MAPLE LEAF CEMENT

ANNUAL REPORT 2025

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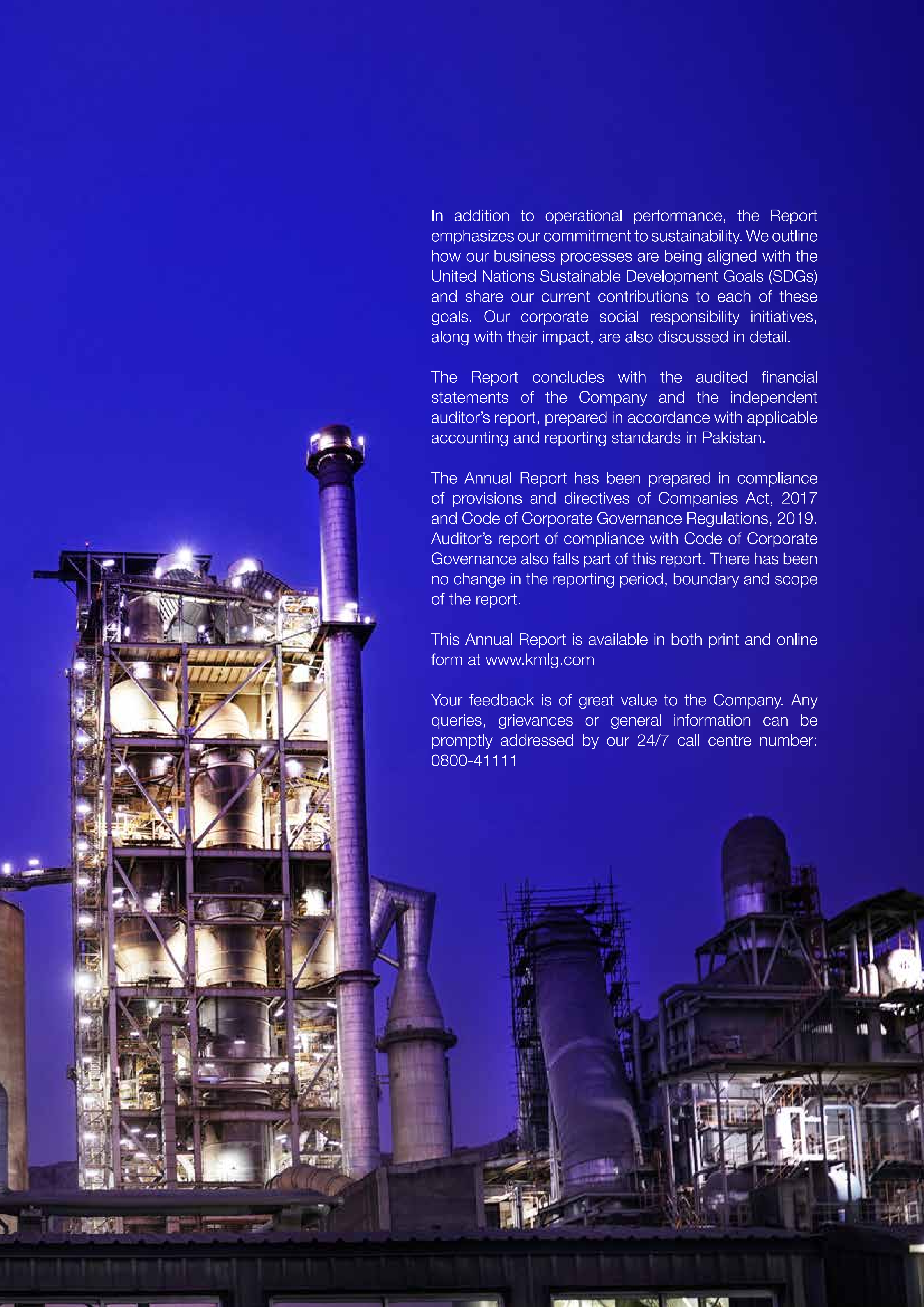
ABOUT THE REPORT

Maple Leaf Cement Factory Limited (MLCFL) corporate Annual Report 2025 covers the period from 1st July 2024 to 30th June 2025. All the activities and performance related data is related to MLCFL and its wholly owned subsidiaries Maple Leaf Power Limited (MLPL) and NovaCare Hospitals (Pvt) Limited (NHPL) does not include any information or data related to its holding and/or associated companies unless where required by legal and corporate regulations.

The Annual Report has been structured to provide readers with a clear and comprehensive understanding of the Company's activities and performance. It begins with an introduction and overview of our core business operations, followed by a summary of our risk management framework and governance structure. The report then highlights the Board of Directors' Report to the shareholders and the Chairman's review, setting out our performance and strategic direction.

Our performance and outlook are presented across three dimensions economic, social, and environmental capturing both financial and non-financial aspects of the business. The economic, social, and environmental information included in this report primarily relates to the activities and operations of Maple Leaf Cement Factory Limited.



In addition to operational performance, the Report emphasizes our commitment to sustainability. We outline how our business processes are being aligned with the United Nations Sustainable Development Goals (SDGs) and share our current contributions to each of these goals. Our corporate social responsibility initiatives, along with their impact, are also discussed in detail.

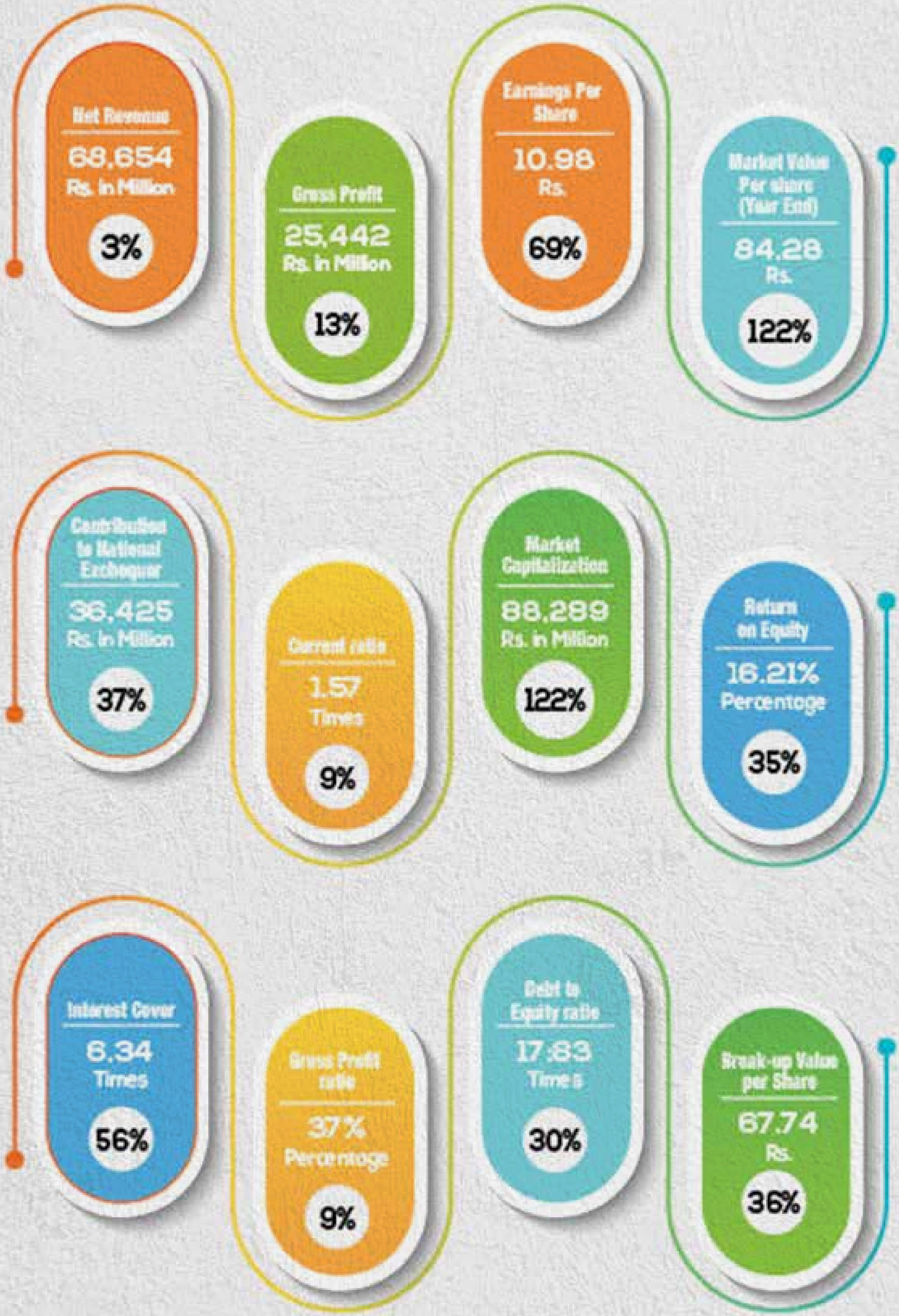
The Report concludes with the audited financial statements of the Company and the independent auditor's report, prepared in accordance with applicable accounting and reporting standards in Pakistan.

The Annual Report has been prepared in compliance of provisions and directives of Companies Act, 2017 and Code of Corporate Governance Regulations, 2019. Auditor's report of compliance with Code of Corporate Governance also falls part of this report. There has been no change in the reporting period, boundary and scope of the report.

This Annual Report is available in both print and online form at www.kmlg.com

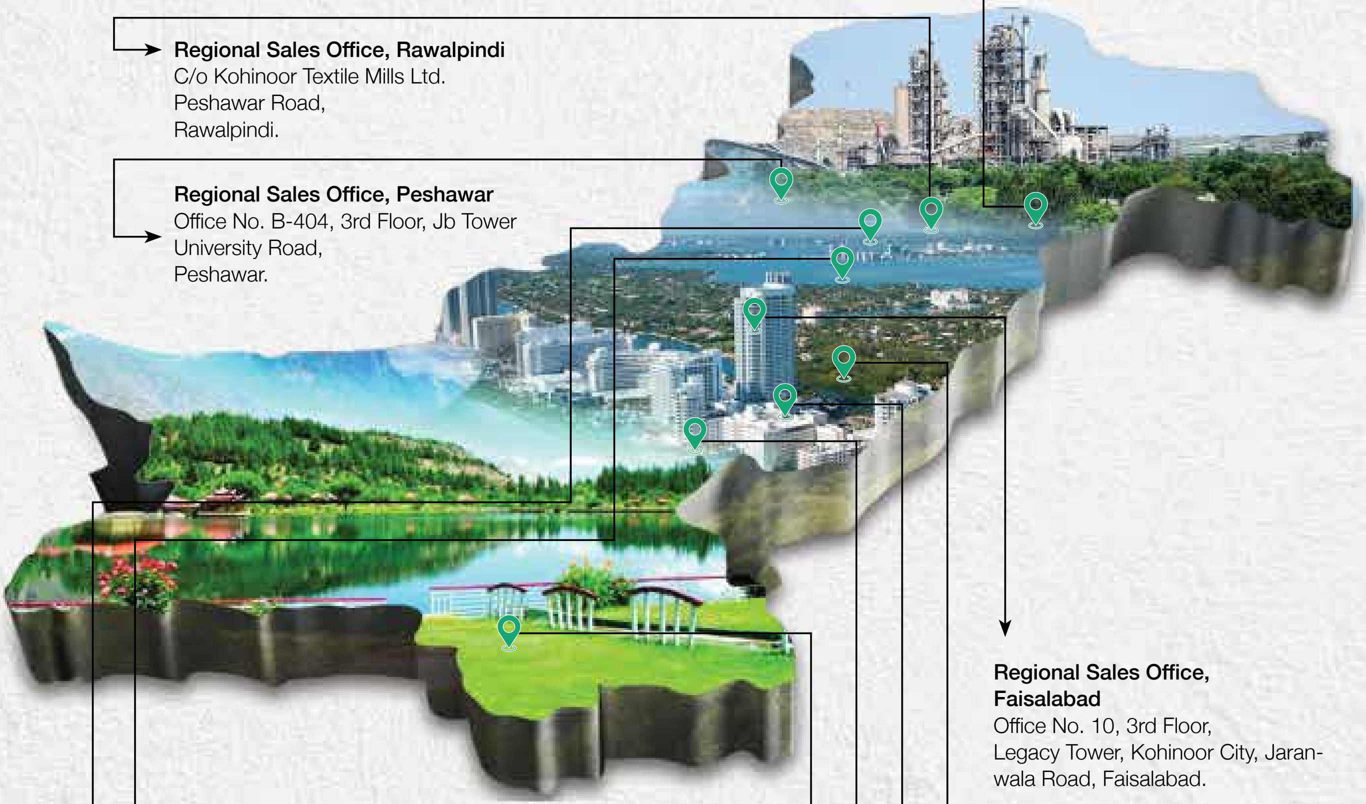
Your feedback is of great value to the Company. Any queries, grievances or general information can be promptly addressed by our 24/7 call centre number: 0800-41111

2025 YEAR AT A GLANCE
(CONSOLIDATED)



* Debt represents long-term loan including its current maturity

GEOGRAPHICAL PRESENCE



Head Office
42 - Lawrence Road, Lahore

Regional Sales Office, Lahore
304-B, 3rd Floor,
City Tower, Main Boulevard,
Gulberg II, Lahore.

Regional Sales Office, Rawalpindi
C/o Kohinoor Textile Mills Ltd.
Peshawar Road,
Rawalpindi.

Regional Sales Office, Peshawar
Office No. B-404, 3rd Floor, Jb Tower
University Road,
Peshawar.

Regional Sales Office, Faisalabad
Office No. 10, 3rd Floor,
Legacy Tower, Kohinoor City, Jaranwala Road, Faisalabad.

Regional Sales Office, Sahiwal
Office # 49 & 50, Tajj Chowk,
Saddique Block, Abbasia Town,
Sahiwal.

Regional Sales Office, Multan
Office No. 708, 7th Floor, The United Mall, Abdali Road, Multan.

Regional office, Rahim Yar Khan
Office No. 2, 1st Floor, Waryam Plaza,
Canal Avenue,Rahim Yar Khan.

Regional Sales Office, Karachi
25 West Wharf Road, Karachi.

Plant
Iskanderabad Distt: Mianwali.

Regional Sales Office, Sargodha
Office No. 59, 2nd Floor Al Rehman
Trade Centre University Road,
Sargodha

PRINCIPAL BUSINESS ACTIVITIES

Maple Leaf Cement Factory Limited (MLCFL), a key entity within the Kohinoor Maple Leaf Group, is a prominent manufacturer of cement and textiles in Pakistan. The company operates the largest single site cement production facility in the country and is recognized as a pioneer in the Pakistan cement industry. Established in 1956 through a collaboration between the West Pakistan Industrial Development Corporation and the Government of Canada, MLCFL has a long standing legacy of industrial excellence.

MLCFL currently operates four production lines for grey cement and a dedicated line for white cement, a market in which it commands a dominant share of over 90%. All production assets are wholly owned by the company, ensuring complete control over operations. The total installed clinker production capacity is 7.8 million tons per annum. The company's products are distributed and sold throughout Pakistan, with a strong market presence in the northern and central regions. Additionally, MLCFL is a key exporter of cement to international markets, including Afghanistan, the Middle East, and various African countries.

For strategic diversification, MLCFL has a wholly owned subsidiary, Maple Leaf Power Limited (MLPL), which is dedicated to the generation of electricity. In line with a broader strategy of diversification, the company has also made significant investments in the healthcare and agriculture sectors. MLCFL has invested in Novacare Hospitals (Pvt.) Limited focused on developing a network of world class healthcare facilities for society, and holds a substantial interest in Agritech Limited as an associate company, expanding its footprint into the agricultural sector.

LEADING EDGE INNOVATIVE INITIATIVES

Today with a current clinker production capacity of 26,000 tons, per day we stand as the largest single cement manufacturing unit at single site in Pakistan. Our production plants are powered by cutting edge technology that helps us dominate local & International markets.

Maple Leaf Cement has at present two separate plants for Grey and White Cement; each with dedicated production lines within the same facility that ensure a continuous supply of cement 24/7-300 days a year.

We have kept ourselves abreast of global improvements in the cement manufacturing technologies and processes. Staying true to our mantra of technological excellence, another state-of-the-art fuel-efficient dry process plant based on the FLSmidth technology has been added to the existing production facilities in 2023. The Company enhanced the total clinker production capacity to approximately 7.80 million tons annually.

FLSmidth is a global engineering company based in Copenhagen, Denmark which is a leading provider of one-source cement production plants worldwide and has a presence in more than 40 countries.

MLCFL has a team of 1,710 professionals and highly skilled workers that make us what we are today. The Company enriches and nurtures its employees by capitalizing and promoting their independent individuality, personality and competence to reach greater heights of logic, reasoning, professionalism and emotional grooming. Active Management Trainee Officer, trainee and internship programs and employing fresh graduates are all insightful initiatives taken by the Company to fully grasp and appreciate their fresh ideas and perspective towards key business issues for an overall innovative outcome.

NATURALLY ENRICHED

Our factory is situated at Daud Khel, Punjab, near the Salt Range, it is surrounded by the finest quality of raw materials; limestone, clay and sand. These valuable resources are quarried from the mineral rich mountain ranges located at our manufacturing site. To ensure uninterrupted supply, the Company has strategically built separate production plants for Grey and White Cement in this area.


"WE BUILD
FOUNDATIONS
FOR LIFE!"

OUR PRODUCTS AND MARKETS

OUR PRODUCTS

To cater to varying needs of the market, the Company produces the following types of cement: -

I. Ordinary Portland Cement
II. Sulphate Resistant Cement
III. Low Alkali Cement
IV. White Cement
V. Wall Coat
VI. HD Putty
VII. White Plast

The varying products allow us to cater different types of customers from household to contractors to Government infrastructure needs as the composition of cement required by each is different.

OUR MARKETS

Our key market consists of all the regions of Pakistan which contributed 96.78 % of our total sales volume during current financial year. We operate in local market through direct orders, distributors, dealers and retailers. Our products are considered to be a premium brand and first choice by our customers. Our Export team consists of seasoned and competent personnel who are persistently exploring new markets and avenues to bolster sales margins. Having a global footprint is imperative if a Company seeks to grow to its utmost potential. Despite facing massive competition in the international arena from technologically advanced nations, the Company persevered and contracted favourable export deals in various markets. During the year, export sales quantity constituted 3.22% of total sales. The Company sold its products to the following countries:

- Afghanistan
- Maldives
- Qatar
- Sri Lanka
- South Africa
- Yemen
- Tanzania

COMPANY INFORMATION

Board of Directors
Mr. Tariq Sayeed Saigol ....Chairman
Mr. Sayeed Tariq Saigol ....Chief Executive
Mr. Taufique Sayeed Saigol
Mr. Waleed Tariq Saigol
Mr. Danial Taufique Saigol
Ms. Jahanara Saigol
Mr. Shafiq Ahmed Khan
Mr. Zulfikar Monnoo
Syed Mohsin Raza Naqvi

Executive Directors
Mr. Sohail Sadiq .... Finance
Mr. Yahya Hamid .... Marketing
Mr. Tariq Ahmed Mir.............................. Technical

Audit Committee
Mr. Shafiq Ahmed Khan........................Chairman
Mr. Zulfikar Monnoo ....Member
Mr. Waleed Tariq Saigol...........................Member
Mr. Danial Taufique Saigol ....Member

Human Resource & Remuneration Committee
Mr. Shafiq Ahmed Khan........................Chairman
Mr. Zulfikar Monnoo ....Member
Mr. Danial Taufique Saigol ....Member

Chief Financial Officer
Syed Mohsin Raza Naqvi

Company Secretary
Mr. Muhammad Ashraf

Head of Internal Audit
Ms. Sidra Naseer

Bankers of the Company
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
BankIslami Pakistan Limited
Albaraka Bank (Pakistan) Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
FINCA Microfinance Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
PAIR Investment Company Limited
Samba Bank Limited
Silk Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Bank Makramah Limited (Formerly:
Summit Bank Limited)
The Bank of Punjab
United Bank Limited-Ameen
United Bank Limited

Auditors
A. F. Ferguson & Co.
Chartered Accountants,
308-Upper Mall, Shahrah-e-Quaid-e-Azam, Lahore.
Tel: +92 (42) 3519 9343-50
Fax: +92 (42) 3519 9351
www.pwc.com/pk

Legal Adviser
Mr. Abdul Rehman Qureshi - Advocate High Court

Registered Office
42-Lawrence Road, Lahore.
Phone: +92 42 36278904-5
Fax: +92 42 36368721
E-mail: Corporate.Office@kmlg.com

Factory
Iskanderabad, District: Mianwali
Phone: +92 459 392237-8

Call Center (24/7)
0800-41111

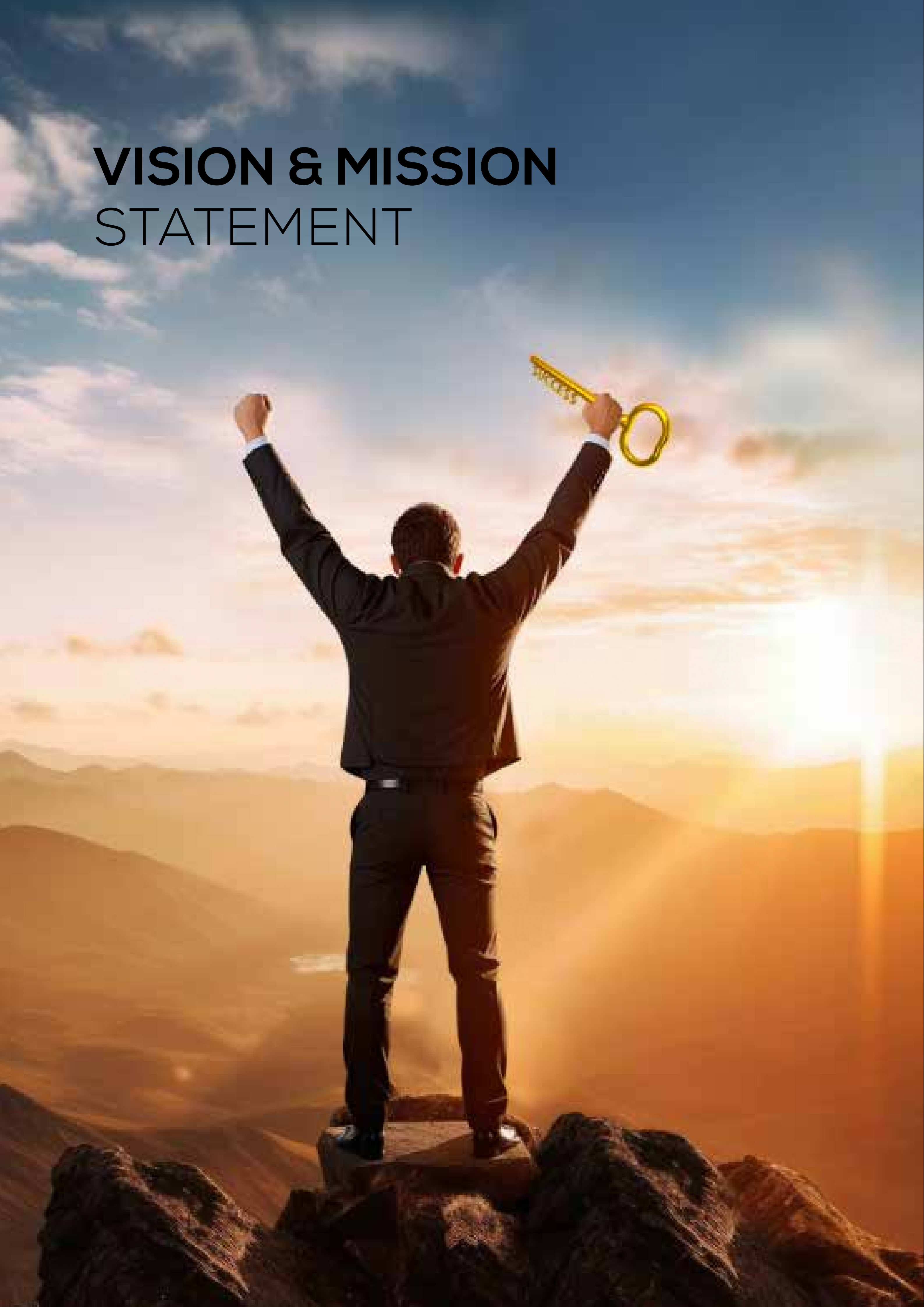
Share Registrar
Vision Consulting Limited
Head Office: 5-C, LDA Flats,
Lawrence Road, Lahore
Phone: +92 42 36283096-97
Fax: +92 42 36312550
E-mail: shares@vcl.com.pk

Company Website:
www.kmlg.com

Note:
MLCFL's Financial Statements are also available at the above website.

Video presentation of CEO detailing financial performance of the Company is also available on the above website

VISION & MISSION
STATEMENT



VISION STATEMENT

Pioneering a greener future through technology, value chain, and a people centric-approach.

MISSION STATEMENT

Produce top-tier building solutions, minimizing environmental impact, emphasizing on supply chain and energy efficiencies while investing in the development of our human capital.

CORE VALUES

Maple Leaf Cement Factory Limited is committed to be an ethical and a responsible member of the business communities in which it operates. The Company always endeavours to ensure that highest standards of honesty, integrity and ethics are maintained.

01 **CROSS FUNCTIONALITY**

Cross functional teams often function as self-directed teams in order to achieve common goals.

02 **COLLECTIVE WISDOM**

For sharing knowledge, innovative ideas, experience & individual expertise with others to attain common objectives.

03 **CREATIVE THOUGHT PROCESS**

Out of the box ideas.

04 **EMPATHY**

Ability to understand & share feelings of others. Put oneself in someone else's shoes.

05 **INTEGRITY**

Adherence to moral & ethical principles; soundness of moral character & honesty.


“OUR WORKERS
OUR PRIDE”

CORPORATE STRATEGY

We, at Maple Leaf Cement Factory Limited, manufacture and market different types of consistently high quality cement, according to the demanding requirements of the construction industry. Our strategy is to be competitive in the market through quality and efficient operations. As a responsible member of the community, we are committed to serve the interests of our stakeholders and contribute towards the prosperity of the Country.

CULTURE

The Company is committed to build a strong organizational culture that is shaped by empowered employees who through collective wisdom will create a cross-functional work environment in line with Company's vision and values. Maple Leaf Cement Factory Limited is committed to be an ethical and a responsible member of the business communities in which it operates. The Company always endeavours to ensure that highest standards of honesty, integrity and ethics are maintained.

CODE OF BUSINESS CONDUCT
AND ETHICAL PRINCIPLES

The following principles constitute the code of conduct which all Directors and employees of Maple Leaf Cement Factory Limited are required to apply in their daily work and observe in the conduct of Company's business.

While the Company will ensure that all employees are fully aware of these principles, it is the responsibility of each employee to implement the Company's policies. Contravention is viewed as misconduct.

The code emphasizes the need for a high standard of honesty and integrity which are vital for the success of any business.

ETHICAL PRINCIPLES

1. Directors and employees are expected not to engage in any activity which can cause conflict between their personal interest and the interest of the Company such as interest in an organization supplying goods / services to the company or purchasing its products. In case a relationship with such an organization exists, the same must be disclosed to the Management.

2. Dealings with third parties which include Government officials, suppliers, buyers, agents and consultants must always ensure that the integrity and reputation of the Company is not in any way compromised.

3. Directors and employees are not allowed to accept any favours or kickbacks from any organization dealing with the Company.

4. Directors and employees are not permitted to divulge any confidential information relating to the Company to any unauthorized person. Nor should they, while communicating publicly on matters that involve Company business, presume to speak for the Company unless they are certain that the views they express are those of the Company and it is the Company's desire that such views be publicly disseminated.

5. All employees share a responsibility for the Company's good public relations particularly at the community level. Their readiness to help with religious, charitable, educational and civic activities is accordingly encouraged provided it does not create an obligation that interferes with their commitment to the Company's best interests.

6. The Company has strong commitment to the health and safety of its employees and preservation of environment and the Company will persevere towards achieving continuous improvement of its Health, Safety and Environment (HSE) by reducing potential hazards, preventing pollution and improving awareness. Employees are required to operate the Company's facilities and processes keeping this commitment in view.

7. Commitment and team work are key elements to ensure that the Company's work is carried out effectively and efficiently. Also all employees will be equally respected and actions such as sexual harassment and disparaging remarks based on gender, religion, race or ethnicity will be avoided.

HISTORY OF MAPLE

1956

The Company was established by the West Pakistan Industrial Development Corporation (WPIDC) and incorporated as "Maple Leaf Cement Factory Limited". The capacity of the plant was 300,000 tons clinker per annum.

1967

A company with the name of "White Cement Industries Limited" (WCIL) was established with the clinker capacity of 15,000 tons per annum.

1974

Under the WPIDC Transfer of Projects and the Companies Act, 1913, the management of two companies namely, MLCFL and WCIL were transferred to the newly established State Cement Corporation of Pakistan (SCCP).

1983

1983 SCCP expanded WCIL's white cement plant by adding another unit of the same capacity parallel to the existing one; it increased total capacity to 30,000 tons clinker per annum.

1986

SCCP set up another production unit of grey cement under the name of Pak Cement Company Limited (PCCL) with a capacity of 180,000 tons per annum.

1992

The Company, WCIL and PCCL were privatized and transferred to the KMLG. All three companies were merged into Maple Leaf Cement Factory Limited on July 01, 1992.

1994

The Company was listed on all Stock Exchanges in Pakistan.

1998

A separate production line for grey portland cement of 990,000 tons per annum clinker capacity based on most modern dry process technology was installed.

2000

Maple Leaf Electric Company Limited, a power generation unit, was merged into the Company.

2004

The coal conversion project at new dry process plant was completed.

2005

Dry process plant capacity was increased from 3,300 tons per day (tpd) to 4,000 tpd through debottlenecking and up-gradation of equipment and necessary adjustments in operational parameters.

2006

A project to convert the existing wet process line to a fuel-efficient dry process white cement line commenced its commercial production. Profit after tax was reported PKR 1,059 million.

2007

The Company undertook another expansion project of 6,700 tpd grey clinker capacity which commenced its commercial production on November 01, 2007.

2008

Two existing lines of white cement 50 tpd each clinker capacity converted into oil well cement plant which started its commercial production.

2011

The Company successfully started Waste Heat Recovery Boiler Plant.

2012

The Company started earning profit and recorded PKR 496 million profit after tax.

2013

The Company earned the highest ever record profit after tax of PKR 3,225 million.

2014

The Company and Pakistan Railway signed an agreement to transport coal and cement from Karachi to Daudkhel and vice – versa.

2015

2015 The Company recorded the highest ever turnover of PKR 20,720 million as well as profit after tax of PKR 3,454 million. The Company reduced its debt burden by 46% as compared with last year.

2016

The Company yet again recorded the highest ever turnover quantitatively (3.34 million tons) and value wise (PKR 23.432 billion), as well as highest profit after tax of Rs. 4.88 billion. The Company paid off its Rs. 8 billion debt in third quarter of the financial year much earlier than the deadline of December 2018. The Company also established a wholly owned subsidiary, Maple Leaf Power Limited, for the establishment and commissioning of a 40 MW coal fired power plant.

2017

2017 Record cement sales amounting to Rs.23.9 billion were made during the year with total dispatches crossing 3.36 million tons. The Company announced another expansion project of 7,300 tpd grey clinker.

2018

The Company crossed Rs. 25 billion Net Sales Revenue benchmark stemming from a record 18.96% growth in local dispatches. 40 MW coal-fired power project, installed and operated by wholly-owned subsidiary Maple Leaf Power Limited, also started commercial production. Moreover, 12.5% Right issue amounting Rs. 4.3 billion to partially finance new line of grey cement was successfully subscribed.

2019

The Company has reached a new milestone of Rs.26 billion Sales Revenue. Also, a new production line having capacity of 7,300 tpd of grey clinker production, a brown field expansion at the Company's existing site at Iskandarabad has started its commercial operations. As a result of this expansion, total grey clinker capacity has increased to 18,000 tpd.

2020

The Company has achieved another milestone with the highest ever sales revenue of Rs.29 billion and the highest ever sales quantity of 5.2 million tons of cement. The Company raised Rs. 6.06 billion by Right issue to make early repayments of its loan obligations.

2021

Commenced construction on new cement line 4 and capacity enhancement of WHRP.

2022

The Company has achieved highest ever net sales revenue of Rs. 48 billion and highest ever operating profit of Rs. 9 billion. WHRP on line III and Solar projects 12.5 MW completed during the year.

2023

The Company has achieved highest sales of Rs. 62 billion and highest ever operating profit of Rs. 12 billion. Further, the company has installed new Line-4 having capacity of 7,000 metric tons per day.

2024

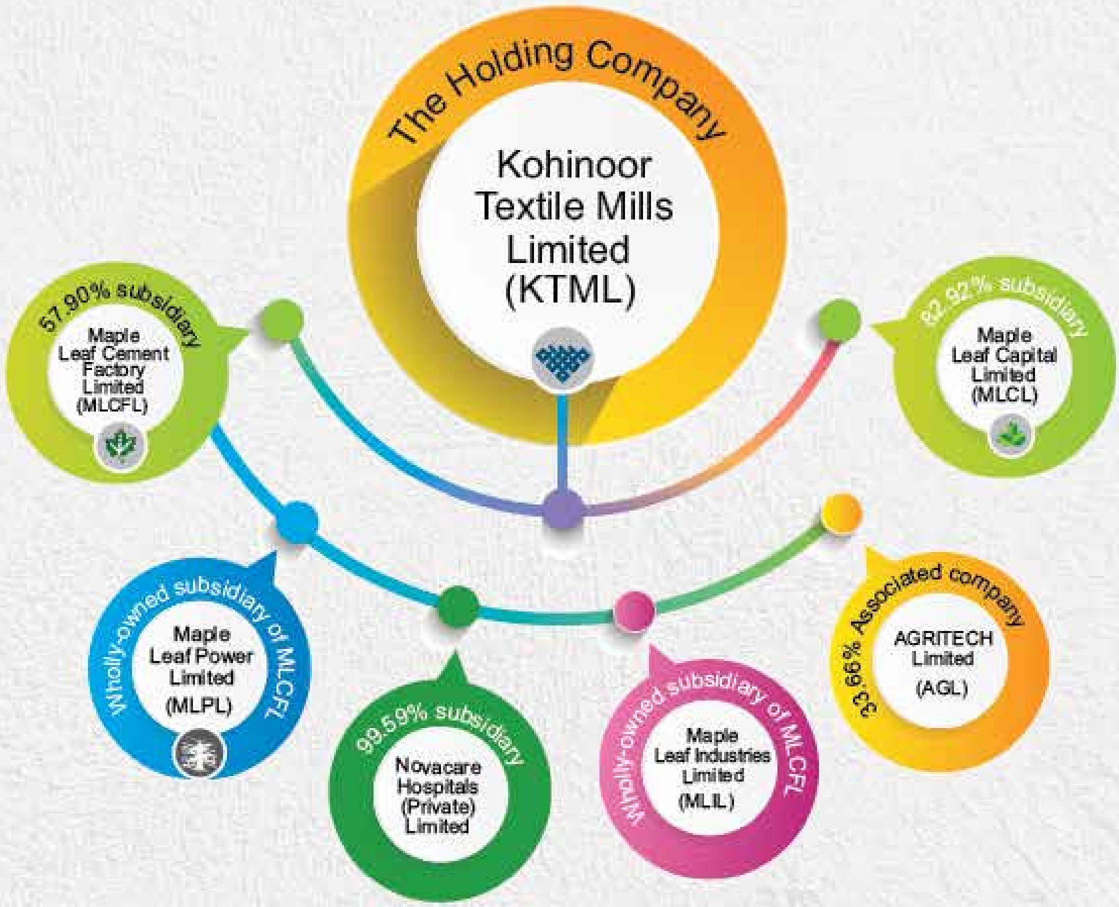
The Company has achieved highest ever profit after tax of Rs. 6.9 billion. The Company has capitalized Wall Putty Plant during the year. The Company has also installed 7.5 MW solar plant. The Company has completed buy back of 25M shares during the year.

2025

The Company has achieved highest ever revenue of Rs. 68 billion and highest ever consolidated profit after tax of Rs. 11.5 billion. The Company has acquired significant shareholding of 33.66% in Agritech Limited during the year.

COMPANY PROFILE
AND GROUP STRUCTURE

Maple Leaf Cement Factory Limited is a part of Kohinoor Maple Leaf Group (KMLG). KMLG comprises of two listed public limited companies i.e., Kohinoor Textile Mills Limited (KTML) and Maple Leaf Cement Factory Limited (MLCFL) and three unlisted public limited companies i.e., Maple Leaf Capital Limited (MLCL), Maple Leaf Power Limited (MLPL), NovaCare Hospitals (Private) Limited (NHPL) and an associated company Agritech Limited. The Group companies are ranked amongst the top companies in the cement, textile, power, investment and fertilizer sectors. All the group companies operate in Pakistan only.



Maple Leaf Cement Factory Limited (MLCFL) is a public company limited by shares incorporated in Pakistan on April 13, 1960 under the repealed Companies Act, 1913 (now, the Companies Act, 2017, hereinafter may be referred to as the 'Act'). Its ordinary shares are listed on the Pakistan Stock Exchange Limited. It's registered office is situated at 42 - Lawrence Road, Lahore, Pakistan. It has one cement plant which is located at Iskanderabad, District Mianwali, in the province of Punjab. It is principally engaged in the production and sale of cement and wall putty. It is a subsidiary of Kohinoor Textile Mills Limited ("the Ultimate Holding Company").

Kohinoor Textile Mills Limited (KTML) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (now the Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 42-Lawrence Road, Lahore. The principal activity of KTML is manufacturing of yarn and cloth, processing and stitching the cloth and trade of textile products.

Maple Leaf Power Limited ('MLPL') was incorporated in Pakistan on October 15, 2015, as a public company limited by shares, under the repealed Companies Ordinance, 1984 (now, the Act). The registered office of MLPL is located at 42-Lawrence Road, Lahore.

The principal objective of MLPL is to develop, design, operate and maintain electric power generation plant and in connection therewith to engage in the business of generation, sale and supply of electricity to the Holding Company. MLPL operates a 40 megawatt Coal Fired Power Generation Plant and a 7.9 megawatt Solar Power Plant at Iskanderabad, District Mianwali, Punjab, Pakistan for generation of electricity.

Maple Leaf Capital Limited (MLCL) was incorporated in Pakistan on 25 April 2014 under the Companies

Ordinance 1984 (now the Companies Act, 2017) as a public company limited by shares. The principal object of MLCL is to buy, sell, hold or otherwise acquire or invest its capital in any sort of financial instruments. MLCL is a subsidiary of KTML.

Novacare Hospitals (Private) Limited ("Novacare") was incorporated in Pakistan on March 21, 2023, by Andalus Holdings (ADGM) Limited ("Andalus"), represented by directors Mr. Faraz Minai and Mr. Ghalib Hafiz, each holding 2,500 shares. Andalus, based in Abu Dhabi, is incorporating a company in Pakistan to which these shares will be transferred. On May 10, 2023, Andalus entered into an agreement with the Holding Company that along with its affiliates, Holding Company would invest in NHPL, maintaining at least a 66.66% shareholding. The agreement, granting the Holding Company ordinary shares, has a term of eight years with a one-year extension option.

'The principal line of business of NHPL is to establish, manage, and operate healthcare facilities, including hospitals, pharmacies, nursing homes, clinics, laboratories, dental clinics, and healthcare centres. NHPL aims to provide healthcare and surgical services, including the treatment of various diseases. NHPL is currently in the pre-commencement phase and has purchased land for hospital on which it has begun construction work. The registered office of NHPL is situated at 1st Floor, F-J Plaza, Block No. 2, Markaz F-7, Islamabad Capital Territory (I.C.T), Pakistan.

Maple Leaf Industries Limited ("MLIL") was a public company limited by shares incorporated in Pakistan on September 21, 2022, under the Companies Act, 2017. The registered office of MLIL was located at 42-Lawrence Road, Lahore, Pakistan. MLIL was incorporated with the primary objective of setting up a cement manufacturing facility in Special Economic Zone in Mianwali, Punjab. However, the Government of Pakistan did not allow for import of machinery for cement manufacturing line and consequently, the Board of Directors of MLIL decided to initiate the winding-up process of the Company as at March 31, 2024. The winding-up process has since been completed.

Agritech Limited Maple Leaf Cement Limited holds 201,663,428 (2024: 43,742,500) ordinary shares with a par value of Rs 10 each, representing 33.66% (2024: 10.30%) of AGL's share capital. The market value of the Group's investment in the ordinary shares of AGL as at June 30, 2025, was Rs 10,948.308 million. AGL became associate of the Group on January 10, 2025.

VALUE CHAIN ANALYSIS

MLCFL principal business activity is to produce and sell cement products. Manufacturing cement involves blending a mixture of limestone and other minerals at a high temperature in kilns. Diesel is used to initially fire the kiln whereas coal is used to heat the kiln at desired temperature.

On the upstream part of value chain, raw material for cement manufacturing includes limestone, gypsum, clay, iron ore etc., which mainly are excavated from mines either directly by the Company or through contractors. These materials are first excavated from mountains obtained on lease from the Minerals department, against which royalty is paid on a monthly basis. Coal used as fuel in the process is one of the major cost ingredients. MLCFL directly imports high quality coal from South Africa, also procures Afghanistan coal and local coal for use in the manufacturing process. MLCFL has also locally procured alternative fuels i.e., rice husk, canola husk and corn cobs etc.

MLCFL has invested in maintaining a smooth flow of operations. The company has implemented a proactive approach to mitigate its risk of disruptions in the production process. The Reliability Centered Maintenance (RCM) team is specialized in using various maintenance techniques such as predictive, preventive and proactive maintenance to keep in pace all the machinery and equipment for their adequate functionality and to increase cost effectiveness, machine uptime, and a greater understanding of the level of risk that the organization is presently managing. At MLCFL, the mining, grinding, crushing and blending processes are strictly monitored by highly qualified specialists, to ensure that the best possible product is manufactured for our valued customer.

Facilitating downstream along the value chain, MLCFL has its own 24/7 Customer Service Centre, first ever in the history of the Pakistani cement industry. The objective of this service is to bring MLCFL a step closer towards our valued customers. Customers can obtain any information pertaining to our Company, our products, order dispatch details, payment history and for complaints/suggestions, direct access to the top management.

Through efficient use of its marketing strategy, MLCFL is creating a pull effect by locking-in its customers and is consequently able to tap the potential markets proactively. Various activities focusing on engaging the dealers and even the masonry staff have been initiated by the Company. Such activities encourage the dealers and masons to recommend the product portfolio of MLCFL. We in collaboration with TEVTA have created a pool of highly skilled masons through the Master Mistri Program. Value chain analysis has enabled MLCFL to identify its core competencies and to identify key stakeholders in the process of the value creation as well as those along the upstream and downstream value chain. Moreover, this analysis has helped MLCFL in identifying the activities which add value for its customer and also to evaluate its competitive positioning in industry.


“BUILDING WITH
STRENGTH
SHAPING TOMORROW”

BUSINESS MODEL

Maple Leaf Cement Factory Limited (MLCFL) is a Public Listed Company engaged in the manufacture of cement products. The Company aims to maximize shareholder value by adopting a unique marketing mix strategy which offers superior quality products at competitive prices through our vast dealership network. Through smart and efficient Marketing, the Company solidifies its hold in a vastly competitive market to certify that Maple leaf is a renowned symbol of trust and ethical integrity. Management stringently monitors its KPI's to measure and predict drivers of change to design innovative emergent strategies to better explore potential opportunities and mitigate business risks.

INPUTS

Financial Capital (Rs. in Million)
70,959 in Equity
118,732 Total Assets
14,165 Long Term Loans

Manufactured Capital
4 Cement lines,
8 Regional Sales offices,
1 Power Plant

Intellectual Capital
Enterprise Resource Management (ERP) software

Human Capital
1,799 number of persons employed

Social and Relationship Capital
Distributor and Dealer Network
Financial Institutions

Natural Capital (Rs. In Million)
8,939 Raw material Consumed
22,327 Fuel and Power Consumed

OUTPUT

Clinker produced (M.Tons)
3,681,406

Cement produced (M.Tons)
3,865,476

Electric power generated (Units)
254,490 MWH

OUTCOMES

Financial Capital
Rs 36,425 million contribution to national exchequer
Rs 84.28 share price at year end
Rs 68,654 Million in Net Sales

Manufacturing Capital
Substantial Grey market share
>90% white market share

Human Capital
Rs 3,775 million salaries and wages paid

Social and Relationship
Rs 25 million donation made

Capital
ISO 45001- Occupational Health & safety certification
Painters and masons trained

Natural Capital
Over 96,500 trees planted in last 5 years
ISO 14001-Environmental management system certification
Air emission monitoring and control

* Based on Consolidated figures.

ایکدم
SOLID
میپل لیف
MAPLE LEAF CEMENT
NET WEIGHT 50 kG.
20 BAGS TO A METRIC TON
MAPLE
LEAF
10,000
P.S.I.
میپل لیف
PS. 232

KEY ELEMENTS OF THE BUSINESS MODEL

Capitals	Key Elements
Input	Raw material (Limestone, Gypsum, Clay)
Business Process	Manufacture of Cement Products
Output	Clinker and Cement Produced
Outcome	Economic and Social Benefits

Explanation of any material changes in the Company's business model during the year.
There has been no material change in the business model during the year.

