براہ راست کریڈٹ کرنے کا مجاز ٹھہراتے ہیں۔

نام شیئر ہولڈر: .....

فولیو نمبر/CDC اکاؤنٹ نمبر ..... برجر پینٹس پاکستان لمیٹڈ

شیئر ہولڈر کا رابطہ نمبر .....

عنوان اکاؤنٹ: .....

IBAN(*): .....

بینک برانچ: .....

برانچ کا ڈاک کا پتہ: .....

شناختی کارڈ نمبر (نقل لف کریں): .....

NTN نمبر (کاروباری ادارے کی صورت میں): .....

میں/ہم اپنے بھرپور علم اور یقین کے مطابق بیان کرتا/کرتے ہیں کہ مذکورہ بالا تفصیلات میرے/ہمارے یقین کے مطابق بالکل درست اور صحیح ہیں؛ اور میں/ہم برجر پینٹس پاکستان لمیٹڈ اور اس کے شیئر رجسٹرار کو اپنی مذکورہ بالا تفصیلات کے مطابق آئندہ مطلع کرتا/کرتے رہوں/رہیں گے۔

_____ _____

دستخط شیئر ہولڈر تاریخ

نوٹس: *براہِ کرم اپنی متعلقہ بینک اکاؤنٹ برانچ سے چیک کرنے کے بعد اپنا مکمل IBAN (انٹرنیشنل بینک اکاؤنٹ نمبر) فراہم کریں تاکہ آپ کے بینک اکاؤنٹ میں براہ راست الیکٹرونک کریڈٹ کیا جا سکے۔

** ایسے شیئر ہولڈرز جو فزیکل فارم میں شیئرز کے مالک ہیں انہیں درخواست کی جاتی ہے کہ وہ مذکورہ بالا ای-ڈیویڈنڈ بینک مینڈیٹ فارم پر کریں اور اسے کمپنی کے شیئر رجسٹرار میسرز کارپ لنک لمیٹڈ ونگز آرکیڈ، 1-K، کمرشل بلاک K، ماڈل ٹاؤن، لاہور پنجاب، 54000، رابطہ 35916714 42 92+ ای میل ایڈریس: corplink786@gmail.com کو بھیجیں۔

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The Company Secretary

Berger Paints Pakistan Limited

28-KM Off, Multan Road, Lahore.

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Berger Xpress Visualizer PK
111-BERGER(111-237-437) KHI, LHR, ISB.

www.berger.com.pk
www.instagram.com/bergerpaintspak
Berger Paints Pakistan Limited 28 Km, Multan Road, Lahore, Pakistan.

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