SIGNIFICANT FACTORS AFFECTING EXTERNAL ENVIRONMENT AND MLCFL'S RESPONSE

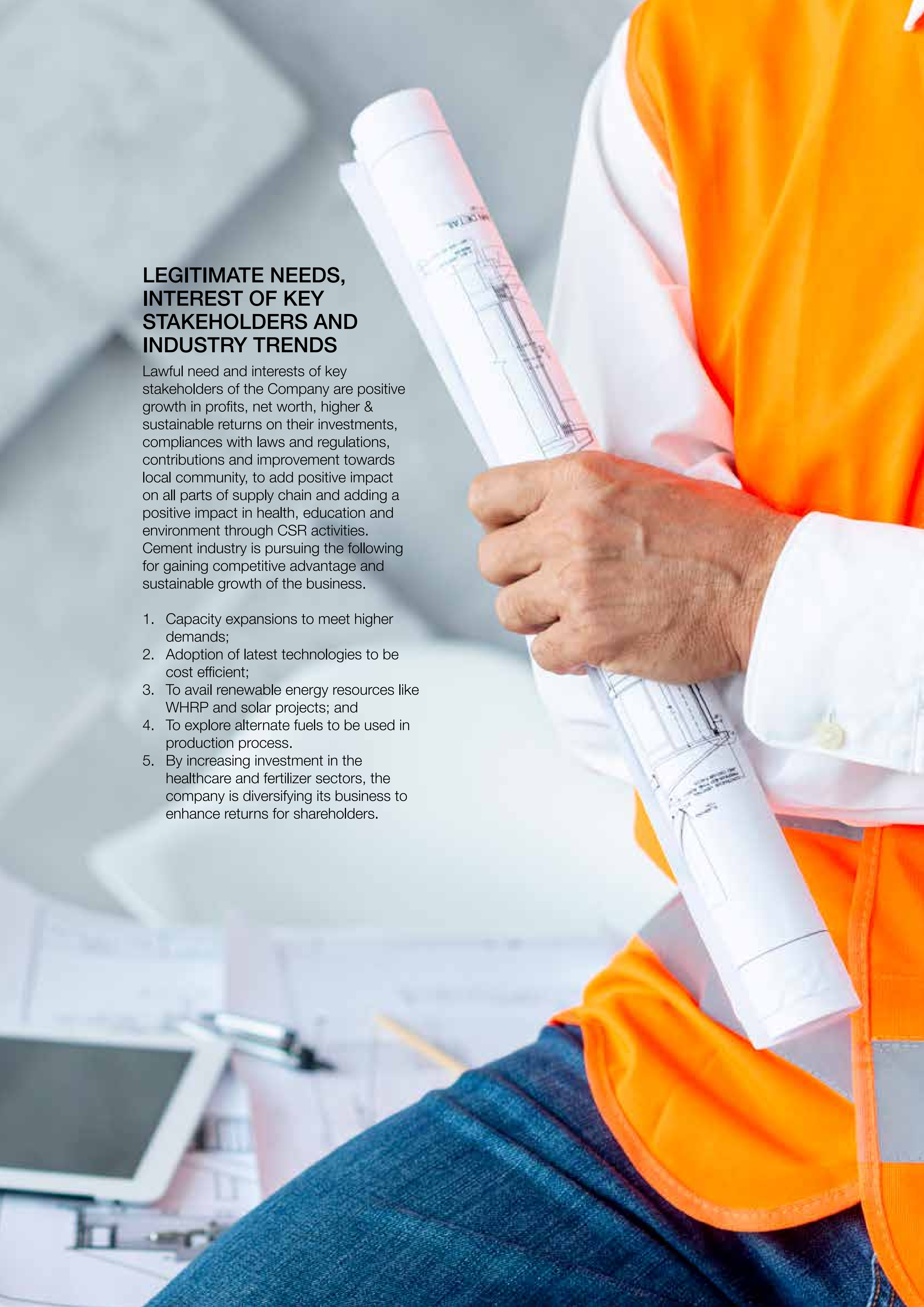
External Component	Factors	Organizational Response
Political	• Low GDP growth and bleak economic situation. • Political conflicts, strikes, and other forms of unrest can disrupt the transportation of raw materials and finished cement, leading to increased costs and delays in production and delivery.	• Management proactively plans for different demand scenarios with the help of budgeting, forecasts and projections. • Exploring new export markets to efficiently utilize production capacities in response to reduction in sales volumetric growth in local market. • Our factory at Daud Khel, Punjab, is located near the Salt Range with abundant limestone, clay, and sand. To ensure continuous supply, we operate separate Grey and White Cement plants at the site. • Regular market analysis by senior management and the Board. • Conducting corporate briefings and roadshows, both at national and international level, to mitigate the impact of government policies and actions on the market capitalization of the company. It further helped increase and sustain foreign shareholding in the total capital structure of the company.
Economical	• Price hike in major input costs especially fuel, power and packing materials. • Devaluation of local currency. • Inflation. • Inconsistent economic policies	• Usage of coal fired power project has resulted in a handsome decline in the overall power cost pool, which led to a reduction in per ton power cost. • Use of alternate fuel instead of coal. • Installation of renewable energy i.e., solar power projects of 12.5 MW. • Installation and commercial production of waste heat recovery plant at line III. The Company met price hikes in input costs by: a) Efficient procurement of coal and pet coke on account of better negotiation.

External Component	Factors	Organizational Response
		b) Transportation cost, being a major component of overall overhead cost, is curtailed by transportation agreement with Pakistan Railways. c) Effective inventory management by meticulously reviewing inventory-holding periods. d) Cost reduction initiatives to control production and non -production related fixed costs.
Social	• Stakeholders' inclination towards CSR compliant organizations. • Better retention in organizations offering affordable health and educational facilities. • Attitude change towards welfare of public at large.	• Ensuring compliance with all requirements of Corporate Social responsibility (CSR). • The Company's focus to report performance based on Triple Bottom Line Reporting Framework. • The Company built a state-of-the-art hospital at its plant site in collaboration with Al-Shifa Islamabad to provide health facilities to employees and general public. Further, the Company contributed to educational facilities for public at large "Al Aleem medical college in Ghulab Devi Educational Complex. • Company regularly contributes a handsome amount of donation towards hospitals, schools, mosques and sports centres.
Technological	• Technical obsolescence of production facilities. • Continuous development of information technology infrastructures and Management Information Systems (MIS) software. • Communication infrastructure.	• Company has the most novel European plant from FLSmidth to avoid any risk of technical obsolescence. • Company continuously invests in the robust hardware and software for system up-gradation and MIS. Recently company has managed ERP and EAM modules for meeting latest reporting needs. • Company has developed a highly interactive Supply Chain Management Software that has been designed to track shipments and create online orders. • The Company has ensured the provision of latest Microsoft outlook software to meet communication needs of all company personnel internally and with all external stakeholder groups.

External Component	Factors	Organizational Response
Environmental	• Attitude towards and support for renewable energy. • Air pollution & deforestation • Lowering of underground water belt. • Growing attention towards "green" attitudes	• Company is successfully operating waste heat recovery project (WHRP) for electricity generation from emitted heat of the kilns. The Company has installed 12.5 MW solar power projects. • The company has increased usage of Alternate fuel to decrease its carbon footprint. • Planting trees to limit the emission of harmful gases in the atmosphere and to ensure maintenance and lifting up the underground water level by reducing the evaporation process. • The Company has been approved the standards of ISO 14001 and ISO 18001 for complying with an effective Environmental Management System (EMS) and Occupational Health and Safety Assessment Series (OHSAS) requirements.
Legal	• Enforcement of new Companies Act 2017. • Continuous amendment in the provisions of Income Tax Ordinance 2001 and Sales Tax Act 1990 resulting from finance bill on annual basis. • Amendments in the requirements of code of corporate governance, Pakistan Stock Exchange rules and the requirements of SECP Act. • Severe FBR actions to deter non- compliance and late payments. • Amendments inemployment laws and industrial relations regulations.	• Company has engaged an efficient team of professionals to ensure compliance with all enacted and or substantially enacted statutes, acts and ordinances. It further equips the company with an up-to-date knowledge of all prevailing legal requirements. • Company ensures that all taxes and duties payments, whether income tax or sales tax, are made timely by having an effective cash management system in place. • The Company has equipped itself with a competent legal team to make itself updated on employment and industrial laws. It further helps the management in complying with requisite updates on timely basis.

EFFECT OF SEASONALITY ON BUSINESS

Seasonality has no impact on cement production. Cement sales are higher in spring/summer months due to longer duration of the day, the sales fall during monsoon and winter due to less construction activities.



LEGITIMATE NEEDS, INTEREST OF KEY STAKEHOLDERS AND INDUSTRY TRENDS

Lawful need and interests of key stakeholders of the Company are positive growth in profits, net worth, higher & sustainable returns on their investments, compliances with laws and regulations, contributions and improvement towards local community, to add positive impact on all parts of supply chain and adding a positive impact in health, education and environment through CSR activities. Cement industry is pursuing the following for gaining competitive advantage and sustainable growth of the business.

1. Capacity expansions to meet higher demands;
2. Adoption of latest technologies to be cost efficient;
3. To avail renewable energy resources like WHRP and solar projects; and
4. To explore alternate fuels to be used in production process.
5. By increasing investment in the healthcare and fertilizer sectors, the company is diversifying its business to enhance returns for shareholders.

SWOT ANALYSIS

SWOT analysis is being used at Maple Leaf Cement as a strategy formulation tool, in order to match our strengths with perceived opportunities and minimize our weaknesses to avoid market and other threats. Management at Maple Leaf considers the following factors of SWOT analysis relevant to us:

STRENGTHS

- Largest single cement producing site in Pakistan.
- State of the Art FLSmidth plants.
- High EBITDA Percentage.
- Excellent logistic management including Pakistan Railways arrangement.
- Fully diversified cement producer.
- Strong local and international branding.
- Offering over 330 days / year production.
- Well diversified fuel mix and efficient operation.
- Well-developed and refined human resource.
- Low energy cost per ton for clinker.
- Own self-power generation coal-based power plant.
- Use of alternative fuel which reduces the production cost.

WEAKNESSES

- Cyclical industry.
- High transportation cost.
- Highly regionalized and localized market.
- High electricity cost.
- High taxation.

OPPORTUNITIES

- Focus on cost optimization.
- Availability of housing loan from financial institutions.
- Rising population works as a catalyst for housing boom.
- Low per capita consumption.
- Research to develop new products.

THREATS

- Rising cost of logistics.
- Rising cost of power.
- Rising fuel rates in international markets.
- Currency devaluation risk.
- New entrant threats in the view of rapid capacity enhancements due to high potential market.
- High incidence of taxes.
- High cost of financing
- Low GDP growth rate

CUSTOMER LANDSCAPE AND MARKET POSITIONING

The Company's competitive landscape and market positioning is described below:

THREAT OF NEW COMPETITION

The cement sector in Pakistan is heavily dependent upon the nature and state of the economy of the nation where production capacity and ultimate dispatch is pegged towards demand and current PSDP's allocation by the government. Given the external circumstances, the industry has shifted towards the mature phase of its product life cycle in which competition is high, demand is stagnant and key players are firmly established.

Furthermore, the cement sector by its natural design has high barriers to entry where having economies of scale is paramount. Capital investment requirements and business set up costs remain exorbitant and access to key distribution channels and raw material is essential to success.

Cumulating all above factors, it is highly unlikely for new players to enter the market.

THREAT FROM SUBSTITUTE PRODUCTS

To say that cement has shaped the world of today won't be an overstatement. Infrastructure, may it be housing, roads, towering skyscrapers, bridges, dams, or even the Wonders of the World, wouldn't have been possible without cement.

From a commercial perspective there is no direct substitute of cement.

BARGAINING POWER OF CUSTOMERS

Generally, cement in Pakistan is not directly sold to end consumers. The manufacturing company sells the product to registered distributors, dealers and retailers who further the supply to the end consumers.

MLCFL endeavours to add more dealers to its customer base with whom the Company enjoys a healthy, mutually beneficial relationship based on trust and honouring of business terms.

The Company has established a 24/7 call center to stay in touch with all its stakeholders. All the queries, order inquiries and grievances (if any) are addressed on real-time basis. Furthermore, the Company has employed a marketing and branding team which organizes events and makes real time visits to its dealers to further strengthen the bond of loyalty and inspire unity.

BARGAINING POWER OF SUPPLIERS

It is common practice for large manufacturing concerns to enjoy a wide supplier base who are keen to do business with it, MLCFL being no exception. The Company has been doing business with a large list of approved vendors on its panel, having a history of professional business ethics, to maintain a healthy competition. Thus, the Company enjoys a privileged bargaining power while keeping the business norms intact. The Company has an extensive vendor selection process in place which is supervised by the Audit Department to ensure transparency and fairness.

Raw material is obtained through long term lease contracts with Mines and Mineral Department, Government of the Punjab. Sufficient letter of credit lines are available to facilitate ease of business with foreign suppliers. Whereas, fuel and other input materials are purchased after extensive market research and negotiation to protect the Company's interests.

INTENSITY OF COMPETITIVE RIVALRY

Competitive forces are fairly strong in the cement sector which consists of rival companies aggressively competing with one another on price and market share. The cement companies are geographically situated all over in Pakistan that results in intensified competition as far as market share and price are concerned. MLCFL has continuously been working hard to maintain its brand loyalty, market share expansion, efficient supply chain and superior quality products.

MLCFL has always been the first priority of cement consumers due to its superior quality products giving an edge to the Company in the intensive competitive environment.

LEGISLATIVE AND REGULATORY ENVIRONMENT IN WHICH THE COMPANY OPERATES

Maple Leaf Cement Factory Limited was incorporated in Pakistan under the Companies Act, 1913 and is listed on Pakistan Stock Exchange. The Company is subject to all the relevant laws and regulations which are prevailing and are applicable to all the listed companies operating in Pakistan. Further financial statement of the Company has been prepared in accordance with the Accounting and Reporting Standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

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

POLITICAL ENVIRONMENT AND IMPACT OF OTHER COUNTRIES ON THE COMPANY

Political stability plays a vital role in driving the country's infrastructure development, while global developments also significantly impact our economy by influencing the supply of inputs and, consequently, the prices of commodities. Global coal and oil prices decreased in 3rd and 4th quarter that helps in reduction of fuel cost. Further, due to government efforts together with IMF supported reforms inflation rate decreased sharply that will boost the construction activities in the country and reduction in interest rates has reduced the finance cost.

SIGNIFICANT CHANGES FROM PRIOR YEARS

During the year, Pakistan registered a dramatic drop in inflation, with the annual CPI falling from 23.4 % in FY 2024 to just 4.49 % in FY 2025 its lowest in nine years which eased cost pressures. At the same time, the government's Public Sector Development Programme (PSDP) received a substantial uplift of 58 % increase over FY 2024. These infrastructure investments likely boosted cement demand across construction projects. Meanwhile, tax reforms saw the imposition of an 80 % GST withholding on coal supplies a key raw material for cement and an increase in Federal Excise Duty (FED) on cement by Rs 50 per bag, effectively raising production costs. Despite these cost hikes, improved liquidity, lower borrowing costs due to aggressive rate cuts from 22 % down to 11 %.

CALENDAR OF CORPORATE EVENTS

JULY 2024 - JUNE 2025

01 — **10-SEP-24**
Annual June-2024 Result Declared

02 — **23-OCT-24**
1st Qtr Sep-2024 Results Declared

03 — **28-OCT-24**
Annual General Meeting Held

04 — **20-NOV-24**
Corporate Briefing Session 2024

05 — **19-FEB-25**
Half Yearly Dec-2024 Results Declared

06 — **22-APR-25**
9 Months Mar-2025 Results Declared

No significant events occurred after the reporting date which needs to be disclosed.

CALENDAR OF OTHER NOTABLE EVENTS

JULY 2024 - JUNE 2025

14-Aug-24
Azadi Celebration

17-Sep-24
Eid Milad un Nabi

29-Oct-24
Pink Day

25-Dec-24
Christmas Celebrations

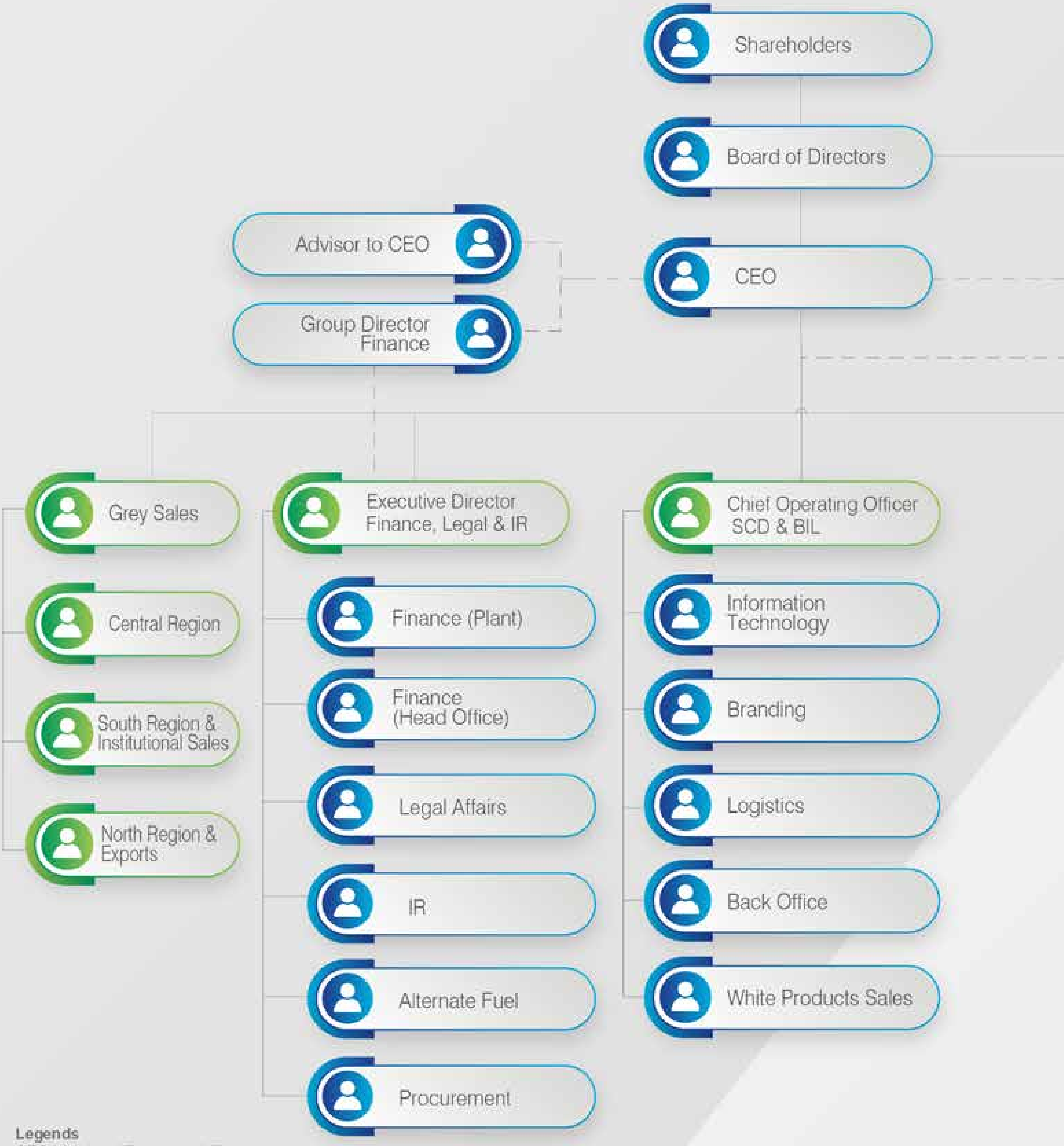
11-Feb-25
Maple Sports Gala

06-Mar-25
Employee Appreciation Day

08-Mar-25
Women's Day

11-25 March
Cricket League

ORGANIZATION CHART



Legends

CEO : Chief Executive Officer
GM : General Manager
DGM : Deputy General Manager
HSE : Health Safety & Environment
RCM : Reliability Centered Maintenance

——— Administrative Reporting
- - - - Functional Reporting


Audit Committee
Board Committees
Human Resource & Remuneration Committee
Internal Audit & Systems
Functional Teams
Executive Director Technical
Director Special Assignments
Team HR Strategy
Mechanical
HR
Team Energy
Process & Admin
Security & CSR
Team HSE
RCM & HSE
Admin - Head Office
Team Improvement
Electrical, PG&D
Team Project Monitoring
Team RCM

STATEMENT OF OVERALL STRATEGIC OBJECTIVES 2025-2026

Following are the main principles that constitute the strategic objectives of MLCFL: -

SHORT TERM OBJECTIVES

- Improved capacity utilization of the Company's production facilities.
- Effective use of available resources.

MEDIUM TERM OBJECTIVES

- Modernization of production facilities and adoption of latest technologies in order to ensure the most effective production.
- Compliance with further improvements in implementation of Code of Corporate Governance (CCG) through optimization of management processes.
- Effective marketing and innovative concepts.

LONG TERM OBJECTIVES

- Implementation of effective human resource solutions through personnel development, creating proper environment for professional growth of highly skilled professionals, ensuring safe labour environment, competitive staff remuneration and social benefits in accordance with scope and quality of their work.
- Explore alternative energy resources.
- Compliance with local and international environmental and quality management standards, implementation of technologies allowing to comply with the limitations imposed on pollutant emissions.
- Implementation of projects in social and economic development of communities.

MANAGEMENT'S OBJECTIVES AND STRATEGIES

Prime objective of management is to change the culture from a State Cement traditional hierarchy and status quo enterprise to a customer driven, empowered and cross functionality focused company. Our objectives are determined to increase our retention value along with reduction in cost. We strive to achieve our objectives with collective wisdom and empathy. We are committed to enhance stakeholder's value. To achieve our corporate objectives, we have given priorities to refine and implement our human resource policies and Standard Operating Procedures (SOPs). Quality Management System (QMS) function has been implemented that seeks to lower non-conformance costs through an active focus on health, safety, environment, housekeeping and operations.

Apart from the above, we have implemented scientific performance evaluation techniques that are linked to KPIs (Key Performance Indicators). We have also developed Reliability Centered Maintenance System for achieving run factor of 330 days considering it as an opportunity to improve our bottom line. We believe that training is the source of all process driven thinking. Local and international trainings for key management personnel are arranged on regular intervals including 6 sigma trainings. We have framed well defined different teams to address the key areas like Team Energy, Team Reliability Centered Maintenance, Team Improvement and Team Culture Development. Priority is being assigned to control production cost.

We have reduced variable cost due to efficient energy management and other cost reduction measures. The to date results, financial and non-financial, are the reflection of achievement of management's objectives which are strategically placed to increase the wealth of stakeholders. The said results are properly evaluated against the respective strategic objectives to confirm the achievement.

We have a dedicated team to work on our brand development. This team has the capacity and objective to develop brand loyalty, increase in customer base and customer retention by using effective marketing and innovative concepts. This team has been contributing to achieve the company's strategic objectives. Some of the achievements include successful running of 24/7 call center to ease our customers' queries, new product introduction in the market and to manage brand loyalty.

The Company has been very keenly observing all the compliance with CCG and auditors report on compliance with all requirements of code of corporate governance in the acknowledgment of company's efforts towards achieving its strategic objective towards compliance.

All of the above-mentioned strategies are in place to achieve the company's short-term, medium-term and long-term objectives.

ALLOCATION PLAN OF ENTITY'S SIGNIFICANT RESOURCES

The Company's resources mainly consist of human resource, financial resource, and technological resource.

HUMAN RESOURCES

The Company assorted and hired team of professionals with enormous expertise in latest technologies who proficiently design the ways for improving and upgrading our production process, networking and control systems. We have developed a dedicated team to analyse the human resource right from selection till retirement. We believe in adding value to our human resource by extensive trainings and development program.

FINANCIAL CAPITAL MANAGEMENT

The Management of the Company has breadth of experience and knowledge of best practices in liquidity management pertaining to policies, processes, regulatory constraints, tax considerations and liquidity management system. The Company steadfastly navigates through challenging obstacles by putting in the utmost effort to manage its working capital requirements through fruitful fixed cost reducing techniques. Capital structure mainly consists of ordinary share capital and long term/short term debts. Management believes that there is no inadequacy in capital structure in the status quo. MLCF maintained its credit rating with long term rating of A and short-term rating of A-1, indicating high credit worthiness and the Company's ability to settle its financial obligations in a timely manner.

STRATEGY TO OVERCOME LIQUIDITY RISK

The Company is highly proficient to manage liquidity risk and in order to cope with it, MLCFL invests only in highly liquid resources to mitigate the risk. Efficient utilization of available resources, better control over production overheads and better retention resulted in increased cash generation from operations and recovery of losses of previous year. The company continues with its plan to utilize the cash generated from operations for repayment of its debt and borrowings on a timely basis, which will result in the reduction of financial cost and resultantly, net profit of the Company will be increased. The Company's liquidity situation has drastically improved as compared to prior year with a reduced operating cycle.

KEY RESOURCES AND CAPABILITIES
PROVIDING SUSTAINABLE ADVANTAGE

1.	Naturally Enriched Leased Mines	Company has availed naturally enriched mines on lease extracting key raw materials limestone, gypsum etc. which are in the close vicinity of the plant, is not only a competitive advantage itself but also enables the Company to avoid high transportation costs.
2.	Human Capital	The management of the Company believes in recognizing the employees as their assets and ensure diversity, competencies, requisite Knowledge and skill and experience in the perfect mix. The Company has the procedures in place to hire, compensate, motivate and retain the human capital.
3.	State of the Art Plant	The Company has installed state of the art plant technology of the world. Quality is assured through systematic and effective adoption, implementation, monitoring and continuous enhancement of quality control systems using latest methods of analysis. The plant is based on latest technology which produces best quality cement on competitive cost which gives the competitive advantage.
4.	Transportation Arrangements	The Company has in place the arrangement with railway network which gives Company not only cost savings but also provides competitive advantage because of accessibility of railway line from within the plant.
5.	Brand	Maple Leaf Cement has developed itself as a superior brand which gives a competitive advantage and secures customer acceptance.

Value created by the business for stakeholders using resources and capabilities

By using the resources and capabilities of the Company, the business creates value for all the stakeholders including shareholders, suppliers, customers, employees, and the society. Business generates profits and increases the net worth of the Company for the shareholders, benefits suppliers by giving them the business, engages employees and in return provides market competitive compensation to them and also contributes towards the betterment of the society by pursuing corporate social responsibilities.

EFFECT OF TECHNOLOGICAL CHANGE, SOCIETAL ISSUES AND ENVIRONMENTAL CHALLENGES

Technology: It has a direct link to productivity, cost efficiency and generates overall competitive advantage. Management has always recognized adopting latest technologies as a key strategic objective and hence always invested significant resources for up-gradation and modernization of equipment resulted in availing the most modern and state of the art technology to be installed in every successive cement line and effectively automate its business processes with each consecutive year. The Company formulates its budget every year for coherent resource allocation and advancements through its CAPEX projects.

- The effects of given factors on company strategy and resource allocation, technological change, ESG report and challenges, initiatives taken by the company in promoting and enabling innovation and resource shortages

ESG Report and Challenges: The ESG reporting influences the strategy at Maple Leaf Cement by increasing the focus on Environment, Society, and Governance. This allows the company to take more initiatives related to the ESG and allocating more resources such as financial resources, human resources and time for the achievement of excellence in ESG.

Enabling Innovation and Managing Resource Shortages: Maple Leaf's strategy focus on enabling the innovation and finding the innovative solutions to the current problems which helps in saving the resource. The price examples are technologies, supply chain management apps, waste heat recovery plant, and the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MAPLE LEAF CEMENT

solar power at Maple Leaf Production plant. The company allocates more funds for these innovative ideas and implementations in order to sustain and manage shortage of resources.

Societal issues and environmental challenges: The Company is fully aware and legally compliant with its corporate social responsibility. Social and environmental issues are dealt with in accordance with sustainability goals and CSR policy. Company's overall approach to comply with these matters are reported in detail in the sustainability section of the report.

PROCESS FOR MONITORING CULTURE, INTEGRITY AND ETHICAL ISSUES

In MLCF, problem solving & decision making usually takes place through cross functional forums where various departmental heads along with the management representatives take major decisions mutually keeping in view the requirements of various functions.

Moreover, in order to enhance the culture and impart positive attitude among the staff members, various soft skills training & development programs are organized along with the mentoring sessions of staff to address various grievances and other professional / ethical issues.

KEY PERFORMANCE INDICATORS (KPIs)

Following are some of the key performance measures and indicators against stated objectives of the Company: -

Sr. No.	Objectives	Measures
1	Improved capacity utilization of the Company's production facilities.	Number of days run factor, mean time between failure (MTBF).
2	Modernization of production facilities in order to ensure the most effective production.	Reduction in unplanned stoppages.
3	Effective marketing and innovative concepts.	Increase in retention and sales volume.
4	Implementation of effective human resource solutions through personnel development, creating proper environment for professional growth of highly skilled professionals, ensuring safe labour environment, competitive staff remuneration and social benefits in accordance with scope and quality of their work.	Higher return on human capital.
5	Effective use of available resources.	Decrease in variable cost.
6	Explore alternative energy resources.	Reduced dependence on national grid.
7	Further improvements in Code of Corporate Governance through restructuring of assets and optimization of management processes.	Higher legal compliance level and reduction in contingencies.
8	Compliance with local and international environmental and quality management standards, implementation of technologies allowing to comply with the limitations imposed on pollutant emissions.	Compliance with SOPs.
9	Implementation of projects in social and economic development of communities.	Allocation of funds for CSR and their monitoring.

Management believes that current key performance measures continue to be relevant in future as well.

SIGNIFICANT PLANS AND DECISIONS DURING THE YEAR

The Company has adopted the strategy to utilize maximum cash profits with minimal reliance on debt. Moreover, in order to reduce the higher financial costs, the Company has availed Long Term Finance Facilities (LTFF) and Temporary Economic Refinance Facilities (TERF) for its capex projects.

The Company has no plans for corporate restructuring and discontinuance of operations.

SIGNIFICANT CHANGES FROM PRIOR YEARS

There is no material change in Company's objectives and strategies from the previous year.

RISKS AND OPPORTUNITIES

RISK MANAGEMENT FRAMEWORK

The goal of Board of Directors is to minimize all risks and take advantage of potential opportunities in order to systematically and sustainably improve the value of the Company for all stakeholders by ensuring affordable availability of necessary capital. Management has adopted a risk management approach and internal control framework, based on its business philosophy and corporate objectives, which is explained step by step below:

A. STRATEGY FORMULATION

Management reviews the Statement of Strategic Objectives annually that represent the Stakeholders' expectations and are the lead indicators for determining the success level of the Company. In order to materialize the objectives, Management adopts certain strategies. These strategies are approved by the Board of Directors and are subject to adjustment, depending upon any changes in the external business environment or internal organizational factors.

B. KEY RISKS AND OPPORTUNITIES OF CAPITALS

FORM OF CAPITAL	KEY RISK	KEY OPPORTUNITIES
Financial Capital	Increased packing and power generation cost	Resumption of CPEC projects.
Human Capital	Loss of qualified and competent staff	Bagging unparalleled and ideal workforce from the market.
Manufacturing Capital	Obsolesce of technology	Investing in the latest technologies and state of the art equipment.
Social and Relationship Capital	Bad reputation and publicity	Building relationships along the value chain and developing the company portfolio.
Natural Capital	Water shortages	Easy access to limestone, gypsum and clay deposits for cement manufacture.

C. RISK ASSESSMENT

Risk assessment is an on-going process that highlights numerous uncertainties that poses potential threats which may hinder the accomplishment of objectives of the Company. If these risks are not being addressed in timely manner, may culminate in loss. Such risks and uncertainties can arise both from external as well as internal factors within the Company. Broad categories of risks which may hinder operations of the Company are as follows:

The Board has implemented an effective ongoing process to identify business risk and to measure the potential impact of deviation from strategic objectives including those which may threaten the Company's business performance and result in solvency / liquidity issues.

D. RISK MANAGEMENT METHODOLOGY

RISKS TYPE	IMPLICATION
Strategic Risks	Strategic risks can be defined as the uncertainties and untapped opportunities embedded in strategic intent. These risks are key matters for the Board of Directors, and impinge on the whole business, rather than just an isolated unit.
Commercial Risks	Commercial risks refer to potential losses arising from the trading partners or the market in which the Company operates.
Operational Risks	Operational risks refer to risks resulting from breakdowns in internal procedures, people and system.
Financial Risks	Financial risk is an umbrella term for multiple types of risk associated with financing, profitability, liquidity and credit.

The materiality approach is the fundamental principle behind the company's risk management methodology. Management believes materiality as a key component of an effective communication with stakeholders. The management has adopted materiality approach which is based on a combination of stakeholder engagement, understanding of environmental limits and strategic alignment. It has made the process, assumptions and evidence base for identifying material issues for more transparent, credible and amenable disclosures to have more transparency on risk and opportunities.

Materiality is a key component for an effective communication with stakeholders. The materiality approach adopted by the company is a combination of all important areas that are essential for the business's growth and success as well as the areas that have an impact on the environment or social aspects.

Not being conclusive, management considers that following are the major risks which may affect the operations of the Company and mitigating strategies for these risks.

E. RISK AND COUNTER MEASURES STRATEGY MATRIX

Corporate Objective	Risk	Assessment	Mitigation Strategies
Industry Competition: To maintain Company's prominent position as one of the leading brands of cement industry of Pakistan.	**Strategic Risk:** Increase in production capacities and limited growth in demand may lead to increased competition among rivals **Source: External**	**Likelihood:** Medium **Magnitude:** High	Through efficient use of marketing strategy, MLCFL is creating a pull effect by locking-in its customers and also to tap potential markets.
	Financial Risk: Increased packing cost, fuel and power generation cost may result in increase in cost of production and squeeze margins for the Company. **Source: External**	**Likelihood:** Medium **Magnitude:** High	The Company is actively looking into alternate sources of power generation to reduce cost.

E. RISK AND COUNTER MEASURES STRATEGY MATRIX

Corporate Objective	Risk	Assessment	Mitigation Strategies
Legislative and Legal Environment: To operate in a stable market being compliant with all relevant laws of the country and international regulations	**Strategic Risk:** Continuous changes in the regulatory framework and statutory obligations may result in non-compliance. **Source: External**	**Likelihood:** High **Magnitude:** Medium	Management is proactively following any changes occurring in the regulatory framework relating to the cement sector.
Technology: To automate and upgrade supporting processes and related MIS in relation to production of cement to speed up such activities.	**Strategic Risk:** Lag in production reporting due to different MIS platforms may result in delayed decision making for corrective actions. **Source: Internal**	**Likelihood:** Low **Magnitude:** High	Management is continuously investing considerable amounts for up gradation of technological infrastructure in order to harmonize the MIS platform throughout the Company.
Operations: To ensure continuity of operations without any disruptions in production and minimize idle time.	**Operational Risk:** Machinery breakdown/ stoppages adversely affect the profitability of the entity as it hinders production and delays operation. **Source: Internal**	**Likelihood:** Low **Magnitude:** High	To avoid such stoppages, a reliability centre has been established which runs a number of operational checks to ensure smooth operations and avoid breakdown and Enterprise Asset Management module is in place as the system to monitor this. The Company has developed the culture wherein it promotes and enables innovations in processes.


"BUILDING
TRUST SINCE
1956"

Corporate Objective	Risk	Assessment	Mitigation Strategies
Human Capital: To have an adequate reserve of trained professionals excelling in their respective domains.	**Operational Risk:** Loss of the qualified and competent staff. **Source: Internal**	**Likelihood:** Low **Magnitude:** Low	Succession planning and capacity building of existing resources are one of the primary focus of the Company.
Health and Safety: To ensure health and safety of employees in workplaces.	**Operational Risk:** Accidents can take place which can cause serious injuries to employees, and also cause disruptions in operations. **Source: Internal**	**Likelihood:** Low **Magnitude:** Medium	A sound system of HSE is in place for timely identification of potential hazards and to remove such threats
Logistics: To ensure availability of coal for uninterrupted operations.	**Commercial Risk:** Due to dependency on Pakistan Railways for coal transportation, delays can occur owing to strikes or railway breakdown. **Source: External**	**Likelihood:** Low **Magnitude:** Medium	Adequate stock levels have been maintained with provision of such incidents in mind.
Finance: To maintain strong financial position and produce financial performance which is reflective of the Company's scale of business and Shareholders' expectations	**Financial Risk:** Increase in cost of borrowing may adversely affect the profitability of the Company. Payment defaults by counter parties may leave the Company with inadequate resources for discharging its own liabilities. **Source: External**	**Likelihood:** Low **Magnitude:** Medium	Management has addressed the risk of shortage of working capital by availing sufficient lines from the diversified financial institutions in order to meet the short-term finance requirements of the company. Moreover, all efforts are being made to improve the average credit period of the Company along with improved operation cycle. Strong follow up and adherence to procedures and credit terms ensures that the risk of default from counter parties is kept to a minimum. Adequate steps are taken for any dispute that may arise.

F. OPPORTUNITY ANALYSIS

Unlocking and exploiting operational opportunities is an important aspect of MLCFL entrepreneurial activities. We are committed to use existing products and new solutions in order to systematically enhance our growth and strengthen our position in global markets. Investing in new projects and increasing the productivity of existing ones are key elements for future organic growth. In the year under review, we strengthened the basis for further growth in the coming years by making selective investments in our existing businesses and developing innovations that support in achievement of company's stated vision.

Key opportunity	Impact area	Strategy to materialize
Resumption of CPEC projects and construction of new dams. **Source: External**	Social, Relationship Capital and Financial Capital.	The Company has enhanced its production capacity. Additionally, the company has one of the largest, most active marketing campaigns in the local cement industry. By directly engaging with dealers, distributers, suppliers, masons, drivers, the company builds long lasting relationships throughout the value chain and forms a loyal customer base who recommend MLCFL portfolio.
Cost reduction by using innovative production technology. **Source: Internal**	Manufactured Capital	The Company, realising the importance of reducing electric costs, has an active waste heat recovery plant (WHRP) at site which converts heat from the kiln into energy, which was previously lost. Enhancements to WHRP is being made to reap further benefit in electric cost reduction. Furthermore, its coal fired power plant provides electricity to run its operations at a more economic rate as compared to WAPDA.
Development of human relations/resource. **Source: Internal**	Human Capital	Developing the human resource is engraved in the company's mission statement and long-term objectives. By conducting extensive trainings and through its development program, the human resource add value to the company with their professional ability, calibre and integrity.
Improvements in the business process. **Source: Internal**	Financial Capital	The Company is able to capture healthy profits through its ability to: 1. Operate at maximum capacity 2. Efficient cash management system 3. Making sound liquid investments 4. Effective control over inventory

G. Strategy for Supply Chain Risk Management.

The supply chain risk due to environmental, social and governance incidents are monitored carefully at Maple Leaf Cement and then mitigated through effective strategies. The company analyze the external environment at Macro level to identify the changes occurring in the environment. After the identification of external factors that are changing in the environment, the company short list the factors and forces that can affect the Supply chain at any level from Raw material extraction to reaching end consumer. This helps the company to operate in a stable condition with minimum supply chain disruption.

The Supply chain Risks faced during the Financial Year 2024-25

Supply Chain Risk	Risk Involved	Mitigating Strategy
Environmental Risk	• Sales declined due to the suspension of construction activities during the monsoon season and the disruption in the supply of alternate fuel. • Strikes by the transporters effect the supply of cement.	• Maple Leaf Cement Factory Limited has adopted a strategy of maintaining an inventory of alternate fuel to ensure operational continuity during the rainy season. • Maple Leaf uses its other means of supply like railway.
Social and Governance Risk	• Political Instability increased in the year after the change in government. Pakistan is vulnerable to social and governance risk more than ever. • Maximum Axle load limit by Government.	• Maple leaf has made its distribution network stronger. • Maple Leaf Cement Factory Limited has tackle the issue of Axle load limit by increasing transport vehicles.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 65th Annual General Meeting of the members of Maple Leaf Cement Factory Limited (the "Company") will be held on Thursday, October 16, 2025 at 10:30 AM at 42-Lawrence Road, Lahore, the Registered Office of the Company, to transact the following business: -

ORDINARY BUSINESS:

16 OCTOBER 10:30 am

1) To receive, consider and adopt the audited accounts of the Company including consolidated financial statements for the year ended June 30, 2025 together with the Chairman's Review, Directors' and Auditor's Reports thereon.

2) To appoint Auditors for the year ending on June 30, 2026 and fix their remuneration. The Board has recommended, as suggested by the Audit Committee, the appointment of M/s. KPMG Taseer Hadi & Co., Chartered Accountants.

SPECIAL BUSINESS:

3) To consider and, if deemed fit, pass the following resolution as a special resolution under Section 199 of the Companies Act, 2017, with or without modification, as recommended by the Directors: -

"**Resolved** by way of special resolution that consent and approval of Maple Leaf Cement Factory Limited (the "Company") be and is hereby accorded under Section 199 of the Companies Act, 2017 (the "Act") for investment in the form of loans/advances from time to time to **Kohinoor Textile Mills Limited,** the holding company, upto an aggregate sum of **Rs. 1,000 million** (Rupees one thousand million only) for a period of one year commencing November 01, 2025 to October 31, 2026 (both days inclusive) at the mark-up rate of one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher. Vide special resolution passed in general meeting held on October 28, 2024, by the shareholders, the Company was authorized to extend a facility of similar nature to the extent of Rs. 1,000 million which is valid till October 31, 2025.

Resolved further that Chief Executive Officer and Secretary of the Company be and are hereby authorized singly to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of transactions in relation to the loans / advances to the holding company but not limited to filing of all the requisite statutory forms and all other documents with the Securities and Exchange Commission of Pakistan, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolutions."

4) To consider and, if deemed fit, pass the following resolution as a special resolution under Section 199 of the Companies Act, 2017, with or without modification, as recommended by the Directors: -

"**Resolved** by way of special resolution that consent and approval of Maple Leaf Cement Factory Limited (the "Company") be and is hereby accorded under Section 199 of the Companies Act, 2017 (the "Act") for investment in the form of loans / advances from time to time to **Maple Leaf Capital Limited**, an associated company, upto an aggregate sum of **Rs. 1,000 million** (Rupees one thousand million only) for a period of one year commencing November 01, 2025 to October 31, 2026 (both days inclusive) at the mark-up rate of one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher. Vide special resolution passed in general meeting held on October 28, 2024, by the shareholders, the Company was authorized to extend a facility of similar nature to the extent of Rs. 1,000 million which is valid till October 31, 2025.

Resolved further that the Chief Executive Officer and the Company Secretary of the Company be and are hereby authorized **singly** to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of transactions in relation to the loans / advances to the associated company but not limited to filing of all the requisite statutory forms and all other


AGM
Annual General
Meeting

documents with the Securities and Exchange Commission of Pakistan, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolution."

5) To ratify and approve transactions conducted with the Related Parties for the year ended June 30, 2025 by passing the following special resolution with or without modification: -

   "Resolved that, the transactions conducted with the Related Parties as disclosed in the note 46 of the unconsolidated financial statements for the year ended June 30, 2025 and specified in the Statement of Material Information under Section 134(3) be and are hereby ratified, approved and confirmed."

6) To authorize the Board of Directors of the Company to approve transactions with the related parties for the financial year ending on June 30, 2026 by passing the following special resolution with or without modification: -

   "Resolved that the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with the Related Parties on case to case basis for the financial year ending on June 30, 2026.

   Resolved further that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

BY ORDER OF THE BOARD

Lahore:
September 25, 2025

(Muhammad Ashraf)
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed from **October 10, 2025 to October 16, 2025** (both days inclusive). Physical transfers / CDS Transaction IDs received at the Company's Share Registrar, M/s. Vision Consulting Limited, 5-C, LDA Flats, 2nd Floor, Lawrence Road, Lahore, at the close of business on **October 09, 2025,** will be considered in time to determine voting rights of the shareholders for attending the meeting.

2. A member eligible to attend, speak and vote at this meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her. CDC beneficial owners and Proxy Holders must bring with them their valid Computerized National Identity Cards (CNIC)/ Passports in original to prove his/her identity. In case of Proxy, CDC beneficial owners and Proxy Holders must enclose duly notarized copies of their valid CNIC/Passports with the Proxy Form.

3. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the time for holding the meeting and should be duly stamped, signed and witnessed. A member shall not be entitled to appoint more than one proxy.

4. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting. In case of Proxy, the corporate entity shall also submit the documents required for the meeting along with the Proxy Form to the Company.

5. Pursuant to provisions of Section 134 of the Companies Act, 2017, if the Company receives consent from members holding aggregate 10% or more shareholding, residing in geographical location to participate in the meeting through video conference at least seven days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

6. The members and their proxies can attend the Annual General Meeting via video link using their smart phones / tablets. However, they are requested to register themselves by providing the following information along with copy of valid Computerized National Identity Card (both sides) / passport, attested copy of Board Resolution/power of attorney (in case of corporate shareholders) through email at muhammad.ashraf@kmlg.com by October 14, 2025:-

Name of Member/ Proxyholder	Folio No. / CDC Account No.	Cell No. / WhatsApp No.	CNIC No.	Email ID

7. The notice of meeting containing the QR enabled code and the weblink address to view and download the Annual Report including annual audited financial statements, is being dispatched to the members as per requirements of the Companies Act, 2017, on their registered addresses and e-mailed to the shareholders who have provided their valid email IDs to the Share Registrar of the Company. Further, the notice of meeting has also been posted on the Company's website:www.kmlg.com. Furthermore, the notice has been published in English and Urdu languages in a daily newspaper of respective language having nationwide circulation.

8. The Members, who desire for receiving the AGM Notice containing annual audited financial statements/Annual Report through e-mail, are requested to update their e-mail IDs. The Annual Report for the year ended June 30, 2025 is available on website of the Company. However, hard copy of Annual Report will be provided free of cost on written request of the shareholder on Standard Request Form available on website www.kmlg.com.

9. Pursuant to requirement of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, the shareholders are requested to provide their bank details including International Bank Account Number (IBAN) of 24 digits in order to receive unclaimed e-dividends. Further, the shareholders may contact at the Registered Office of the Company to collect / enquire about their unclaimed physical dividends / physical shares;

10. Shareholders holding physical share certificates who have not yet submitted copy of their valid CNIC/NTN are once again requested to send a copy of their valid CNIC/NTN to our Share Registrar, Vision Consulting Limited. The shareholders while sending copy of CNIC/NTN must quote their respective folio numbers thereon enabling the Company to comply with the requirements of the Companies Act, 2017 and SROs issued thereunder in order to release the physical dividend warrants.

11. As per Section 72 of the Companies Act, 2017, members of the Company, in their best interest, are requested once again to convert their physical shares into book-entry form at the earliest possible.

12. In view of prohibition under Section 185 of the Companies Act, 2017, the Company will not distribute gifts in any form to its members at the meeting.

13. Members are requested to notify immediately any change in their addresses. CDC beneficial owners maintaining their shares in electronic form should have their addresses updated with their participants or CDC Investor Account Services.

14. For any query / information, the shareholders may contact with the Company Secretary at the above Registered Office and / or The Manager of Share Registrar, Vision Consulting Limited, 5-C, LDA Flats, 2nd Floor, Lawrence Road, Lahore, Ph. Nos. (042) 36283096-97.

15. The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification dated December 05, 2022, the members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on Thursday, October 16, 2025 at 10:30 AM, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations. The Company shall provide its members with the following options for voting: -

PROCEDURE FOR E – VOTING:

(a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers and e-mail addresses available in the register of members of the Company by the close of business on October 10, 2025.

(b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

(c) Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.

(d) E-Voting lines will start from October 12, 2025, 09:00 AM and shall close on October 15, 2025 at 5:00 PM. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

PROCEDURE FOR VOTING THROUGH POSTAL BALLOT:

(a) Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website www.kmlg.com for download.

(b) The members shall ensure that duly filled and signed ballot paper along with copy of valid Computerized National Identity Card (CNIC)/ Passport should reach the Chairman of the meeting through post on the Company's registered address, 42-Lawrence Road, Lahore or email at. chairman@kmlg.com one day before the Annual General Meeting i.e. on October 15, 2025 till 05:00 PM. The signature on the ballot paper should match with the signature on CNIC.

INFORMATION ABOUT SCRUTINIZER

Pursuant to requirement of the Companies (Postal Ballot) Regulations, 2018, below is the information regarding the Scrutinizer for the purpose of upcoming Annual General Meeting (AGM) of Maple Leaf Cement Factory Limited (the "Company") to be held on Thursday, October 16, 2025.

Name of Scrutinizer	Messrs. Junaidy Shoaib Asad, Chartered Accountants
Qualification and Experience	The firm has grown over the last decade as a leading multi-disciplinary organization offering auditing taxation, business advisory, information technology, human resources and corporate services to public and private sector organizations in the country. M/s. Junaidy Shoaib Asad, Chartered Accountants, is a member of UHY International, one of the world's leading accounting and business advisory network, with offices in over 330 business centers in 90 countries across the globe. The firm holds a satisfactory Quality Control Review (QCR) status from the Institute of Chartered Accountants of Pakistan (ICAP) which demonstrates the quality standards maintained by the firm. It is registered on the Panel of State Bank of Pakistan (SBP) and is on the panel of USAID.
Purpose of appointment	The Company is required to appoint a scrutinizer for the purpose of voting in the AGM to transact business that pertains to investment in associated companies as mentioned in Section 199 of the Companies Act, 2017. Therefore, scrutinizer has been appointed to observe that satisfactory procedures of the voting process including adequate precautionary measures are ensured and reported as mentioned under regulation 11A.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on October 16, 2025.

AGENDA ITEM NO. 3 OF THE NOTICE - INVESTMENT IN KOHINOOR TEXTILE MILLS LIMITED:

Kohinoor Textile Mills Limited ("KTML"), the holding company, having its Registered Office at 42-Lawrence Road, Lahore, is manufacturer of yarn and cloth, processing and stitching the cloth and trade of textile products. The spinning production facilities comprise 180,144 Ring Spindles; 3,648 Open-end Rotors and 768 MVS Spindles capable of producing a wide range of yarn counts using cotton and synthetic fibres. The weaving facilities at Raiwind comprise 384 looms capable of weaving wide range of greige fabrics. The processing facilities at the Rawalpindi unit are capable of dyeing and printing fabrics intended for the home textile market. The stitching facilities produce a diversified range of home textiles for the export market. Both the dyeing and stitching facilities are being augmented to take advantage of greater market access.

The Board of Directors of the Company in their meeting held on August 06, 2025 has approved Rs. 1,000 million as loans / advances, being a reciprocal facility, to KTML on the basis of satisfactory profit trend of KTML subject to approval of the members. The Company shall extend the facility of loans / advances from time to time for working capital requirements to KTML in accordance with an agreement in writing including all relevant terms and conditions as prescribed in the Regulations.

The Directors have carried out necessary due diligence for the proposed investment and duly signed recommendations of the due diligence report / undertaking have been kept at the Registered Office of the Company for inspection and shall also be available for inspection of members in the general meeting along with the latest audited and interim financial statements of the associated company.

Information under Regulation 3(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 (the "Regulations").

3 (1) (a) Disclosure for all types of investments

(A) Regarding associated company or associated undertaking: -

<table>
<tr><th>Ref. No.</th><th>Requirement</th><th colspan="3">Information</th></tr>
<tr><td>(i)</td><td>Name of associated company or associated undertaking;</td><td colspan="3">Kohinoor Textile Mills Limited
(the "KTML")</td></tr>
<tr><td>(ii)</td><td>Basis of relationship;</td><td colspan="3">KTML is a holding company of Maple Leaf Cement Factory Limited (the "Company").</td></tr>
<tr><td rowspan="5">(iii)</td><td rowspan="5">Earnings per share for the last three years;</td><td colspan="3">(Rupees)</td></tr>
<tr><td>Year</td><td>Basic</td><td>Diluted</td></tr>
<tr><td>30.06.2023</td><td>8.05</td><td>8.05</td></tr>
<tr><td>30.06.2024</td><td>8.07</td><td>8.07</td></tr>
<tr><td>30.06.2025</td><td>10.21</td><td>10.21</td></tr>
<tr><td>(iv)</td><td>Break-up value per share, based on latest audited financial statements;</td><td colspan="3">As on June 30, 2025
With revaluation surplus Rs. 118.76
Without revaluation surplus Rs. 96.62</td></tr>
<tr><td rowspan="13">(v)</td><td rowspan="13">Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements;</td><td colspan="3">Based on the audited financial statements for the financial year ended 30 June 2025, the financial position of KTML is as under: -</td></tr>
<tr><td>Particulars</td><td colspan="2">Amount
Rupees (000)</td></tr>
<tr><td>Paid up capital</td><td colspan="2">2,692,994</td></tr>
<tr><td>Reserves</td><td colspan="2">29,289,378</td></tr>
<tr><td>Total Equity</td><td colspan="2">31,982,372</td></tr>
<tr><td>Current liabilities</td><td colspan="2">15,828,420</td></tr>
<tr><td>Current assets</td><td colspan="2">18,978,912</td></tr>
<tr><td>Revenue</td><td colspan="2">59,414,125</td></tr>
<tr><td>Gross Profit</td><td colspan="2">9,802,378</td></tr>
<tr><td>Operating Profit</td><td colspan="2">7,416,418</td></tr>
<tr><td>Net Profit</td><td colspan="2">2,749,816</td></tr>
<tr><td>Earnings per share (Rs.)</td><td colspan="2">10.21</td></tr>
</table>

(B) General Disclosures: -

<table>
<tr><th>Ref. No.</th><th>Requirement</th><th colspan="2">Information</th></tr>
<tr><td>(i)</td><td>Maximum amount of investment to be made;</td><td colspan="2">Rs. 1,000 million (Rupees one thousand million only).</td></tr>
<tr><td>(ii)</td><td>Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</td><td colspan="2">Purpose: To earn income on the loans and/or advances to be provided to KTML from time to time for working capital requirements of KTML.

Benefits: The Company will receive markup at the rate of one percent above three months KIBOR or one percent above its average borrowing cost, whichever is higher. This shall benefit the Company's cash flow by earning profit on idle funds.

Period: For a period of one year from November 01, 2025 to October 31, 2026.</td></tr>
<tr><td rowspan="2">(iii)</td><td>Source of funds to be utilized for investment and</td><td colspan="2">Loan and/or advance will be given out of own funds of the Company.</td></tr>
<tr><td>where the investment is intended to be made using borrowed funds, -
(I) Justification for investment through borrowings;
(II) Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and
(III) Cost benefit analysis;</td><td colspan="2">N/A</td></tr>
<tr><td rowspan="6">(iv)</td><td rowspan="6">Salient features of agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;</td><td>Nature</td><td>Loan / advance</td></tr>
<tr><td>Purpose</td><td>To earn mark-up / profit on loan / advance being provided to KTML which will augment the Company's cash flow</td></tr>
<tr><td>Period</td><td>One Year</td></tr>
<tr><td>Rate of Mark-up</td><td>One percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher.</td></tr>
<tr><td>Repayment</td><td>Principal plus mark-up / profit upto October 31, 2026</td></tr>
<tr><td>Penalty charges</td><td>@ 3-months KIBOR plus one percent in addition to the outstanding amount(s).</td></tr>
</table>

Ref. No.	Requirement	Information
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	Investing Company i.e. the Company is a subsidiary company of KTML and Eight Directors including CEO are common in both the companies may be deemed to be interested to the extent of their shareholding. None of the Directors or their relatives or associates are interested in any of the above resolution in any way except as members of the Company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	A similar nature of loan/advance facility of Rs. 1,000 million from time to time for working capital requirements has been granted by the valued shareholders of the Company vide special resolution passed in the Annual General Meeting held on October 28, 2024 which is valid till October 31, 2025. There is no impairment and/ or write off against the above facility as the facility request was not made by the investee company i.e. KTML.
(vii)	Any other important details necessary for the members to understand the transaction;	N/A

3(1)(c) Investments in the form of loans / advances

Ref. No.	Requirement	Information
(i)	Category-wise amount of investment;	Short term loan for working capital requirement for a period of one year as dilated in preamble.
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah Compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period;	Average borrowing cost of the Company is 13.16% for the year ended June 30, 2025.
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Mark-up will be charged from KTML at one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment;	No collateral is considered necessary since KTML is a holding company of the Company.

Ref. No.	Requirement	Information
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place the time when the conversion may be exercisable; and	N/A
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The loan / advance would be for a period of one year from November 01, 2025 to October 31, 2026 (both days inclusive). KTML will pay interest / mark-up on quarterly basis whereas repayment of principal amount shall be on or before October 31, 2026.

Disclosure under Regulation 4(1):

KTML, an associated company, is a member of the Company. Its Directors/Sponsors are also the Directors / members of the Company and are interested to the extent of their directorships/shareholding as under: -

Name	%age of Shareholding in KTML	%age of Shareholding in the Company
Mr. Tariq Sayeed Saigol	4.7118	0.0031
Mrs. Shehla Tariq Saigol (Spouse of Mr. Tariq Sayeed Saigol)	11.7117	0.0172
Mr. Taufique Sayeed Saigol	16.5719	0.0015
Mr. Sayeed Tariq Saigol	0.1430	0.0010
Mr. Waleed Tariq Saigol	0.0124	0.0011
Mr. Danial Taufique Saigol	0.0011	0.0005
Ms. Jahanara Saigol	0.0009	0.0002
Mr. Zulfikar Monnoo	0.0011	0.0003
Kohinoor Textile Mills Limited	-	57.8961

AGENDA ITEM NUMBER 4 OF THE NOTICE – INVESTMENT IN MAPLE LEAF CAPITAL LIMITED IN THE FORM OF LOANS/ADVANCES:

Maple Leaf Capital Limited (MLCL) was incorporated on 25 April 2014 as a public limited company. The authorized share capital of MLCL is Rs. 5,000,000,000 and issued, subscribed and paid-up share capital of MLCL is Rs. 3,015,000,000. Kohinoor Textile Mills Limited is the holding company of MLCL and owns 250,000,000 ordinary shares (82.919%) of MLCL.

MLCL is set up with the principal object of buying, selling, holding or otherwise acquiring or investing its capital in any sort of financial instruments including but not limited to secure debt instruments and in shares of leading listed and unlisted companies but not to act as an investment/ brokerage company.

The Board of Directors of the Company in their meeting held on August 06, 2025 has approved Rs. 1,000 million as loans / advances to MLCL on the basis of financial results of MLCL subject to approval of the members. The Company shall extend the facility of loans/ advances from time to time for working capital requirements to MLCL in accordance with an agreement in writing including all relevant terms and conditions as prescribed in the Regulations.

The Directors have carried out their due diligence for the proposed investment and duly signed recommendations of the due diligence report / undertaking has been kept at the Registered Office of the Company and shall also be available for inspection of members in the general meeting along with the latest audited and interim financial statements of the associated company.

3(1)(a) Disclosure for all types of investments

(A)Regarding associated company or associated undertaking: -

<table>
<tr><th>Ref. No.</th><th>Requirement</th><th>Information</th></tr>
<tr><td>(i)</td><td>Name of associated company or associated undertaking;</td><td>Maple Leaf Capital Limited (the “MLCL”)</td></tr>
<tr><td>(ii)</td><td>Basis of relationship;</td><td>MLCL is an associated company of Maple Leaf Cement Factory Limited (the “Company”) by virtue of common directorship.</td></tr>
<tr><td>(iii)</td><td>Earnings per share for the last three years;</td><td>
<table>
<tr><th></th><th colspan="2">(Rupees)</th></tr>
<tr><th>Year</th><th>Basic</th><th>Diluted</th></tr>
<tr><td>30.06.2023</td><td>1.91</td><td>1.91</td></tr>
<tr><td>30.06.2024</td><td>19.81</td><td>19.81</td></tr>
<tr><td>30.06.2025</td><td>28.65</td><td>28.65</td></tr>
</table>
</td></tr>
<tr><td>(iv)</td><td>Break-up value per share, based on latest audited financial statements;</td><td>As on June 30, 2025 is Rs. 63.01</td></tr>
<tr><td>(v)</td><td>Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements;</td><td>Based on the audited financial statements for the financial year ended 30 June 2025, the financial position of MLCL is as under: -
<table>
<tr><th>Particulars</th><th>Amount Rupees (000)</th></tr>
<tr><td>Paid up share capital</td><td>3,015,000</td></tr>
<tr><td>Reserves</td><td>15,981,089</td></tr>
<tr><td>Total equity</td><td>18,996,089</td></tr>
<tr><td>Current liabilities</td><td>13,394,780</td></tr>
<tr><td>Current assets</td><td>35,527,984</td></tr>
<tr><td>Revenue</td><td>13,546,928</td></tr>
<tr><td>Profit from operations</td><td>12,922,851</td></tr>
<tr><td>Profit after taxation</td><td>8,637,247</td></tr>
<tr><td>Earnings Per Share Rs.</td><td>28.65</td></tr>
</table>
</td></tr>
</table>

(B) General Disclosures: -

<table>
<tr><th>Ref. No.</th><th>Requirement</th><th colspan="2">Information</th></tr>
<tr><td>(i)</td><td>Maximum amount of investment to be made;</td><td colspan="2">Rs. 1,000 million (Rupees one thousand million only).</td></tr>
<tr><td>(ii)</td><td>Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</td><td colspan="2">Purpose: To earn income on the loans and/or advances to be provided to MLCL from time to time for working capital requirements of MLCL.

Benefits: The Company will receive markup at the rate of one percent above three months KIBOR or one percent above its average borrowing cost, whichever is higher. This shall benefit the Company's cash flow by earning profit on idle funds.

Period: For a period of one year from November 01, 2025 to October 31, 2026.</td></tr>
<tr><td rowspan="2">(iii)</td><td>Source of funds to be utilized for investment and</td><td colspan="2">Loan and/or advance will be given out of own funds of the Company.</td></tr>
<tr><td>where the investment is intended to be made using borrowed funds, -
(I) Justification for investment through borrowings;
(II) Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and
(III) Cost benefit analysis;</td><td colspan="2">N/A</td></tr>
<tr><td rowspan="6">(iv)</td><td rowspan="6">Salient features of agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;</td><td>Nature</td><td>Loan / advance</td></tr>
<tr><td>Purpose</td><td>To earn mark-up / profit on loan / advance being provided to MLCL which will augment the Company's cash flow.</td></tr>
<tr><td>Period</td><td>One Year</td></tr>
<tr><td>Rate of Mark-up</td><td>One percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher.</td></tr>
<tr><td>Repayment</td><td>Principal plus mark-up/ profit upto October 31, 2026</td></tr>
<tr><td>Penalty charges</td><td>@ 3-months KIBOR plus one percent in addition to the outstanding amount(s).</td></tr>
</table>

Ref. No.	Requirement	Information
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	Investing Company i.e. the Company is an associated company of MLCL and Six Directors are common in both the companies may be deemed to be interested to the extent of their shareholding. None of the Directors or their relatives or associates are interested in any of the above resolution in any way except as members of the Company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	A similar nature of loan/advance facility of Rs.1,000 million from time to time for working capital requirements has been granted by the valued shareholders of the Company vide special resolution passed in the Annual General Meeting held on October 28, 2024 which is valid till October 31, 2025. There is no impairment and/or write off against the above facility.
(vii)	Any other important details necessary for the members to understand the transaction;	N/A

3(1)(c) Investments in the form of loans / advances

Ref. No.	Requirement	Information
(i)	Category-wise amount of investment;	Short term loan for working capital requirements for a period of one year as dilated in preamble.
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah Compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period;	Average borrowing cost of the Company is 13.16% for the year ended June 30, 2025.
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Mark-up will be charged from MLCL at one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment;	No collateral is considered necessary since MLCL is an associated company of the Company.

Ref. No.	Requirement	Information
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place the time when the conversion may be exercisable; and	N/A
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The loan / advance would be for a period of one year from November 01, 2025 to October 31, 2026 (both days inclusive). MLCL will pay interest / mark-up on quarterly basis whereas repayment of principal amount shall be on or before October 31, 2026.

Disclosure under Regulation 4(1):

MLCL, an associated company, is a member of the Company. Its Directors/Sponsors are also the Directors / members of the Company and are interested to the extent of their directorships/shareholding as under: -

Name	%age of Shareholding in MLCL	%age of Shareholding in the Company
Mr. Tariq Sayeed Saigol	5.0249	0.0031
Mrs. Shehla Tariq Saigol (Spouse of Mr. Tariq Sayeed Saigol)	3.3167	0.0172
Mr. Taufique Sayeed Saigol	8.3748	0.0015
Mr. Sayeed Tariq Saigol	-	0.0010
Mr. Waleed Tariq Saigol	0.3648	0.0011
Mr. Danial Taufique Saigol	-	0.0005
Ms. Jahanara Saigol	-	0.0002
Kohinoor Textile Mills Limited	82.9187	57.8961
Maple Leaf Capital Limited	-	1.1480

Disclosure under Regulation 4(2):

Name of Investee Company	Kohinoor Textile Mills Limited	Maple Leaf Capital Limited
Total Investment Approved:	Loans / advances upto Rs.1,000 million was approved by members in AGM held on October 28, 2024 for a period of one (01) year.	Loans / advances upto Rs.1,000 million was approved by members in AGM held on October 28, 2024 for a period of one (01) year.
Amount of Investment Made to date:	Investment has not been made yet to date.	Rs.1,353 million investment has been made yet to date.
Reasons for not having made complete investment so far where resolution required it to be implemented in specified time:	The Company will provide funds to KTML from time to time as per working capital requirements to KTML upon request.	The Company will provide funds to MLCL from time to time as per working capital requirements to MLCL upon request.
Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	At the time of approval of loans/ advances of Rs.1,000 million, as per financial statements for the year ended June 30, 2024, the basic earnings per share was Rs.8.07 and break-up value per share (without surplus) was Rs.86.41. As per latest financial statements for the year ended June 30, 2025, the basic earnings per share is Rs.10.21 and breakup value per share (without surplus) is Rs.96.62.	At the time of approval of loans/ advances of Rs.1,000 million, as per financial statements for the period ended June 30, 2024, the basic earnings per share was Rs.19.81 and breakup value per share was Rs.34.51. As per latest financial statements for the year ended June 30, 2025, the basic earnings per share is Rs.28.65 and breakup value per share is Rs.63.01.

AGENDA ITEM NO. 5 OF THE NOTICE – RATIFICATION AND APPROVAL OF THE RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED JUNE 30, 2025:

Transactions conducted with the related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019. However, during the year since majority of the Company's Directors were interested due to their common directorships and therefore these transactions are being placed for the approval by shareholders in the Annual General Meeting. In last Annual General Meeting of the Company, in order to promote transparent business practices, the shareholders had authorized the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis for the year ended June 30, 2025. Accordingly, these transactions are being placed before the shareholders in this meeting for their formal approval/ratification.

All transactions with related parties to be ratified have been disclosed in the note 46 to the unconsolidated financial statements for the year ended June 30, 2025. Party-wise details of such related party transactions are given below: -

	Name of Parties	Relationship	Transactions	2025	2024
				(Rupees in thousand)	
a)	Kohinoor Textile Mills Limited	Holding Company	Sale of goods	38,400	2,419
			Receivable from the Holding Company	15,400	-
			Sale of spares	26,005	11,792
			Payments made by related party on behalf of the Company	44,302	38,324

Name of Parties		Relationship	Transactions	2025	2024
				(Rupees in thousand)	
b)	Maple Leaf Power Limited	Subsidiary Company	Sale of coal to Subsidiary Company	5,355,852	6,180,773
			Long term loan obtained	-	2,500,000
			Long term loan repaid during the year	4,500,000	-
			Rent charged	479	479
			Purchase of electricity (inclusive of taxes)	8,257,031	8,778,003
			Purchase of steam (inclusive of taxes)	3,441	63,937
			Payments made by related party on behalf of the Company	1,749	26,101
			Markup paid on long term loan	807,578	609,021
			Expenses paid on the behalf of related party by the Company	205,107	134,831
			Scrap purchases	22,550	32,943
c)	Maple Leaf Industries Limited	Subsidiary Company	Expenses paid on the behalf of related party by the Company	2,619	1,865
d)	Novacare Hospitals (Private) Limited	Subsidiary Company	Advance paid against issue of shares	362,700	1,172,000
			Sales made to related party	288,447	-
			Advance received from related party	7,045	-
			Other receivables	87	-
e)	Maple Leaf Capital Limited	Common Directorship	Loan provided during the year	1,353,000	500,000
			Loan recovered during the year	1,353,000	500,000
			Markup received on loan	29,917	11,409
f)	Agritech Limited	Associate	Sale of stores to related party	197	-
			Amount received from related party	197	-
g)	Key management personnel	Key management personnel	Remuneration and other benefits	600,930	622,150
h)	Employees benefit Plans				
	Gratuity	Post-employment benefit plan	Expense charged in respect of defined benefit plan	23,386	22,861
	Provident Fund Trust	Post-employment benefit plan	Expense charged in respect of provident fund	368,398	306,812

The Company carries out transactions as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions entered into with related parties require the approval of the Audit Committee of the Company, which is chaired by an Independent Director of the Company. Upon the recommendation of the Audit Committee, such transactions were placed before the Board of Directors for approval.

The nature of relationship with these related parties has been indicated above. The Directors are interested in the resolution only to the extent of their shareholding and having their common directorships in such related parties.

AGENDA ITEM NO. 6 OF THE NOTICE – AUTHORIZATION FOR THE BOARD OF DIRECTORS TO APPROVE THE RELATED PARTY TRANSACTIONS DURING THE YEAR ENDING ON JUNE 30, 2026:

The Company shall be conducting transactions with its related parties during the year ending on June 30, 2026 as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The majority of Directors are interested due to their common directorships in the subsidiary/associated companies. In order to promote transparent business practices, the shareholders are required to authorize the Board of Directors to approve transactions with the related parties from time-to-time and on case to case basis for the year ending on June 30, 2026, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The Directors are interested in the resolution only to the extent of their shareholding and/or only their common directorships in such related parties.

CHAIRMAN'S
REVIEW

I am pleased to present the annual report and audited financial statements of the Company for the year ended 30 June 2025 to our esteemed shareholders. Throughout the 2024-25 financial year, we have regularly communicated key performance aspects of your Company. Encouraged by our positive outlook, the Management is committed to maintaining satisfactory performance through strategic guidance from the Board.

In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, we have implemented a mechanism for the annual evaluation of performance of the Board of Directors. This evaluation aims to internally assess the effectiveness of the Board and its Committees, ensuring that Management operates as a cohesive team dedicated to the Company's success. Strategic goals for the coming year have been established and the Board's effectiveness is measured against these objectives. I am pleased to report that the Board's self-evaluation for 2025 has met our performance criteria and remains satisfactory, adhering to recognised standards of corporate governance.

Board Composition:

The Board's composition reflects a balanced mix of executive and non-executive Directors, including independent Directors. Collectively, the Board possesses the necessary skills, core competencies and industry knowledge to lead the Company effectively. Each Board member contributes their business judgment to key decisions.

Vision & Mission Statements:

Board members uphold the ethical and professional standards outlined in our Vision & Mission Statements. These principles are integral to achieving our Company's objectives.

Strategic Decision Making:

Our corporate strategy and objectives align with the Board's strategic vision. This vision guides our annual business plan and outlines projected plans for the next five years. The Management is focused on utilizing available resources, modernizing production facilities and expanding operations to ensure continued growth and improved financial performance.

Diligence:

The Board rigorously reviews the quality and appropriateness of the Company's financial statements, reporting practices, accounting policies, corporate objectives, budgets and other reports. Board meetings are held regularly, with agendas and supporting documents circulated well in advance.

Adequate Governance:

The Board has established a Code of Conduct that outlines expected behaviors, supported by comprehensive policies and procedures. We have implemented robust controls and systems to ensure adherence to best practices in corporate governance. Upholding high standards of honesty and integrity is fundamental to our business success.

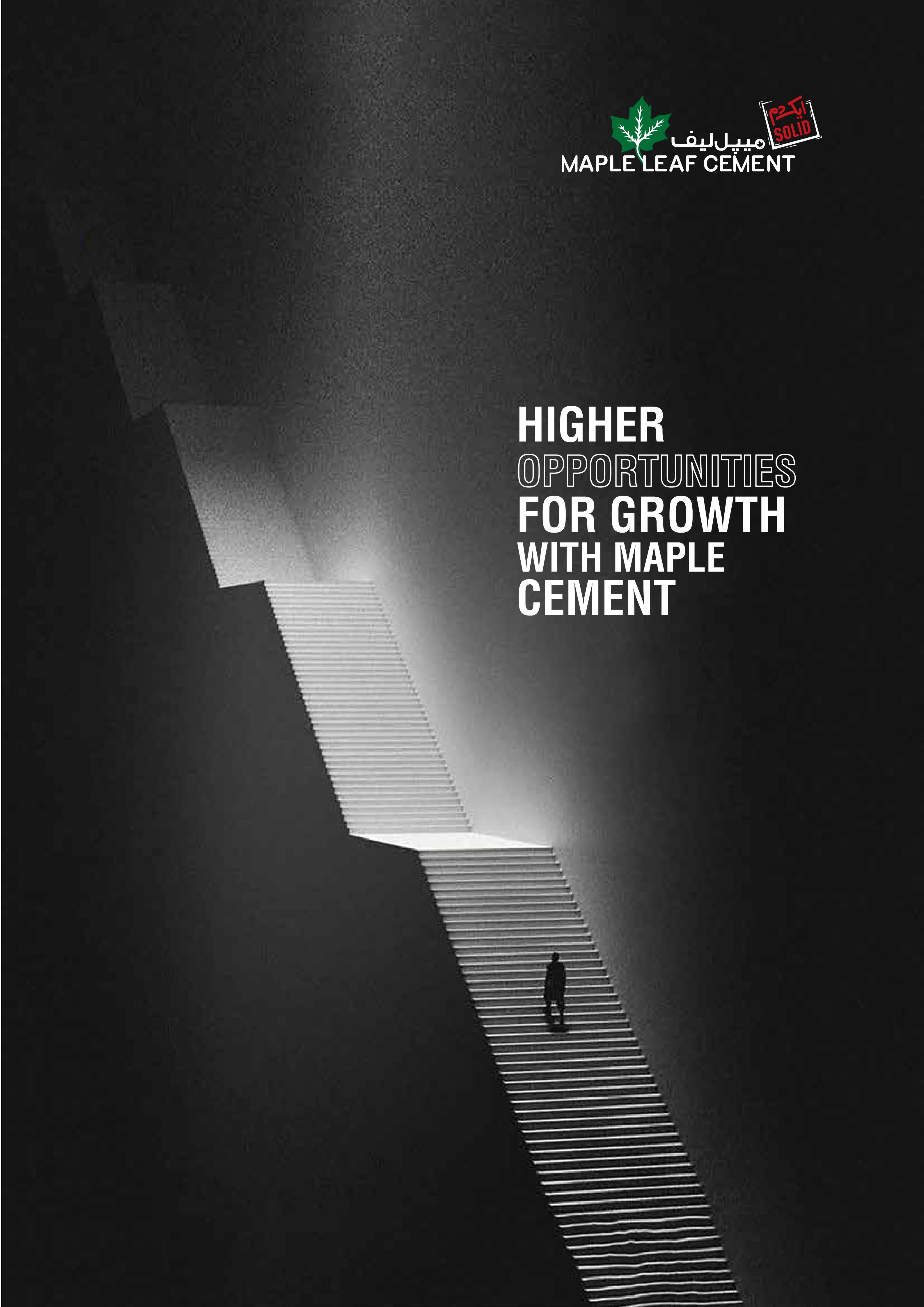
Presentations:

In discussing and approving financial statements, the Board receives detailed presentations that offer critical and strategic analysis of all functional areas. We benchmark against industry peers to provide objective evaluations of the Company's goals and financial performance. This approach allows the Board to offer informed guidance and oversight based on thorough discussions.

Thank you for your continued support and confidence in the Company.

Lahore:
August 06, 2025

Tariq Sayeed Saigol
Chairman


MAPLE LEAF CEMENT
SOLID
HIGHER
OPPORTUNITIES
FOR GROWTH
WITH MAPLE
CEMENT

DIRECTORS' REPORT
TO THE SHAREHOLDERS

In compliance with Section 227 of the Companies Act, 2017, the Directors of your Company have pleasure to present standalone and consolidated audited financial statements for the year ended 30th June 2025.

Maple Leaf Cement Factory Limited (the "Company") is a Public Listed Company and a subsidiary of Kohinoor Textile Mills Limited. The principal activity of the Company is production and sale of cement.

Consolidated financial highlights of the Company including its wholly-owned subsidiaries i.e. Maple Leaf Power Limited (MLPL) along with its subsidiary Novacare Hospitals (Private) Limited (NHPL) and its associated company Agritech Limited (AGL) are as follows: -

Maple Leaf Cement Factory Limited - Unconsolidated:

	Year Ended			
	July to June		Variance	
	2025	2024	Amount	%age
	(Rupees in thousand)			
Net Sales Revenue	68,942,446	66,452,348	2,490,098	3.75%
Gross Profit	23,746,816	20,964,284	2,782,532	13.27%
Operating Profit	24,187,950	12,952,043	11,235,907	86.75%
Finance Cost - Net	2,523,713	4,020,595	(1,496,882)	-37.23%
Profit Before Taxation	21,664,237	8,931,448	12,732,789	142.56%
Taxation	4,627,863	3,658,921	968,942	26.48%
Profit After Taxation	17,036,374	5,272,527	11,763,847	223.12%
Earnings Per Share (Rs.)	16.26	4.98	11.28	226.51%

Consolidated financial highlights of the Company are as follows:

	Year Ended			
	July to June		Variance	
	2025	2024	Amount	%age
	(Rupees in thousand)			
Net Sales Revenue	68,653,999	66,452,348	2,201,651	3.31%
Gross Profit	25,441,916	22,430,465	3,011,451	13.43%
Operating Profit	19,107,711	14,218,570	4,889,141	34.39%
Finance Cost - Net	1,977,933	3,412,463	(1,434,530)	-42.04%
Profit Before Taxation	16,368,707	10,806,107	5,562,600	51.48%
Taxation	4,865,429	3,886,330	979,099	25.19%
Profit After Taxation	11,503,278	6,919,777	4,583,501	66.24%
Earnings Per Share (Rs.)	10.98	6.51	4.47	68.66%

During the financial year 2024-25, production and dispatches decreased in comparison to last year's performance, as evident from the data shown below:

	July to June		Variance	
	2025	2024	Change	%age
	--------------------M.Tons---------------			
Production				
Clinker Production	3,681,406	3,625,857	55,549	1.53%
Cement Production	4,019,935	4,051,726	(31,791)	-0.78%
Sales				
Domestic	3,746,775	3,890,955	(144,180)	-3.71%
Exports	268,081	177,263	90,818	51.23%
	4,014,856	**4,068,218**	**(53,362)**	**-1.31%**

Total cement sales volume of 4,014,856 tons depicts a decrease of 1.31% over 4,068,218 tons sold during last year. The domestic sales volume declined to 3,746,775 tons registering a decrease of 3.71% but exports sales volume up from 177,263 to 268,081 tons, increased by 51.23% from last financial year.

During the year 2024-25, the Company recorded net consolidated sales of Rs. 68,654 million against Rs. 66,452 million in the previous year. The top line of the Company increased by 3.31% mainly due to an improvement in selling prices in the local market. Increase in selling prices is mainly due to high inflationary impact on input costs especially fuel and power, raw material and packing material. Growth in construction sector was slower than expected due to lackluster implementation of large-scale projects and decline in expected demand in housing sector mainly on account of higher taxes thereon.

The Company's export volume increased by 51.23% to reach 268,081 metric tons from 177,263 metric tons in previous year due to improved demand. Cement exports to the rest of the world were not possible due to high production costs in Pakistan in comparison to global markets, as well as increased shipping costs which hampered competitiveness in regional markets.

During the current fiscal year, global coal and pet coke prices declined due to demand constraints driven by the global slow down, bringing them in line with locally available Afghan and Darra coal. Throughout the review period, the Company prioritized the use of low-cost pet coke as compared to other coals to optimize energy cost. The use of alternative fuels remains a priority. Alternative fuel is comparatively cheaper and environment friendly as compared to other available kiln fuels.

The Company was able to avert the possible negative impact of NEPRA rate hikes by largely depending on its own power generation sources representing 96% of total usage including a coal fired power plant (CFPP), solar power and waste heat recovery plants which are the cheapest source of electricity for the Company.

Due to the aforementioned factors influencing production costs, the Company achieved consolidated gross profit of Rs. 25,442 million during the year, a 13.43% increase from Rs.22,430 million in the last year.

The Company recorded consolidated pre-tax profit of Rs. 16,369 million for the financial year 2024-25, a 51.48% increase from Rs. 10,806 million in the last year. Consolidated taxation amounted to Rs. 4,865 million for the reporting year as compared to consolidated tax charge of Rs. 3,886 million in the corresponding year.

Profits earned from Maple Leaf Power Limited (MLPL), a wholly owned subsidiary of the Company, established to install and operate 40 MW imported coal-fired captive power plant are exempt from charge of income tax. However, partial tax charge pertains to other income. MLPL has earned net profit of Rs. 2,132 million during the financial year 2024-25. During the year, MLPL operations have favorably impacted consolidated results by yielding substantial savings in power cost. Moreover, the Company has received dividend of Rs. 6,401 million during the period from its wholly owned subsidiary MLPL.

The above factors have impacted post-tax bottom line for the reporting year to register an increase of 66.24% at a profit of Rs. 11,503 million against consolidated profit of Rs. 6,920 million in the bottom line for corresponding year.

The State Bank of Pakistan has significantly reduced interest rates, lowering financing costs. This move has enhanced liquidity, reduced production expenses and improved profitability. Additionally, increased economic activity and construction-based demand are expected to drive growth in the cement industry.

DIVIDEND

It was decided to pass over dividend for the year ended June 30, 2025 as the Company has utilized its cash generated from operations to reduce its debt, made investment in health care facilities by starting the new project of Novacare Hospitals (Private) Limited (NHPL) and investment in Agritech Limited (AGL). Overall improved economic and cement dispatches will favorably impact prospects of dividend payments in future.

ADEQUACY OF INTERNAL CONTROL

The Board of Directors is aware of its responsibility with respect to internal controls environment and accordingly has established an efficient system of internal financial controls for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations and reliable financial reporting. The independent Internal Audit function of the Company regularly appraises and monitors the implementation of financial controls, whereas the Audit Committee reviews the effectiveness of the internal control framework and financial statements on quarterly basis.

MANAGEMENT'S RESPONSIBILITY TOWARDS PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

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

ROLE OF THE BOARD AND ITS MEMBERS TO ADDRESS SUSTAINABILITY RISKS AND OPPORTUNITIES

The Board is responsible for governance and oversight of sustainability risks and opportunities, which includes the environmental, social and governance considerations, within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.

The Board ensures that policies to promote Diversity, Equity and Inclusion (DE&I) are in place to encourage gender mainstreaming, gender equality and the participation of women on the Board, management and workforce of the Company.

AUDITORS

The auditors of the Company, M/s. A. F. Ferguson & Co., Chartered Accountants, in their independent auditor's report on financial statements of the Company for the year have expressed an unqualified opinion on the state of affairs of the Company.

M/s. A.F. Ferguson & Company, Chartered Accountants, the current auditors, will retire at the conclusion of the Company's forthcoming Annual General Meeting. In view of the requirements of revised ICAP Code of Ethics 2024, they are not eligible for reappointment as they are the tax advisors of the Company. The Audit Committee has recommended appointment of M/s. KPMG Taseer Hadi & Co., Chartered Accountants, as auditors for the fiscal year ending on 30 June 2026. Based on the Audit Committee's recommendation, the Board of Directors has proposed appointment of M/s. KPMG Taseer Hadi & Co., Chartered

Accountants as auditors, which will be presented for shareholders' approval at the upcoming Annual General Meeting.

DEFAULT OF PAYMENTS, DEBT/LOAN, TAXES AND LEVIES

Adhering to the best business practices, the Company recognizes its responsibility of timely repayments of due amounts. No default on payment of loan/debts was recorded during the year under review. Furthermore, no payment on account of taxes, duties and levies is overdue or outstanding at financial year end.

FUTURE OUTLOOK

The Company projects a favorable outlook for the local cement market, driven by anticipated expansion of government infrastructure initiatives and a resurgence in real estate demand. These factors are expected to create enhanced sales opportunities and support sustainable growth. However, the Company will keep focusing on lowering its costs to improve margins in future. The Company has successfully developed a sustainable supply chain for alternative fuels, strategically aligned with its commitment to operational efficiency and environmental stewardship. The integration of these fuels is expected to contribute to a reduction in carbon emissions while delivering significant cost savings, thereby enhancing overall profitability and sustainability.

The Company is committed to strategic investments in the healthcare sector to enhance access to state-of-the-art medical facilities in Pakistan, addressing a critical public need. In line with this vision, the Company has invested in its subsidiary, Novacare Hospitals (Private) Limited (NHPL). NHPL is currently developing its first hospital in Islamabad, with land acquisition completed and construction is progressing as planned.

The Company is strategically expanding its valuable investment portfolio into the fertilizer sector, leveraging its future growth potential. As part of this initiative, the Company has acquired a 33.66% stake in Agritech Limited as of 30-June-2025 and the Group's cumulative holding is at 40.12%.

BUSINESS RATIONALE OF CAPITAL EXPENDITURE / ONGOING EXPANSIONS OF THE COMPANY

The Company is investing in sustainability and renewable energy with installation of solar energy projects at its plant site.

SUBSEQUENT EVENTS

There has been no considerable subsequent events after the closing of Financial Year 2024-25.

CHANGE IN NATURE OF BUSINESS

No change has occurred during the financial year concerning the nature of the business of the Company or of its subsidiaries, or any other Company in which the Company has interest.

NON-FINANCIAL PERFORMANCE

Quality, customer's satisfaction, employee's development and professional standards are Company's key areas where management has taken necessary measures to improve them. The Company is currently producing and supplying high-quality products which ensure maximum satisfaction to the customers. During the year, the Company has conducted various performance appraisals for the development of existing human capital. The Company is maintaining a highly satisfactory relationship with all stakeholders. The Company has formed various committees which are responsible for the effective monitoring of key areas.

CORPORATE SOCIAL RESPONSIBILITY

The Company acknowledges its responsibility towards society and performs its duty by providing financial assistance to projects for society development by various charitable institutions on consistent basis. The Company has been recognized by the Pakistan Centre for Philanthropy as a leader in social and charitable contributions and strives to be a constructive member of the communities in which it has a presence.

The Company has contributed in medical social sciences project and in this regard, the Company's Board of Directors and the Board of the Holding Company jointly donated towards construction of Admin Block at Al-Aleem Medical College in Gulab Devi Chest Hospital (GDCH), Lahore.

The Company has also contributed in the past for medical social service projects and in this regard the Company donated a state-of-the-art Cardiac facility to GDCH in Lahore by building Sayeed Saigol Cardiac Complex at GDCH.

Kohinoor Maple Leaf Group has received "13th Corporate Social Responsibility National Excellence Award" on account of its performance of various social obligations.

IMPACT ON THE ENVIRONMENT AND OUR MITIGATING EFFORTS TO CONTROL INDUSTRY EFFLUENTS

Traditionally, cement plants are assumed to be lacking environment friendliness but the Company has installed most modern and state of the art equipment to control industry effluents. In order to mitigate the effects of industrial effluents on surrounding environment, the Company is putting forth all efforts for providing healthy environment to employees and the community. In this regard following major environment friendly efforts are carried out by the Company: -

i. Regular monthly environmental monitoring for stack emissions and effluents complying with Natural Environmental Quality Standards.

ii. The Company has state of the art FLSmidth A/S cement manufacturing technology, equipped with world class dust collection electrostatic precipitators and bag filters for environment protection.

iii. Massive Tree Plantation Program is being constantly undertaken for maintaining healthy and green environment as a part of Corporate Social Responsibility in coordination with District Officer (Environment), Mianwali.

iv. The Company has its own hospital and trauma centre at plant site. Keeping in view the occupational health of employees, regular first-aid and CPR training programs are conducted to ensure safe health of workers.

PRINCIPAL RISKS, CHALLENGES AND UNCERTAINTIES

The major risks and challenges faced by the Company are as follows: -

i. Rupee devaluation and escalation of coal prices in the international market squeezing profit margins.

ii. Lacklustre margin on export sales, barriers erected by cement importing countries and anti- dumping duty imposed by South Africa.

iii. High interest rates.

iv. High fuel rates.

v. Overall inflationary increase in operational expenses.

vi. Head on competition amongst cement manufacturers on price as well as sales owing ambitious capacity additions.

vii. Impact of devastating floods which have hit large parts of the country.

The Organization is effectively equipped to face any challenges and uncertainties that are likely to arise. Through combined experience, skill and effective business reporting, Management is always aware of internal and external developments. The Company has formulated unique specialised cross functional teams that routinely discuss key issues and risks to come up with the most forward approach. In response to the cuts in PSDP allocation and low margins in export markets, marketing team under the guidance of Management launched an effective brand awareness strategy to increase presence in previously untapped local markets and make Maple Leaf Cement Factory Limited a well-known trustworthy brand amongst developers, dealers and house consumers. To cater to overall inflation, cost saving measures were implemented throughout the year. To reduce finance cost, short term borrowings were brought down by effectively utilizing operating cash flows and by reduction in operating cycle. To face vigorous competition, Management ensures that the capacity to produce and to sell is fully utilized to its utmost potential.

APPROPRIATIONS

Distribution of Profit after tax for the Company (standalone) for the year is as under: -

DESCRIPTION	2025	2024
	-----Rs. in '000'-------	
Profit After tax	17,036,374	5,272,527
Dividend	-	-
Balance Transferred to Retained Earnings	17,036,374	5,272,527

LEADERSHIP STRUCTURE

COMPOSITION OF THE BOARD OF DIRECTORS & COMMITTEES:

Total Number of Directors:

a) Male 8
b) Female 1

Composition:

1	Independent Directors	2
2	Other Non-Executive Directors	4
3	Executive Directors (including CEO)	2
4	Female Director (Non-Executive)	1

DIRECTORS AND BOARD MEETINGS

During the year under review, four meetings of the Board of Directors were held in Pakistan and no Board meeting was held outside Pakistan. No casual vacancy occurred in the Board during the year. The attendance of each Director was as under: -

CATEGORY	NAME	MEETINGS ATTENDED
Independent Directors	Mr. Shafiq Ahmed Khan Mr. Zulfikar Monnoo	3 4
Other Non-Executive Directors	Mr. Tariq Sayeed Saigol - *Chairman* Mr. Taufique Sayeed Saigol Mr. Waleed Tariq Saigol Mr. Danial Taufique Saigol	4 4 4 4
Executive Directors	Mr. Sayeed Tariq Saigol *Chief Executive Officer* Syed Mohsin Raza Naqvi	4 4
Female Director *Non-Executive Director*	Ms. Jahanara Saigol	2

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

AUDIT COMMITTEE

Four meetings of the Audit Committee were held during the financial year and attendance of each Member was as under: -

NAME	DESIGNATION	MEETINGS ATTENDED
Mr. Shafiq Ahmed Khan	Chairman (Independent Director)	3
Mr. Zulfikar Monnoo	Member (Independent Director)	4
Mr. Waleed Tariq Saigol	Member (Non-Executive Director)	3
Mr. Danial Taufique Saigol	Member (Non-Executive Director)	4

Leave of absence was granted to the Members who could not attend the Audit Committee Meetings.

Mr. Shafiq Ahmed Khan, the Chairman of Audit Committee, attended the last AGM held on October 28, 2024.

Board Annually Evaluates the performance of Board Committees including Audit Committee.

HUMAN RESOURCE & REMUNERATION COMMITTEE

NAME	DESIGNATION
Mr. Shafiq Ahmed Khan Mr. Zulfikar Monnoo Mr. Danial Taufique Saigol	Chairman (Independent Director) Member (Independent Director) Member (Non-Executive Director)

One meeting of Human Resource & Remuneration Committee was held on September 20, 2024.

The Board would consider to constitute the Nomination Committee and Risk Management Committee and compliance will be made in due course.


SOLID
MAPLE LEAF CEMENT

DIRECTORS' REMUNERATION

The Board of Directors has approved a 'Directors' Remuneration Policy', the salient features of which are:

- No Director shall determine his/her own remuneration.

- Meeting fee of a Director other than regular paid Chief Executive, Sponsors and / or family Directors and full time working Director(s), shall be net of tax amounting to Rs.100,000/- (Rupees one hundred thousand only) per meeting or as time to time determined by the Board for attending the Board and Rs.10,000/- (Rupees ten thousand only) for its Committee meetings.

- Any tax obligation against such payment applicable for the time being and/or amended hereinafter shall be borne by the Company.

- The Directors shall be entitled to be paid all reasonable expenses, including travelling, hotel charges and other expenses incurred by them for attending meetings and for other business conducted for and on behalf of the Company.

The details of the remuneration paid to the Directors including Chairman and Chief Executive of the Company is disclosed in Note 47 of the Standalone Financial Statements.

PATTERN OF SHAREHOLDING

Pattern of shareholding of the Company in accordance with the Companies Act, 2017 as at June 30, 2025 is annexed.

ACKNOWLEDGEMENT

The Board takes this opportunity to express its deep sense of gratitude and thanks to the shareholders, employees, customers, bankers and other stakeholders for the confidence and faith they have always reposed in us.

For and on behalf of the Board

	Syed Mohsin Raza Naqvi	**Sayeed Tariq Saigol**
Lahore: August 06, 2025	Director	Chief Executive Officer

STATEMENT OF COMPLIANCE

WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (THE "REGULATIONS")

Name of Company: **Maple Leaf Cement Factory Limited**
Year Ended: **June 30, 2025**

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

1. The total number of Directors are Nine (9) as per the following composition:

   Male: 8
   Female: 1

2. The Composition of the Board is as follows: -

i.	Independent Directors	02
ii.	Non-Executive Directors	04
iii.	Executive Directors (including CEO)	02
iv.	Female Director (Non-Executive)	01

   Determination of number of independent Directors comes to 2.66 which is based on Eight Elected Directors of the previous Board, at the time of election of directors, excluding CEO who is considered as deemed director, since CEO is to be appointed under Section 187 of the Companies Act, 2017 (the "Act") by the newly elected Board within a period of fourteen days from the date of election under Section 159, therefore, can be excluded from the calculation of independent director. The fraction contrived in one-third number is not rounded up as the two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted;

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company;

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a revised 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. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;

8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;

9. Three Directors Messrs Danial Taufique Saigol, Syed Mohsin Raza Naqvi and Zulfikar Monnoo have obtained certificate for Directors' Training Program and Five Directors Messrs Tariq Sayeed Saigol, Taufique Sayeed Saigol, Sayeed Tariq Saigol, Waleed Tariq Saigol and Shafiq Ahmed Khan are exempt from this due to 14 years of education and 15 years of experience on the Boards of listed companies.

10. During the year, there was no any such appointment of the Chief Financial Officer, the Company Secretary and the Head of Internal Audit;

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:

a) **Audit Committee**

NAME	DESIGNATION
Mr. Shafiq Ahmed Khan	Chairman (Independent Director)
Mr. Zulfikar Monnoo	Member (Independent Director)
Mr. Waleed Tariq Saigol	Member (Non-Executive Director)
Mr. Danial Taufique Saigol	Member (Non-Executive Director)

b) **Human Resource & Remuneration Committee**

NAME	DESIGNATION
Mr. Shafiq Ahmed Khan	Chairman (Independent Director)
Mr. Zulfikar Monnoo	Member (Independent Director)
Mr. Danial Taufique Saigol	Member (Non-Executive Director)

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

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

MEETINGS	FREQUENCY
Audit Committee	Four meetings were held during the financial year.
Human Resource and Remuneration Committee	One meeting was held during the financial year.

15. The Board has set up an effective internal audit function with suitably qualified and experienced staff for the purpose and who are also 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 (ICAP) 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 ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

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

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

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

Sr.	Requirement	Explanation for Non-Compliance	Reg. No.
1	**Representation of Minority Shareholders:** The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.	At the time of election of Directors, no one as per procedure intended to contest election as director representing minority shareholders.	5
2	**Responsibilities of the Board and its members:** The Board is responsible for the adoption of corporate governance practices, and it shall ensure that the complete record of particulars of the significant policies along with their dates of approval or updating is maintained by the company.	Non-mandatory provisions of the CCG Regulations are partially complied. Further, the Company has already implemented several key policies, while the remaining ones are currently under development and will be finalized in due course.	10 & 10(4)
3	**Role of the Board and its members to address Sustainability Risks and Opportunities:** The Board is required to approve an antiharassment policy and oversee sustainability risks and opportunities, including setting the Company's sustainability strategies and targets and establish a dedicated sustainability having at least one female director or assign additional responsibilities.	The management is currently reviewing these amendments and will ensure compliance in due course and will establish a dedicated sustainability committee having at least one female director, or assign additional responsibilities to an existing board committee.	10A
4	**Directors' Orientation:** Acquainting the directors with the CCG Regulations, other applicable laws, their duties and responsibilities.	All the Directors are highly qualified and experienced and the Company will arrange their orientation in due course.	18

Sr.	Requirement	Explanation for Non-Compliance	Reg. No.
5	**Directors' Training:** Newly appointed directors shall acquire directors training program certification within a period of one year from appointment and necessary arrangements to be made for the Directors Training Program Certification of at least one female executives and one heads of department every year.	Ms. Jahanara would obtain DTP certification in due course. The Company has planned to arrange Directors' Training Program certification for female executives and heads of department in due course.	19(2) & 19(3)
6	**Constitution of Nomination & Risk Management Committees:** The Board may constitute separate committees designated as nomination and risk management committees, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not yet established a separate Nomination Committee (NC). Further, the Board has not constituted a Risk Management Committee (RMC) and senior officers of the Company perform the requisite functions. However, the Board would consider to constitute NC & RMC in due course.	29(1) & 30(1)
7	**Performance appraisal of the head of internal audit:** Performance appraisal of the head of internal audit shall be done jointly by the Chairman of the Audit Committee and the Chief Executive Officer.	The Head of internal audit does functionally report to the Audit Committee and administratively to the CEO; however, it is pertinent to mention that any performance appraisals as well as increments/detriments in his remuneration package are solely vested with the CEO instead of the same in conjunction with the Chairman, Audit Committee; this is evident as per his appointment resolution. The appointment of the Head of Internal Audit is made by the Board and the powers for appraisal have been vested with the CEO by the Board which are subject to Company's policies for remuneration and appraisals.	31(2) & 20
8	**Disclosure of significant policies on website:** The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's Committees and key elements of the directors' remuneration policy on its website.	The significant policies, terms of reference of the Committees and key elements of the directors' remuneration policy exist in the Company's record and shall be uploaded on the Company's website in due course.	35

TARIQ SAYEED SAIGOL
CHAIRMAN

Lahore: August 06, 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF MAPLE LEAF CEMENT FACTORY 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 Maple Leaf Cement Factory Limited (the Company) for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A view 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, 2025.

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: August 26, 2025

UDIN: CR2025100705aohnF3qp

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Karachi Lahore Islamabad

FOCUSING ON OPERATIONAL EFFICIENCIES

BRIEF PROFILE OF DIRECTORS

MR. TARIQ SAYEED SAIGOL
(CHAIRMAN / DIRECTOR)

OTHER ENGAGEMENTS

CHAIRMAN / DIRECTOR
- Kohinoor Textile Mills Limited
- Maple Leaf Power Limited

Mr. Tariq Sayeed Saigol is the Chairman of Kohinoor Maple Leaf Group (KMLG). He is a member of the reputed Saigol Family who pioneered in textile manufacturing after partition and later ventured into the financial sector, chemicals, synthetic fibres, sugar, edible oil refining, civil engineering, construction, cement and energy.

Mr. Saigol was schooled at Aitchison College, Lahore and graduated from Government College University, Lahore, following which he studied Law at University Law College, Lahore.

He started his career in 1968 at Kohinoor's Chemical Complex at Kala Shah Kaku. Upon trifurcation of the Group in 1976, he became Chief Executive of Kohinoor Textile Mills Limited, Rawalpindi. Since 1984, he has been Chairman of Kohinoor Maple Leaf Group which has interests in textiles, cement manufacturing and energy.

He remained Chairman of All Pakistan Textile Mills Association from 1992 to 94, President of Lahore Chamber of Commerce and Industry for 1995-97 and Chairman of All Pakistan Cement Manufacturers Association from 2003-2006.

Mr. Saigol was a member of the Federal Export Promotion Board and Central Board of State Bank of Pakistan. He has also served on several Government Commissions and Committees on a number of subjects, including Export Promotion, reorganization of WAPDA and EPB, Right Sizing of State owned Corporations and Resource Mobilization. He is the author of "Textile Vision 2005" which was adopted by the Government in 2000 and also its critique prepared in 2006. He also served as a member of the Central Board of State Bank of Pakistan for a second term in 2007 and was a member of the Prime Minister's Economic Advisory Council established in 2008.

He takes keen interest in the development of education and health care in Pakistan. He has been a member of the Board of Governors of Lahore University of Management Sciences, Founding Chairman of the Board of Governors of Chandbagh School, Founder Trustee of Textile University of Pakistan, member of the Syndicate of University of Health Sciences and Member of Board of Governors of Aitchison College, Lahore. He presently serves on the Managing Committee, Gulab Devi Chest Hospital, Lahore.

In recognition of his contribution, he was conferred with the civilian award, Sitara-e-Isaar by the President of Pakistan in 2006.

He is a keen golfer and has represented Pakistan at Golf in Sri Lanka and Pakistan in 1967.

MR. SAYEED TARIQ SAIGOL
(CHIEF EXECUTIVE OFFICER / DIRECTOR)

OTHER ENGAGEMENTS

CHIEF EXECUTIVE / DIRECTOR	Maple Leaf Power Limited
DIRECTOR	Kohinoor Textile Mills Limited Maple Leaf Capital Limited Agritech Limited Novacare Hospitals (Private) Limited

Mr. Sayeed Tariq Saigol is a prominent business leader and he currently serves as the Chief Executive Officer of Maple Leaf Cement Factory Limited. Mr. Saigol also holds directorships on the boards of Kohinoor Textile Mills Limited, Maple Leaf Capital Limited, Maple Leaf Power Limited, Agritech Limited and Novacare Hospitals (Private) Limited. His leadership across these organizations reflects a deep understanding of the cement, power, textiles, healthcare, fertilizers and financial market sectors.

Mr. Saigol holds a degree in International Business and Finance from McGill University. This academic background has provided him with a strong foundation in managing business dynamics, financial management and strategic decision-making skills.

Beyond his current executive roles, Mr. Saigol has amassed several years of valuable experience in the textile industry. His career spans multiple sectors; prior to his tenure at Maple Leaf Cement Factory, he played a pivotal role in the establishment and management of an apparel dyeing company. This entrepreneurial initiative demonstrates his ability to launch and lead business ventures effectively.

In addition to his operational and management responsibilities, Mr. Saigol is committed to advancing education through his role as a member of the Board of Governors at the Lahore University of Management Sciences (LUMS). This engagement highlights his dedication to shaping future leaders and fostering academic excellence.

MR. TAUFIQUE SAYEED SAIGOL
(DIRECTOR)

OTHER ENGAGEMENTS

CHIEF EXECUTIVE / DIRECTOR	Kohinoor Textile Mills Limited
CHAIRMAN / DIRECTOR	Maple Leaf Capital Limited
DIRECTOR	Maple Leaf Power Limited Novacare Hospitals (Private) Limited

Mr. Taufique Sayeed Saigol is the Chief Executive of Kohinoor Textile Mills Limited and Director in all KMLG companies. He is a leading and experienced industrialist of Pakistan. He graduated as an Industrial Engineer from Cornell University, USA in 1974. He has widely travelled and his special forte is in the export business.

He is a business man of impeccable credibility and vision and has substantial experience of working in different environments.

BRIEF PROFILE OF DIRECTORS

MR. WALEED TARIQ SAIGOL
(DIRECTOR)

OTHER ENGAGEMENTS

CHIEF EXECUTIVE / DIRECTOR
- Maple Leaf Capital Limited

DIRECTOR
- Kohinoor Textile Mills Limited
- Maple Leaf Capital Limited
- Agritech Limited
- Novacare Hospitals (Private) Limited

Mr. Waleed Tariq Saigol is a distinguished business leader and he currently serves as the Chief Executive Officer and Director of Maple Leaf Capital Limited (MLCL). In his role at MLCL, he has demonstrated strong expertise in capital markets and has played a key role in developing MLCL into one of the country's leading private investment management company.

Mr. Saigol's educational background includes schooling at Aitchison College and Harrow School and he holds a bachelor's degree from the London School of Economics.

He possesses significant experience in the textile and cement sectors. He has successfully served as Managing Director of one of the country's largest textile operations. In addition to his leadership at Maple Leaf Capital Limited, Mr. Saigol also serves on the Boards of Directors of several prominent companies, including Kohinoor Textile Mills Limited, Maple Leaf Power Limited, Agritech Limited and Novacare Hospitals (Private) Limited.

Furthermore, he is a member of the Audit Committees of the listed companies within the Kohinoor Maple Leaf Group, where he actively contributes to shaping corporate vision and governance frameworks.

Beyond his professional commitments, Mr. Saigol is a passionate golfer and has achieved success in several tournaments in Pakistan.

MR. DANIAL TAUFIQUE SAIGOL
(DIRECTOR)

OTHER ENGAGEMENTS

DIRECTOR
- Kohinoor Textile Mills Limited
- Maple Leaf Capital Limited
- Maple Leaf Power Limited

Mr. Danial Taufique Saigol is the younger son of Mr. Taufique Sayeed Saigol, CEO of KTML. Danial began his career with KMLG in January 2012 as Executive Director. He holds a bachelor's degree in Finance from McGill University, Montreal, Canada and certified Director from the Institute of Chartered Accountants of Pakistan. He is currently posted at Kohinoor Textile Mills, Rawalpindi.

MS. JAHANARA SAIGOL
(DIRECTOR)

OTHER ENGAGEMENTS

DIRECTOR
- Kohinoor Textile Mills Limited
- Maple Leaf Capital Limited

Ms. Jahanara Saigol is daughter of renowned industrialist, Mr. Tariq Sayeed Saigol who is the Chairman of Kohinoor Maple Leaf Group. She has completed PhD in Islamic Art and Architecture at SOAS, University of London. She has also obtained degrees in MA, SOAS, University of London and M. St, University of Oxford.

MR. SHAFIQ AHMED KHAN
(INDEPENDENT DIRECTOR)

Mr. Shafiq Ahmed Khan got his bachelor degree from Punjab University and joined Habib Bank Limited at entry level in 1968 and spent over a period of 24 years in order to become Executive Vice President while performing in different areas of services. He spent a period of five years in Fidelity Investment Bank Limited, Lahore, as first President & CEO of a major investment bank in the country and guided with sound business and risk management.

Since 1996 to 2005, he has been associated with Pakistan's largest private sector commercial bank as Senior Executive Vice President / Group Head and taken responsibilities for devising and implementing business strategies for MCB Bank Limited. He also served on the Board of Trust Investment Bank Limited from 1997 to 2009. Over the course of 36 years in a career, he used up in domestic and international market with all necessary skills for developing & implementing successful strategies for institutions' businesses across geographical segments particularly in banking relationships and enjoy sound relationships with regulatory authorities in various countries. Currently, being an Independent Director, he is the Chairman of Audit Committee as well as Human Resource and Remuneration Committee of the Company.

MR. ZULFIKAR MONNOO
(INDEPENDENT DIRECTOR)

OTHER ENGAGEMENTS

DIRECTOR
- Kohinoor Textile Mills Limited
- Unilever Pakistan Foods Limited
- Rafhan Maize Products Co. Limited
- Security General Insurance Company Limited

DIRECTOR / CHIEF EXECUTIVE
- Pakwest Industries (Pvt.) Limited

Mr. Zulfikar Monnoo joined the Board of Unilever Pakistan Foods Limited when the company was formed. He is past Chairman and now a member of both the Audit and the HR& R Committees.

He is also Director of Rafhan Maize Products Co. Limited since 1990 and a member of both the Audit and the HR& R Committees.

BRIEF PROFILE
OF DIRECTORS

He is the Chief Executive of Pakwest Industries (Pvt.) Ltd., Lahore. He is an alumni of The Wharton School, University of Pennsylvania and Aitchison College, Lahore.

He is a businessman with experience of more than three decades as a director having degree of bachelor in science and economics with a major in finance from University of Pennsylvania – Wharton School. He obtained Directors' Training certification from Pakistan Institute of Corporate Governance in 2012. His special expertise/ specialized skills are Finance & Accounting, Human Resource, sales and has industrial experience in food & textile ingredient manufacturing as well as artificial leather (coated fabrics).

SYED MOHSIN RAZA NAQVI
(DIRECTOR / GROUP DIRECTOR FINANCE / CHIEF FINANCIAL OFFICER)

OTHER ENGAGEMENTS

DIRECTOR / CHIEF FINANCIAL OFFICER
- Kohinoor Textile Mills Limited
- Maple Leaf Capital Limited
- Maple Leaf Power Limited

DIRECTOR
- Agritech Limited
- Novacare Hospitals (Private) Limited

Syed Mohsin Raza Naqvi is a seasoned finance professional. He is a Fellow Member of the Institute of Chartered Accountants of Pakistan and brings over 30 years of extensive experience in financial management.

His expertise spans a broad range of areas, including:

- Financial projections
- Forecasting (short-term and long-term cash flows)
- Business strategy development
- Acquisitions and evaluation of business units
- Establishing corporate reporting structures
- Implementing budgetary control procedures
- Deploying financial software solutions
- Organizing finance and treasury functions

Mr. Naqvi currently serves on the Boards of several companies, including Kohinoor Textile Mills Limited, Maple Leaf Capital Limited, Maple Leaf Power Limited, Agritech Limited and Novacare Hospitals (Private) Limited. He is also a certified director from the Pakistan Institute of Corporate Governance.

He previously served on the Board of Kohinoor Mills Limited as well as various other reputable international companies. His career includes international assignments in countries such as Saudi Arabia, Kuwait, the Philippines, Morocco, Jordan and Pakistan, contributing to his well-rounded global perspective.

DIVERSITY IN THE BOARD

The members of Board of Directors of the Company have diversified experience, skills and knowledge in the field of finance, operations, banking and corporate sectors.

MATTERS DECIDED AND DELEGATED BY BOARD OF DIRECTORS

Matters Decided by the Board of Directors

The Board of Directors approves overall corporate strategy which is in line with Company's Vision. All the Strategic Decisions of the Company are taken by the Board. As sanctioned by the Companies Act 2017 and authorised by Articles of Association of the Company, following decisions are taken by the Board namely: -

- Issue of shares;
- Buy-back of shares;
- Make borrowings in the form of loans, debentures, leasing contracts or redeemable capital;
- Investment of funds of the company;
- Approval of financial statements;
- Approval of bonus to employees;
- Incurring capital expenditure and disposal of fixed assets;
- Declaration of interim dividend;
- Provision / Writing off bad debts, advances and receivables;
- Writing off other assets of the company;
- To determine the terms of and the circumstances in which a law suit may be compromised and a claim or right in favour of a company may be released, extinguished or relinquished; and
- Other matters of strategic nature e.g., taking over a company or acquiring a controlling or substantial stake in another company;

Matters Delegated to the Management

Management of the Company is entrusted with the responsibility to conduct operations of the Company adhering to corporate strategy approved by Board of Directors. Tactical and operational matters are delegated to the Management of the Company which mainly include:

- Cash flow Management;
- Selling and Marketing;
- Compliance with legal requirements;
- Production Management;
- Procurement Management and
- Other support functions like Human Resource Management.

ANNUAL EVALUATION OF BOARD PERFORMANCE

The Board has set a criterion based on emerging and leading practices to assist in the self-assessment of an individual director and the full Board's performance. It is not intended to be all-inclusive. When completing the performance evaluation, Board considers the following main performance evaluation process or behaviour:

i. Adequate Board composition.

ii. Satisfactory processes and procedures for Board meetings.

iii. The Board sets objectives and formulates an overall corporate strategy.

iv. The Board has set up adequate number of its committees.

v. Each Director has adequate knowledge of economic and business environment in which the company operates.

vi. Each Board member contributes towards effective and robust oversight.

vii. The Board has established a sound internal control system and regularly reviews it.

viii. The Board reviews the Company's significant accounting policies according to the adequate financial reporting regulatory framework.

ix. The Board considers the quality and appropriateness of financial accounting and reporting and the transparency of disclosures.

Evaluation Criteria of Board Performance

Following is the main criteria:

1. Financial policies reviewed and updated;
2. Capital and operating budgets approved annually;
3. Board receives regular financial reports;
4. Procedure for annual audit;
5. Board approves annual business plan;
6. Board focuses on goals and results;
7. Availability of Board's guideline to management;
8. Regular follow up to measure the impact of Board's decisions;
9. Assessment to ensure compliance with code of ethics and corporate governance.

During the year under review, the performance review of Board was not carried out by any external consultant.

PERFORMANCE REVIEW OF BOARD COMMITTEES

Performance of Board Committees is regularly evaluated by the Board of Directors based on the terms of reference as defined and approved by the Board.

UNRESERVED COMPLIANCE OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The management of the Company strongly believes in adherence to unreserved compliance with all the applicable International Accounting Standards (IAS)/ IFRS issued by International Accounting Standards Board (IASB) vital to true and fair preparation and presentation of financial information. Compliance to IFRS encourages sufficient disclosures of the financial statements that are beneficial for informed decisions of stakeholders.

Financial statements for the year have been prepared in accordance with the accounting and reporting standards issued by IASB as are applicable in Pakistan. IFRS adoption status is in detail is explained in note 3 of annexed standalone financial statements.

CEO PERFORMANCE REVIEW

The performance of the CEO is regularly evaluated by the Board of Directors and this evaluation is based on the criteria defined by the Board of Directors which includes various financial and non-financial key performance indicators (KPIs). At the start of the year, CEO presents his KPI for the upcoming year to the Board of Directors. The Board periodically evaluates the actual performance against those KPIs during the year and discusses the future course of action to attain the Company's stated goals. The CEO also appraises to the Board regarding an assessment of senior management and their potential to achieve the objectives of the Company.

FORMAL ORIENTATION TRAINING PROGRAM FOR DIRECTORS

All the Directors are suitably qualified and experienced while three Directors have obtained certificate for Directors' Training Program and five Directors are exempt from this due to 14 years of education and 15 years of experience on the Boards of listed companies.

Further, the Directors have also provided declarations that they are aware of their duties, powers and responsibilities under the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange.

CREDIBILITY OF INTERNAL CONTROLS AND SYSTEMS

The ultimate responsibility for effective internal control systems rests with the Audit Committee (the Committee). At MLCF, the Internal Audit function is tasked by the Committee to report on matters related to risk assessment, SOP compliance and smooth running of Quality Management Systems. The Internal Audit team consists of professional and competent personnel, having knowledge of the audit and accounts., The Internal Audit Department has experience and expertise to independently judge and provide independent evaluations of internal controls and risks to the Committee. The Committee lays down the groundwork strategy that defines which processes, departments and functions are required to be audited. The Internal Audit function executes the strategy by identifying, assessing and measuring the likelihood and magnitude of various risks. Based on assessment of risks, an audit plan is drafted in collaboration with concerned Head of Departments and then sent for approval to the Committee. The audit is conducted as per the plan and control weaknesses (if any) are highlighted and an action plan is agreed upon. Regular follows ups are then carried out to ensure the implementation and achievement of agreed action plans.

The Company obtains external assurance from:

- Statutory Audit of Financial Accounts from Audit firm A.F.Ferguson
- (QMS) Audit to ensure compliance with ISO 9001 by SGS.
- Environment Monitoring Report to ensure compliance with ISO 14001 by ECO GREEN (PVT) Limited.

The Board has developed a set mechanism to assess the risk being faced and the internal controls implemented to mitigate them. The internal audit department is also responsible to identify and evaluate the risk being faced by the Company and controls in place, also test them if they are operating properly. The Board also gets external assurance on the effectiveness of the internal controls and also seeks suggestion for the unattended areas.

IMPLEMENTATION OF GOVERNANCE PRACTICES EXCEEDING LEGAL REQUIREMENT

The management of Maple Leaf Cement Factory Limited believes to follow best governance practices that can be implemented in the Company's environment. To implement these practices, the minimum benchmark is to comply with all the legal requirements. However, the management goes ahead to implement best governance rules and practices that are followed globally and are in favour of the Company's shareholders, employees, environment and community.

Following additional governance practices implemented by the management include:

- Disbursement of additional corporate and financial information to shareholders and legal authorities, although not required by any law, to make the Company's affairs more transparent and to give better insight of the Company's affairs, policies and strategies.
- Implementation of 5S policy to create a healthy and work friendly environment together with efficiency and effectiveness.
- Implementation of Health, Safety and Environment Policy for better and safe work place environment for employees, workers and surrounding community.

The Company understands and fulfils its corporate social responsibility and has implemented various social projects for welfare of the community.

POLICY ON DIVERSITY

At Maple Leaf Cement Factory Limited, we aim to be an inclusive organisation, where diversity is valued, respected and built upon. We recruit and retain a diverse workforce irrespective of religious and political beliefs, gender, race, ethnicity, disability, education, colour, language, age, socioeconomic background, and geographic location and region. The culture of the Company values differences and recognises that stakeholders from different backgrounds and experiences can bring valuable insights to enable a collaborative work environment by introduction of varied ideas and perspectives within the Company.

We aim to pro-actively tackle discrimination and to ensure that no individual or group is directly or indirectly discriminated against for any reason regarding employment and the Company bears no tolerance for harassment/bullying and persecution. The company has a whistle blowing policy in place, and employees are encouraged to report all such matters and related grievances to the Human Resources department.

The Board ensures application of diversity policy through Human Resource department by ensuring that all talent hunting seminars, job fairs and advertisements specifically mention that we are an equal opportunity employer in all areas and we nourish an organizational culture where individual differences are appreciated rather than criticized for novel ideas and improvements. Furthermore, Internal Audit department ensures and reports compliance of diversity policy on periodic basis.

Disclosure of interest in significant contracts and arrangement by directors

None of the Directors have any interest in significant contracts and arrangements the Company has entered into. However, the Board has also a policy that all the directors who have any such interest will need to disclose it beforehand.

COMPENSATION POLICY OF EXECUTIVE DIRECTORS WHO ALSO SERVE OTHER COMPANIES BOARD OF DIRECTORS

Executive directors of the company shall be appropriately compensated for their service in the Company and for representation on the Company's Board. This compensation shall take into consideration the amount of time required to be devoted to Board activities, the fiduciary responsibility of such positions and the competitiveness of the compensation levels. Compensation is subject to change at the discretion of the Board. Board may approve revision in Directors' Compensation Policy from time to time.

No fee is paid to executive directors of the company by way of their appointment in other associated companies in the capacity of non-executive director.

Moreover, none of our executive director is working as non-executive director in companies which are not associated companies.

FOREIGN DIRECTOR

No foreign director was on Board of Directors of the Company during the year.

HUMAN RESOURCE MANAGEMENT

The Company is committed to build a strong organizational culture that is shaped by empowered employees who demonstrate a deep belief in Company's vision and values. Therefore, Human Resource Management (HRM) is an integral part of our business strategy. The Company fosters leadership, individual accountability and teamwork. The main components of the Company's HRM policy are:

- Selecting the right person, with the right experience, at the right time, offering the right compensation.
- Developing management philosophies and practices to promote and encourage motivation and retention of the best employees.
- Recognizing and rewarding employees' contribution to the business.
- Fostering the concept of team work and synergetic efforts.
- Encouraging and supporting team concepts and team building techniques.
- Nurturing a climate of open communications between management and employees.
- Making all reasonable efforts to achieve a high quality of work-life balance.

Succession Planning

The Company believes in proactive approach towards succession planning. We recruit employees, develop their knowledge, skills, abilities, and prepare them for advancement or promotion into ever more challenging roles. Rigorous succession planning is also in place throughout the organization. Succession planning ensures that employees are constantly developed to fill each needed role. We look for people who exemplify continuous improvement when we are spotting future successors.

Merit Based Recruitment

Maple Leaf Cement Factory Limited consistently conducts recruitment on a merit-based system. When a vacancy arises, the department head assesses the required competencies and knowledge for the role. This information is then shared with the HR department to create the job advertisement. The vacancy is subsequently advertised, and qualified candidates are shortlisted for interviews. Following the interview process, only the most suitable candidate is selected for the position.

INTERACTION WITH STAKEHOLDERS

The interactive sessions include the annual general meeting, extra ordinary general meetings, corporate briefings / road shows, responding to investor queries either raised on email, website or on telephone.

During the year, following major international and local road shows / corporate briefings sessions were held with investors:

- Corporate Briefing Session (17th November 2023)

The Company has a set mechanism to ensure that all the shareholders are served with notice of annual general meeting within stipulated time as per corporate requirements. To ensure these notices are dispatched to members, also made available to stock exchange. On the day of annual general meeting, sufficient arrangements are made to facilitate members by encouraging their participation and responding to their queries positively.

INVESTORS' GRIEVANCES POLICY

The Company believes that Investor services is a vital element for sustained business growth and we want to ensure that our Investors receive exemplary service across different touch points of the Company. Prompt and efficient service is essential to retain existing relationships and therefore, Investor satisfaction becomes critical to the Company. Investor queries and complaints constitute an important voice of Investor, and this policy details grievance handling through a structured grievance framework.

Grievance policy is supported by a review mechanism, to minimize the recurrence of similar issues in future. Investors have the facility to call toll free call centre 24/7 to register their grievances. The Company's Grievance policy follows the following principles:

- Investors are treated fairly at all times.
- Complaints raised by Investors are dealt with courtesy and in a timely manner.
- Investors are informed of avenues to raise their queries and complaints within the organization and their rights if they are not satisfied with the resolution of their complaints.
- Queries and complaints are treated efficiently and fairly.
- The Company's employees work in good faith and without prejudice, towards the interests of the Investors.

WHISTLE BLOWING POLICY

In accordance with the Company's continued commitment to 'Good Governance' a 'Whistle Blowing' policy has been adopted. The policy ensures that the 'Whistle Blower' will be fully protected and the said non-conformance, will be investigated in a fair, transparent, reliable and principled manner.

Highlights of the policy are as follows:

1. All Protected Disclosures should be addressed to the nominated Ombudsman of the Company.
2. The Protected Disclosures should be reported in writing clearly stating the issue that is being raised. It should be preferably typed but legible handwritten versions in English or Urdu are also acceptable.
3. The Protected Disclosures should be forwarded with a covering letter bearing the identity of the whistle blower.
4. Anonymous disclosures will not be entertained.
5. If in an initial enquiry by the Ombudsman, it is felt that the complaint is not substantial, it can be dismissed.
6. If initial enquiry establishes that further investigation is necessary, the Ombudsman will ensure that an investigation is carried out in a neutral and fair manner without presumption of guilt. A written request of the finding will be prepared.
7. Further investigation shall only be carried out if the Ombudsman feels that the complaint is factual, fair and not speculative. It should contain as much factual information to necessitate a preliminary investigation.

   In MLCFL, no whistle blowing incidence was highlighted and reported under the above said procedures during the year.

SAFETY OF RECORD

MLCFL is effectively implementing the policy to ensure the safety of the records. All records must be retained for as long as they are required to meet legal, administrative, operational and other requirements of the Company. The main purposes of the Company Policy are:

- To ensure that the Company's records are created, managed, retained, and disposed of in an effective and efficient manner;
- To facilitate the efficient management of the Company's records through the development of a coordinated Records Management Program;
- To ensure preservation of the Company's records of permanent value to support both protection of privacy and freedom of information services throughout the Company to promote collegiality and knowledge sharing;
- Information will be held only as long as required and disposed of in accordance with the record retention policy and retention schedules; and
- Records and information are owned by the Company, not by the individual or team.

BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN

The Board of Directors periodically review the Company's Business Continuity & Disaster Recovery (BC / DR) plan to ensure that critical business functions will be available to customers, suppliers, regulators, and other entities that have access to those functions even under extraordinary circumstances. BC / DR plan mainly includes daily tasks such as customers / suppliers' correspondence, production data, trading activities, project management, system backups and help desk operations.

The primary activities of the Board for the execution of the plan include:

1) To develop and maintain a formal plan that is responsive to the Company's current business needs and operating environment.

2) To ensure that a Business Continuity Recovery Team includes representatives from all business units.

3) To provide ongoing business continuity training to all employees, including executive management and the Board.

4) Ensure that thorough current business impact analysis and risk assessments are maintained.

5) Ensure a centralized executive view of the business continuity plan and programs.

QUALIFICATION OF CFO AND HEAD OF INTERNAL AUDIT

The Chief Financial Officer and the Head of Internal Audit possess the requisite qualifications and experience as prescribed in Listed Companies (Code of Corporate Governance) Regulations, 2019.

CONFLICT OF INTEREST MANAGEMENT POLICY

Policy Statement

The company has the policy for actual and perceived conflicts of interest and measures are adopted to avoid any conflict of interest, identify the existence of any conflict of interest, and to disclose the existence of conflict of Interest. The Company annually circulates and obtains a signed copy of Code of Conduct applicable to all its employees and directors, which also relates to matters relating to conflict of interest. Further, it seeks to set out the process, procedures and internal controls to facilitate compliance with the Policy as well as to highlight the consequences of non-compliance with the Policy by all its employees and directors. The Company Policy provides a guide as to what constitutes a conflict of interest, the processes and procedures that are in place in order to facilitate compliance and, the consequences of non-compliance. The Policy is intended to assist directors and employees in making the right decisions when confronted with potential conflict of interest issues.

Management of Conflict of Interest:

The primary goal of MLCFL policy is to manage conflicts of interest to ensure that decisions are made and are seen to be made on proper grounds, for legitimate reasons and without bias. To do this MLCFL has set the following procedures to manage and monitor the conflict of Interest:

1. Identify areas of risk.

2. Develop strategies and responses for risky areas.

3. Educate all employees about the conflict-of-interest policy.

4. Communicate with stakeholders to provide the platform for proper disclosure.

5. Enforce the policy.

Furthermore, the directors are annually reminded of the insider trading circular issued by the Securities and Exchange Commission of Pakistan to avoid dealing in shares while they are in possession of the insider information. Every director is required to provide to the Board complete details regarding any material transaction which may bring conflict of interest with the Company for prior approval of the Board. The interested directors do not participate in the discussion neither they vote on such matters. The transactions with all the related parties are made on arms-length basis and complete details are provided to the Board for their approval. Further all the transactions with the related parties are fully disclosed in the financial statements of the Company.

The Board has established conflict resolution teams with aim to timely take up such conflicts and resolve them in the best possible way with no delays. Teams address to all such issues by paying attention to the complaints or observing them through the ways they have implemented for this. They pay attention to all the facts and come up with the resolution that becomes the standard for all similar events occurring after that. Board has the policy to review and discuss the performance of resolution teams periodically.

Approved Training Organization – ICAP & ICAEW

On 31st August 2016, MLCFL was granted the status of Training Organization outside Practice (TOoP) by Institute of Chartered Accountants of Pakistan to impart practical industry exposure to CA trainee students. The Company is also an Approved Training Employer recognized by Institute of Chartered Accountants in England & Wales (ICAEW). This demonstrates the level of confidence of these renowned institutes in company's pool of qualified professionals and at the same time, raises the opportunity for trainee students to be trained in one of the best organizations in Pakistan. During the year 2017-18, the Company inducted first batch of CA trainee students under ICAP TOoP scheme.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY POLICY

The Company's Social and Environmental Responsibility Policy reflects the Company's recognition that there is a strong, positive correlation between financial performance and corporate, social and environmental responsibility. The Company believes that the observance of sound environmental and social strategies is essential for building strong brand and safeguarding reputation, which in turn is vital for long term success.

Social Responsibility Policy:

- Implementation of Employee Code of Conduct that fits with local customs and regulations.
- Culture of ethics and behaviour which improve values like integrity and transparency.
- Focusing on social involvement by developing multicultural teams with different competencies.
- Promoting the culture of work facilitation and knowledge transfer.
- Carrying out corporate philanthropy actions that focus in particular on preserving life and the environment.
- Maintaining collaborative relations with the society through a good harmony and effective communication.

Environmental Responsibility Policy

- Ensure our products, operations and services comply with relevant environmental legislation and regulations.
- Maintain and continually improve our environmental management systems to conform to the ISO Standards or more stringent requirements as dictated by specific markets or local regulations.
- Operate in a manner that is committed to continuous improvement in environmental sustainability through recycling, conservation of resources, prevention of pollution, product development and promotion of environmental responsibility amongst our employees.
- Responsibly managing the use of hazardous materials in our operations, products and services

and promote recycling or reuse of our products.

- Inform suppliers, including contractors, of our environmental expectations and require them to adopt environmental management practices aligned with these expectations.

Policy on Corporate Social Responsibility

The company has formulated an efficient policy for sustainability and corporate social responsibilities in accordance with the SECP's CSR guidelines 2013 and the Companies' Act 2017. The Board has put in place a CSR committee which is formed for better monitoring and execution of all CSR related tasks including the Al-Aleem Medical College, in Ghulab Devi Chest Hospital. The Company has contributed in medical social sciences project and in this regard, the Company's Board of Directors and the Board of the Holding Company jointly donated towards construction of Admin Block at Al-Aleem Medical College in Gulab Devi Chest Hospital (GDCH), Lahore. The project achieved completion during the year. This committee supervises all CSR activities and ensures the progress of all CSR related goals, objectives and targets. The committee plans and determines the priority areas wherein the CSR projects are currently being managed (ongoing projects) and are planned to be initiated in the future. The Company has been recognized by the Pakistan Centre for Philanthropy as a leader in social and charitable contributions and strives to be a constructive member of the communities in which it has a presence. The Company has received the "Corporate Social Responsibility Award 2022" demonstrating management's firm philanthropist attitude towards social welfare of the society at large through charitable contributions and compliance with CSR objectives.

Company's approach to managing and reporting policies like procurement, waste, and emissions.

Our approach is to procure from the vendors who are registered with tax authorities and work in professional and ethical ways. The company ensure that all transactions would be at fair market value and according to the norms of the relevant market. Further, the company has a policy to perform vendor evaluation before entering into any transaction. The company performs various kind of analysis and benchmarking to evaluate its procurement on periodic basis.

At Maple Leaf, waste and emissions are utilized to produce electricity from waste heat recovery plant (WHRP). After utilization of the waste and emissions, there is very less quantum of emissions left in the air after going through state-of-the-art filtration equipment's to ensure that it is no hazardous for the environment. As a result, practically, there is negligible or no waste in the cement manufacturing process at our plants.

RELATED PARTY TRANSACTIONS

The Company has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards.

Moreover, the Company has also decided to place its related party transactions before the Annual General Meeting for obtaining shareholders' approval for the same. Details of party-wise disclosure of such transactions is also given in the statement u/s 134 annexed with the Notice of AGM.

TRANSACTION / TRADE OF COMPANY'S SHARES

The Board has reviewed the threshold for disclosure of interest by executives holding of Company's shares which includes Chief Executive Officer, Chief Financial Officer, Executive Director (Finance), General Manager (Finance), Head of Internal Audit and Company Secretary. None of the Directors, CEO, CFO, Executive Director (Finance), General Manager (Finance), Head of Internal Audit and Company Secretary (including their spouses and minor children) traded in the shares of the Company.

DIVERSITY, EQUITY AND INCLUSION POLICY

Maple Leaf Cement Factory Limited dedicated to advancing gender equality, women's empowerment, and inclusive progress as a core part of our values. Diversity, Equity, and Inclusion (DE&I) form the foundation of our efforts to create a harmonious, respectful, and non-discriminatory workplace. We recognize our ability to make a meaningful impact by promoting inclusion in surrounding communities, increasing the representation of women, and supporting the acceptance of individuals with disabilities.

This policy applies to all employees, business units, and legal entities. We also extend our commitment by encouraging our suppliers and contractors across the value chain to adopt practices that support gender equality, inclusion, and women's empowerment.
Objective:

- Promote fair practices where every employee feels safe and free from harassment, regardless of age, culture, language, origin, race, ethnicity, religion or belief, gender, marital status, pregnancy, sexuality, or disability.

- Increase workforce diversity through inclusive recruitment strategies and employee development initiatives.

- Ensure equal opportunities for all employees in self-development and career advancement, based on merit and with recognition of the value diversity brings.

- Respect diverse cultural, religious, and linguistic practices, while ensuring they align with job responsibilities.

- Support employee well-being through proactive workplace practices and initiatives.

- Enhance workplace accessibility by gradually improving the environment to support inclusion of persons with disabilities.

- Continuously educate people managers on Diversity, Equity & Inclusion (DE&I) to challenge and break unconscious biases.

Policy:

- Maintain zero tolerance for harassment, bullying, and violence related to gender, disability, or diversity.

- Enforce zero tolerance for retaliation, with protections in place for both victims and those reporting incidents.

- Implement a non-biased, non-judgmental grievance and response system to address any DE&I-related complaints.

- Ensure effective support, recovery, and remediation for victims, as well as fair treatment for those wrongly accused.

- Regularly assess and improve the effectiveness of our grievance mechanism.

Compliance:
We are committed to regularly evaluating and reporting our progress on Diversity, Equity, and Inclusion (DE&I). This policy will undergo ongoing monitoring and periodic review as part of our continuous improvement efforts, ensuring it remains aligned with evolving best practices.

It also complements and reinforces our broader commitments outlined in our Human Rights Policy and Occupational Health & Safety Policy.

Harassment Policy:

Harassment refers to unwelcome, inappropriate, or offensive behavior that creates an intimidating, hostile, or offensive work environment. This includes, but is not limited to:

- Sexual Harassment: Any unwelcome or inappropriate sexual behavior.

- Bullying: Persistent offensive, abusive, intimidating, or insulting behavior.

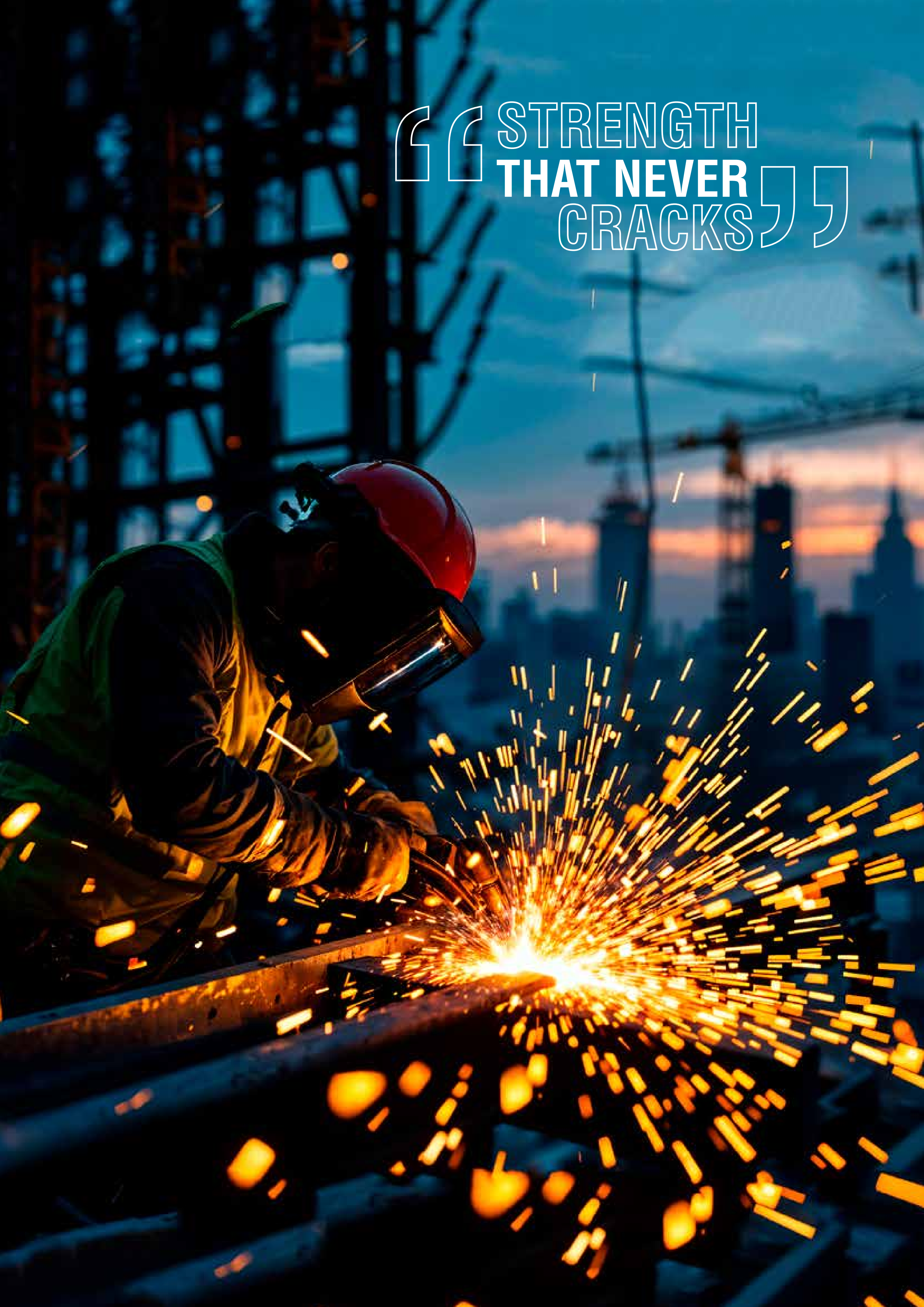
- Discriminatory Harassment: Harassment based on race, religion, gender, disability, sexual orientation, or other protected characteristics.

Employees who believe they have been subjected to harassment are encouraged to report the matter immediately using the following channels. :

- Directly report to their line manager or HRBP.

- Report to the grievance counselor, Head of HR, or through an anonymous internal reporting system, if available.

- In cases of serious or physical harassment, or if an employee feels unable to report the issue to HR, they may contact the CEO directly.


"STRENGTH
THAT NEVER
CRACKS"

- However, all cases of sexual harassment will be directly referred to the CEO via email (sayeed.saigol@kmlg.com) for further proceedings and action.
- The complaint will be investigated promptly, impartially, and confidentially.
- Where applicable, interim actions will be taken to ensure the safety and well-being of the affected employee during the investigation.
- If harassment is confirmed, appropriate corrective and disciplinary actions will be taken, which may include training, counselling, suspension, or even termination of employment depending on the severity of the harassment.

ROLE OF CHAIRMAN AND THE CEO

The Company's Chairman reports to the Board and the CEO reports to the Chairman (acting on behalf of the Board) and to the Board directly. Their respective roles are being described here under: -

Role of the Chairman	Role of the CEO
Principal responsibility is the effective running of the Board.	Principal responsibility is running the Company's business.
Responsible for ensuring that the Board as a whole plays a full and constructive part in the development and determination of the Company's strategy and overall commercial objectives.	Responsible for proposing and developing the Company's strategy and overall commercial objectives, which he does in close consultation with the Chairman and the Board.
Guardian of the Board's decision-making process.	Responsible with the executive team for implementing the decisions of the Board and its Committees.
Responsible for promoting the highest standards of integrity, probity and corporate governance through-out the Company and particularly at Board level.	Responsible for promoting, and conducting the affairs of the Company with the highest standards of integrity, probity and corporate governance.

TERMS OF REFERENCE OF BOARD COMMITTEES

AUDIT COMMITTEE

The Main Terms of Reference of the Audit Committee are as under: -

(i) Determination of appropriate measures to safeguard the Company's assets;

(ii) Review of annual and interim financial statements of the Company, prior to their approval by the Board of Directors, focusing on:

- (a) major judgmental areas;
- (b) significant adjustments resulting from the audit;
- (c) going concern assumption;
- (d) any changes in accounting policies and practices;
- (e) compliance with applicable accounting standards;
- (f) compliance with these regulations and other statutory and regulatory requirements; and
- (g) all related party transactions.

(iii) Review of preliminary announcements of results prior to external communication and publication;

(iv) Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);

(v) Review of management letter issued by external auditors and management's response thereto;

(vi) Ensuring coordination between the internal and external auditors of the Company;

(vii) Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;

(viii) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;

(ix) Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;

(x) Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;

(xi) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;

(xii) Determination of compliance with relevant statutory requirements;

(xiii) Monitoring compliance with these regulations and identification of significant violations thereof;

(xiv) Review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;

(xv) Recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible including taxation and Enterprise Resouce Planning (ERP) to be rendered to the Company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board of Directors shall give due consideration to the recommendations of the Audit Committee and where it acts otherwise it shall record the reasons thereof.

(xvi) Consideration of any other issue or matter as may be assigned by the Board of Directors.

HUMAN RESOURCE & REMUNERATION COMMITTEE (THE 'HR & R COMMITTEE')

The Main Terms of Reference of the HR&R Committee are as under: -

i. Recommending human resource management policies to the Board;

ii. Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;

iii. Consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer or Chief Operating Officer; and

iv. Where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the Company.

CROSS-FUNCTIONAL TEAMS

Team Energy

Higher management of the company has formulated a team of pioneer executives with diversified skills to cope up the situation regarding increased energy cost for cement manufacturing. Energy consumption is quite intensive at cement plant; therefore, the price fluctuation of cement requires some cheap and efficient energy solutions. The team has been working to ensure the improved performance through prudent energy use by the process of monitoring, controlling, and conserving energy in the organization. Composition of team is as follows:

MEMBERS:	
MR. SAYEED TARIQ SAIGOL	MR. MUHAMMAD BASHARAT
MR. ABDUL HANAN	MR. NASIR IQBAL
MR. AMER BILAL	MR. SOHAIL SADIQ
MR. ARIF IJAZ	MR. TARIQ AHMAD MIR
MR. ZEESHAN AHMED	MS. SIDRA NASEER

Number of Meetings Held – 52

Team Improvement

A team of proficient personnel has been formulated to encourage the concept of sustainable development through Quality Management System (QMS) that supports the process of continuous improvement of products and processes involved within the organization. They accentuate on the development of long-term strategies for achieving the company objectives for sustainable development and reinforce the culture of quality. All stages of the production process right from the selection of raw materials, processing of materials and the finished product are subjected to rigorous quality testing to ensure that each bag of cement is of the best quality.

MEMBERS:	
MR. SAYEED TARIQ SAIGOL	MR. MUHAMMAD BABAR SARFRAZ
MR. ABDUL HANAN	MR. NASIR IQBAL
MR. AMER BILAL	MR. ARIF IJAZ
MR. SOHAIL SADIQMR. ZEESHAN AHMED	MR. TARIQ AHMAD MIR
MR. MUHAMMAD BASHARAT	MR. YAHYA HAMID
MS. SIDRA NASEER	

Number of Meetings Held –52

Team Reliability Centered Maintenance

Reliability Centered Maintenance (RCM) team has been established to evaluate the equipment's condition and then determine the maintenance requirements for each piece of equipment in operating context of our cement plant. RCM Team is specialized in using various maintenance techniques such as predictive, preventive and proactive maintenance to keep in pace all the machinery and equipment for their adequate functionality and to increase cost effectiveness, machine uptime, and a greater understanding of the level of risk that the organization is presently managing.

MEMBERS:	
MR. SAYEED TARIQ SAIGOL	MR. MUHAMMAD BASHARAT
MR. ABDUL HANAN	MR. NASIR IQBAL
MR. AMER BILAL	MR. SOHAIL SADIQ
MR. ARIF IJAZ	MR. TARIQ AHMAD MIR
MR. ZEESHAN AHMED	MS. SIDRA NASEER

Number of Meetings Held – 52

Team Culture Development

To promote socio-economic culture, arts and national heritage, a team is engaged in our organization. Keeping in mind the social, cultural and economic needs of employees and workers, it proposes strategies to ensure wellbeing of people and to have all participate in sports and active recreation. It sets out to make Maple Leaf Cement Factory Ltd. a culture supporter organization in Pakistan, to harness the creativity of the employees and where all people are treated equally.

MEMBERS:	
MR. SAYEED TARIQ SAIGOL	MR. MUHAMMAD BABAR SARFRAZ
MR. ABDUL HANAN	MR. SOHAIL SADIQ
MR. ARIF IJAZ	MR. YAHYA HAMID
MS. SIDRA NASEER	

Number of Meetings Held -12

REPORT OF THE AUDIT COMMITTEE

The Audit Committee comprises of two Independent Directors and two Non-Executive Directors. The Chief Financial Officer, the Chief Internal Auditor and the external auditors attend the Audit Committee meetings as provided in Listed Companies (Code of Corporate Governance) Regulations, 2019. Four meetings of the Audit Committee were held during the year 2024-2025. Based on reviews and discussions in these meetings, the Audit Committee reports that:

1. The Audit Committee reviewed and approved the quarterly, half yearly and annual financial statements of the Company including consolidated financial statements and recommended them for approval of the Board of Directors.

2. Appropriate accounting policies have been consistently applied. All core and other applicable International Accounting Standards were followed in preparation of financial statements of the Company and consolidated financial statements on a going concern basis, which present fairly the state of affairs, results of operations, cash flows and changes in equity of the Company.

3. Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017, and the external reporting is consistent with management processes and adequate for shareholder needs.

4. The Audit Committee reviewed and approved all related party transactions.

5. No cases of material complaints regarding accounting, internal accounting controls or audit matters, or Whistle Blowing were received by the Committee.

6. The Company's system of internal control is sound in design and is continually evaluated for effectiveness and adequacy.

7. The Board has established internal audit function being an independent appraisal function for the review of the internal control system in all areas of the business activity and provides management with objective evaluations, appraisals and recommendations on the adequacy, effectiveness and compliance with each system reviewed.

8. Company's internal audit function is headed

by a Chartered Accountant with a team of professionals who are suitably qualified and experienced and well aware of the Company's policies and procedures.

9. Internal audit function operates under the charter approved by the Audit Committee and head of the internal audit function has direct access to the Audit Committee.

10. Company's internal audit function prepares annual plan for the financial year and a strategic audit plan for following two years during which all major systems and areas of activity will be audited. Annual and strategic audit plan is approved by the Audit Committee.

11. Internal audit reports include findings, conclusions, recommendations and action plans agreed with management. These are reported promptly to the appropriate level of management. Follow up in implementation is ensured.

12. The Audit Committee, on the basis of the internal audit reports, reviewed the adequacy of controls and compliance shortcomings in areas audited and discussed corrective actions in the light of management's responses. This has ensured the continual evaluation of controls and improved compliance.

13. The Audit Committee has reviewed the Annual Report for the last financial year and found it fair, balance and understandable to users of financial statements. Annual Report provides the necessary information to all the stakeholders about the Company's financial performance, financial position and future prospects.

14. Performance of the Audit Committee is annually reviewed by the Board of Directors. However, the committee is devising the checklist for self-evaluation of its performance.

15. The Audit Committee ensured that statutory and regulatory obligations and requirements of best practices of governance have been met.

16. Present Auditors, M/s. A. F. Ferguson & Co., Chartered Accountants, were appointed as on October 27, 2022. They are professional services company and one of the big four auditors. They carry out objective examination and evaluation of the financial statements to make sure that the records are fair and accurate representation of the transactions. M/s. A. F. Ferguson confirms every year that the firm and all Partners in the firm are compliant with the IFAC guidelines on Code of Ethics as adopted by the Institute of Chartered Accountants of Pakistan.

17. The external auditors, M/s. A. F. Ferguson & Co., Chartered Accountants, were allowed direct access to the Audit Committee and necessary coordination with internal auditors was also ensured. Major findings arising from audits and any matters that the external auditors wished to highlight were freely discussed with them.

18. The Audit Committee reviewed the Management Letter issued by the external auditors and the management response thereto. Observations were discussed with the auditors and required actions recorded.

19. Present Auditors, A.F. Ferguson & Company, Chartered Accountants, will retire at the conclusion of the Company's forthcoming Annual General Meeting. By virtue of revised ICAP Code of Ethics 2024, they are not eligible for reappointment as they are the tax advisors of the Company. The Audit Committee has recommended appointment of M/s. KPMG Taseer Hadi & Co., Chartered Accountants as auditors for the year 2025-2026.

On behalf of the Audit Committee

(Shafiq Ahmed Khan)
Chairman, Audit Committee
August 06, 2025

BOARD'S DISCLOSURE ON COMPANY'S USE OF ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE

ERP Structure and Integration Processes in a Single System: The Company uses Oracle R12 e-Business Suite (ERP system) that contains Oracle Financials, Inventory, Supply Chain, Procurement, Landed Cost Management, Human Resource and Order Management. All These modules are integrated with each other that provides automation, efficiency and productivity in day-to-day business operations.

Management Support in implementation and continuous updating: The Company's management is keen to modernize business equipment to maintain efficiencies as well as organizational growth. In this view the company upgraded ERP from Oracle e-Business Suite R12.1.3. to Oracle e-Business Suite R12.2.9. This new upgradation offers significant enhancements across security, performance stability and new features. The company has recently acquired Oracle Fusion Cloud ERP (Financial, Supply Chain and Maintenance system), which has been implemented in 1st July 2023. Oracle Fusion Cloud ERP is next generation ERP system, which has enhanced security, mobility, state-of-art analytics and dashboards separately for each layer of users, Manager and C-Level executives, all these analytics and dashboards has single source of facts.

User Trainings: Employees training and development is mandatory to maintain efficiency & productivity in smooth business operations. The Company believes in investment on human resources to improve skills and knowledge of employees and in this regard training programs are executed when necessary.

Management of Risk Factors on ERP projects: There is no such thing as a risk-free project. A project exists to bring about change, and with change comes uncertainty, and that means that risks have to be taken. The Company focuses on management of risk by proper planning, executing and monitoring of key risk areas and controls to mitigate these risks. The Company used following tools and techniques to address and manage risk factors on ERP Projects:

- effective strategic thinking and planning
- project team skills
- adequate BPR (Business Process Re-engineering)
- adequate change management

Systems Security, Access to sensitive data and segregation of duties: The Company monitors system security and access to sensitive database. The Company uses different operating units for head office and plant staff to restrict users' as per security matrix, which is being reviewed periodically by head of departments. This security matrix review help manage effective security measures including revoking and restricting the access rights. Furthermore, security matrix is designed on basis of International Governance, Risk and controls (GRC) best practices.

CHAIRMAN'S SIGNIFICANT COMMITMENTS

List of Companies in which the Chairman holds directorship has been separately disclosed in the Directors Profile section of the Annual Report.

No external search consultancy has been used in the appointment of the Chairman or non-executive director.


"DELIVERING
EXCELLENCE IS
OUR SUCCESS"

CORPORATE SUSTAINABILITY

We at Maple Leaf believe in creating value for all our stakeholders while keeping our commitment to a safe clean environment intact. While the Top Management is responsible for laying out and supervising the plan for a strategy towards a sustainable approach, the functional teams work on its implementation. Keeping in mind that in today's world, a business's success does not solely rely on its profitability, MLCF endorses the 'Triple Bottom Line' framework for achieving a sustainable business.

The triple bottom line helps the business to have a broader perspective of their business activities and work out ways to achieve business prosperity on metrics that include environmental health, social influence and contributions to the economy. All the three bottom lines; Economic, Social and Environmental, are of equal importance for the Company and therefore hold equal weightage in its decision making.

Following the triple bottom line theory, the Company succeeds in achieving its goal of sustainability as well as other business advantages. Waste heat management resulted in reduction in operational costs and improved asset utilization. Along with the financial advantages the company is also able to create a strong image through frequent engagements with the local communities and stakeholders to provide a better life for all.

To make sure that the company is moving in the right direction with respect to the sustainable strategy, steering committees are formed by the company to ensure the implementation of policies. These teams include Team Culture Development, Team Energy, and Team HSE, who are responsible for the execution and control of the plan in accordance with their team's scope. Furthermore, cross functionality being one of our core values, helps in achieving the set goals by the teams. The teams meet on pre-defined periodic basis to discuss their progress and provide guidance through synergy with one another. The efforts made by these teams are reviewed on a regular basis so that there's no delay in decision making whenever needed.

Board's statement of Adoption of best CSR practices

"Our primary goal is to work towards a better future that can positively impact every person in our society. Our Corporate Social Responsibility (CSR) policy is designed to help us achieve this mission. We consider important areas like education, training, and ensuring health and safety at work as crucial parts of our social responsibilities as a business. Our social responsibility plan covers both our employees and the communities we operate in."

CORPORATE SOCIAL RESPONSIBILITY

Board's statement about company's strategic objectives on ESG /sustainability reporting

At Maple Leaf, we are committed to positive change and long-term sustainability for our business and stakeholders. Our Strategic objectives on ESG are as following

- **Environmental Safety:**

  We are focused on reducing our environmental impact by implementing sustainable practices, reducing carbon emissions, and saving resources.

- **Social Responsibility:**

  We contribute to the well-being of our society. Our commitment to Health, safety, diversity, equality, and inclusion will be reflected in our work force and culture.

- **Governance Excellence**:

  We ensure the transparency, accountability and ethical behavior at all levels of corporate governance.

Chairman's overview on the company's sustainable practices and their effect on the financial performance.

Maple Leaf believes in sustainable business model and best sustainable practices regarding ESG (Economic, Social, Governance) and sustainability. So, we have implemented many sustainable practices for the better future of society as whole.

The following are the major sustainable practices at Maple Leaf Cements and their effect on the financial performance of the company.

Solar and WHRP: Maple Leaf Cement has implemented solar energy and Waste Heat Recovery Plant (WHRP) to power up the plant. These methods of electricity have no carbon emission. In financial aspect, the solar power and waste hear recovery plant are the cheapest source of energy. These energy sources reduce a heavy amount of electricity cost and improve the efficiency by reducing the cost of production.

Water Conservation: Maple Leaf Cement use water through efficient processes which reduces the overall use of water. This helps in saving the input cost and increases financial performance of the company.

Tree Plantation: Maple Leaf Cement believe in Go Green. We have planted 320,300 trees in last 13 years. This helps in improving the health of human capital. This improvement in health saves the medical costs on employees which is incurred by the company.

Alternate Fuel: Maple Leaf Cement has increased its dependence on alternate fuel to meet its fuel requirements. Main reason for this shift is only to show concern for the society. Because it reduces the $CO2$ emission in the air.

Proper Covering of Fuel: Maple Leaf Cement use proper sheds for covering the fuel such as coal and pet coal. This reduces the emission of particles in the air and save coal from the moisture. So, by keeping the coal dry, the company saves cost as the dry coal is more efficient for burning as the lesser inputs are used for the same amount of energy.

Maple Leaf's alignment with Sustainable Development Goals

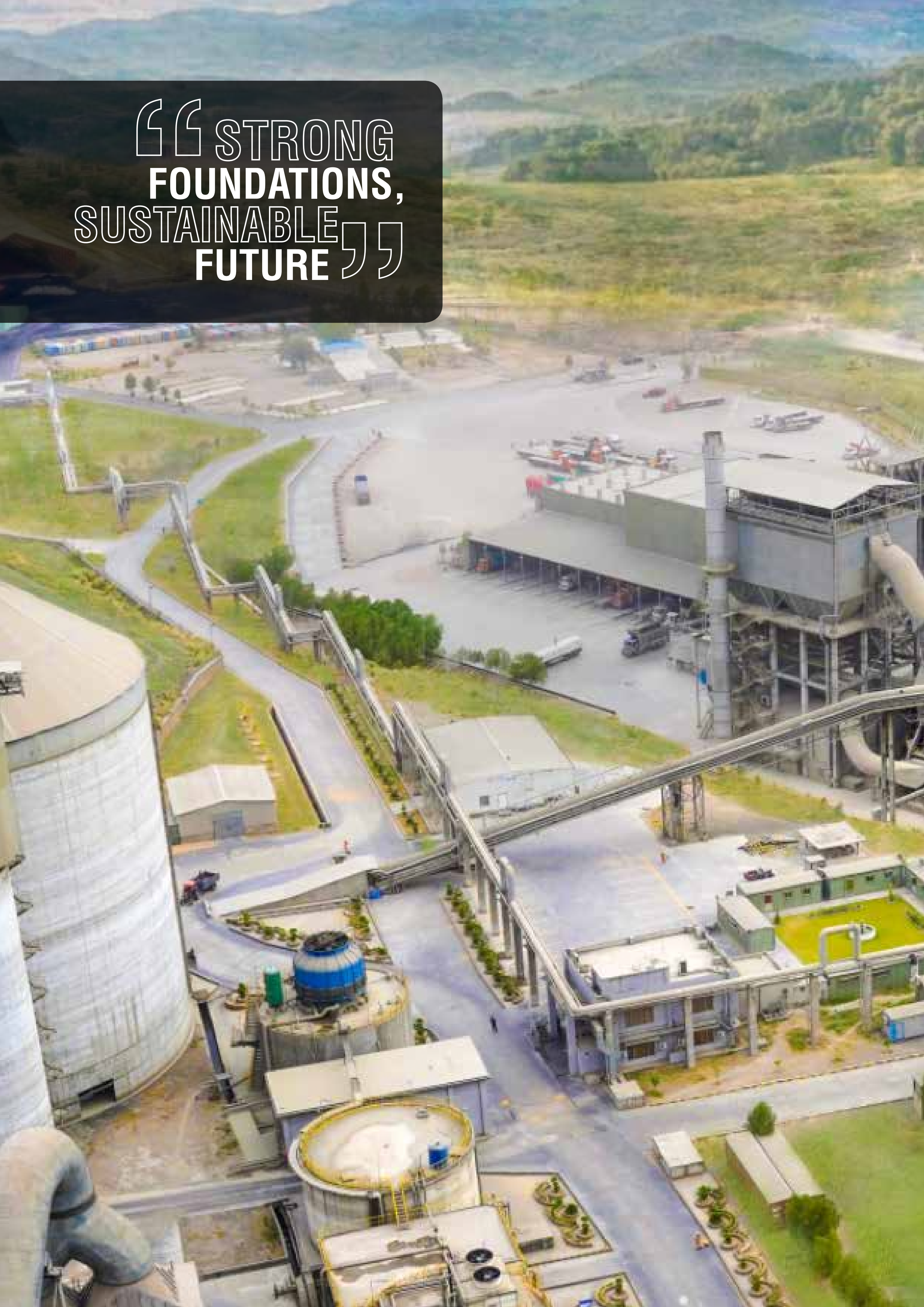
Maple Leaf as an organization has always believed in growth through sustainable means. For years now, we have been producing quality products for our customers while undertaking measures to eliminate the negative impact of our business activity on the environment. In congruence with the company's dedication to provide returns not only to our shareholders but also to our people and community, the business integrates the 'Sustainable Development Goals' (SDGs) within the business processes. These goals were first introduced in 2015 by the United Nations in wake of the growing global challenges: poverty, hunger, increasing inequality, change in climate, peace and justice, etc. SDGs comprise of 17 goals in total with 169 targets that are directed to achieve a sustainable future for everyone around the globe by 2030. We at Maple Leaf envision a bright and prosperous future not only for ourselves but for our country as a whole. Hence, we always strive and make efforts to stay ahead of the curve through our innovations and contributions in our industry. In order to achieve this mission, we align our business processes and activities with the SDGs and contribute towards a sustainable future as a rightful corporate citizen.

Below mentioned are Maple Leaf's approach to alignment of the SDGs:

SDG No.	What do we aim to achieve?	Our contributions
1. Good Health and Well Being	Ensure healthy lives and wellbeing for everyone at all ages.	- Family club - Medical assistance for employees and families - Donation to Agha Khan Hospital of 4.8 million. - Donation to Hameedah Memorial Hospital. - Al-Shifa- hospital for employees at site - Jungle mein Mangal (VPS) for truck drivers
2. Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	- TEVTA Training Program has been initiated to support the technical education in country. Under this project company provide the support to students to meet the education expenses.
3. Gender Equality	Achieve gender equality and empower all women and girls	- Female representation in governance body - Equal opportunities for female employees - Zero tolerance towards gender-based violence and harassment
4. Clean water and Sanitation	Ensure availability and sustainable management of water and sanitation for all	- Constructed water supply scheme to the nearby rural areas for Daud Khel, Sora, Khairabad village and Masjid e Sakina. - Sensor taps to eliminate wastage of water - Water filtration and treatment plant at plant site
5. Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all	- Waste Heat Recovery Plant - Solar - Usage of Alternate Fuel - Coal Fired Power Plant - Wartisila and Nigata generators - Auto-controlled energy sensors (ACs, lights, etc) - Dust collection electrostatic precipitators and bag filters for environment protection. - R&D for energy alternatives
6. Decent Work and Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	- Employment opportunities for youth - Contribution to National Exchequer - Healthy work environment, - Apprenticeship opportunities - Policies against unfair hiring and recruitment practices

SDG No.	What do we aim to achieve?	Our contributions
7. Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	- During the year MLCF has donated cement bags Daudkhel Gullen Wali Janzagah and Cement Bags for DPS Sargodha. - Tackling air emissions, energy saving, etc. - Availing latest technologies at cement plant.
8. Reduced Inequality	Reduce inequality within and among countries	- Job opportunities for disabled people - Monthly Stipend to Disabled - Master mistri program
9. Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient and sustainable	- Construction of Garbage pits at Mianwali. - community development plans for underprivileged communities (rural development program) - Infrastructure enhancement-bus stops, mosques, schools, etc. - Donations to welfare organizations.
10. Responsible Consumption and Production	Ensure sustainable consumption and production patterns	- Monitored production patterns through independent sources (Eco Green). - Adoption of 5S methodology
11. Climate Action	Take urgent action to combat climate change and its impacts	- plantation drives, - controlling and tackling air emissions, - managing waste, - improving biodiversity through quarry rehabilitation.
12. Peace and Justice Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	- business ethics and anti-corruption measures. - Lawful and transparent operational policies and practices. - Safety of employees and guests through gated enclosures, validation ID cards, logs, security cameras and independent security force.

“STRONG FOUNDATIONS, SUSTAINABLE FUTURE”



Maple Leaf's Commitment towards Sustainability: Management mechanism, reporting and actions

At Maple Leaf Cement Factory Limited (MLCF), our sustainability commitment is deeply embedded in our values, business model, and long-term vision. Guided by clear principles, we pursue sustainability not as an isolated initiative, but as an integral part of our operations and supply chain practices. Our senior management has developed a structured sustainability approach that emphasizes operational efficiency, responsible resource management, and minimizing adverse impacts on both the economy and the environment.

Strong governance frameworks further reinforce this commitment. MLCF integrates sustainability into corporate strategy through policies on health and safety, environmental responsibility, human resource planning, and ethical conduct. Key performance indicators (KPIs) are set for employees across all levels, ensuring accountability and continuous monitoring of progress throughout the year. Regular reviews by dedicated steering teams allow management to evaluate performance, identify gaps, and implement corrective measures, keeping the strategy aligned with our goals of sustainable development.

Beyond internal alignment, we also work to build trust and transparency with stakeholders. To ensure environmental compliance and strengthen our role as a responsible corporate citizen, MLCF engages an independent organization, Eco Green, which conducts monthly audits of our plants. These independent assessments verify compliance with regulatory requirements, and the findings are reported directly to management for timely action.

This integrated approach enables MLCF to not only embed sustainability across its operations but also demonstrate a clear and consistent vision to all stakeholders employees, regulators.

Sustainability and Supply Chain:

At MLCF, we believe that building a sustainable business goes beyond responsible production—it extends across our entire supply chain. From the very beginning, we have engaged our suppliers and contractors to ensure that they adopt practices aligned with our environmental and ethical expectations. Contractors involved in raw material extraction such as limestone and gypsum are strictly bound to comply with regulatory provisions for mining, and any form of overexploitation is not tolerated. We regularly communicate with them to highlight the importance of environmental protection, not only for MLCF but also for the sustainability of their own businesses.

In addition to promoting environmentally responsible practices, MLCF places strong emphasis on legal and financial compliance within the supply chain. We actively encourage our upstream and downstream partners to register with tax authorities, contributing to a more transparent and documented economy. As a withholding agent, the Company also fulfills its responsibility by making timely tax payments to the national exchequer, reinforcing our role as a responsible corporate citizen.

Looking ahead, MLCF is strengthening its approach through the adoption of a Green Purchasing Strategy. This initiative is designed to integrate sustainability into procurement by reducing the negative impacts of purchasing decisions on the environment and human health. Vendor selection is not determined by cost alone, but also by the supplier's reputation, legal compliance, and commitment to ethical and sustainable business practices. Comprehensive vendor profiling and screening are carried out to ensure transparency, with additional requirements introduced under "environmentally preferable criteria." These include compliance with international standards related to human rights, worker health and safety, and environmental stewardship.

As part of this transition, MLCF is also enhancing supplier education programs to cover a broader range of sustainability parameters. Through Green Purchasing, we aim to not only minimize waste and environmental impact but also achieve long-term efficiency gains and cost reductions.

This holistic approach ensures that MLCF's sustainability agenda is embedded across the supply chain, reinforcing our contribution to a greener Pakistan.

SOCIAL PERFORMANCE

As one of Pakistan's leading cement producers, MLCF recognizes that true business success goes beyond financial performance. It also lies in the responsibility to create a lasting, positive impact on people and communities through our operations. Guided by this belief, our Corporate Social Responsibility (CSR) policy is built around the vision of contributing to a brighter future that improves the quality of life for individuals and society at large. Our CSR framework focuses on two key dimensions: Our People and Our Communities.

At MLCF, our employees and workers are considered our most valuable asset and a driving force behind our success. Their health, safety, and professional growth remain a top priority, as we invest continuously in their development and well-being. Similarly, we value our wider network of stakeholders—suppliers, customers, regulators, and communities—and work towards building strong, meaningful relationships through consistent engagement.

Through initiatives in education, training, health, and workplace safety, MLCF aims to fulfill its social responsibilities as a responsible corporate citizen. By supporting our people and contributing to the development of our communities, we strive to ensure that the impact of our business extends far beyond cement production, helping shape a more sustainable and inclusive future for Pakistan.

HUMAN RESOURCE ACCOUNTING

At MLCF, we recognize that monitoring human resource–related costs is essential to evaluating the overall effectiveness of our initiatives and the value created for the organization. Human Resource Accounting is carried out through structured HR budgeting, which covers key expenses such as recruitment, training, development, and employee rewards.

At the start of each financial year, projected costs for hiring—including advertising and headhunting—are incorporated into the annual budget. Similarly, training and development programs, increments, health and life insurance, leave encashment, and other benefits, such as staff vehicles and perks, are carefully forecasted. At year-end, actual expenditures are compared against budgeted figures, and future HR budgets are revised through this comparative analysis.

Employee Satisfaction:

Employee satisfaction is central to our philosophy of sustainable business growth. MLCF believes that a motivated and content workforce not only improves productivity but also provides a competitive advantage. To strengthen employee satisfaction, the Company conducts a range of engagement initiatives including annual gatherings, surveys, appraisal activities, and formal as well as informal meetings. These efforts help bridge communication gaps between management

and staff, identify areas for improvement, and reward exceptional performance through promotions and salary raises.

Our HR framework ensures compliance with labour laws and human rights standards. MLCF maintains a zero-tolerance policy for child labour, forced labour, corruption, and bribery. All operational changes, if any, are communicated transparently to employees. Integrity is one of our core values, reinforced through a strict Code of Conduct that leaves no room for non-compliance.

We offer market-competitive salaries and benefits while ensuring equal opportunity for all employees, irrespective of gender, religion, race, or age. The Company also complies with the Government of Pakistan's directive by allocating 2% of its workforce quota to differently-abled individuals, thereby promoting inclusivity in employment.

Employee Engagement, Training And Skills Development

At MLCF, we believe employee engagement and skill enhancement are crucial for maximizing performance. To foster inclusivity and a sense of belonging, the Company organizes cultural and recreational events such as:

- Eid Milad-un-Nabi
- Christmas Celebrations
- Independence Day (Azadi) Celebrations
- Family Chand Raat
- Ramzan Cricket League
- Pink Day

To further nurture employee well-being, a purpose-built club has been established at the factory site. This facility offers recreational amenities such as indoor games, a fast food point, a television lounge, and a salon. It also includes a classroom to provide music lessons for children of employees.

Pink Day was celebrated at Maple Leaf Cement Factory Limited (MLCF) with great spirit and awareness-building activities. The initiative was aimed at promoting breast cancer awareness and highlighting the importance of early detection and preventive care. Employees participated by wearing pink, arranging informative sessions, and showing solidarity with those affected by the disease. The event reflected MLCF's commitment to employee well-being, health awareness, and fostering a culture of care and support within the organization.

MLCF continues to invest substantially in training and development to equip employees with both technical and soft skills. Our programs include on-the-job learning, classroom sessions, virtual training, and webinars. These initiatives strengthen decision-making abilities, professionalism, and prepare employees for future challenges while supporting succession planning.

Key training programs conducted during the year included:

- Unleash Your True Potential for Sales Teams (2 batches)
- Problem Solving & Decision-Making for Deputy General Managers
- Multitasking Skills for Mechanical Staff (Fabrication, Millwright & Rigging)
- Firefighting and HSE Awareness Programs
- Management Development Program at LUMS

Training progress is regularly reviewed to ensure effectiveness and to identify areas requiring further enhancement.

The Company also spends a lot in terms of finances and time for the training of its resources as is evident from the below trainings organized by the company;

Rural Development Program

Being located in a rural area, MLCF is deeply aware of its responsibility toward local communities. The Company organizes awareness campaigns on health issues such as dengue and other communicable diseases to address the lack of adequate medical facilities in the region. These initiatives are focused on prevention and education to help safeguard the well-being of the local population.


Breast Cancer Awareness
#Capture Hope, Capture Strength

Industrial Relations

MLCF maintains a structured industrial relations framework that regulates employment guidance through rules and procedures. Employee welfare funds such as Gratuity, Provident Fund, and Workers' Profit Participation Fund are maintained. Bonuses are awarded based on profitability, while performance bonuses recognize exceptional contributions.

The Company also ensures fair representation through Collective Bargaining Agreements (CBA), where employees are encouraged to elect representatives of their choice. Furthermore, MLCF supports the professional growth of workers' families by offering internship and apprenticeship opportunities to their children.

HEALTH AND SAFETY

At Maple Leaf Cement Factory Limited (MLCF), health and safety remain our foremost priority. Our vision is to provide safe and secure working conditions for all employees and contractors, while striving to be recognized among the safest industrial organizations in Pakistan. Safety is embedded in every aspect of our operations whether in daily plant routines, project sites, or in our interaction with surrounding communities.

We aspire to achieve zero harm by reducing accidents, health risks, and workplace injuries, while fostering a culture of safety and care across the organization. Our commitment extends beyond compliance with regulatory standards, aiming to minimize adverse environmental and health impacts, conserve natural resources, and ensure strict adherence to all applicable laws.

MLCF has established a dedicated HSE team responsible for the implementation, monitoring, and continuous improvement of safety and environmental protocols. Through regular coaching, awareness sessions, and specialized training, our workforce is consistently updated on best practices to manage workplace risks. Fire safety, accident prevention, and emergency response remain key focus areas, supported by periodic first aid and Cardiopulmonary Resuscitation (CPR) training for employees.

To strengthen our occupational health framework, MLCF operates its own hospital and trauma centre at the plant site, ensuring prompt medical assistance for employees and the local community. Our systems are certified under ISO 14001 (Environmental Management System) and ISO 18001 (Occupational Health and Safety Assessment Series), reflecting our alignment with international standards.

The Company's strong commitment to health, safety, and environmental stewardship is also recognized externally. In 2022, The Professionals Network awarded MLCF the 8th International Award on Environment, Health & Safety, acknowledging our

efforts to promote sustainable and safe practices across our operations.

Through the dedication of our leadership and workforce, MLCF continues to enhance its HSE culture protecting people, supporting communities, and operating responsibly in harmony with the environment.

Maple Leaf and Al-Shifa International

To provide state of the art health facilities to its employees and local community, the Company has built a hospital at its plant site in collaboration with Al-Shifa Islamabad. Shifa International is a known name in Pakistan with hospitals in Islamabad and Faisalabad. Maple Health Care Centre operated by Al-Shifa International Hospital Islamabad, was completed during the financial year 2017. The free medical and hospital centre is treating patients with the help of quality human capital working there.

Measures for Consumer Safety

The Company takes full responsibility for its consumer's safety. As a result of this commitment, the company focuses on its quality assurance at all levels of production. The purpose of quality assurance is to make sure that our products not only meet the standard requirements but also the consumer expectations. We ensure that our products are delivered in a quality and timely manner complying with safety and legal requirements. The Company takes care and applies appropriate procedures to manufacture cement products so as to ensure that no harmful substances are present in its products. The Company has a strict policy to control any activity which is against the consumer rights. This is why MLCFL has always been the first priority of cement consumers due to its superior quality products giving an edge to the Company in the intensive competitive environment.

Business Ethics & Anticorruption Measures

The Company, through its training, management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. Employees are encouraged to report any deal that may be supported by kickbacks.

No employee is allowed to run a parallel business. The Company is maintaining sophisticated Oracle based online software using which any employee can report the non-conformance (NC) to the top management. All the NCs reported are being addressed by the top management on timely basis and a regular follow up activity is being carried out in order to ensure that all issues highlighted are being resolved permanently. Moreover, the company has also formulated whistle blowing policy.

QUALITY MANAGEMENT SYSTEM

The Company manufactures cement through the plant based on state-of-the-art technology of world renowned FL Smidth A/S Denmark. Quality is

assured through systematic and effective adoption, implementation, monitoring and continuous enhancement of quality control systems using latest methods of analysis. To ensure that each bag being used by our valued customers / consumers is of the highest quality, all stages of the production process right from the selection of raw materials, drying, grinding, homogenization, clinkerization and the finished product are tested rigorously. The quality check parameters during each level of the process are monitored and controlled by the latest version of technology & equipment connected on-line with Central Control Room through PLC system. The frequency of sampling and testing along with control parameters is defined.

Procedures Adopted for Quality Assurance:

Main purpose is to ensure that the cement produced not only meets all the standard requirements to which the Company is certified, but exceeds the customers' requirements and expectations. To achieve these goals, the Quality Control Department has adopted various procedures and is fully equipped with state-of-the art technologies such as:

- X-ray Fluorescent Analyzers and X-ray Diffraction Analyzer to analyze chemical and mineralogical composition.
- Online QCX system software.
- Sample preparation tools such as a jaw crusher, sample dividers, disk grinding mill, mixer mill and press mills.
- Automatic Moisture Analyzers.
- Precision Electronic Balances.
- Drying Ovens & Furnaces.
- Lab Glassware.
- Automatic Free Lime Apparatus.
- PC Based Automatic Calorimeter and Sulphur.
- Determinator to analyze fuels.
- Latest Automatic Compressive Strength machines for determination of cement compressive strength.
- Latest whiteness tester.

COMMUNITIES AND WELFARE

The Company has a strong tradition of good community relations and its employees are actively involved in welfare schemes. The Company believes that investing in communities is an integral part of social commitment to ensure its sustained success. The Company aims to ensure that it has the resources and support to identify those projects, initiatives and partnerships that can make a real difference in communities.

For community investment and welfare, the Company acknowledges its responsibility towards society and performs its duty by providing financial assistance to projects for society development by various charitable institutions on a consistent basis. The

Company has been recognized by Pakistan Centre for Philanthropy as a leader in social and charitable contributions and strives to be a constructive member of the communities in which it has a presence. Kohinoor Maple Leaf Group has received "Corporate Social Responsibility Award 2021" on account of its performance in various projects. The Company has taken an array of initiatives for the welfare of its workforce, local community as well as stakeholders. The Company has also contributed in medical social sciences project and in this regard, Company's Board of Directors and the Board of Directors of Kohinoor Textile Mills Limited (KTML) have jointly donated to Gulab Devi Educational Complex, Lahore towards construction of Al- Aleem Medical College in Gulab Devi Chest Hospital (GDCH), Lahore. The construction of said project was completed during the year. To ensure transparency and accountability, a committee of the members of the Board monitored the progress of the project from inception to completion on periodic scheduled meetings.

The addition of a state-of-the-art Cardiac facility named as Sayeed Saigol Cardiac Complex (SSCC) at GDCH is also a symbol of the Company's consistent drive toward community welfare.

Master Mistri Program

One of the leading brands of cement, MLCF indulges itself in plans that have a dual outcome; the company as well as the people in the community. As a result of our commitment towards this objective MLCFL launched its Master Mistri Program. Under this program, the company aims to enhance skills and standard of living of masons. To facilitate the program, the Company has built a state-of-the-art Masons' lounge at its plant site for boarding and lodging of masons. Through this program the company not only achieves its social goal of creating a skillful workforce but also a pull effect by locking-in its customers and is consequently able to tap the potential markets proactively.

Education

At Maple Leaf Cement Factory Limited (MLCF), we firmly believe that quality education is the foundation of a prosperous society. Education not only empowers individuals to earn better livelihoods but also contributes to reducing poverty, inequality, and crime ultimately uplifting entire communities. Recognizing this, MLCF considers education as one of the most impactful long-term investments, forming the core of our Corporate Social Responsibility (CSR) initiatives, and aligning with the United Nations Sustainable Development Goal (SDG) 4: Quality Education.

Our commitment is reflected in significant contributions to educational infrastructure and institutions. One such initiative is the support extended to Al-Aleem Medical College, established at Gulab Devi Chest Hospital, Lahore. In collaboration with Kohinoor Textile Mills Limited, MLCF contributed to the development of the Gulab Devi Educational Complex, helping advance medical education in the country.

Over the years, MLCF has also facilitated and supported several schools, providing resources and assistance to enhance access to education for local communities around its areas of operation. These efforts highlight our belief that educating children is the best investment in shaping a brighter future for Pakistan.

The list of significant school projects completed in recent years includes:

Sr#	Project Name	Description
1	Police Lines Public School Mianwali	fully sponsored construction and provision of furniture for 10 class-rooms
2	Police Welfare School Mianwali	Construction of auditorium
3	PAF Base Montessori School Mianwali	Construction of 2 class rooms
4	DPS School Sargodha	Cement Bags for DPS Sargodha for construction of boundary wall and provision of furniture and allied support facilities

Moreover, the Company has established four schools in Iskandarabad city, which provide quality education not only to children of employees of the Company but also to the local residents. The Company has provided buildings and complete infrastructure to these schools. In addition, the Company gives a monthly subsidy to partly cover the running expenses.

Jungle Mein Mangal - Vehicle Parking Space (Vps)

The Company believes that the most effective way to maximize customer experience is to move beyond mere customer satisfaction and connect to all the stakeholders. With this strategy in mind, the Company has established an exclusive hotel to provide truck drivers a lifetime experience. While vehicles are in queue for their turn, instead of waiting for long, drivers can visit the hotel to relax with the touch of fun and refreshment.

Best Corporate Report Award

The Company keeping alive the tradition of winning the Best Corporate Report award in Cement Category jointly presented by ICAP and ICMAP and has won 4TH position award for the year 2023. This award was presented to MLCFL management on October 18, 2024. MLCFL is the leader in most transparent and easily understandable Financial Reports thus reflecting the sound financial systems of the Company. These recognitions have strengthened the Company's resolve to be positioned the best in the area of corporate reporting.

Contribution to National Exchequer

During the year, Company has contributed an amount of Rs.36,425 million towards national exchequer in shape of taxes, duties, cess, levies etc.

National Cause Donations

The Company has launched numerous CSR initiatives as per DC Office requirements. Financial assistance was also provided for the DPO ISO certification training program. Moreover, the Company has also made generous donations in the form of cement.

Additional Welfare Schemes

- Maple Leaf recognizes its responsibility towards the inclusion of other religious communities. In this regard, Christmas party was arranged both at Head Office and plant site on the 23th December 2024 to celebrate with the Christian community on their joyous occasion.

- Civil defence week was held for training of staff.

- The Company has always concerned itself with

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the safety of the general public. To that end, it aided in the setup of a speed monitoring system for the police force and assisted in the promotion and execution of a road safety campaign. It has also distributed safety helmets to the general public at Mianwali.

- In recognition of the efforts of the police force, The Company has constructed a Yadgar-e Shuhada Monument and Rest Houses at Mianwali Police lines.

- The Company has also facilitated in the development, renovation and beautification of Mianwali city. A number of bus stands and city monuments were constructed.

- For recreational purposes of the locals, a cricket ground was revamped. In addition, a football ground was rehabilitated and a number of aviaries constructed at Kashmir Park, Mianwali. Housing birds of all kinds, aviaries allow large open spaces for the birds to live in safety.

ENVIRONMENTAL PERFORMANCE

At Maple Leaf Cement Factory Limited (MLCF), sustainability and environmental responsibility are at the heart of our business philosophy. We recognize the environmental impact of cement manufacturing and take full ownership of our role in mitigating it. Every new project is planned with the environment in mind, ensuring that precautionary measures are integrated alongside technical and operational planning. Independent organizations such as “Eco Green” are engaged to audit and monitor compliance with environmental standards, while regular assessments are conducted through EPA-certified laboratories (SGS Pakistan Pvt. Ltd.) in line with Self-Monitoring and Reporting by Industry Rules, 2001 (SMART).

As part of our renewable energy initiatives, MLCF has already installed a 12.5 MW Solar PV System, complementing our existing Waste Heat Recovery Power Plants (WHRP), which together contribute to cleaner, more sustainable operations. With a

total installed capacity of 37 MW through WHRP, the Company reduces dependency on fossil fuels, lowers carbon emissions, and alleviates the national grid load. The WHRP facility is also recognized as an approved Clean Development Mechanism (CDM) Project in Pakistan, further reinforcing our commitment to climate-conscious operations.

In addition to renewable energy projects, MLCF is actively pursuing the use of alternate fuels as a long-term strategy to reduce its carbon footprint and optimize fuel costs. Materials such as refuse-derived fuel (RDF), biomass, and other suitable waste products are increasingly being used to partially substitute traditional fossil fuels in kiln operations. This approach not only helps in reducing CO_2 emissions, but also supports the principles of a circular economy by utilizing waste that would otherwise burden the environment. By integrating alternate fuel usage into its production processes, MLCF effectively controls operational costs while contributing to Pakistan's broader climate change mitigation goals.

MLCF's consistent efforts have earned external recognition, including the Best Performance Award 2022 by the Punjab Environmental Protection Agency (EPA) and the Excellence Award in Health, Safety & Environment from the National Forum for Environment and Health (NFEH). These accolades reflect our dedication to sustainable production, efficient resource utilization, and environmental conservation.

Material Usage:

We understand the importance of limited resources and their availability to our business today. Not only is it crucial for our current economic performance but also for the continuity of our business in the long run.

A number of different materials and chemicals are used in the cement production however the major raw materials involved in the production are limestone, gypsum and clay that we extract from mines through our suppliers/contractors. Our Team Improvement, which comprises proficient personnel, encourages the sustainable approach through their quality management systems. Through this team we aim to control and manage our raw material consumption so that they are neither exploited nor wasted. In addition to this, suppliers and contractors at Maple Leaf Cement are educated and informed about our environmental goals and require them to adopt environmental management practices aligned with these goals. Similarly, to avoid wastage of raw

materials, production of cement is planned and executed according to the demand in the market.

Below data is provided regarding reduction in emission of CO2.

DESCRIPTION	TON/YEAR
Alternate Fuels	255, 650
Additives	170,541
WHRP & Solar	65,175
Tree Plantation	9,527

Energy:

Cement production is an energy intensive process, making efficient energy management a strategic priority for Maple Leaf Cement Factory Limited (MLCF). To address this, the Company has established a dedicated Team Energy, tasked with driving efficiency, minimizing costs, and ensuring environmental responsibility. The team actively works on initiatives such as optimizing the use of Waste Heat Recovery Boilers (WHRBs) and adopting energy efficient solutions like the installation of LED lighting across operations.

One of the Company's most impactful initiatives is the operation of Waste Heat Recovery Plants (WHRP), which capture heat from kiln exhaust and convert it into electricity energy that was previously wasted. This technology not only provides the cheapest mode of electricity generation for MLCF but also contributes significantly to reducing emissions. With the recent expansion, WHRP capacity has grown from 25 MW to a total of 37 MW, including a newly commissioned plant for Cement Line-4. This expansion has resulted in substantial power cost savings and strengthened the Company's sustainable energy portfolio.

To further secure reliable power supply, MLCF operates a 100% owned 40 MW Coal Fired Power Plant, which has successfully reduced dependence on the national grid. Through consistent efficiency management, the Company has also optimized the use of its coal fired boilers to generate an additional 2 MWH of electricity, using surplus steam routed to the WHRP with only nominal investment.

Energy conservation measures are also extended to corporate offices, where occupancy-based sensors control lighting and air-conditioning systems, ensuring energy is used only when needed. To reduce the dependency on national grid company has installed the solar system at the head office. Looking ahead, MLCF is evaluating renewable energy opportunities through the installation of wind monitoring units based on German technology near the plant site, to assess the feasibility of wind power generation.

Tackling Air Emissions:

Greenhouse gases, emitted into the environment as a result of combustion processes, are a major contributor to climate change. Air emissions are a key environmental aspect of cement production. Therefore, at Maple Leaf, we believe it is our rightful responsibility to reduce emissions as much as possible. As an operating principle, the Company at all cement production lines measures and manages air emissions. MLCFL monitors the dust, NO2 and SO2 emissions from clinker produced.

The sustainability mission requires businesses to adopt cleaner technologies and efficient processes. At MLCF, we have our own equipment with the likes of TESTO 350, Mini-Sampler & Air pointer to measure the stack of emission on a fortnightly basis. Other than that, continuous monitoring of ambient air is also undertaken along with an EPA approved lab which is functional to assist with the emission monitoring and compliance. A comprehensive report is submitted on monthly basis.

With the help of these technologies and systems, we are already below the legal allowable emission limits.

Effluents and waste:

Traditionally plants in cement industry are assumed to be lacking the environmental friendliness however, MLCF's efforts to stay ahead of the curve by installing state of the art equipment to control industry effluents. We aim to keep the environment healthy for both our employees and the community. Therefore, the company carries out certain efforts to overcome this issue. The operational activity at plants is regularly monitored for stack emissions and effluents complying with National Environmental Quality Standards. In addition to this, the company also has state of the art FLSmidth A/S cement manufacturing technology along with world class dust collection electrostatic precipitators and bag filters to help in environment protection. The Explosive Magazine is also regularly checked for environmental issues. At reporting date, no potential hazard/threat was found to the environment.

Plantation drive:

To enhance environmental standards and continuously promote a better and green environment within the factory as well in the nearby areas the Company is arranging regular Tree Plantation activities that occur twice a year. The Company has over the years earnestly contributed heapful sums in the form of plant donations and money to numerous environmental campaigns at Mianwali city aimed to realize a green and clean Pakistan. Plants have been donated to DC office at Mianwali as well as the Environmental Protection Agency (EPA). Furthermore, donations have been made to plant trees at Judicial Complex and police stations at Mianwali. The Company also planted 15,000 trees during the yar enabling the total count during the last 12 years to cross 320,300 plants at different locations within factory premises and nearby areas to provide a healthy environment to employees and other communities living in surroundings. The plantation campaign is underway and trees have been successfully planted at various schools in Mianwali city. This activity will continue in the future and further trees will be planted to ensure a healthy and green environment.

Improving Biodiversity through Quarry Rehabilitation

At the quarry, we undertook a rehabilitation project to create habitats for species, joining forces with the Environmental Protection Agency (EPA) and Mines and Mineral Department, Government of the Punjab. The Company planted approximately 13,000 trees in the exhausted quarry area. The results have been encouraging, of how habitats can be created through close collaboration with the scientific community, local stakeholders and government agencies. Some of the bird species, and several species of dragonflies and damselflies, have been observed at the site. Evolving over time, the biodiversity program demonstrates that wildlife can flourish alongside industry.

Water Management:

Water scarcity is an issue faced by communities globally. Amid rising population, climate change, lowering of ground water table and an archaic distribution system, Pakistan is drastically vulnerable, with the threat of a water crisis. Businesses in Pakistan have an added responsibility to have an efficient water management system and policies in place. At MLCF, water management is an integral part of our sustainability approach. Although, manufacturing of cement is a relatively dry process; nevertheless, water is still used for cooling down clinker. The water used in the process coverts into steam that is reused to create electricity by using waste heat recovery plant.

In addition, the fully operational waste water treatment plant at cement housing colony at plant site treats an estimated 300m3 of water per day, so that damage and negative impact to the local ecosystem is avoided.

Overall, the company tries to use water in a responsible manner and makes sure there is no wastage of water at any point of business activity. The company also celebrates 'The World Water Day' at the site in the form of a seminar with a purpose to raise awareness of water preservation and its right use.

While we understand the cruciality of water conservation, providing access to clean water to communities is also a part of Maple Leaf's sustainable strategy. As part of the action plan, the Management launched a water supply scheme project at ward No.1, Daud Khel. The local water supply was unsuitable for both drinking and agricultural purposes due to its salinity. In order to provide a solution to this issue, the company installed a water turbine system which supplies fresh water from the nearby Mianwali canal, thereby uplifting the life and prosperity of the community. This initiative has been benefiting households, farms, schools and hospitals through access to fresh water. The design of the project was formulated with a forward-looking vision to ensure that there are no water shortages in the area and a necessity of life is available to all. This clean drinking water initiative also extends to our own employees and workers, active water filtration plants located at the factory and residential areas at MLCFL protects the health and wellbeing of all consumers. Drinking water is tested for chemical and microbiological contamination at:

- China Colony Filtration Plant
- Guest House Filtration Plant
- China Colony Mosque

Water management is not only applied at our plant site, but also at our head office. Installation of sensor taps in replacement to traditional basin taps adds to the list of efforts made by the Company for efficient water management. A traditional basin taps pours 10-15 liters of water per minute while sensor taps pour no more than 6 liters. The fact that there is a self-closing mechanism on the taps ensures that there is no sink overflow and cuts off the water supply based on sensor proximity, hence saving up water. This has been a useful investment especially during the COVID times as it helped avoid cross-contamination through touchless features and minimal contact.

Through its Maple Leaf cement has reduced its water consumption to 3,925,440 cubit meters in 2024-2025 as compared to 4,136,872 cubit meters in 2023-2024.

Go Green

The Company for maintaining a healthy and green environment, celebrated the "World Environment Day" in coordination with District Officer Environment Mianwali along with other community stakeholders on June 3rd, 2021. The main aim of celebrating World

Environment Day was to demonstrate the continual efforts and commitment of the Company's Management for the healthy working environment and awareness of people through the Environment Walk and Seminar in pursuance of the community investment and welfare schemes. In pursuance of the green vision and commitment of management of the Company for maintaining healthy and green environment, "Earth Day '' was carried out at Maple Leaf Cement Factory Limited Iskanderabad, Mianwali on 22nd April, 2021. The main aim of the ceremony was to demonstrate the continual efforts and commitment of the Company's Management for the healthy working environment for its workers as well as for the people in the neighbourhood of the Company.

Environmental Initiatives by Focusing on 3R's:

At Maple Leaf Cement Company, we believe that sustainability is not just a buzzword; it's a fundamental responsibility. As a leading player in the cement industry, we are committed to minimizing our environmental impact and contributing to a healthier planet. To achieve this goal, we have adopted a comprehensive approach that focuses on the 3 R's: Reduce, Reuse, and Recycle.

Reduce	Reuse	Recycle
We have invested heavily in energy-efficient technologies and practices to reduce our energy consumption. This includes upgrading our equipment like installation of Line-IV, optimizing our production processes, and exploring renewable energy sources. We are continuously working to optimize our raw material usage. By carefully selecting and processing materials, we aim to minimize waste and reduce our reliance on natural resources.	We have implemented advanced wastewater treatment systems to recover and reuse valuable resources like water and chemicals. This helps to conserve resources and reduce our environmental footprint. We are actively exploring opportunities to reuse byproducts generated during the cement manufacturing process. These byproducts can be used in other industries or incorporated into cement products, reducing waste and creating value.	We are investing in technologies to recover and recycle valuable materials from waste streams. This includes recycling packaging materials, recovering metals, and exploring opportunities to reuse waste-derived fuels.

Role of Board and its Members to address Sustainability Risks and Oppertunities

The Board of Directors plays a vital role in ensuring the organization's adherence to social, environmental, and governance (ESG) standards. They are responsible for establishing policies and practices that promote sustainable and ethical business operations. This includes overseeing the organization's environmental impact, addressing social responsibility initiatives, and ensuring transparent governance practices. By prioritizing ESG factors, the board helps to build trust with stakeholders, mitigate risks, and contribute to a more sustainable future.

The Board of Directors plays a crucial role in promoting diversity, gender equality, and the participation of women on the board. By ensuring a diverse and inclusive board composition, organizations can benefit from a wider range of perspectives, better decision-making, and improved risk management. This also contributes to a more equitable and inclusive corporate culture. The board is responsible for implementing policies and practices that support diversity and gender equality, such as establishing quotas or targets for female board representation and fostering a culture of inclusion.

The Board of Directors plays a critical role in identifying and addressing emerging risks and opportunities within the cement sector. This includes staying abreast of industry trends, regulatory changes, technological advancements, and economic fluctuations. By proactively assessing these factors, the board can help the organization to develop strategies that mitigate risks and capitalize on opportunities. This may involve investing in research and development, exploring new markets, and adopting sustainable practices to meet evolving customer demands and environmental regulations.

MLCF is equipped with state-of-the-art monitoring equipment, including the TESTO 350, Mini-Sampler, and Air Pointer, to conduct bi weekly stack emission measurements. Additionally, we maintain continuous ambient air monitoring and operate an EPA-approved laboratory to support emission monitoring and compliance. A detailed monthly report is generated to summarize our findings.

SUSTAINABILITY RELATED RISK AND OPPORTUNITIES

Our risk and strategy approach prioritizes the most critical sustainability issues facing our business. By evaluating our overall risk exposure, we can make informed decisions and seize opportunities that emerge from these challenges.

Risks or Opportunities	Innovation Initiatives
The demand for cement is influenced by economic growth, construction activity, and government policies. Economic downturns or changes in government priorities can lead to fluctuations in demand, impacting cement sales. The Pakistani cement industry is highly competitive, with numerous players vying for market share. Intense competition can lead to price pressures, margin erosion.	The MLCF has explored opportunities to diversify its customer base beyond the construction sector. This involves expanding into related areas like infrastructure development, or export markets. To differentiate themselves in a competitive market, MLCF focus on developing high-quality products with unique features or improved performance.
Cement production is energy-intensive, and rising energy prices can significantly impact production costs. This can reduce profitability and make it difficult for cement manufacturers to remain competitive.	MLCF has make the use of Alternate fuels, such as rice husk, Sesame seeds and canola husk as a substitute for traditional fossil fuels. MLCF also integrate renewable energy sources, like solar power into the production process to reduce reliance on fossil fuels.
The cement industry is constantly evolving, and failure to adopt new technologies can make companies less competitive and more vulnerable to risks.	Our commitment to technological innovation has led us to adopt the latest advancements in cement manufacturing. Last year, we expanded our production capacity by adding a cutting-edge fuel efficient dry process plant, powered by FLSmidth technology. A global leader in cement production solutions, FLSmidth is renowned for its state of the art equipment and expertise, ensuring we maintain our position at the forefront of the industry.
The cement sector is heavily regulated to address environmental concerns such as air pollution, water pollution, and waste generation. Stricter environmental regulations can make it more difficult for cement manufacturers to compete in both domestic and international markets. Companies that are unable to meet the regulatory requirements may face fines or penalties, or even be forced to shut down.	To minimize our environmental impact, we've implemented stringent measures to control industrial effluents and promote a healthy environment for both our employees and the local community. Our state-of-the-art equipment and annual tree planting initiatives demonstrate our commitment to sustainability. In recognition of these efforts, we were awarded ISO 14001 certification in May 2021, validating our adherence to rigorous environmental standards.

Disclosure About Four Pillar Core Content (Governance, Strategy, Risk Management, Metrics and Targets)

Corporate Governance

Our Board is committed to fostering a sustainable business environment by integrating ESG principles into our core strategy. By setting clear goals, monitoring progress, and aligning with stakeholder expectations, we ensure that sustainability is a driving force behind our operations. Our strategic oversight ensures continuous improvement, technological advancement, and transparent reporting of ESG risks and opportunities, positioning us for long-term sustainable growth.

Sustainability Strategy

As a leading cement company, we are committed to sustainability. Our strategy focuses on minimizing our environmental footprint while maximizing our positive impact on society. We are actively working to reduce greenhouse gas emissions through the adoption of alternative fuels, energy-efficient technologies, and process optimization. Additionally, we are investing in renewable energy sources to reduce our reliance on fossil fuels. We are also committed to responsible resource management, including water conservation and waste reduction. Our goal is to create a sustainable business model that benefits our stakeholders, the environment, and the communities we serve.

Risk Management

MLCF recognize that sustainability risks can pose significant challenges to our business. To mitigate these risks, we have implemented a robust risk management framework. This framework involves identifying potential sustainability risks, assessing their impact, and developing appropriate mitigation strategies. We continuously monitor and evaluate our risk management practices to ensure their effectiveness. By proactively addressing sustainability risks, we are able to protect our reputation, maintain our long-term viability, and contribute to a more sustainable future.

Targets and Metrics

Green House Gases Emission	The company is committed to environmental sustainability. It conducts regular environmental monitoring to ensure compliance with Natural Environmental Quality Standards. Equipped with advanced FLSmidth A/S cement manufacturing technology and world-class dust collection systems, the company minimizes its environmental impact. Additionally, it actively participates in tree plantation programs to promote a healthy and green environment, collaborating with local authorities.
Energy Consumption	MLCF has embraced sustainable energy practices by utilizing alternative fuels like rice husk, sesame seeds, and canola husk to replace traditional fossil fuels. Additionally, the company has integrated renewable energy sources, such as solar power, into its production process to reduce its reliance on fossil fuels.
Water Usage	The company has implemented several initiatives to promote water conservation and provide access to clean water. They have constructed a water supply scheme for nearby rural areas, installed sensor taps to reduce water wastage, and established a water filtration and treatment plant at their plant site. These efforts demonstrate their commitment to environmental sustainability and community well-being.
Diversity Policy	At MLCF, we foster a diverse and inclusive workplace that welcomes individuals from all walks of life. We value the unique perspectives and experiences that diversity brings to our team, recognizing that a collaborative environment is strengthened by a variety of ideas and backgrounds.
Training and Succession planning	At MLCF, we prioritize succession planning to ensure a strong leadership pipeline. We invest in our employees' development, providing opportunities for growth and advancement. Our rigorous succession planning process identifies and prepares high-potential individuals for future leadership roles. We seek employees who demonstrate a commitment to continuous improvement and have the potential to excel in challenging positions.

Status of Compliance of the Corporate Social Responsibility Voluntary Guidelines, 2013

The Company acknowledges its role and responsibility to contribute towards community and is fully aware of its corporate social responsibility. The Company has been involved in various voluntary projects in different areas of the community needs and focusing mainly on education, health, clean water and environment.

To structure the process of corporate social responsibility activities, the Company also takes guidance from Corporate Social Responsibility Voluntary Guidelines, 2013 as issued by Securities and Exchange Commission of Pakistan. The Company has devised a corporate social responsibility policy keeping in view the areas that need the contribution and that are align with the company's vision.

The Company has formed a corporate social responsibility committee that plans, executes and monitors all corporate social responsibility activities with approval of the Board of Directors.

The Company also executes the training sessions to create the awareness regarding corporate social responsibility objectives.

All corporate social responsibility activities performed by the Company are mentioned in corporate social responsibility section of this report.

Following is the compliance status of major areas as described by corporate social responsibility guidelines:

	Guidelines	Assessment	Company Initiatives
A)	Does the Company have implemented the CSR governance?	Yes	The Company has implemented the CSR governance. The Company holds the training sessions and CSR is agreed by the Board of Directors.
B)	Does the Company have committee to implement CSR policy?	Yes	The Company has CSR team to implement CSR policy. And they are responsible for planning, execution and progress.
C)	Does the Company have CSR management system?	Yes	The Company has clear CSR management system that takes care of CSR progress and shortcomings.
D)	Does the Company have clarity of areas of CSR projects?	Yes	The Company has clear vision regarding areas of CSR projects that include health, education and clean water.
E)	Does the Company have implementation structure?	Yes	The Company has committee for implementation of the CSR policy. They are responsible for the monitoring of CSR targets.
F)	Does the Company allocate resources to CSR Policy?	Yes	The Company allocates certain proportion of funds and human resources for the CSR objectives.
G)	Does the Company have presented CSR disclosure and reporting?	Yes	The Company has presented the financial disclosure in financial statements and nature of projects are also disclosed in CSR section of this report.
H)	Does the Board approve of placing the CSR report on website of the Company?	Yes	The Company has displayed its CSR activities on the company website.

ISO 14001:2015

In order to mitigate the effects of industrial effluents on surrounding environment, the Company is putting forth all efforts for providing healthy environment to employees and natives. In this regard, the Management has a strong commitment and dedication towards improving the environment. The Company has installed most modern and state of the art equipment to control industry effluents including tree plantation drives held every year.

In May, 2021 MLCFL was awarded certified to be compliant with the requirements of ISO 14001 after fulfilling all the obligations and goals set out in the standard. ISO 14001:2015 sets out the criteria for an environmental management system and maps out a framework that an organization can follow to achieve its environmental goals and fulfil its environmental obligations. The Company is committed to ensure that the guidelines of standard are fully met in order to make ISO 14001 a sustainable program.

Achievement of ISO 45001:2018

MLCFL has a clearly defined management system in place to identify and control health and safety risks. We are able to minimize risks to our workforce, visitors and external contractors on our premises. The achievement of this standard has enabled us to put in place processes for continuous review and improvement of occupational health and safety.

A structured health and safety management system throughout the organization demonstrates our commitment to the welfare of our staff and external parties.

By achieving ISO 45001:2018, MLCFL gained competitive advantage by:

- Minimizing the risks of production delays.
- Providing a safe environment to do business.
- Demonstrating our commitment to maintaining an effective health and safety policy.
- Increasing reputation.
- Increasing opportunities to gain new business.
- Minimizing risks of downtime through accidents.
- Demonstrating our commitment to meet legal obligations.
- A robust system to maintain and continually improve health and safety.


Certificate of Approval
Maple Leaf Cement Factory Ltd

Certificate of Approval
Maple Leaf Cement Factory Ltd

SGS

SGS
Maple Leaf Cement Factory Limited
ISO 9001:2015

ENVIRONMENT, HEALTH & SAFETY
Maple Leaf Cement Factory Limited
Waste Prevention Recycling

SGS
Maple Leaf Cement Factory Limited
ISO 9001:2015

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15TH NFEH'S CORPORATE SOCIAL RESPONSIBILITY AWARDS 2023
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MAPLE LEAF CEMENT FACTORY LIMITED

IT GOVERNANCE POLICY AND CYBERSECURITY

Board of Directors of the Company has properly documented and implemented IT Governance Policy to ensure an integrated Information Technology framework for evolving and maintaining existing IT infrastructure and acquiring new to achieve the Company's strategic focus. The purpose of this policy is to define the IT governance scope, design procedures and assign roles and responsibilities to ensure its effective implementation and avoid any threats mainly cybersecurity risks due to potential breach.

Board responsibility statement on the evaluation and enforcement of legal and regulatory implications of cyber risks:

The Board of Directors have implemented comprehensive IT governance policy that is in line with the Companies organizational goals and objectives. The policy is aimed to design the governance structure and also specify the rules and responsibilities covering the significant parts of IT framework. By ensuring the effective implementation of this policy the Company has been able to obtain risk free, efficient and effective information for the decision making for companies' overall operations in general and IT specific decisions in particular.

The salient objectives of the IT governance policy are as follows:

- Establishing the guidelines for decision making pertaining to information technology and encouraging related initiatives.
- Setting information technology goals and formulating the strategy to achieve them.
- Communicating the established companies' priorities relating to information technology.
- Designing the procedures of resource allocation.

One of the most integral parts of IT governance policy is the security of the IT structure. The purpose of IT security is to protect confidential companies' information from all kinds of threats whether intentional or accidental, internal or external. Threats also include cybersecurity threats.

The salient features of IT security policy are as follows:

- Regulatory and legal requirement' compliant procedures e.g., record keeping, retention and retrieval etc.
- Restricting unauthorized access to ensure integrity of information.
- Integrity of information to be assured by protecting it from unauthorized modification, disclosure or interruption.
- Disaster recovery plan to have in place which is tested occasionally to ensure that the system and services are available within bear minimum time.
- Educating the employees about IT security policy and cybersecurity threats.
- Reporting all actual or suspected information security breaches to the internal audit for further investigation.
- Making rules for all employees who have the access and use companies IT assets and resources.

IT Governance and Cybersecurity Programs:

Board of Directors have devised a strategic level policy of IT Governance and Cybersecurity that is aimed to ensure smooth functioning of the IT framework and protect IT structure from all potential threats. To support this policy, standards procedures have been developed for its implementation, monitoring and control. These standards comprise of rules, guidelines and procedures covering areas such as cybersecurity threats, backup, endpoints users' control, data security and password:

- All the employees have the responsibility to adhere to the policy
- It is the responsibility of Internal Audit to document the policy and provide guidelines for its implementation
- Line managers have the responsibility to not only adhere to policy by themselves but also ensure compliance by their staff

The Company has formed a steering committee which is charged with the responsibility of making teams for the implementation of controls addressing cybersecurity attacks, mitigations of related risks, ERP disruption and compromise of data or email.

To cope up with unforeseen incidents, the Company has formulated following controls:

- Identification and assessments of such threats by internal and also external teams;
- Systems audits on periodical basis. Procedures to be applied during system audits include penetration testing, cybersecurity audits for ensuring safety of IT structure, IT audits by internal and external experts, vulnerability testing; and
- Adequate information backup facilities

Risk Oversight and Cybersecurity:

Board of directors of the Company has given the task to IT Steering Committee to assess the risk level of cybersecurity and align with management to address this risk based.

The Audit committee also considers, reviews and evaluates the cybersecurity risk while performing risk oversight function. Adequate budget is also approved by the Board of Directors to be set aside for upgradation of IT structure, strengthening of controls related to cybersecurity.

Board Level Committee Charged with oversight of IT governance and cybersecurity:

The Company has formed a committee that comprises of Board members which is charged with oversight of the IT Governance and plays pivotal part to motivate the management to take the ownership of cybersecurity and also understands and ensures that its well understood across the Company as strategic and critical function. Discussion on assessments of such risks, its evaluation by internal or external teams and how to improve/implement further controls are the agenda points this committee's meetings.

The Committee review the controls, procedures and also the reports of the external teams paying attention to their suggestions and also considers if any of the controls need to be implemented or changed.

Controls and procedures for early warning system:

Changes are coming very rapidly relating to networks due to evolving threats, growth and application of new changes in the regulatory or legislative framework. The Company implemented to access rights' mechanism to control the unauthorized access of the system.

The Company has implemented multiple standard controls to protect systems and data i.e., firewall, email encryption/decryption, email gateway and end point security systems which is monitored and analysed by system logs.

Management uses a very effective tool called as “Firewall log analyser” for analytics and reporting of logs of such activities. It enables management to manage, respond, automate and devise complete plan identify and evaluate the details of the attacks.

Other measures include end -t0-end security arrangements, threat detection, security analytics and deployment of firewalls.

Policies related to independent comprehensive security assessment.

The Company has implemented information technology security policies that correlates with Company’s organizational objectives and are also in line with industry regulations. Board of Directors always encourage and offer unreserved support by participating in the assessment, development and enforcement of third-party security assessment of IT structure and their findings pertaining to security level of the Company for the betterment of the overall IT function.

The Board considers the findings of third-party assessment, evaluate the suggestions therein and implement them as per the resources and need basis. The Company has also conducted the 3rd party review to assess the system security and report shall be received on 1st October 2022. In order to monitor the progress of this report matter is under discussion in Improvement Forum.

Disaster recovery plan and contingency:

The Board of Directors has approved and continuously reviews the IT Governance Policy and Business Continuity Plan of the Company and as a result has implemented a well-established Business Continuity and Disaster Recovery Plan in case of any business disruption due to unforeseen incident.

The plans provide assurance on resumption of services to normal in case of any disruption in the shortest of time with no/minimum financial loss to the Company. All resources have been trained to perform the critical services in case the primary site is partially / fully inaccessible. Other areas that have been addressed in this plan are as follows:

- Business continuity plan;
- State-of-the art construction with building and other structures being fire resilient, earth quake proof and equipped with firefighting equipment;
- Plan updates with any recent changes in potential threats;
- Recovery plan covering IT and other infrastructure

The Business Continuity and Disaster Recovery Plans are tested periodically and based on testing reports the plans and corresponding controls are upgraded to ensure that there would be no delay in providing the services.

Cybersecurity insurance:

This is an agreement by which some or all of the cybersecurity risk can be transferred to the insurance companies offering such services in return of insurance cost.

Cybersecurity insurance is a new phenomenon and is emerging as serious industry.

Although, the Company has not obtained any cybersecurity insurance, however, controls have been implemented to avoid threats or minimize the risk of loss due to these threats. In near future, Company may consider the need to obtain this insurance to cover this risk.

The Company has adapted many modern measures to transform manual process into modern, digital and smart machines.

The Company has adapted many modern measures by following Industry 4.0 revolution to transform manual process into modern, digital and smart machines. With every passing day the technology is evolving and new advancements are being brough keeping the changing needs of the users and potential threats being faced by them. It has been sometime that a fourth industrial revolution has emerged, called as Industry 4.0. The Company is in process to adopt cloud-based technologies

for its business. Project has already been initiated to move all data on cloud to mitigate this issue. The Company is monitoring the progress of this project in improvement forum. By pursuing this way, products and means of production get networked, enabling new ways of production, value creation, and real-time optimization. This will help management to plan and deploy resources in the most efficient ways by interconnecting all the processes and this will also make monitoring of the processes easy and efficient.

Efforts to mitigate Cybersecurity Risks:

The Company's steering committee has directed IT team to do the following efforts to minimize the risk of cybersecurity

- Regularly arrange organized trainings for staff to follow best standards procedures to avoid potential cybersecurity threats & risks; and

Conduct information security awareness session on regular basis. This will create awareness among users about potential threats, means of attacks, computers' vulnerability, protection of confidential data. Effective sessions cover all the possible mistakes that employees may make and compromise the personal information, Company's confidential and competitive information or may become victims of cybersecurity attacks as a result.

Board's statement on the internal controls including IT controls of the company and AI Strategy of the Company:

The Board of Directors attaches great importance to having strong internal controls in place, including IT controls, to protect the Company's assets, keep financial reporting accurate and reliable, and ensure compliance with laws and regulations. Given the nature of the cement industry, where efficiency in operations, smooth supply chain management, and cost control are essential, the Board acknowledges the growing role of IT systems in areas such as production, inventory, and finance. To manage risks of errors, fraud, or cyber threats, the Company has introduced clear policies, automated checks, and regular monitoring procedures. Internal audits and periodic reviews are also conducted, along with continuous improvements in ERP systems and IT security. The Board remains committed to further strengthening these controls to ensure long-term stability and safeguard the interests of all stakeholders.

The Company's AI strategy includes the deployment of face recognition machines, aimed at improving workplace security, ensuring accurate attendance tracking, and boosting overall efficiency. This initiative highlights the Company's focus on leveraging modern technologies to strengthen internal controls and drive its digital transformation journey.

Disclosures about the company's future plans for AI adoption and its potential impact on the company's long-term strategy.

As part of its move towards smart automation, the Company has adopted face recognition technology to manage staff attendance, reinforce workplace security, and simplify routine processes. This step reflects a broader AI-driven approach designed to modernize operations, tighten controls, and pave the way for digital growth.

The Company is advancing its Artificial Intelligence (AI) journey by extending its application beyond the already implemented face recognition system used for attendance management. Building on this foundation, the Company is now exploring AI integration across production, administration, and financial management to further enhance efficiency and reduce costs. In production, AI can play a critical role in predictive maintenance of machinery, optimizing kiln operations, and lowering energy consumption, which remains one of the largest cost elements in the cement industry. These measures are expected to minimize downtime, improve product consistency, and increase overall operational efficiency.

In administration, AI will continue to complement existing attendance systems by streamlining document management, automating workflows, and ensuring greater accuracy in routine processes. Within the finance function, AI-powered solutions will enable real-time monitoring of transactions, automated reconciliations, fraud detection, and more precise financial forecasting, thereby strengthening internal controls and supporting strategic decision-making.

Through these AI-driven initiatives, the Company aims to reduce operational costs, improve productivity, and accelerate its digital transformation journey. The Board remains confident that expanding AI into these critical areas will deliver both short-term efficiency gains and long-term competitive advantage in a demanding industry landscape.

FORWARD LOOKING STATEMENT

Cement demand in the domestic market is showing signs of steady growth, and Maple Leaf Cement Factory Limited is well-positioned to capitalize on the expected rise in demand. The Government's renewed focus on infrastructure development, increased PSDP allocations, revival of CPEC-related projects, and the announcement of housing and construction packages are anticipated to provide momentum to the sector. In anticipation of this, the Company has successfully commenced production from its new Line IV at the existing plant site, adding 7,000 tons per day of energy-efficient capacity. This enhancement will enable the Company to better serve the upcoming surge in local demand while also strengthening its competitiveness in the regional export markets. Stability in the law-and-order situation and encouraging government measures are positive indicators for the domestic market, though external geopolitical developments, particularly in Afghanistan and other regional export destinations, may pose challenges. Future growth is also expected from the construction of dams and water reservoirs, as well as from private housing sector investments encouraged through subsidized housing finance schemes. However, the timely execution of these initiatives remains a critical factor in forecasting cement demand. Maple Leaf Cement remains focused on controlling production overheads, reducing input costs where possible, and ensuring efficient utilization of its enhanced capacity. While uncontrollable factors such as global coal price volatility, electricity tariffs, Pak Rupee depreciation, and inflationary pressures may impact production costs, the Company is committed under the guidance of its Board and management team to maintaining its progressive outlook, enhancing market share, and sustaining profitability in line with its Vision and Core Values.

The Company's main aim is to keep production costs at lower level and to increase its market share. The Company is continuously monitoring all of its cost factors to keep them at the lowest possible levels. The addition of grey cement line IV is fuel and energy efficient and has significantly enhanced capacity by 7,000 tons per day.

The production costs are anticipated to increase in future due to non-controllable factors like rising input material costs especially coal, electricity from National Grid, Pak Rupee devaluation and overall inflation, but the Company stands committed under the guidance of its Board of Directors, Key management personals and valued input from all stakeholder groups to its constant drive to be a progressive and profitable Company as per its Vision and Core values.

Sources of information used for projections of future revenue:

The company carries market survey through its sale teams to know the market trends, customers' demand. The management also extracts information from the policy factors announced by the government, economic data available on State Bank of Pakistan's website & other sources, international trends/forecast of coal prices, macroeconomic factors affecting currency fluctuation and inflationary trends.

Assistance taken by any external consultant.

No assistance has been taken by external consultants for the forecasting.

Financial Projections

The broader cement industry in Pakistan is showing signs of a robust recovery in FY 2026. Domestic sales in July 2025 surged by 18% year-on-year, while early August trends point to a 28% rise. Cement prices are expected to rise moderately. Although inflation and rising input costs particularly energy could put pressure on margins, strong demand should allow price adjustments to preserve profitability.

While energy remains a critical cost driver, there's a silver lining: international coal prices have eased, and local fuel strategies including waste heat recovery and alternative sources are helping to contain costs in Pakistan. Nonetheless, fluctuations in coal, electricity, and global oil prices remain a concern.

Accelerated infrastructure development—particularly affordable housing schemes and PSDP sponsored projects is anticipated to boost cement consumption. This, along with the phased rollout of CPEC-2 infrastructure initiatives, reinforces optimism for sustained demand.

With the new grey cement Line IV already operational 7,000 TPD, MLCF is equipped to meet growing demand efficiently. Strengthening market presence through branding and sales efforts positions the company to capture domestic and export opportunities. With a diversified energy mix and proactive cost control measures, MLCF is well placed to manage external pressures like inflation, rupee depreciation, and fluctuating fuel costs.

Financial Year	2026
	Rs. in Million
Sales – Net	67,504
Profit after taxation	10,324
Paid up share capital	10,476
EPS (Rupees)	9.85

Company Performance against Last Year Projections

Despite a challenging macroeconomic backdrop marked by sluggish national GDP growth of 2.7% in FY 2025 falling short of government expectations MLCF outperformed through robust operational execution. The Company achieved PKR 68.65 billion in net sales, reflecting a healthy 3.3% year on year increase. Strategic cost management and operational efficiency further contributed to a dramatic turnaround in earnings, with profit after tax rising by approximately 67%. This performance empowered MLCF to reduce its reliance on short term financing, relying instead on strong internal cash generation to support working capital needs, underlining its financial robustness.

Status of the projects in progress

Maple Leaf Cement Factory Limited (MLCF), while strengthening its core cement business, has also strategically diversified into the healthcare sector through its investment in Novacare Hospitals Limited. This initiative reflects the Company's long term vision of contributing to social development beyond industrial growth. With Pakistan's healthcare sector witnessing rising demand for quality medical infrastructure and specialized treatment facilities, MLCF's expansion into healthcare provides a dual advantage supporting national healthcare needs while creating a sustainable revenue stream outside the cyclical cement industry.

Status of the projects previously disclosed

Maple Leaf Cement Factory Limited (MLCF) has successfully completed the installation of a solar energy project at its plant site, marking a key milestone in its journey towards cleaner and more sustainable operations. The project is now fully operational and supplying renewable energy directly to the plant

KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management and the Board of Directors to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingencies. These estimates are based on historical experience and various other assumptions that management and the Board believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

KEY ESTIMATES AND ASSUMPTIONS

Key estimates and assumptions concerning the future include:

Impairment of financial assets

The impairment loss on financial assets is calculated based on the forward looking 'expected credit loss' model (ECL) which assumes that there is always an expected loss component to every loan/ receivable which management must make a judgement on, all of which is extensively detailed in note 26 to the financial statements.

Estimating useful life of assets

The useful life of assets is reviewed annually and are estimated based on numerous factors such as asset usage, maintenance, rate of technical and commercial obsolescence.

Taxation

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognized on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset.

Employee benefit scheme

The defined benefit obligations are based on actuarial

BUILDING EXCELLENCE

assumptions such as discount rate, expected rate of return on plan assets, expected rate of growth in salaries and expected average remaining working life of employees which are extensively detailed in note 14 to the stand-alone financial statements.

FAIR VALUE OF PROPERTY, PLANT AND EQUIPMENT

The Company's buildings on freehold land, roads, bridges and railway sidings and plant and machinery are stated at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses as per stated company policy. Freehold land is stated at revalued amount being the fair value at the date of revaluation less any subsequent impairment loss in the financial statements.

SUMMARY OF SIGNIFICANT / MATERIAL ASSETS OR IMMOVABLE PROPERTY

The Company's material assets comprise of land, building, four complete cement lines (including one white cement line) comprising of kiln, cooler, preheater, raw mills, Wartsila, Nigatta engines and waste heat recovery plant.

DISCLOSURE ABOUT COMPANY'S FUTURE RESEARCH & DEVELOPMENT INITIATIVES.

The Company remains committed to innovation and cost optimization through its future Research and Development (R&D) initiatives. A key focus area is the research on the increased use of alternative fuels to reduce reliance on conventional energy sources, lower production costs, and contribute to environmental sustainability. In parallel, the Company is investing in the adoption of Artificial Intelligence (AI) technologies to optimize production processes, enhance energy efficiency, and support real-time decision-making in both operational and financial domains. These initiatives reflect the Company's forward-looking approach to strengthening competitiveness, achieving long-term sustainability, and creating value for stakeholders.

POLICY AND PROCEDURES FOR STAKEHOLDERS' ENGAGEMENT

1) Policy Note: Maple Leaf Cement maintains sound collaborative relationships with its stakeholders.

2) The identification of stakeholders at MLCF is done on the basis of their relevance, responsibility, influence, diversity and responsibility towards our business. Their level of involvement, influence and keenness to engage with our business, helps us in prioritizing the stakeholders.

3) Procedures: Procedure for stakeholders' engagement includes effective communication, good harmony, compliance with laws & regulations and customer focused approach which is the key success factor for establishment of collaborative relationship with stakeholder.

STAKEHOLDERS	NATURE OF ENGAGEMENT	FREQUENCY
SHAREHOLDERS	Annual general meeting Annual report/ Quarterly reports Investor conference Analyst briefing	Annually Annually / quarterly Annually Continuous
EMPLOYEES	Trade unions Maple magazine Annual get together Team cultural activities	Continuous Quarterly Annually Monthly
CUSTOMERS	Customer call center Customer events Customer satisfaction survey	Continuous Continuous Continuous
SUPPLIERS	Regular meeting with major suppliers Supplier forums Newspapers advertisement	Continuous Occasionally As required
INSTITUTIONAL INVESTOR / LENDERS	Business briefings Periodic meetings Financial reporting Head office/ site visits	Occasionally As required Continuous As required
COMMUNITY ORGANIZATIONS	Environmental campaign Safety management system	Continuous As required
MEDIA	Media announcements and briefings Media interviews	As required As required
REGULATORS	Submission of periodic reports Responding / enquiring various queries/ information	Periodic basis As required
ANALYST	Corporate briefing and analysis Forecasting and financial modelling	As required As required
LOCAL BODIES	Sponsorship of local events Corporate social projects	As required As required
BANKS AND OTHER LENDERS	Treasury operational transactions Financing and borrowing Investments	Continuous As required As required

ENTITY'S SIGNIFICANT RELATIONSHIPS

The Company has very prominent and good relationships with all stakeholders. We maintain collaborative relations with our stakeholders, good harmony, effective communication and customer focused approach because without doing this, we may affect our Company's performance and values of our entity. We follow the best policy to maintain the relationship with our stakeholders which includes satisfaction of customers by providing quality products and timely payments to all creditors. The call centre established several years ago is in full swing and achieves the main purpose of being a bridge between the Company and its stakeholders including customers and supply chain staff. Moreover, the Company maintains good relationship with its Bankers and also arranges Investors' Conferences periodically to discuss business prospects and financial management plans with the lenders which also enhances their confidence in the Company.

POLICY TO SOLICIT AND UNDERSTAND VIEWS OF SHAREHOLDERS

The Board understands the importance of continuous collaboration with shareholders of the Company regarding all significant decisions to be made, the performance of the Company in varying circumstances, challenges it faced and the necessary steps taken to mitigate those challenges. The Board has devised a mechanism to arrange the interactive sessions between the management of the Company and its shareholders. It includes management briefings to its shareholders about the performance of the Company, macro and micro economic factors affecting the Company, future prospects of the Company and the steps taken by the Company to improve its performance in challenging circumstances. These communications help the Board to understand and resolve the concerns of the shareholders and to add synergy factor to achieve better results in the Company's future prospects.

INTERACTION WITH MAJOR SHAREHOLDERS

The interactive sessions include the annual general meeting, extra ordinary general meetings, corporate briefings/road shows, responding to investor queries either raised on email, website or on telephone.

During the year, following major international and local road shows/corporate briefings sessions were held with investors:

- Corporate Briefing Session (17th November 2024)

STEPS TO ENGAGE MINORITY SHAREHOLDERS TO ATTEND GENERAL MEETINGS

Notice of Annual General Meeting is sent to all shareholders of the Company at least twenty-one days before the date fixed for meeting. Such notice is published in Urdu and English languages in at least in one issue each of daily newspaper of respective language having nationwide circulation Further, notice of AGM is also placed on Company's website. To capture the interest of minority shareholders the Company has been conducting corporate briefings, conference calls and road shows on regular basis including regularly updating our website about Company's general conditions.

INVESTORS' RELATIONS SECTION ON CORPORATE WEBSITE

The Company disseminates information to its investors and shareholders through a mix of information exchange platforms, including its corporate website. The website is updated regularly to provide detailed and latest company information including financial highlights, investor information and other requisite information besides the link to SECP's investor education portal, the 'Jamapunji'.

ISSUES RAISED IN THE LAST ANNUAL GENERAL MEETING

No issue was raised by the valued shareholders in the last Annual General Meeting held on October 28, 2024 at the Registered Office of the Company. However, queries raised were explained to the satisfaction of the Members.

HIGHLIGHTS ABOUT REDRESSAL OF INVESTORS' COMPLAINTS

During the year under review no formal complaints has been lodged by any shareholder of the Company.

CORPORATE BENEFITS TO SHAREHOLDERS

Maple Leaf Cement Factory Limited (MLCF) has diversified its investment portfolio by investing in Novacare Hospitals (Pvt.) Limited, a progressive healthcare initiative aimed at providing quality medical services in Pakistan. This strategic investment reflects the Company's commitment to contributing beyond its core cement business, aligning with its vision of creating long-term value for stakeholders while supporting national development priorities. The move not only opens avenues for growth in the healthcare sector, which continues to expand with rising demand for modern medical facilities, but also enables MLCF to play a meaningful role in improving community well-being.

MLCF has strategically invested in Agritech Limited with the dual objective of enhancing shareholder value and strengthening the Company's investment portfolio. This investment aligns with MLCF's long-term vision to optimize returns on surplus funds while diversifying risk.

This move is also aimed at driving positive investor sentiment and potentially contributing to MLCF's share price appreciation by reflecting proactive and value-accretive capital allocation decisions. The investment serves as a corporate benefit to shareholders by creating an opportunity for wealth enhancement beyond MLCF's core operations.

INTEGRATED REPORTING

BASIS OF PREPARATION AND PRESENTATION

Maple Leaf Cement Factory Limited (MLCF) is primarily engaged in the manufacturing and sale of cement and remains committed to the highest standards of corporate governance and transparent reporting. The Company recognizes that in today's globalized business environment, stakeholders expect more than just financial disclosures; they require a holistic view that integrates governance practices, environmental and social impacts, and long-term sustainability.

In line with this vision, MLCF has adopted the International Integrated Reporting (IR) Framework to provide a comprehensive overview of its operations. By combining financial and non-financial information, the Company ensures that its stakeholders receive a complete picture of its performance, strategies, risks, and opportunities. The management annually reviews and enhances the Integrated Reporting process to further improve the quality, transparency, and relevance of disclosures, while ensuring alignment with stakeholder expectations.

The Report incorporates all eight core elements of the IR Framework:

- Organizational overview and external environment
- Governance
- Business model
- Risks and opportunities
- Strategy and resource allocation
- Performance
- Outlook
- Basis of preparation and presentation

Management accepts full responsibility for the integrity of this Report. Each disclosure undergoes rigorous internal review to ensure accuracy, completeness, and relevance, with careful consideration given to stakeholder relationships, organizational capitals, and future business scenarios. The Company strives to disclose all material information unless such disclosure could result in significant competitive disadvantage.

Beyond statutory requirements, MLCF follows the principles of the Global Reporting Initiative (GRI) to evaluate performance through a broader, triple bottom line perspective—economic, environmental, and social. This approach strengthens stakeholder confidence by presenting the Company's strategy, governance, business model, and sustainability practices as part of its value creation journey.

- International Financial Reporting Standards (IFRS) issued by IASB
- Islamic Financial Accounting Standards (IFAS) issued by ICAP
- Provisions and directives of the Companies Act, 2017
- Code of Corporate Governance Regulations, 2019
- Core guidelines of the Integrated Reporting Framework issued by IIRC

Through this integrated approach, MLCF demonstrates its commitment to long-term sustainability, transparent communication, and the creation of lasting value for all stakeholders.

ECONOMIC PERFORMANCE

Economic Performance at Maple Leaf is steered by our vision, mission and values along with the goals and targets set by the senior management that results in enhanced performance of the company. The senior management is responsible for sketching the economic targets for different time periods i.e., annual targets, monthly targets, etc. We aim at delivering both direct and indirect economic impacts. Providing returns to investors, paying off to employees and government and suppliers, are all examples of our economic impacts.

ANALYSIS OF THE FINANCIAL AND NON-FINANCIAL PERFORMANCE

FINANCIAL INDICATORS:

Actual Results:

The Company's sale increased in current FY 2025 by 3.75% as compared to FY 2024. This increase in sales is a result of better average retention compared to previous year due to market conditions. Profitability saw a massive increase mainly due to dividend income and gain on investment. Following are the main highlights:

	2025	2024
	(Rs. In Million)	
Net Sales	68,942	66,452
Net Profit/ (Loss)	11,503	6,920
Earnings/(Loss) per share (Rupee)	10.98	6.51

Budgeted Results:

The sales decreased as compared to budget due overall drop in sales of cement in Pakistan. But increase in net profit is due to better average retention as compared to previous year. Profitability saw a massive increase mainly due to dividend income and gain on investment:

	Actual	Budget
	2025	2025
	(Rs. In Million)	
Net Sales	68,942	69,324
Net Profit	11,503	7,965
Earnings per share (Rupee)	10.98	7.52

PROSPECTS OF THE ENTITY INCLUDING TARGETS FOR FINANCIAL AND NON-FINANCIAL MEASURES

Prospects of the Entity – The financial projections of the Company are in line with expected growth in domestic market share and new potential markets for export sales which are being explored and various measures adopted by the Company to reduce the cost. Different marketing strategies are being carried out to increase sales and profitability.

Financial Measures – Various financial considerations are used to make the projections of Maple Leaf Cement. Following are the financial measures to determine the healthy prospects of the Company:

1. Increase in sale price.
2. Reduction in cost of production through:

    a. Savings in fuel cost per ton by increasing more reliance on alternate fuel and decreasing the use of coal and furnace oil.
    b. Lower power cost including decline in per ton KWH power consumption and by adding cheap source of energy.
3. Lowering weighted average cost of capital

Non-Financial Measures – Non-financial measures including many intangible variables which may impact performance. Those are difficult to quantify as compared to financial measures but are equally important. Following are the key non-financial measures of the Company:

1. Stakeholder's Engagement –Through different committees and forums, management expects to further strengthen stakeholder's engagement by increasing the awareness of different qualitative aspects of the business through cross-functionality.

2. Customer Satisfaction – The Company places great focus on customer satisfaction. Going forward, this remains a prime objective of the management.

3. Brand Recognition – Marketing efforts will be in place to increase sales volume based on the philosophy of being a brand where demand for our products will create a pull effect.

4. Integrity of managers – Being one of the core values of the Company, trainings have been planned to further drill this value into the middle and lower staff.

Significant Change in Accounting policies, judgements, estimates and assumption

Significant accounting policies, judgements, estimates and assumptions have been disclosed in notes to the accounts. Any significant change there in has been properly disclosed in the aforesaid note.

METHODS AND ASSUMPTIONS USED IN COMPILING INDICATORS

A performance indicator represents parameters and factors that may cast an impact of decisive nature on a company's financial position, financial performance or liquidity position. Following are the key assumptions in compiling these indicators:

Financial Position
- Appropriateness of capital mix in the company
- Proportion of financial leverage in debt equity mix
- Change in current ratio

Financial Performance
- Maintaining high local sales retention.
- Monitoring key components of variable cost to be amongst top cost-effective players.
- Initiating and maintaining techniques for optimal fixed cost absorption and appropriate mix of operational leverage.

Liquidity Position
- Keeping an eye on funds used in / generated from operating, investing and financial cash flow activities.
- Reviewing funds used in working capital management.
- Effectively segregating cash and non-cash items

All the indicators are devised in the light of these basic assumptions and are periodically reviewed and monitored. Furthermore, Company performance variance analysis from corresponding figures of comparative periods and from budgeted figures as comparability over time provides good basis of Corporate Reporting. These indicators are finally used to report financial information to all users of the financial statements in the form of annual financial statements.

SHARE PRICE SENSITIVITY ANALYSIS

Company's share price is directly linked with the operational and financial performance of the Company. Following are the major factors which might affect the share price of the company in the stock exchange.

1) INCREASE IN DEMAND:

Increase in demand of cement may result in increase in market price of bag which will contribute towards better profitability and Earning per Share (EPS), which will ultimately increase the share price.

2) INCREASE IN VARIABLE COST:

Any increase in variable costs due to price hikes coupled with inflation which mainly includes coal, power and raw material cost causes gross margins to narrow and adversely hits profitability and EPS. This may badly affect the market price of the share downward.

3) INCREASE IN FIXED COST:

Fixed cost primarily consists of financial charges and other overheads of fixed nature. Any increase in SBP discount rate results in corresponding increase in financial charges leading to lower net profit and EPS. Conversely, decrease in SBP discount rates results in lower financial charges and higher net profit i.e., EPS. Moreover, price hikes due to inflation for other overheads of fixed nature results in reduction in net profit.

4) **CHANGE IN GOVERNMENT POLICIES:**

Any change in Government policies related to cement sector may affect the share price of the company. If policy change is positive, share price will increase and vice versa.

Sensitivity Analysis of Change in Market Capitalization

Share Price as of 30 June 2025	Rs.84.28
Market Capitalization as of 30.06.2025	Rs. 88,288,576,602
Change in Share Price by	Change in Market Capitalization
+10%	Rs. 8,828,857,660
-10%	Rs. (8,828,857,660)

Reasons

Market capitalization is affected by political stability, economic conditions.

Segmental review and analysis of business performance

The Standalone financial statements of the Company have been prepared on the basis of single reporting segment.

The Company is operating in two principal geographical areas in terms of continents and revenue from continuing operations from external customers based on geographical areas are Asia 99.93% and Africa .07%.

- The Standalone financial statements of the Company have been prepared on the basis of single reporting segment.
- Revenue from sale of cement represents 100% of gross sales of the Company. Sales during the year 2024-25 comprises 95.72% of grey cement and 4.28% of white cement. During the year, grey cement segment has shown significant growth in terms of prices. The Company operates in two principal geographical areas, Asia and Africa. The Company's main sole product is cement.
- However, the consolidated financial statements have been prepared based on Three strategic divisions, which are reportable segments. These divisions offer different products and services and are managed separately because they require different technology and strategies.
- Cement Manufacturing: The Maple Leaf Cement Factory Limited (the "Holding Company") is operating as a cement manufacturing segment of the Group. The principal activity of the Holding Company is production and sales of cement.
- Power Generation: Maple Leaf Power Limited (the "Subsidiary Company") is operating as an electric power generation segment of the Group. The principal activity of the Subsidiary Company is to develop, operate and maintain electric power generation plant and engage in the business of generation, sale and supply of electricity.
- Healthcare Sector: Maple Leaf Cement Factory Limited has started NovaCare Hospitals (Private) Limited ("NHPL") on March 21, 2023. The principal line of business of NHPL is to establish, manage, and operate healthcare facilities, including hospitals, pharmacies, nursing homes, clinics, laboratories, dental clinics, and healthcare centres. NHPL aims to provide healthcare and surgical services, including the treatment of various diseases.
- Moreover, all assets of the Company as at June 30, 2025 are located in Pakistan.

HOW THE INDICATORS AND PERFORMANCE MEASURES HAVE CHANGED OVER THE PERIOD

The Company has established key indicators which pertain to its key performance area. Such indicators are subject to change with the Internal and external environment associated with the organization.

The Company has identified key KPI's that are critical to its operations. While identifying KPI's, the Company has analysed various indicators, their interpretations and accordingly the extent to which they may correctly and clearly communicate the Company's performance. Some important indicators are as briefly explained below:

Market Share: The Company is a leading brand in Pakistan with a diverse customer base and presence across the Pakistan. Carrying on with the legacy of Leaf, Maple Leaf brand is widely acknowledged as the best quality cement brand in all the local and export markets. Presently the Company, due to its unique and unparalleled marketing efforts and superior quality. The Company is also the largest producer of White Cement in the country with more than 90% of local market share and the biggest white cement exporter of Pakistan.

Financial Leverage: Too much debt can be dangerous for a company and its investors. However, if a company can generate cheaper source of financing, then it will always result in growth of profits. Nonetheless, uncontrolled debt levels can lead to credit - downgrade. On the other hand, the reluctance or inability to borrow may be a sign that operating margins are simply too tight. So, an optimal debt equity mix is always appreciated especially in expansion periods.

The management of the Company keeps a strong watch on its leverage and consistent efforts have been made to curtail it.

Fixed Cost per unit: Higher production capacities of an entity help in bringing down the cost per unit of the items manufactured. Production units are inversely proportion to the fixed cost per unit, higher production means low per unit cost and vice versa. The Company is keen to bring its fixed cost per unit down in order to enhance its profitability by strategic initiatives and continuous monitoring.

Variable cost per unit: Management of the Company is very keen about variable cost as it is the key profit indicator in an industry like cement manufacturing. The Company is successfully operating its 40 MW Coal Fired Project Plant that has benefitted the Company in reduction of per ton cost of power required for manufacturing of cement.

Local Sales Retention: Being in a hard-core business of cement manufacturing and sale, marketing activities and branding seem a very novel and unique idea. Management, however, strongly believes and has implemented marketing techniques efficiently to be amongst the top retention players of the cement industry. The company is gradually improving its local sales retention viz a viz other key players in the sector.

HORIZONTAL ANALYSIS - UNCONSOLIDATED
SIX YEARS

	2025 Rs. '000'	25 vs 24 %	2024 Rs. '000'	24 vs 23 %	2023 Rs. '000'	23 vs 22 %	2022 Rs. '000'	22 vs 21 %	2021 Rs. '000'	21 vs 20 %	2020 Rs. '000'	20 vs 19 %
Statement of Financial Position												
Total equity	71,461,592	35.82	52,615,908	17.15	44,913,116	10.74	40,559,015	8.03	37,542,541	19.86	31,320,831	2.64
Total non-current liabilities	24,314,188	(13.63)	28,151,974	(1.50)	28,579,575	12.24	25,461,804	47.63	17,247,289	(10.98)	19,375,165	(8.95)
Total current liabilities	23,330,491	25.45	18,597,800	14.69	16,215,021	0.13	16,193,391	41.43	11,449,448	(25.23)	15,313,775	8.11
Total equity and liabilities	119,106,271	19.87	99,365,682	10.77	89,707,712	9.11	82,214,210	24.12	66,239,278	0.35	66,009,771	0.08
Total non-current assets	83,353,667	14.97	72,497,845	7.46	67,468,045	9.01	61,892,221	25.50	49,315,862	(0.18)	49,402,580	(4.54)
Total current assets	35,752,604	33.07	26,867,837	20.81	22,239,667	9.44	20,321,989	20.08	16,923,416	1.90	16,607,191	16.90
Total assets	119,106,271	19.87	99,365,682	10.77	89,707,712	9.11	82,214,210	24.12	66,239,278	0.35	66,009,771	0.08
Profit or Loss Account												
Sales - net	68,942,446	3.75	66,452,348	7.05	62,075,259	27.94	48,519,622	36.53	35,538,301	22.05	29,117,734	11.97
Cost of sales	(45,195,630)	(0.64)	(45,488,064)	3.61	(43,901,906)	23.51	(35,544,492)	28.82	(27,591,731)	(5.70)	(29,259,512)	44.73
Gross profit	23,746,816	13.27	20,964,284	15.36	18,173,353	40.06	12,975,130	63.28	7,946,570	(5,704.94)	(141,778)	(102.45)
Distribution cost	(4,123,754)	(24.64)	(5,471,808)	45.87	(3,751,096)	71.79	(2,183,540)	40.19	(1,557,540)	11.03	(1,402,814)	(22.32)
Administrative expenses	(2,176,320)	17.50	(1,852,148)	34.15	(1,380,607)	42.12	(971,453)	19.42	(813,489)	3.67	(784,706)	6.97
Other operating expenses	(1,721,448)	85.75	(926,736)	(21.92)	(1,186,881)	24.65	(952,200)	81.67	(524,142)	482.39	(89,999)	(80.28)
Other operating income	9,493,731	2,565.72	356,142	142.86	146,646	159.09	56,601	(98.48)	3,732,132	2,727.84	131,978	206.95
Profit from operations	25,219,025	92.96	13,069,734	8.90	12,001,415	34.48	8,924,538	1.61	8,783,531	(484.01)	(2,287,319)	(180.63)
Finance cost	(3,554,788)	(14.10)	(4,138,286)	50.44	(2,750,747)	58.00	(1,741,026)	16.54	(1,493,930)	(49.90)	(2,981,722)	154.29
Profit/(loss) before taxation	21,664,237	142.56	8,931,448	(3.45)	9,250,668	28.78	7,183,512	(1.46)	7,289,601	(238.35)	(5,269,041)	(416.62)
Taxation	(4,627,863)	26.48	(3,658,921)	(23.12)	(4,758,998)	33.79	(3,557,172)	243.52	(1,035,492)	(343.20)	425,776	(314.09)
Profit/(loss) after taxation	17,036,374	223.12	5,272,527	17.38	4,491,670	23.86	3,626,340	(42.02)	6,254,109	(229.13)	(4,843,265)	(430.53)

VERTICAL ANALYSIS - UNCONSOLIDATED
SIX YEARS

	2025		2024		2023		2022		2021		2020	
	Rs. '000'	%	Rs. '000'	%	Rs. '000'	%	Rs. '000'	%	Rs. '000'	%	Rs. '000'	%
Statement of Financial Position												
Total equity	71,461,592	60.00	52,615,908	52.95	44,913,116	50.07	40,559,015	49.33	37,542,541	56.68	31,320,831	47.45
Total non-current liabilities	24,314,188	20.41	28,151,974	28.33	28,579,575	31.86	25,461,804	30.97	17,247,289	26.04	19,375,165	29.35
Total current liabilities	23,330,491	19.59	18,597,800	18.72	16,215,021	18.08	16,193,391	19.70	11,449,448	17.28	15,313,775	23.20
Total equity and liabilities	119,106,271	100.00	99,365,682	100.00	89,707,712	100.00	82,214,210	100.00	66,239,278	100.00	66,009,771	100.00
Total non-current assets	83,353,667	69.98	72,497,845	72.96	67,468,045	75.21	61,892,221	75.28	49,315,862	74.45	49,402,580	74.84
Total current assets	35,752,604	30.02	26,867,837	27.04	22,239,667	24.79	20,321,989	24.72	16,923,416	25.55	16,607,191	25.16
Total assets	119,106,271	100.00	99,365,682	100.00	89,707,712	100.00	82,214,210	100.00	66,239,278	100.00	66,009,771	100.00
Profit or Loss Account												
Sales - net	68,942,446	100.00	66,452,348	100.00	62,075,259	100.00	48,519,622	100.00	35,538,301	100.00	29,117,734	100.00
Cost of sales	(45,195,630)	(65.56)	(45,488,064)	(68.45)	(43,901,906)	(70.72)	(35,544,492)	(73.26)	(27,591,731)	(77.64)	(29,259,512)	(100.49)
Gross profit	23,746,816	34.44	20,964,284	31.55	18,173,353	29.28	12,975,130	26.74	7,946,570	22.36	(141,778)	(0.49)
Distribution cost	(4,123,754)	(5.98)	(5,471,808)	(8.23)	(3,751,096)	(6.04)	(2,183,540)	(4.50)	(1,557,540)	(4.38)	(1,402,814)	(4.82)
Administrative expenses	(2,176,320)	(3.16)	(1,852,148)	(2.79)	(1,380,607)	(2.22)	(971,453)	(2.00)	(813,489)	(2.29)	(784,706)	(2.69)
Other operating expenses	(1,721,448)	(2.50)	(926,736)	(1.39)	(1,186,881)	(1.91)	(952,200)	(1.96)	(524,142)	(1.47)	(89,999)	(0.31)
Other operating income	9,493,731	13.77	356,142	0.54	146,646	0.24	56,601	0.12	3,732,132	10.50	131,978	0.45
Profit from operations	25,219,025	36.58	13,069,734	19.67	12,001,415	19.33	8,924,538	18.39	8,783,531	24.72	(2,287,319)	(7.86)
Finance cost	(3,554,788)	(5.16)	(4,138,286)	(6.23)	(2,750,747)	(4.43)	(1,741,026)	(3.59)	(1,493,930)	(4.20)	(2,981,722)	(10.24)
Profit / (loss) before taxation	21,664,237	31.42	8,931,448	13.44	9,250,668	14.90	7,183,512	14.81	7,289,601	20.51	(5,269,041)	(18.10)
Taxation	(4,627,863)	(6.71)	(3,658,921)	(5.51)	(4,758,998)	(7.67)	(3,557,172)	(7.33)	(1,035,492)	(2.91)	425,776	1.46
Profit / (loss) after taxation	17,036,374	24.71	5,272,527	7.93	4,491,670	7.24	3,626,340	7.47	6,254,109	17.60	(4,843,265)	(16.63)

SUMMARY OF CASH FLOW STATEMENT - UNCONSOLIDATED
SIX YEARS

	2025	2024	2023	2022	2021	2020
	(Rupees in thousand)					
Cash generated from operations before working capital changes	21,665,571	17,774,227	16,351,746	12,674,556	8,790,829	1,047,196
(Increase) / decrease in current assests						
Stores, spare parts and loose tools	(1,357,047)	(3,345,949)	2,927,753	(3,114,888)	(1,343,107)	(1,186,848)
Stock-in-trade	(1,186,436)	618,055	(1,178,984)	(545,438)	(370,779)	(40,390)
Trade debts	(935,867)	(1,944,951)	(726,197)	(596,428)	1,213,368	(393,515)
Loans and advances	(273,176)	300,146	(276,007)	(122,623)	(85,357)	382,104
(Decrease)/increase in trade and other payables	5,070,542	(1,126)	2,719,129	894,481	(554,680)	(34,144)
Other receivables	61,941	(109,562)	29,730	113,574	(130,579)	63
Retirement benefits adjusted /(paid)	(54,768)	(47,729)	(53,879)	(43,319)	(56,198)	(35,724)
Workers' Profit Participation Fund Paid						
Workers' Welfare Fund paid						
Taxes paid	(4,139,001)	(1,494,385)	(1,459,957)	(586,635)	(736,571)	(675,051)
Others	464,878	(2,252,483)	1,810,331	(343,173)	(174,959)	(1,415)
Net Cash generated from operating activities	19,316,637	9,496,243	20,143,665	8,330,107	6,551,967	(937,724)
Payments for property, plant and equipment	(423,781)	(3,099,319)	(9,071,126)	(15,790,494)	(3,285,300)	(855,476)
Dividend received from fully owned subsidy	-	-	-	-	3,514,000	-
Payments for acquisition of intangibles	(7,816)	(89,828)	-	(6,786)	-	-
Proceeds from disposal of property, plant and equipment	101,904	273,862	89,125	30,583	53,115	52,047
Proceeds from disposal of stores and spares	195,180	11,792	-	-	-	-
Redemption of long term investments	-	-	-	-	-	-
Dividend received	6,660,316	86,605	-	-	-	-
Proceeds from disposal of short term investment	42,698,417	2,475,461	-	-	-	-
Short term investment - net	(48,572,626)	(1,623,608)	(3,234,546)	(75,000)	(44,500)	(50,000)
Long term investment	(7,678,061)	(1,172,000)	(10,000)	-	-	-
Investment in preference shares of Agritech Limited	(2,937,321)	-				
Advances against issuance of Privately Placed Term Finance Certificates (PPTFC)	(244,119)	-				
Proceeds from disposal of long term investment	5,405	-				
Short term loan to Maple Leaf Capital Limited	-	500,000	-	-	-	-
Repayment of short term loan from Maple Leaf Capital Limited	-	(500,000)	-	-	-	-
Profit received on short term loan to Maple Leaf Capital Limited	-	11,409	-	-	-	-
Profit on bank deposits received	203,462	94,741	52,064	22,377	13,692	29,842
Increase / decrease in long term deposits						
Net Cash used in investing activities	(9,999,040)	(3,030,885)	(12,174,483)	(15,819,320)	251,007	(823,587)
(Repayment) / Proceeds of long term loans from financial institutions - secured	366,040	(4,819,016)	(1,720,571)	6,898,075	1,142,825	(5,007,260)
Proceeds from long term loan from a subsidiary company	-	2,500,000	-	1,000,000	(2,000,000)	2,000,000
Repayment of long term loan from a subsidiary company	(4,500,000)	-	-	-	-	-
Proceeds from issuance of right shares	-	-	-	-	-	5,994,968
Short term borrowings - net	678,765	-	(2,174,578)	490,990	(4,121,973)	3,100,037
Finance cost paid	(4,093,012)	(4,145,538)	(2,527,786)	(1,296,781)	(1,733,621)	(3,011,992)
Redemption of preference shares	(3)	(12)	(5)		-	-
Dividend paid	(379)	(122)	(191)	(565)	(19,919)	(289,361)
Lease rentals paid during the year	(20,572)	(18,529)	(14,611)	(12,425)	-	-
Own share purchased for cancellation	-	(999,145)	(194,661)	(477,778)	-	-
Net cash generated from/ (used in) financing activities	(7,569,161)	(7,482,362)	(6,632,403)	6,601,516	(6,732,688)	2,786,392
Net increase/ (decrease) in cash and cash equivalents	1,748,436	(1,017,004)	1,336,779	(887,697)	70,286	1,025,081
Cash and cash equivalents at beginning of the years	(273,404)	740,706	(603,919)	279,802	209,516	(815,565)
Exchange (Loss)/Gain on cash & cash equivalents	(3,071)	2,893	7,847	3,976	-	-
Cash and cash equivalents at end of the years	1,471,961	(273,405)	740,706	(603,919)	279,802	209,516

COMMENTS ON SIX YEARS ANALYSIS

HORIZONTAL ANALYSIS

Statement of Financial Position

The Company's equity significantly increased during the past 6 years mainly due to increase in profit after tax and issuance of capital in the initial years. Further, in initial years, accumulated profits increased due to increase in cement demand in local markets as a result of Naya Pakistan Housing Scheme, CPEC and other government infrastructure projects. But since last two years, the accumulated profits increased due to cost efficient production and better pricing. During FY 2021, as the Company lowered its debt component by making early principal repayments. However, during the FY 2022 and FY 2023, non-current liabilities increased significantly as compared to FY 2021 due to investment on the installation of line IV and Waste Heat Recovery Plant and installation of 2 Nos. solar power plants which have been capitalized during the last year. During the FY 2021, the Company successfully reduced its current liabilities by 25% mainly by reduction of short-term borrowings due to better operating cash flows as evident from respective year profits which has increased again during the FY 2022 and FY2023 due to growth and expansion mainly relating to line IV project, WHRP and installation of 2 more solar power plants. Non-Current liabilities during the FY 2025 decrease due the repayment of loan from Maple Leaf Power Limited (subsidiary company).

Non-current assets significantly increased again during the FY 2022 mainly due to expansion relating to installation of line IV, installation of 2 Nos. solar power plants and related WHRP. Significant increase in Non-Current asset during the FY 2024 was due to revaluation of Non-Current assets. And during the FY 2025 Non-Current assets increased due to the increase in long term investment mainly in Agritech Limited. Current assets exhibit a consistent increasing trend in line with higher capacity levels and sales volume.

Profit or Loss Account

In sharp contrast, FY 2021 flourished in a mighty display of take-off in the financial indicators of the Company by reason of collective factors such as improved market conditions which uplifted and promoted demand, thereby restoring the slump in sales retention from the previous year. Furthermore, reduction in packing material cost, efficient buying of coal and reduction in short term borrowing resulted in increased profits. The exponentially high other operating income was mainly due to dividend income received from MLPL.

In line with FY 2021, FY 2022 and FY 2023 also showed sizable profits due to higher sales which were mainly due to increased local prices. Prices were increased to pass the inflationary impact on input costs mainly coal and power since their prices increased globally and further affecting us due to Pak Rupee devaluation.

During 2025, Finance cost is decreased during the current financial year as compared to prior years due to reduction in policy rates by SBP during the year from 22% to 11%. And reason behind the sharp increase in the profit is increase in sales due to better retention and high operating income due to receipt of dividend.

VERTICAL ANALYSIS

Statement of Financial Position

During financial year 2020-2021 equity component has increased from 47.45% to 56.68% by virtue of profits earned by the Company. However, equity component has decreased during the FY 2022 from 56.68% to 49.33% due to increase in non-current liabilities from 26.04% to 30.97% and current liabilities increased from 17.28% to 19.70% resulting from further financing for line IV project and other expansion related projects as explained in above sections. During FY 2024 to FY 2025, total equity slightly increased from 52.95% to 60.00% and total non-current liabilities also decreased from 28.33% to 20.41% due to repayment of loan to Maple Leaf Power limited (Subsidiary Company) while the total current liabilities increased from 18.72% to 19.59% due royalty payable increase.

Due to nature of industry, a capital-intensive sector, ratio of non-current assets to total assets remained in the range of 69.98% to 75.28% as evident from last 6 years reported figures. On account of investment in expansion project, non-current assets have increased in FY 2022 in rupee terms. The proportion of current asset vs non-current assets significantly decreased during FY 2022 due to an increase in non-current assets as explained above, while showing a reversed trend in the FY 2024 and FY 2025.

Profit or Loss Account

FY 2020 was especially hard felt as coal prices, devaluation of Pak Rupee and poor sales prices unfavourable impacted the profitability of the Company. In FY 2021 onwards, the Company's GP% increased mainly due to increase in local sale prices on account of high demand of cement in local market. Other operating income increased mainly due to the dividend received from Maple Leaf Power Limited (wholly owned subsidiary). Finance cost decreased mainly due to low discount rates and reduction in short term borrowings. Overall net profit was mainly due to high sale retention and low finance cost as explained.

During the current year, GP % increased further from 31.55% to 34.44% of prior year mainly due to increase in local sales prices even there is a dip in local dispatches. Prices were on the higher side due to passing on the impact of high inflationary impact of prices on input costs and Pak Rupee devaluation. Finance cost % decreased during the year from 6.23% to 5.16% mainly due to decreased policy rate.

COMMENTS ON CASH FLOW STATEMENTS

Cash generated from operations has been in line with profits earned by the Company in the past years. However, in FY 2020, the Company's operating cash flows were negative mainly due to tough market conditions that resulted in low sale prices. But in FY 2023 and FY 2025, Sharp increase was due to the increase in trade and payables.

During the FY 2021, where the Company invest in any new project or major investment, the Company's capital expenditure has been consistently high in FY 2022-23 due to heavy investments in line IV (7,000 tpd), WHRP and solar power projects. The Company has financed the above-mentioned project by obtaining finances from financial institutions and issuing right shares along with its equity contribution.

During the FY 2021, the Company has started new projects i.e., new brownfield cement line IV, enhancement of WHRP capacity at existing lines of cement. These capital expenditures were managed partially with long term financing and from internally generated cash flows. In FY 2022, the financing activates produced a net inflow because of the long term loan from the banks. The FY 2023 and FY 2024 witnessed a heavy net outflow from financing activities as the company utilized its cash generation from operations to clear its outstanding loan and short-term borrowings. During the year company repaid its loan from Maple Leaf Power Limited (Subsidiary Company).

ANALYSIS OF FINANCIAL RATIOS UNCONSOLIDATED FOR SIX YEARS

FROM JUNE 2020 TO JUNE 2025

Ratios Description	2025	2024	2023	2022	2021	2020
Profitability Ratios:						
Gross Profit ratio	34.44%	31.55%	29.28%	26.74%	22.36%	-0.49%
Net Profit to Sales	24.71%	7.93%	7.24%	7.47%	17.60%	-16.63%
EBITDA Margin to Sales	45.72%	28.85%	26.54%	26.24%	35.52%	3.67%
Operating leverage ratio	24.81	1.26	1.23	0.04	-21.95	-15.10
Return on Equity	23.84%	10.02%	10.00%	8.94%	16.66%	-15.46%
Return on Capital employed	23.72%	8.30%	7.52%	6.69%	13.35%	-10.42%
Effective Tax Rate	21.36%	40.97%	51.44%	49.52%	14.21%	8.08%
Shareholder's Funds	60.00%	52.95%	50.07%	49.33%	56.68%	47.45%
Return on Shareholder's Funds	23.84%	10.02%	10.00%	8.94%	16.66%	-15.46%
Return on Investment	21.17%	13.15%	13.38%	10.86%	13.26%	-3.47%
Liquidity Ratios						
Current ratio	1.53	1.44	1.37	1.25	1.48	1.08
Quick / Acid test ratio	0.81	0.61	0.52	0.29	0.44	0.42
Cash to Current Liabilities	0.07	0.06	0.05	0.05	0.04	0.07
Cash flow from Operations to Sales	0.28	0.14	0.32	0.17	0.18	(0.03)
Cash flow to capital expenditure	45.58	3.06	2.22	0.53	1.99	(1.10)
Cash flow coverage ratio	1.33	0.49	1.02	0.33	0.40	(0.04)
Investment / Market Ratios						
Earnings per share (EPS)						
Basic	16.26	4.98	4.18	3.30	5.69	(5.30)
Diluted	16.26	4.98	4.18	3.30	5.69	(5.30)
Price Earnings ratio	5.18	7.63	6.77	8.28	8.25	(4.90)
Price to book ratio	1.24	0.76	0.68	0.74	1.37	0.91
Market value per share						
Closing	84.28	38.00	28.33	27.35	46.98	25.98
High	91.31	43.30	29.36	47.51	50.90	31.90
Low	31.50	26.52	19.34	23.95	25.85	13.79
Break up value per share / Net assets per share						
With revaluation surplus	68.22	49.69	41.84	36.93	34.18	28.52
Without revaluation surplus	64.78	45.90	40.10	34.69	31.37	25.22
With revaluation surplus including investment in subsidiary*	78.38	59.34	49.38	43.12	39.54	36.03
Cash Dividend per Share	-	-	-	-	-	0.27
Dividend Pay out Ratio	-	-	-	-	-	-5.10%
Dividend Yield Ratio	-	-	-	-	-	1.04%
Dividend Cover Ratio	-	-	-	-	-	(16.32)
Capital Structure Ratios						
Financial leverage ratio	0.21	0.38	0.46	0.64	0.44	0.70
Weighted average cost of debt	13.16%	18.64%	15.09%	9.64%	7.85%	13.57%
Net Borrowing/ EBITDA	0.46	1.07	1.29	2.07	1.31	20.52
Av. Operating Working Capital to Sales Ratio	24.85%	23.56%	22.53%	26.36%	30.04%	29.33%
Debt to Equity ratio	17:83	26:74	32:68	36:64	28:72	33:67
Debt to Equity ratio (Market value)	9:91	18:82	24:76	27:73	16:84	24:76
Interest Cover ratio	7.09	3.16	4.36	5.13	5.88	(0.77)
Activity / Turnover Ratios						
Inventory turnover ratio	11.74	12.76	13.36	14.67	14.04	16.63
No. of Days in Inventory	31.09	28.69	27.31	24.88	25.99	21.95
Debtor turnover ratio	15.67	19.57	26.60	25.91	15.02	10.15
No. of Days in Receivables	23.29	18.70	13.72	14.09	24.30	35.95
Total Assets turnover ratio	0.58	0.67	0.69	0.59	0.54	0.44
Fixed Assets turnover ratio	1.10	1.01	1.00	0.85	0.80	0.66
Creditor turnover ratio	8.65	9.70	10.00	9.49	7.46	8.16
No. of Days in Creditors	42.18	37.63	36.50	38.46	48.96	44.75
Operating Cycle	12.21	9.76	4.54	0.51	1.33	13.16
Employee Productivity Ratio						
Production per Employee	2,351	2,241	2,600	3,097	3,498	3,557
Revenue per Employee	40.32	36.75	37.94	31.69	24.89	19.93
Staff turnover ratio	34.46%	19.98%	22.66%	15.59%	6.30%	5.81%
Non-Financial Ratios						
%age of plant availability	105%	98%	87%	104%	98%	99%
Customer satisfaction index	42%	64%	90%	91%	75%	85%
Customer retention ratio	100%	100%	97%	95%	95%	90%
Other Ratios						
Spares Inventory as % of Assets Cost	10.46%	12.36%	11.06%	15.63%	14.70%	12.72%
Maintenance Cost as % of Operating Expenses	12.52%	11.32%	9.37%	8.78%	7.58%	7.65%

COMMENTS ON RATIO ANALYSIS

Profitability ratios: The profitability ratios of the Company have shown a triumphant recovery during the current year due to an increase in retention prices and control in production expenses due to cost efficient production and the Company avoiding the bump in the Wapda power tariffs by following an ongoing strategy of shifting reliance from national power grid to self-generation. Furthermore, profitability of the Company has also improved due to increase in selling price. In addition, the Company has managed to increase its Grey local sales retention. The Cost of Sales show a limited variance, but overall, input prices remain high.

Liquidity Ratios: Liquidity indicators stabilized during the comparative period due to no significant capital expenditures having been incurred and management's decision to early service the current portion of long-term debts from financial institutions. During FY 2022, liquidity worsened a little due to reduced profitability as compared to prior year and enhanced borrowings on account of expansion and growth. In FY 2024 and FY 2025, liquidity improved significantly due to the increase in contribution margins.

Investment / Market Ratios: Due to continues improvement the company share price improved during the year. The Company's market share price remained in the range of Rs. 32.27 per share to Rs. 84.28 per share, closing at Rs. 84.28 per share in comparison to Rs. 38 per share at the close of last year. Further, the company's EPS has improved significantly from 4.98 to 16.26 in the current year due to the dividend income from Maple Leaf Power Limited (Subsidiary Company).

Capital Structure Ratios: The Company is operating at optimal level of debt equity mix. Relying mainly on internal cash generation to maximize shareholders' return. However, during the FY 2022 the Company increased its debt to cater the financing needs for expansion project of line IV. But debt equity ratio has improved in FY 2024 due to the early payment of loan to cope up with the increasing interest rates.

During the year, the Government SBP policy rate was decreased from 22% to 11% which has caused the finance cost of the company to decrease as compared to prior year.

Activity/turnover ratios: The operating cycle has overall been on an upward positive trend over the years due to an increase in Payable days on account of better negotiated credit terms with suppliers of expansion projects and creditors. No. of days of Inventory, however, have witnessed a small variation, but has generally overall increased. A stable inventory turnover ratio over the past 6 years shows the Company's quick ability to convert inventory into revenue as a result of the Companies persistent improvements in the supply chain and logistical network. Over the years, debtor turnover ratio declined due to enhancement of distributors and dealers' network in the local market for higher market share.

DUPONT
ANALYSIS

Years	Return on Equity (Profit Margin * Total Asset Turnover* Equity Multiplier)	Profit Margin (Pre-Tax Profit / Sales)	Total Asset Turnover (Sales / Avg. Assets)	Return on Assets	Equity Multiplier (Avg. Assets / Avg. Equity)
	E= C*D	A	B	C= A*B	D
2025	34.92%	0.31	0.63	19.83%	1.76
2024	18.32%	0.13	0.70	9.45%	1.94
2023	21.65%	0.15	0.72	10.76%	2.01
2022	18.40%	0.15	0.65	9.68%	1.90
2021	21.17%	0.2	0.54	11.02%	1.92
2020	-17.04%	(0.18)	0.44	-7.99%	2.13

Following are the DuPont analysis highlights:

1. Operational results have improved due to better local sale retention and the profit margin increased as compared to last year.

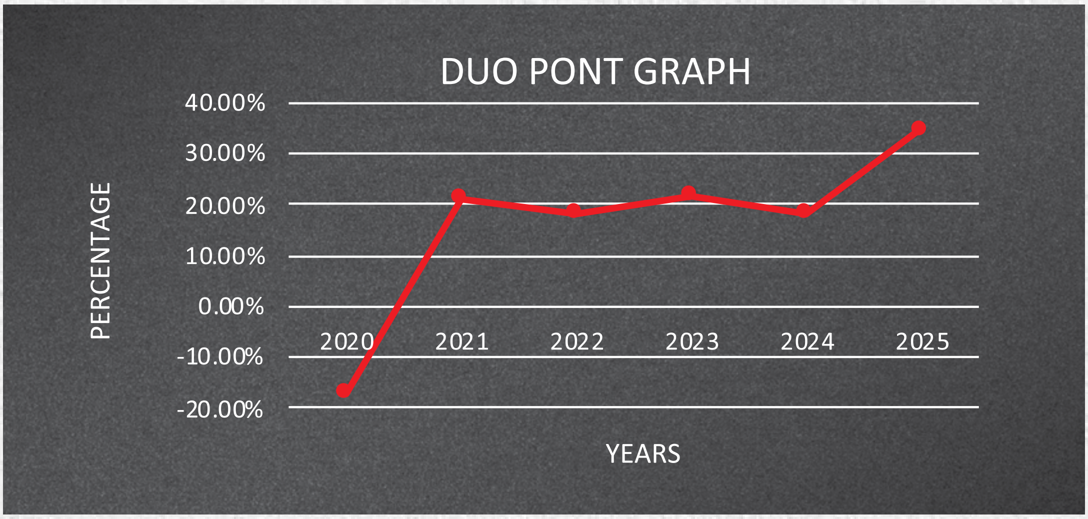
2. Assets turnover ratio has shown slight decline as compared to the previous year, irrespective of net sales increase, but the Company's Total Asset base materially increased from the previous year.

3. Return on assets increased significantly due to increase in company profit margins significantly.

4. Despite increase in long term investment has increased the value of average asset but the profits have also increased the equity which overall decrease the Equity Multiplier.

Conclusion:

The DuPont analysis depicts improvement in profitability and return on assets.



COMPOSITION OF LOCAL VERSUS IMPORTED MATERIAL AND SENSITIVITY ANALYSIS

	2025		2024	
	Rs. '000	%	Rs. '000	%
Local Components:				
Raw materials consumed	8,875,696	29%	3,912,267	14%
Packing materials consumed	3,315,539	11%	3,539,273	13%
Fuel	9,894,841	33%	9,808,407	35%
Stores, spare parts and loose tools consumed	379,312	1%	481,379	2%
Imported Components:				
Fuel	7,023,900	23%	9,314,413	33%
Stores, spare parts and loose tools consumed	670,843	2%	828,396	3%
Total	**30,160,131**	**100%**	**27,884,135**	**100%**

Sensitivity analysis

If US$ to Pak Rupee exchange rate fluctuates by 1% , the impact on cost of production

would have been as follow:

	2025	2024
	Rs. '000'	Rs. '000'
Increase of 1% in exchange rate	76,947	101,428
Decrease of 1% in exchange rate	(76,947)	(101,428)

The management constantly monitors the international coal prices and exchange rates. The management takes necessary and timely steps to mitigate such impacts.

FREE CASH FLOWS

	2025	2024
	Rs. '000'	Rs. '000'
Net cash generated from operating activities	19,316,637	9,496,243
Capital expenditures	(423,781)	(3,099,319)
FCF - Total	18,892,856	6,396,924

Free cash flow represents the cash a company can generate after required investment to maintain or expand its asset base. It is a measurement of a company's financial performance and health.

ECONOMIC VALUE ADDED

	2025	2024
	Rs. '000'	Rs. '000'
NOPAT	12,611,173	10,939,290
Less: WACC* Capital Invested	(1,919,460)	(3,094,602)
Economic Value Added	10,691,713	7,844,688

Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth

KEY OPERATING AND FINANCIAL DATA - UNCONSOLIDATED

FOR SIX YEARS FROM JUNE 2020 TO JUNE 2025

	2025-24	2023-24	2022-23	2021-22	2020-21	2019-20
Quantitative Data (M. Tons)						
Cement:						
Production	4,019,935	4,051,726	4,253,451	4,741,944	4,994,594	5,196,304
Sales	4,014,856	4,068,218	4,273,444	4,759,428	5,023,444	5,201,820
Sales (Rs. 000)						
Gross Sales (Local + Export-Discount)	101,146,851	89,701,037	82,836,831	66,400,649	50,875,878	47,412,675
Less:						
Excise Duty	14,953,624	7,763,020	6,911,333	6,973,716	7,043,999	10,040,696
Sales Tax	16,843,945	15,088,469	13,494,564	10,631,729	8,060,518	8,027,602
Commission	406,836	397,200	355,676	275,582	233,060	226,643
Net Sales	68,942,446	66,452,348	62,075,258	48,519,622	35,538,301	29,117,734
Profitability (Rs. 000)						
Gross Profit/(Loss)	23,746,816	20,964,284	18,173,353	12,975,130	7,946,570	(141,778)
Profit/(Loss) Before Tax	21,664,237	8,931,448	9,250,668	7,183,512	7,289,601	(5,269,041)
Provision for Income Tax	(4,627,863)	(3,658,921)	(4,758,998)	(3,557,172)	(1,035,492)	425,776
Profit/(Loss) After Tax	17,036,374	5,272,527	4,491,670	3,626,340	6,254,109	(4,843,265)
Financial Position (Rs. 000)						
Tangible Fixed Assets-Net	62,836,212	65,995,598	62,354,608	56,784,840	44,215,539	44,297,941
Other Non-Current Assets	20,517,455	6,502,247	5,113,437	5,107,381	5,100,323	5,104,639
	83,353,667	72,497,845	67,468,045	61,892,221	49,315,862	49,402,580
Current Assets	35,752,604	26,867,837	22,239,667	20,321,989	16,923,416	16,607,191
Current Liabilities	(23,330,491)	(18,597,800)	(16,215,021)	(16,193,391)	(11,449,448)	(15,313,775)
Net Working Capital	12,422,113	8,270,037	6,024,646	4,128,598	5,473,968	1,293,416
Capital Employed	95,775,780	80,767,882	73,492,690	66,020,819	54,789,830	50,695,996
Less: Non Current Liabilities	(24,314,188)	(28,151,974)	(28,579,575)	(25,461,804)	(17,247,289)	(19,375,165)
Shareholders' Equity	71,461,592	52,615,908	44,913,116	40,559,015	37,542,541	31,320,831
Represented By:						
Share Capital	10,475,626	10,475,626	10,733,462	10,983,462	10,983,462	10,983,462
Reserves & Un-appropriated Profit	57,389,001	38,125,058	32,310,664	27,115,586	23,469,104	16,722,039
Surplus on Revaluation of PPE	3,596,965	4,015,224	1,868,989	2,459,967	3,089,975	3,615,330
	71,461,592	52,615,908	44,913,116	40,559,015	37,542,541	31,320,831

STATEMENT OF CASH FLOWS
DIRECT METHOD - UNCONSOLIDATED

	2025	2024
	(Rupees in thousand)	
Cash flows from operating activities		
Cash receipts from customers	68,006,579	64,507,397
Cash paid to suppliers and employees	44,686,270	51,697,105
Net cash generated from operations	23,320,309	12,810,292
(Increase) / decrease in long term loans to employees	14,618	(13,139)
(Increase) / decrease in long term deposits to suppliers	(3,100)	(5,808)
Increase in retention money payable	-	(1,752,988)
Increase in long term deposits	-	-
Retirement benefits paid	(54,768)	(47,729)
Decrease in payable to Government Authority	-	-
Workers' Profit Participation Fund paid	-	-
Workers' Welfare Fund paid	-	-
Income tax refunds received	178,579	
Taxes paid - net of refund	(4,139,001)	(1,494,385)
Net cash generated from operating activities	19,316,637	9,496,243
Cash flows from investing activities		
Capital expenditure	(423,781)	(3,099,319)
Intangible assets acquired	(7,816)	(89,828)
Dividend received from the subsidiary company	6,660,316	86,605
Proceeds from disposal of property, plant and equipment	101,904	273,862
Proceeds from disposal of stores and spares	195,180	11,792
Long term equity investment	(7,678,061)	(1,172,000)
Short term investment	(48,572,626)	(1,623,608)
Investment in preference shares of Agritech Limited	(2,937,321)	-
Advance against issuance of privately place Term Finance Certificates	(244,119)	
Proceeds from disposal of long term investment	5,405	
Proceeds from sale of short term investment	42,698,417	2,475,461
Short term loan to Maple Leaf Capital Limited	-	500,000
Repayment of short term loan by Maple Leaf Capital Limited	-	(500,000)
Profit received on short term loan to Maple Leaf Capital Limited	-	11,409
Profit on bank deposits received	203,462	94,741
Net cash (used in) / generated from investing activities	(9,999,040)	(3,030,885)
Cash flows from financing activities		
Repayment of Long term loans from financial institutions - secured - net	(3,833,960)	(4,819,016)
Proceeds from Long term loans from financial institutions - secured - net	4,200,000	-
Proceeds from / (repayments of) long term loan from subsidiary company	(4,500,000)	2,500,000
Short term borrowings - net	678,765	-
Finance cost paid	(4,093,012)	(4,145,538)
Lease rentals paid during the year	(20,572)	(18,529)
Own share purchased for cancellation	-	(999,145)
Redemption of preference shares	(3)	(12)
Dividend paid	(379)	(122)
Net cash generated from / (used in) financing activities	(7,569,161)	(7,482,362)
Net (decrease) / increase in cash and cash equivalents	1,748,436	(1,017,004)
Cash and cash equivalents at beginning of the year	(273,404)	740,707
Effects of exchange rate change on Cash and Cash Equivalents	(3,071)	2,893
Cash and cash equivalents at end of the year	1,471,961	(273,404)

RESULTS REPORTED IN INTERIM FINANCIAL STATEMENTS AND FINAL ACCOUNTS

	Interim Results						Annual Results	
	3 Months Period Ended 30-09-2024		6 Months Period Ended 31-12-2024		9 Months Period Ended 31-03-2025		Year Ended 30-06-2025	
	Rupees '000	%	Rupees '000	%	Rupees '000	%	Rupees '000	%
Net turnover	15,719,838		34,747,988		51,379,114		68,942,446	
Gross Profit	4,678,939	29.76%	11,817,407	34.01%	17,015,797	33.12%	23,746,816	34.44%
Operating Profit	2,609,633	16.60%	8,754,490	25.19%	17,105,295	33.29%	25,219,025	36.58%
Net Profit Before Tax	1,702,153	10.83%	6,237,221	17.95%	14,979,857	29.16%	21,664,237	31.42%
Net Profit After Tax	1,041,387	6.62%	4,268,926	12.29%	12,118,386	23.59%	17,036,374	24.71%
Debt Equity Ratio	12,842,284	19:81	14,468,057	20:80	15,029,383	19:81	14,165,454	17:83
	67,153,105		72,509,045		80,823,211		85,627,046	
Current Ratio	35,076,098	1.33	68,995,618	1.13	31,269,604	1.38	35,752,604	1.53
	26,319,349		60,992,281		22,603,331		23,330,491	

Analysis of Variation in Results Reported in Interim Financial Statements with the Final Accounts

3 Months Ended September 30, 2024

Gross Profit (GP) Ratio for the 1st Quarter was 29.76% as compared to annual GP of 34.44%, mainly due to the increase in CGS on coal and electricity.

Operating Profit was 16.60% as compared to 36.58%, mainly due to high distribution charges in 1st Quarter.

Net Profit Before Tax was 10.83% as compared to annual 31.42%, mainly due to less OP and other income in 1st Quarter.

Net Profit After Tax was 6.62% as compared to 23.59%, due to lower tax in the 1st Quarter.

Debt Equity Ratio was 19:81 in first quarter as compared to 17:83 in annual, mainly due to payments of loan in the financial year.

Current ratio was 1.33 as compared to annual of 1.53, due to a decrease in markup and short term loans.

6 Months Ended December 31, 2024

Gross Profit (GP) Ratio was 34.01% as compared to annual GP of 34.44%, this was the best performing quarter due to high sale retention.

Operating Profit was 25.19% as compared to 36.58%, mainly due to high GP in half year results.

Net Profit Before Tax was 17.95% as compared to annual 31.42%. However, it was better than the 1st quarter due to increase in local sale retention.

Net Profit After Tax was 12.29% as compared to 24.71%, due to better GP.

Debt Equity Ratio was 20:80 in 6-month period as compared to 17:83 in annual, mainly due to payment of loan to reduce the finance cost.

Current ratio was 1.13 as compared to annual of 1.53, due to an increase in inventory because of higher coal and pet coke rates in the international market and reduction in short term borrowings in annual financials.

9 Months Ended March 31, 2025

Gross Profit (GP) Ratio was 33.12% as compared to annual GP of 34.44% which is very close to the annual percentage.

Operating Profit was 33.29% as compared to 36.58% in annual, which is very close to the annual percentage.

Net Profit Before Tax was 29.16% as compared to annual 31.41%, due to high finance cost even after the payment of loans.

Net Profit After Tax was 23.59% as compared to 24.71% in annual, due to higher high taxation in the last quarter.

Debt Equity Ratio was 19:81 in the 9 months' period as compared to 17:83 reported in annual results due to repayment of loan in last quarter.

Current ratio was 1.38 as compared to annual of 1.53, due to increase in current assets in last quarter.

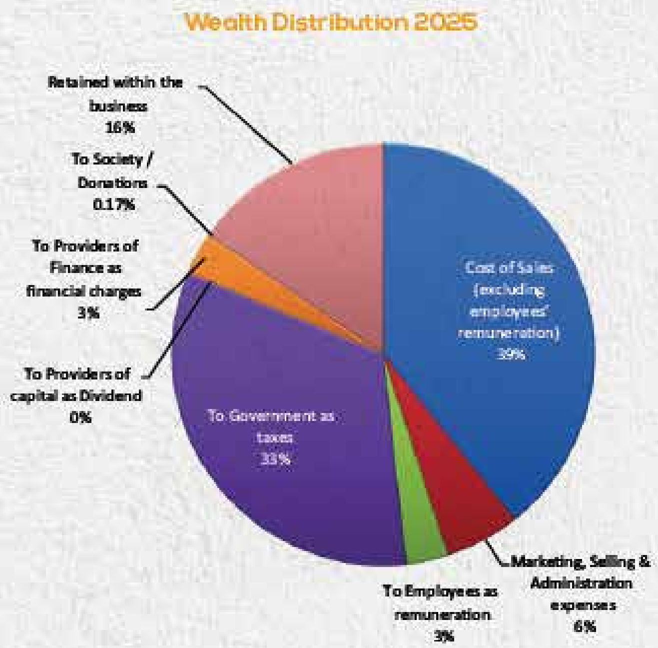
EXPLANATION OF NEGATIVE CHANGE IN THE PERFORMANCE AGAINST PRIOR YEARS

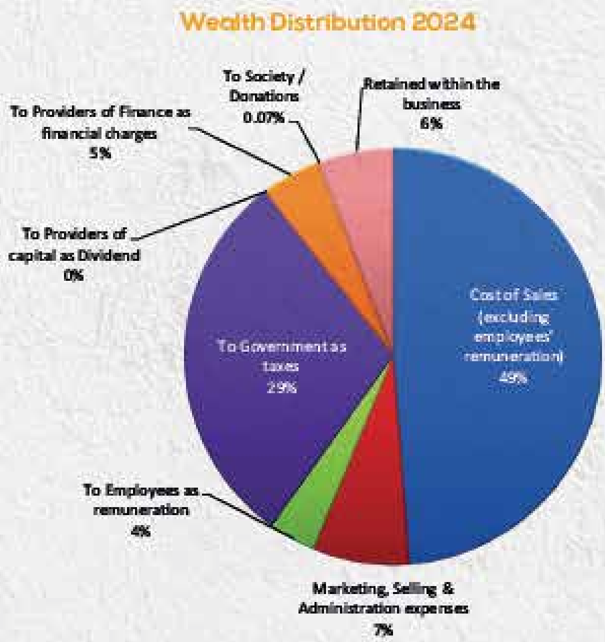
Annual Results						
	Year Ended 30-06-2025		Year Ended 30-06-2024		YOY Variance	
	Rs. '000	%	Rs. '000	%	Rs. '000	%
Net Turnover	68,942,446		66,452,348		2,490,098	
Gross Profit / (Loss)	23,746,816	34.44%	20,964,284	31.55%	2,782,532	111.74%
Operationg Profit / (Loss)	25,219,025	36.58%	13,069,734	19.67%	12,149,291	487.90%
Net Profit / (Loss) Before Tax	21,664,237	31.42%	8,931,448	13.44%	12,732,789	511.34%
Net Profit / (Loss) After Tax	17,036,374	24.71%	5,272,527	7.93%	11,763,847	472.43%

- Overall turnover increased by 3.75%, it includes negative volumetric growth and positive impact of increase in retention prices.
- Gross Profit increased from preceding year due to increase in sales retention.
- Net profit after tax increased due to higher margins in gross profit and operating profit.

STATEMENT OF VALUE ADDED
AND HOW DISTRIBUTED

	2025		2024	
	Rs. (000)	% age	Rs. (000)	% age
Wealth Generated				
Sales net of commission	100,740,015	91.39%	89,303,837	99.60%
Other Operating Income	9,493,731	8.61%	356,142	0.40%
	110,233,746	100.00%	89,659,979	100.00%
Distribution of Wealth				
Cost of Sales (excluding employees' remuneration)	43,339,663	39.32%	43,739,798	48.78%
Marketing, Selling, Administration Expenses & other expenses	6,307,469	5.72%	6,653,341	7.42%
To Employees as Remuneration	3,545,038	3.22%	3,292,798	3.67%
To Government as Taxes	36,425,432	33.04%	26,510,410	29.57%
To Providers of Capital as Dividend	-	0.00%	-	0.00%
To Providers of Finance as Financial Charges	3,554,788	3.22%	4,138,286	4.62%
To Society / Donations	24,982	0.02%	52,819	0.06%
Retained within the Business	17,036,374	15.45%	5,272,527	5.88%
	110,233,746	100.00%	89,659,979	100.00%





Statement of Charity

	2025	2024
	Rs. (000)	Rs. (000)
Agha Khan Cultural Service - Pakistan	4,800	-
Aitchison College Lahore	-	42,806
A-One Service Contractors (Private) Limited	1,245	-
Daudkhel Police Station	7,778	1,912
Daudkhel Press Club	-	258
Daudkhel Water Supply Project	-	1,475
Hameedah Memorial Hospital	950	-
Hassan Boys Hostel	3,074	-
Kalabagh Graphics	688	-
Maple CSR Initiative	-	1,364
Miscellaneous donations in the form of cement	1,350	2,641
Shafaullah	444	363
Sunshine Trust	-	2,000
Takbeer Boys Hostel	291	-
Technical Education & Vocational Training Authority (TEVTA)	1,970	-
Three Star Boys Hostel	1,792	-
Wali Dad Khan	600	-
	24,982	52,819

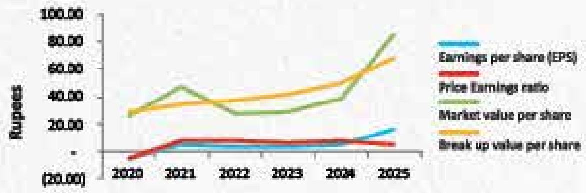
GENDER PAY GAP

The SECP's directive requiring listed companies to disclose their gender pay gap is a significant step towards promoting gender equality in the workplace. This transparency will shed light on existing disparities and encourage companies to take proactive measures to address them. MLCF gender pay gap data is presented below:

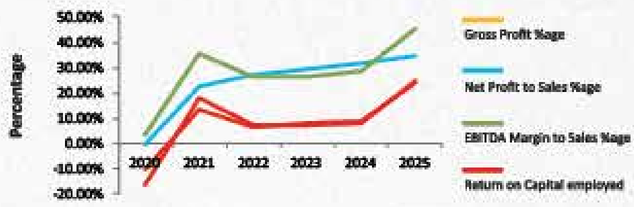
1)	Mean Gender Pay Gap	(25.6)
2)	Median Gender Pay Gap	(43.5)

GRAPHICAL PRESENTATION - STAKEHOLDERS' INFORMATION

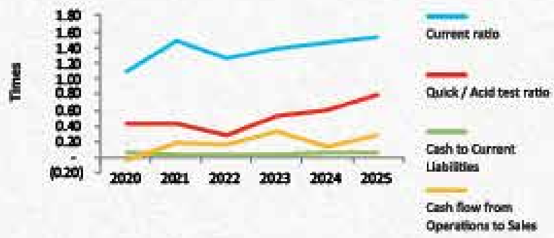
MARKET RATIOS



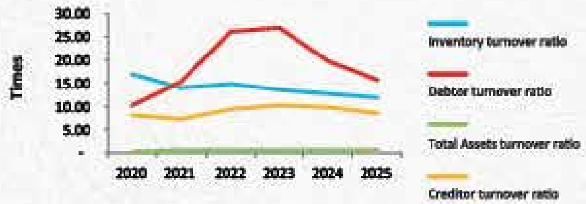
PROFITABILITY RATIOS



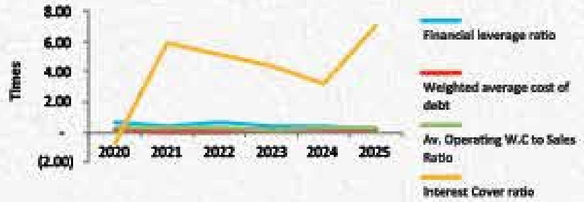
LIQUIDITY RATIOS



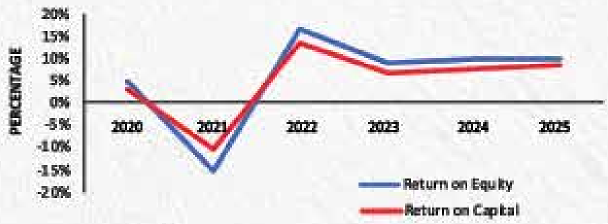
TURNOVER RATIOS



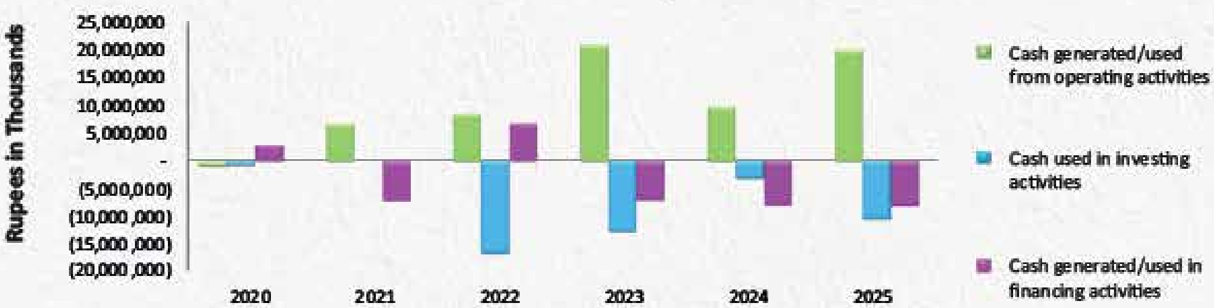
CAPITAL STRUCTURE RATIOS



RETURN ON EQUITY AND CAPITAL



CASH GENERATED / UTILIZED



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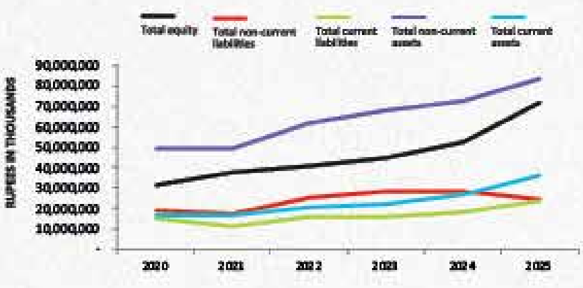
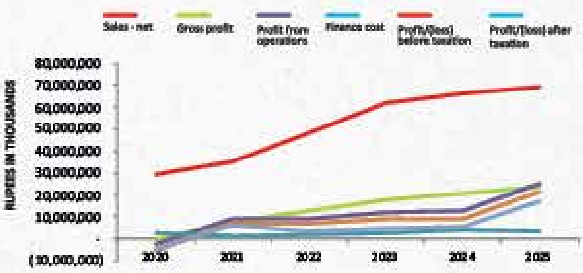
GRAPHICAL PRESENTATION - STAKEHOLDERS' INFORMATION

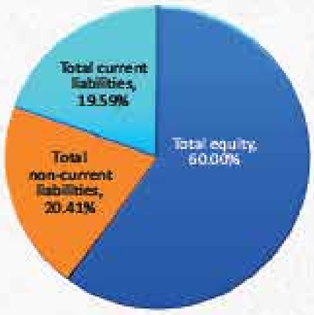
HORIZONTAL ANALYSIS - BALANCE SHEET



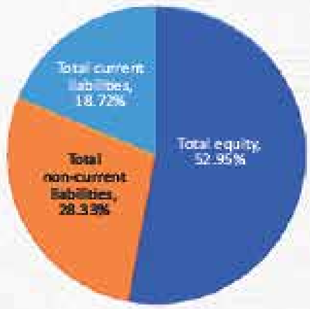
HORIZONTAL ANALYSIS - PROFIT OR LOSS ACCOUNT



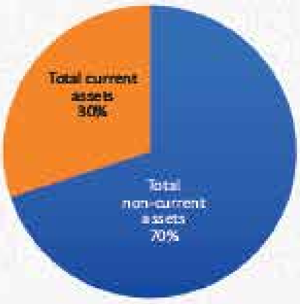
EQUITY AND LIABILITIES-2025



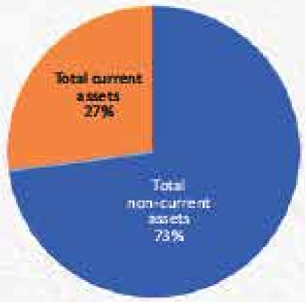
EQUITY AND LIABILITIES-2024



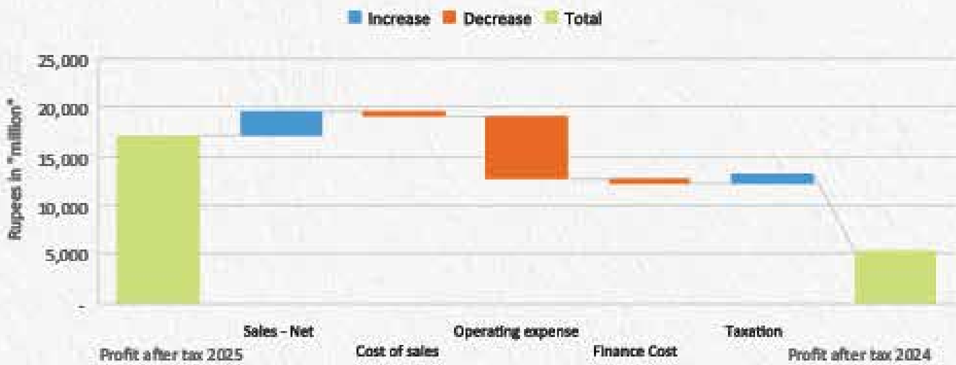
ASSETS-2025



ASSETS-2024



PROFIT OR LOSS 2025 VS 2024



DEFINITIONS AND GLOSSARY OF TERMS

Gross Profit Ratio

The relationship of the gross profit made for a specified period and the sales or turnover achieved during that period.

Net Profit Ratio

Net profit ratio is the ratio of net profit (after taxes) to net sales.

Operating Profit Ratio

The operating profit margin ratio indicates how much profit a company makes after paying for variable costs of production.

Current Asset Ratio

The key indicator of whether you can pay your creditors on time. The relationship between current assets like cash, book debts, stock and work in progress and current liabilities like overdraft, trade and expense creditors and other current debt.

Current Ratio

A company's current assets divided by its current liabilities. This ratio gives you a sense of a company's ability to meet short-term liabilities, and is a measure of financial strength in the short term. A ratio of 1 implies adequate current assets to cover current liabilities: the higher above 1, the better.

Debt-Equity Ratio

The ratio of a company's liabilities to its equity. The higher the level of debt, the more important it is for a company to have positive earnings and steady cash flow. For comparative purposes, debt-equity ratio is most useful for companies within the same industry.

Earnings per Share (EPS)

The portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serve as an indicator of a company's profitability.

Profit Margin

Determined by dividing net income by net sales during a time period and is expressed as a percentage. Net profit margin is a measure of efficiency and the higher the margin, the better. Trends in margin can be attributed to rising/falling production costs or rising/falling price of the goods sold.

Return on Assets (ROA)

The amount of profits earned (before interest and taxes), expressed as a percentage of total assets. This is a widely followed measure of profitability, thus the higher the number the better. As long as a company's ROA exceeds its interest rate on borrowing, it's said to have positive financial leverage.

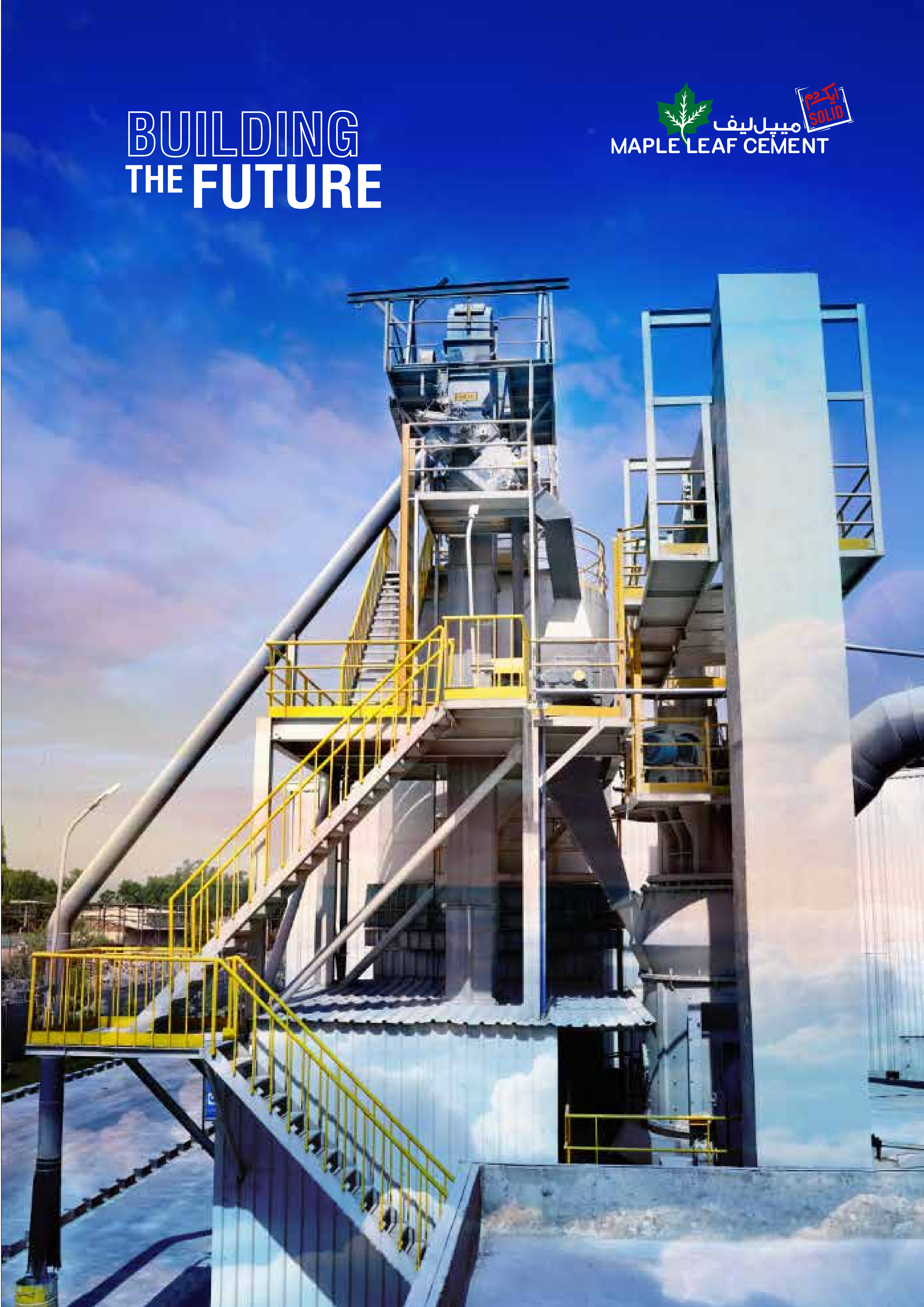
Return on Equity (ROE)

A percentage that indicates how well common stockholders' invested money is being used. The percentage is the result of dividing net earnings by common stockholders' equity. The ROE is used for measuring growth and profitability. You can compare a company's ROE to the ROE of its industry to determine how a company is doing compared to its competition.

Return on Investment (ROI)

Also known as return on invested capital (ROIC). ROI is a measure of how well management has used the company's resources. ROI is calculated by dividing earnings by total assets. It is a broader measure than return on equity (ROE) because assets include debt as well as equity. It is useful to compare a company's ROI with others in the same industry.

BUILDING THE FUTURE



FORM-20

Pattern of Shareholding

[Pursuant to Section 227 (2)(f) of the Companies Act, 2017 read with Regulation 30 of the Companies Regulations, 2024]

SECP

PART-I

1.1	Name of the Company	**MAPLE LEAF CEMENT FACTORY LIMITED**

PART-II

2.1	Pattern of holding of the shares held by the shareholders as at	**30-06-2025**

2.2 No. of Shareholders	Shareholdings From	Shareholdings To	Total shares held
4,392	1	100	166,927
3,649	101	500	1,096,771
1,959	501	1,000	1,596,662
3,049	1,001	5,000	7,609,911
746	5,001	10,000	5,692,594
324	10,001	15,000	4,105,510
212	15,001	20,000	3,880,095
142	20,001	25,000	3,315,151
76	25,001	30,000	2,137,004
54	30,001	35,000	1,776,738
59	35,001	40,000	2,248,451
43	40,001	45,000	1,850,169
56	45,001	50,000	2,728,679
30	50,001	55,000	1,576,084
31	55,001	60,000	1,810,064
22	60,001	65,000	1,377,219
19	65,001	70,000	1,303,419
21	70,001	75,000	1,541,967
15	75,001	80,000	1,174,784
7	80,001	85,000	582,995
9	85,001	90,000	795,309
8	90,001	95,000	746,551
32	95,001	100,000	3,194,747
11	100,001	105,000	1,136,082
8	105,001	110,000	871,925
6	110,001	115,000	677,759
8	115,001	120,000	941,422
11	120,001	125,000	1,364,911
4	125,001	130,000	504,601
2	130,001	135,000	267,000
2	135,001	140,000	279,568
6	140,001	145,000	854,638
7	145,001	150,000	1,047,500
3	150,001	155,000	460,665
5	155,001	160,000	791,464
3	160,001	165,000	491,399
5	165,001	170,000	839,764
5	170,001	175,000	864,749
4	175,001	180,000	711,419

2.2	No. of Shareholders	Shareholdings From	To	Total shares held
	3	180,001	185,000	550,099
	5	185,001	190,000	938,477
	6	195,001	200,000	1,198,886
	3	200,001	205,000	605,381
	4	205,001	210,000	838,124
	4	210,001	215,000	848,390
	4	215,001	220,000	875,903
	2	220,001	225,000	448,299
	2	225,001	230,000	460,000
	1	230,001	235,000	231,018
	3	235,001	240,000	717,500
	9	245,001	250,000	2,243,150
	2	250,001	255,000	504,926
	1	255,001	260,000	258,392
	2	265,001	270,000	538,249
	1	270,001	275,000	275,000
	2	285,001	290,000	579,062
	1	290,001	295,000	292,537
	10	295,001	300,000	2,994,568
	3	300,001	305,000	907,251
	1	305,001	310,000	310,000
	3	310,001	315,000	941,990
	5	315,001	320,000	1,597,358
	3	320,001	325,000	966,900
	2	325,001	330,000	656,843
	1	330,001	335,000	335,000
	1	335,001	340,000	339,000
	1	340,001	345,000	341,000
	5	345,001	350,000	1,750,000
	1	350,001	355,000	353,394
	2	355,001	360,000	715,235
	1	360,001	365,000	360,584
	1	365,001	370,000	365,525
	1	370,001	375,000	375,000
	1	375,001	380,000	380,000
	4	395,001	400,000	1,597,000
	1	400,001	405,000	401,344
	1	405,001	410,000	410,000
	2	410,001	415,000	823,445
	1	415,001	420,000	420,000
	2	420,001	425,000	848,557
	1	425,001	430,000	425,268
	2	435,001	440,000	873,876
	1	450,001	455,000	455,000
	2	460,001	465,000	929,031
	1	470,001	475,000	474,000
	1	480,001	485,000	480,500
	1	490,001	495,000	492,561
	1	495,001	500,000	500,000
	1	505,001	510,000	508,221
	2	520,001	525,000	1,048,075
	2	525,001	530,000	1,059,098
	1	530,001	535,000	532,330

2.2	No. of Shareholders	Shareholdings From	To	Total shares held
	1	545,001	550,000	550,000
	1	550,001	555,000	554,999
	2	560,001	565,000	1,125,781
	1	565,001	570,000	570,000
	1	575,001	580,000	580,000
	1	590,001	595,000	595,000
	3	595,001	600,000	1,799,000
	1	600,001	605,000	601,023
	1	645,001	650,000	649,749
	1	655,001	660,000	660,000
	4	695,001	700,000	2,790,975
	1	700,001	705,000	705,000
	1	720,001	725,000	721,012
	1	725,001	730,000	725,468
	1	735,001	740,000	738,788
	1	740,001	745,000	744,756
	1	755,001	760,000	756,999
	1	770,001	775,000	774,374
	1	780,001	785,000	781,143
	1	810,001	815,000	812,521
	1	830,001	835,000	832,265
	1	855,001	860,000	857,474
	1	865,001	870,000	868,024
	1	875,001	880,000	877,711
	1	880,001	885,000	883,000
	1	885,001	890,000	888,706
	1	900,001	905,000	902,428
	1	995,001	1,000,000	1,000,000
	1	1,005,001	1,010,000	1,006,921
	1	1,030,001	1,035,000	1,033,524
	1	1,105,001	1,110,000	1,110,000
	2	1,115,001	1,120,000	2,231,531
	1	1,125,001	1,130,000	1,129,500
	1	1,170,001	1,175,000	1,172,929
	1	1,175,001	1,180,000	1,180,000
	1	1,255,001	1,260,000	1,255,600
	1	1,310,001	1,315,000	1,312,796
	1	1,320,001	1,325,000	1,325,000
	1	1,325,001	1,330,000	1,325,532
	1	1,360,001	1,365,000	1,360,584
	1	1,370,001	1,375,000	1,375,000
	1	1,390,001	1,395,000	1,394,437
	1	1,395,001	1,400,000	1,400,000
	1	1,445,001	1,450,000	1,449,376
	2	1,495,001	1,500,000	3,000,000
	1	1,605,001	1,610,000	1,609,302
	2	1,640,001	1,645,000	3,282,587
	1	1,700,001	1,705,000	1,701,252
	1	1,710,001	1,715,000	1,713,000
	1	1,795,001	1,800,000	1,800,000

2.2	No. of Shareholders	Shareholdings From	To	Total shares held
	1	1,810,001	1,815,000	1,811,900
	1	1,835,001	1,840,000	1,840,000
	1	1,895,001	1,900,000	1,900,000
	1	1,930,001	1,935,000	1,931,825
	1	1,960,001	1,965,000	1,961,367
	1	1,995,001	2,000,000	2,000,000
	1	2,045,001	2,050,000	2,050,000
	1	2,095,001	2,100,000	2,097,588
	1	2,130,001	2,135,000	2,132,004
	1	2,140,001	2,145,000	2,143,900
	1	2,210,001	2,215,000	2,212,382
	1	2,305,001	2,310,000	2,310,000
	1	2,385,001	2,390,000	2,388,500
	1	2,500,001	2,505,000	2,501,467
	1	2,570,001	2,575,000	2,575,000
	1	2,590,001	2,595,000	2,594,533
	1	2,630,001	2,635,000	2,630,876
	1	3,085,001	3,090,000	3,088,096
	1	3,350,001	3,355,000	3,354,397
	1	3,450,001	3,455,000	3,452,573
	1	3,850,001	3,855,000	3,850,638
	1	3,855,001	3,860,000	3,858,773
	1	4,090,001	4,095,000	4,095,000
	1	4,180,001	4,185,000	4,180,147
	1	4,640,001	4,645,000	4,644,689
	1	4,885,001	4,890,000	4,886,094
	1	5,645,001	5,650,000	5,648,737
	1	6,095,001	6,100,000	6,095,178
	1	6,190,001	6,195,000	6,193,974
	1	6,435,001	6,440,000	6,436,577
	1	6,520,001	6,525,000	6,522,457
	1	6,890,001	6,895,000	6,892,343
	1	7,805,001	7,810,000	7,807,687
	1	8,625,001	8,630,000	8,625,991
	1	9,010,001	9,015,000	9,013,619
	1	9,125,001	9,130,000	9,127,878
	1	12,025,001	12,030,000	12,026,270
	1	12,245,001	12,250,000	12,245,742
	1	26,135,001	26,140,000	26,136,000
	1	34,500,001	34,505,000	34,501,381
	1	49,995,001	50,000,000	50,000,000
	1	606,495,001	606,500,000	606,497,944
	15,270			**1,047,562,608**

Note.The Slabs not applicable above have not been shown.

2.3	Categories of Shareholders	Shares Held	Percentage
2.3.1	**Directors, CEO and their spouses & minor children**		
	Mr. Tariq Sayeed Saigol - Chairman	32,428	0.0031
	Mr. Sayeed Tariq Saigol - Chief Executive	10,729	0.0010
	Mr. Taufique Sayeed Saigol	15,934	0.0015
	Mr. Waleed Tariq Saigol	11,305	0.0011
	Mr. Danial Taufique Saigol	5,202	0.0005
	Ms. Jahanara Saigol	2,500	0.0002
	Mr. Shafiq Ahmed Khan	15,608	0.0015
	Mr. Zulfikar Monnoo	3,000	0.0003
	Mrs. Shehla Tariq Saigol - Spouse of Mr. Tariq Sayeed Saigol	179,919	0.0172
		276,625	**0.0264**
2.3.2	**Associated Companies, undertakings and related parties**		
	Kohinoor Textile Mills Limited	606,497,944	57.8961
	Maple Leaf Capital Limited	12,026,270	1.1480
		618,524,214	**59.0441**
2.3.3	**NIT and IDBP**		
	National Bank of Pakistan, Trustee Deptt.	13,097	0.0013
	Industrial Development Bank of Pakistan (IDBP)	5,300	0.0005
		18,397	**0.0018**
2.3.4	**Banks, Development Financial Institutions, Non-banking Financial Institutions**	23,939,342	2.2852
2.3.5	**Insurance Companies**	8,714,861	0.8319
2.3.6	**Modarabas and Mutual Funds**	79,915,138	7.6287
2.3.7	**Shareholders holding 10%**		
	Refer to 2.3.2 above	-	-
2.3.8	**General Public**		
	a. Local	190,343,887	18.1702
	b. Foreign	115,391,351	11.0152

2.3	Categories of Shareholders	Shares Held	Percentage

2.3.9 Others

ARTAL RESTAURANT INT LTD. EMP. P.F	500
ABBOTT LABORATORIES (PAKISTAN) LIMITED STAFF PENSION FUND	339,000
ABBOTT LABORATORIES (PAKISTAN) LIMITED STAFF PROVIDENT FUND	61,100
BPS GROUP COMPANIES EMPLOYEES PROVIDENT FUND	100,000
Bristol-Myers Squibb Pak (Pvt) Ltd Emp Prov Fund	14,274
BYCO PETROLEUM PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	4,399
CDC - TRUSTEE AGIPF EQUITY SUB-FUND	54,624
CDC - TRUSTEE AGPF EQUITY SUB-FUND	39,598
CDC - TRUSTEE AL HABIB ISLAMIC PENSION FUND-EQUITY SUB FUND	95,000
CDC - TRUSTEE AL HABIB PENSION FUND-EQUITY SUB FUND	125,000
CDC - TRUSTEE AWT IPF - EQUITY SUB FUND	25,314
CDC - TRUSTEE FAYSAL ISLAMIC PENSION FUND-EQUITY SUB FUND	44,050
CDC - TRUSTEE MAHAANA IGI ISLAMIC RETIREMENT FUND-ESF	11,979
CDC - TRUSTEE NAFA ISLAMIC PENSION FUND EQUITY ACCOUNT	425,268
CDC - TRUSTEE NAFA PENSION FUND EQUITY SUB-FUND ACCOUNT	297,600
CDC - TRUSTEE PAKISTAN PENSION FUND - EQUITY SUB FUND	380,000
CDC - TRUSTEE PUNJAB GENERAL PROVIDENT INVESTMENT FUND	350,000
CDC TRUSTEE - PUNJAB PENSION FUND TRUST	1,500,000
CDC-TRUSTEE ALHAMRA ISLAMIC PENSION FUND - EQUITY SUB FUND	455,000
EKATERRA PAKISTAN DC PENSION FUND	9,000
ENGRO CORP LTD MPT EMPLOYEES DEF CONT GRATUITY FUND	258,392
ENGRO CORP LTD MPT EMPLOYEES DEF CONTR PENSION FUND	11,500
ENGRO CORPORATION LIMITED PROVIDENT FUND	8,500
ENGRO CORPORATION LIMITED PROVIDENT FUND	695,505
ENGRO CORPORATION LIMITED PROVIDENT FUND	14,000
ENGRO CORPORATION LTD MPT EMPLOYEES DEFINED CONTRIBUTION GF	3,000
ENGRO FERTILIZERS LIMITED NON-MPT EMPLOYEES GRATUITY FUND	24,199
ENGRO FOODS LIMITED EMPLOYEES GRATUITY FUND	73,500
GHANI GLASS LIMITED EMPLOYEES PROVIDENT FUND	35,000
HILAL GROUP EMPLOYEES PROVIDENT FUND	61,600
HOMMIE AND JAMSHED NUSSERWANJEE CHARITABLE TRUST	560
KHAADI (SMC-PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	36,500
KOT ADDU POWER COMPANY LIMITED EMPLOYEES PENSION FUND	40,000
LUCKY CORE MANAGEMENT STAFF PROVIDENT FUND	83,400
MANAGING COMMITTEE GHAZALI EDUCATION TRUST	440
MOMIN ADAMJEE WELFARE TRUST	20,000
NOVARTIS PHARMA PAKISTAN LIMITED SENIOR PROVIDENT FUND	19,000
PAKISTAN PETROLEUM EXECUTIVE STAFF PENSION FUND (DC SHARIAH)	298,368
PAKISTAN PETROLEUM EXECUTIVE STAFF PENSION FUND-DC SHARIAH	155,000
ROCHE PAKISTAN LIMITED EMPLOYEES PROVIDENT FUND	600

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.9 Others		
ROCHE PAKISTAN LIMITED MANAGEMENT STAFF GRATUITY FUND	36,000	
ROCHE PAKISTAN LIMITED MANAGEMENT STAFF PENSION FUND	28,000	
SEAGOLD (PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	900	
SERVICE PROVIDENT FUND TRUST	34,000	
SSGC LPG (PVT.) LTD.-EMPLOYEES GRATUITY FUND	6,000	
SYNGENTA MANAGEMENT EMPLOYEES GRATUITY FUND	36,465	
TRUSTEE ABL ASSET MANAGEMENT CO LTD-STAFF PROVIDENT FUND	3,000	
TRUSTEE ARTAL RESTAURANTS INTS EMP. P.F	1,000	
TRUSTEE ILM-O-FLAH FOUNDATION	25,000	
TRUSTEE KARACHI PARSI ANJUMAN TRUST FUND	7,399	
TRUSTEE LEVER BROTHERS EMPLOYEES	5,000	
TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	7,488	
TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	213,391	
TRUSTEE PAK PETROLEUM EXEC. STAFF PEN FUND DC CONVENTIONAL	56,745	
TRUSTEE PAKISTAN PETROLEUM EXECUTIVE STAFF GRATUITY FUND	41,541	
TRUSTEE PAKISTAN PETROLEUM EXECUTIVE STAFF PENSION FUND	532,330	
TRUSTEE PAKISTAN PETROLEUM JUNIOR PROVIDENT FUND	88,652	
TRUSTEE PAKISTAN PETROLEUM NON-EXECUTIVE STAFF GRATUITY FUND	54,851	
TRUSTEE PAKISTAN PETROLEUM NON-EXECUTIVE STAFF PENSION FUND	170,402	
TRUSTEE PAKISTAN PETROLEUM SENIOR PROVIDENT FUND	215,903	
TRUSTEE PIONEER CEMENT LIMITED EMPLOYEES PROVIDENT FUND	65,000	
TRUSTEE-GUL AHMAD TEXTILE MILLS EMPLOYEE PROVIDENTFUND TRUST	5,000	
TRUSTEES D.G.KHAN CEMENT CO.LTD.EMP. P.F	139,568	
TRUSTEES HOMMIE&JAMSHED NUSSERWANJEE C.T	121,062	
TRUSTEES OF CRESENT STEEL & ALLIED PRODUCTS LTD-PENSION FUND	8,632	
TRUSTEES OF FAKIR TRUST	11,000	
TRUSTEES OF GHANDHARA TYRE & RUBBER CO LTD. EMPLOYEES G.F	56,950	
TRUSTEES OF GHANDHARA TYRE & RUBBER CO. LTD LOCAL STAFF P.F.	45,000	
TRUSTEES OF HAMID ADAMJEE TRUST	14,645	
TRUSTEES OF PAKISTAN MOBILE COMMUNICATION LTD-PROVIDENT FUND	1,900,000	
TRUSTEES OF UBL FUND MNGRS LTD AND ASSOCIATED COYS E.G.FUND	10,000	
TRUSTEES OF UBL FUND MNGRS LTD AND ASSOCIATED COYS E.P.FUND	500	
TRUSTEE-THE KOT ADDU POWER CO. LTD. EMPLOYEES PENSION FUND	126,000	
WAH NOBEL (PRIVATE) LIMITED MANAGEMENT STAFF PENSION FUND	20,000	
WELLCOME PAKISTAN LIMITED PROVIDENT FUND	180,599	
	10,438,793	0.9965
Grand Total:-	**1,047,562,608**	**100.0000**

FINANCIAL STATEMENTS
for the Year Ended June 30, 2025

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A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Maple Leaf Cement Factory Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Maple Leaf Cement Factory Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2025, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

A. F. FERGUSON & Co., Chartered Accountants, a member firm of the PwC network
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Karachi Lahore Islamabad

Following are the Key audit matters:

S.No.	Key audit matter(s)	How the matter was addressed in our audit
1	Revenue recognition (Refer notes 4.15 and 34 to the annexed unconsolidated financial statements) Revenue from sale of goods is recognised when performance obligations are satisfied by transferring control of a promised good to a customer. The Company is engaged in the production and sale of cement and wall putty in the local and export markets. Due to revenue being one of the key performance indicators of the Company, a large number of revenue transactions with a large number of customers, and the inherent risk of material misstatement, we consider it to be a key audit matter.	Our audit procedures included the following: • Understood and evaluated management controls over revenue and checked their validation; • Performed testing of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices; • Performed cut-off procedures on sample basis to ensure revenue has been recognised in the correct period; • Checked on a sample basis, approval of sales prices by the appropriate authority; • Performed recalculation of discounts as per Company's policy on test basis; • Performed analytical procedures to analyse variation in the price and quantity sold during the year; and • Assessed the adequacy and appropriateness of the disclosures made in the financial statements related to revenue.

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

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

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

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

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

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

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

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

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

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

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement 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 changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

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

d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: August 26, 2025
UDIN: AR202510070ucFzHMpCE

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
- 1,400,000,000 (2024: 1,400,000,000) ordinary shares of Rs 10 each		14,000,000	14,000,000
- 100,000,000 (2024: 100,000,000) 9.75% redeemable preference shares of Rs 10 each		1,000,000	1,000,000
		15,000,000	15,000,000
Issued, subscribed and paid-up share capital 1,047,562,608 (2024: 1,047,562,608) ordinary shares of Rs 10 each	5	10,475,626	10,475,626
Capital reserves	6	34,998,282	33,197,422
Revenue reserve: Un-appropriated profits		22,390,719	4,927,636
Surplus on revaluation of fixed assets	7	3,596,965	4,015,224
Total equity		71,461,592	52,615,908
NON - CURRENT LIABILITIES			
Long term loans from financial institutions - secured	8	9,781,639	9,785,786
Deferred government grant	9	322,304	450,487
Long term loan from subsidiary company - unsecured	10	-	4,500,000
Lease liabilities	11	28,495	34,670
Long term deposits	12	8,214	8,214
Deferred income tax liability	13	13,822,898	13,044,290
Employee benefits obligations	14	350,638	328,527
		24,314,188	28,151,974
CURRENT LIABILITIES			
Current portion of:			
- Long term loans from financial institutions - secured	8	3,933,328	3,407,702
- Deferred government grant	9	128,183	155,439
- Lease liabilities	11	14,323	13,909
Trade and other payables	15	17,926,267	12,482,233
Unclaimed dividend		26,877	27,256
Provision for income tax	32	158,794	-
Mark-up accrued on borrowings	16	320,434	865,945
Short term borrowings from financial institutions - secured	17	822,285	1,645,316
		23,330,491	18,597,800
CONTINGENCIES AND COMMITMENTS	18		
		119,106,271	99,365,682

The annexed notes from 1 to 59 form an integral part of these unconsolidated financial statements.

DIRECTOR — CHIEF FINANCIAL OFFICER — DIRECTOR

	Note	2025	2024
		(Rupees in thousand)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	19	62,836,212	65,995,598
Intangible assets	20	62,426	84,810
Long term investments	21	20,371,110	6,322,000
Long term loans to employees - secured	22	16,610	31,228
Long term deposits	23	67,309	64,209
		83,353,667	72,497,845
CURRENT ASSETS			
Stores, spare parts and loose tools	24	12,461,312	12,277,288
Stock-in-trade	25	4,442,989	3,256,553
Trade debts	26	4,610,182	4,188,745
Loans and advances	27	718,498	448,258
Short term investments	28	11,102,413	4,220,262
Short term deposits and prepayments	29	688,697	963,478
Accrued profit	30	42,880	20,333
Other receivables	31	70,152	132,093
Advance income tax	32	-	227,415
Cash and bank balances	33	1,615,481	1,133,412
		35,752,604	26,867,837
		119,106,271	99,365,682

DIRECTOR **CHIEF FINANCIAL OFFICER** **DIRECTOR**

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
			Restated
Revenue from contracts with customers - net	34	68,942,446	66,452,348
Cost of sales	35	(45,195,630)	(45,488,064)
Gross profit		23,746,816	20,964,284
Selling and distribution expenses	36	(4,123,754)	(5,471,808)
Administrative expenses	37	(2,176,320)	(1,852,148)
Net impairment loss on financial assets	26.1	(514,430)	(357,191)
Other expenses	38	(1,207,018)	(569,545)
Other income	39	8,462,656	238,451
Operating profit		24,187,950	12,952,043
Finance cost	40	(3,554,788)	(4,138,286)
Finance income	41	1,031,075	117,691
Finance cost - net		(2,523,713)	(4,020,595)
Profit before final taxes and income tax		21,664,237	8,931,448
Final taxes - levy	42	(38,972)	(45,804)
Profit before income tax		21,625,265	8,885,644
Income tax	42	(4,588,891)	(3,613,117)
Profit for the year		17,036,374	5,272,527
		------------- Rupees -------------	
Earnings per share - basic and diluted	43	16.26	4.98

The annexed notes from 1 to 59 form an integral part of these unconsolidated financial statements.

DIRECTOR | CHIEF FINANCIAL OFFICER | DIRECTOR

UNCONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
Profit for the year		17,036,374	5,272,527
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be subsequently reclassified to statement of profit or loss:			
Remeasurement of employee benefits obligations	14	13,853	(18,730)
Tax effect of remeasurement of employee benefits obligations		(5,403)	(5,432)
		8,450	(24,162)
Change in fair value of investments at fair value through other comprehensive income (OCI)		2,275,400	1,146,535
Tax effect of change in fair value of investments at fair value through OCI		(474,540)	(313,065)
		1,800,860	833,470
Surplus on revaluation of fixed assets	7	-	4,310,048
Tax effect of surplus on revaluation of fixed assets		-	(1,658,154)
Effect on deferred tax due to change in effective tax rate		-	(31,790)
		-	2,620,104
Other comprehensive income for the year		1,809,310	3,429,412
Total comprehensive income for the year		18,845,684	8,701,939

The annexed notes from 1 to 59 form an integral part of these unconsolidated financial statements.

DIRECTOR CHIEF FINANCIAL OFFICER DIRECTOR

UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from operations	44	23,320,309	12,810,292
Decrease / (increase) in long term loans to employees		14,618	(13,139)
Increase in long term deposits to suppliers		(3,100)	(5,808)
Decrease in retention money payable		-	(1,752,988)
Employee benefit obligations paid		(54,768)	(47,729)
Income tax and final taxes paid		(4,139,001)	(1,494,385)
Income tax refunds received		178,579	-
Net cash inflow from operating activities		19,316,637	9,496,243
Cash flows from investing activities			
Payments for property, plant and equipment		(423,781)	(3,099,319)
Payments for acquisition of intangibles		(7,816)	(89,828)
Dividends received		6,660,316	86,605
Proceeds from disposal of property, plant and equipment		101,904	273,862
Proceeds from disposal of stores and spares		195,180	11,792
Long term equity investments		(7,678,061)	(1,172,000)
Investment in preference shares of Agritech Limited		(2,937,321)	-
Advances against issuance of Privately Placed Term Finance Certificates (PPTFC)		(244,119)	-
Proceeds from disposal of long term investment		5,405	-
Purchase of short term investments		(48,572,626)	(1,623,608)
Proceeds from sale of short term investment		42,698,417	2,475,461
Short term loan to Maple Leaf Capital Limited		-	500,000
Repayment of short term loan by Maple Leaf Capital Limited		-	(500,000)
Profit received on short term loan to Maple Leaf Capital Limited		-	11,409
Profit received on bank deposits		203,462	94,741
Net cash outflow from investing activities		(9,999,040)	(3,030,885)
Cash flows from financing activities			
Proceeds from long term loans from financial institutions - secured		4,200,000	-
Repayment of long term loans from financial institutions - secured		(3,833,960)	(4,819,016)
Proceeds from long term loan from a subsidiary company		-	2,500,000
Repayment of long term loan from a subsidiary company		(4,500,000)	-
Short term borrowings - net		678,765	-
Finance cost paid		(4,093,012)	(4,145,538)
Lease rentals paid		(20,572)	(18,529)
Payments for shares bought back		-	(999,145)
Redemption of preference shares		(3)	(12)
Dividend paid		(379)	(122)
Net cash outflow from financing activities		(7,569,161)	(7,482,362)
Net increase / (decrease) in cash and cash equivalents		1,748,436	(1,017,004)
Cash and cash equivalents at beginning of the year		(273,404)	740,707
Effects of exchange rate changes on cash and cash equivalents		(3,071)	2,893
Cash and cash equivalents at end of the year	45	1,471,961	(273,404)

Refer note 52 for reconciliation of liabilities arising from financing activities.

The annexed notes from 1 to 59 form an integral part of these unconsolidated financial statements.

DIRECTOR | CHIEF FINANCIAL OFFICER | DIRECTOR

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2025

	Share capital	Capital Reserves								Revenue Reserve	Total equity
		Share premium	Capital redemption reserve	FVOCI reserve	Own shares purchased for cancellation	Capital expansion	Long term investments	Sub - total	Surplus on revaluation of fixed assets - net of tax	Un-appropriated profits	
	Rupees in thousand										
Balance as on July 01, 2023	**10,733,462**	**6,060,550**	**105,824**	**197,578**	**-**	**-**	**-**	**6,363,952**	**1,868,984**	**25,946,716**	**44,913,114**
Own shares purchased during the year for cancellation	(257,836)	-	-	-	-	-	-	-	-	(741,309)	(999,145)
Re-classification of un-appropriated profits to Capital Reserves	-	-	-	-	1,000,000	20,000,000	5,000,000	26,000,000	-	(26,000,000)	-
Total comprehensive income for the year											
Profit for the year ended June 30, 2024	-	-	-	-	-	-	-	-	-	5,272,527	5,272,527
Other comprehensive income for the year ended June 30, 2024	-	-	-	833,470	-	-	-	833,470	2,620,104	(24,162)	3,429,412
	-	-	-	833,470	-	-	-	833,470	2,620,104	5,248,365	8,701,939
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	-	(472,882)	472,882	-
Transfer of revaluation surplus on disposal of fixed assets - net of tax	-	-	-	-	-	-	-	-	(982)	982	-
Balance as at June 30, 2024	**10,475,626**	**6,060,550**	**105,824**	**1,031,048**	**1,000,000**	**20,000,000**	**5,000,000**	**33,197,422**	**4,015,224**	**4,927,636**	**52,615,908**
Total comprehensive income for the year											
Profit for the year ended June 30, 2025	-	-	-	-	-	-	-	-	-	17,036,374	17,036,374
Other comprehensive income for the year ended June 30, 2025				1,800,860				1,800,860	-	8,450	1,809,310
	-	-	-	1,800,860	-	-	-	1,800,860	-	17,044,824	18,845,684
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	-	(417,442)	417,442	-
Transfer of revaluation surplus on disposal of fixed assets - net of tax	-	-	-	-	-	-	-	-	(817)	817	-
Balance as at June 30, 2025	**10,475,626**	**6,060,550**	**105,824**	**2,831,908**	**1,000,000**	**20,000,000**	**5,000,000**	**34,998,282**	**3,596,965**	**22,390,719**	**71,461,592**

The annexed notes from 1 to 59 form an integral part of these unconsolidated financial statements.

DIRECTOR **CHIEF FINANCIAL OFFICER** **DIRECTOR**

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

1. THE COMPANY AND ITS ACTIVITIES

Maple Leaf Cement Factory Limited ("the Company") is a public company limited by shares incorporated in Pakistan on April 13, 1960 under the repealed Companies Act, 1913 (now, the Companies Act, 2017). The Company's ordinary shares are listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 42, Lawrence Road, Lahore, Pakistan. The cement factory is located at Iskanderabad District Mianwali in the province of Punjab. The Company is engaged in the production and sale of cement and wall putty. The Company is a subsidiary of Kohinoor Textile Mills Limited ("the Holding Company") which is also the ultimate parent of the Company.

These financial statements (hereinafter may be referred to as 'unconsolidated financial statements') are the separate financial statements of the Company in which the investment in subsidiaries has been carried at cost less accumulated impairment losses, if any. The consolidated financial statements of the Company and its subsidiaries are prepared and presented separately. Details of the investments held by the Company in its subsidiaries have been presented in note 21.

The Company has regional offices located across Pakistan, the geographical locations of which are listed below:

Regional office	**Geographical location**
Lahore region	304-B, 3rd Floor, City Tower, Main Boulevard, Gulberg II, Lahore
Multan region	Office No. 708, 7th Floor, the United Mall, Abdali Road, Multan
Sargodha region	Office No. 59, 2nd Floor, Al Rehman Trade Centre University Road, Sargodha
Rawalpindi region	Kohinoor Textile Mills Limited, Peshawar Road, Rawalpindi
Karachi region	25-West Wharf Road, Industrial Area, Karachi
Faisalabad region	Office No. 10, 3rd Floor, Legacy Tower, Kohinoor City, Jaranwala Road, Faisalabad

2. BASIS OF PREPARATION

2.1 Statement of compliance

These 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:

- International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 ('Act').

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

2.1.1 Change in accounting policy for finance income

The Company has changed its accounting policy to classify finance income that arises from treasury activities (such as income on surplus funds invested for the short term) and on financial assets that are held for cash management purposes as 'Finance income' on the statement of profit or loss, which were previously being classified under 'Other income'. The Company invests surplus funds available for cash management purposes in short-term instruments to earn better returns. Presenting related finance income and costs on a net basis reflects the economic substance of these treasury activities and provides users with more relevant and reliable information.

This change has been accounted for retrospectively in line with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". There has been no effect on the unconsolidated statement of financial position, the unconsolidated statement of comprehensive income, the unconsolidated statement of cash flows, the unconsolidated statement of changes in equity and earnings per share as a result of this change.

The effects of change in accounting policy are as follows:

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	(Rupees in thousand)		
Effects on statement of profit or loss			
For the year ended June 30, 2025			
Other income	9,493,731	(1,031,075)	8,462,656
Finance income	-	1,031,075	1,031,075
For the year ended June 30, 2024			
Other income	356,142	(117,691)	238,451
Finance income	-	117,691	117,691

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's unconsolidated financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments to published standards and interpretations that are effective in the current year

Certain standards, amendments and interpretations to IFRS are effective for accounting period beginning on July 01, 2024 but are considered not to be relevant to the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements, except for the following:

a) Amendment to International Accounting Standard (IAS) 1 – Non-current liabilities with covenants

The amendment clarifies how conditions that an entity must comply with within twelve months after the reporting period affect the classification of a liability. The amendment also aims to improve the information an entity provides related to liabilities subject to these amendments. The amendment clarifies that a liability should be classified as a current liability if a breach of covenant that gives the lender the right to demand immediate repayment occurs at or prior to the end of the reporting period, unless sufficient relief is granted by the lender before or at the end of the reporting period.

The above amendment did not result in any significant changes to these unconsolidated financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2025 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these unconsolidated financial statements, except for the following:

a) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective for annual period beginning on July 1, 2026)

On May 30, 2024, the IASB issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures'. The amendments respond to recent questions arising in practice, and include new requirements not only for financial institutions but also for corporate entities. These new requirements serve the following purposes:

(a) clarification of the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

(b) clarification and addition of further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

(c) addition of new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

(d) update in the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

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

(b) Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on July 1, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

(c) International Financial Reporting Standard (IFRS) 18, 'Presentation and Disclosure in Financial Statements (effective for annual period beginning on July 1, 2027)

The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. IFRS 18 will replace IAS 1 'Presentation of financial statements', introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company is yet to assess the impact of this Standard and amendments to existing standards on its unconsolidated financial statements.

3. BASIS OF MEASUREMENT

3.1 These unconsolidated financial statements have been prepared under the historical cost convention except as otherwise stated.

3.2 Critical accounting estimates and judgments

The Company's material accounting policy information is stated in note 4. The preparation of unconsolidated financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to the estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the unconsolidated financial statements.

- Employee benefits obligations - notes 4.1 and 14
- Income tax - notes 4.2, 13 and 41
- Revaluation of property, plant and equipment - notes 4.4.1 and 19.1
- Useful lives and residual values of property, plant and equipment - notes 4.4.1 and 19.1
- Expected credit loss against trade debts, deposits and other receivables - notes 4.9.4 and 26
- Estimation of quantity of stockpiles - note 4.8
- Contingent tax liabilities - note 32

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Employee benefits

4.1.1 Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

4.1.2 Post employment benefits

a) Defined contribution plan - Provident Fund

The Company operates a defined contributory approved Provident Fund Trust for all its employees. Equal monthly contributions are made both by the Company and employees at the rate of 10% of the basic salary to the Provident Fund Trust. Obligation for contributions to defined contribution plan is expensed as the related service is provided.

b) Defined benefit plan - Gratuity

The Company operates approved funded gratuity scheme for all its workers who have completed the minimum qualifying period of service of three years. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to unconsolidated statement of profit or loss. The most recent valuation was carried out as at June 30, 2025 using the "Projected Unit Credit Method".

The Company operates defined benefit gratuity plan in accordance with the local regulatory framework in Pakistan. The plan provides benefits to members in the form of a gratuity amount payable at the end of employment. This is a trustee-administered fund. Plan assets held by the fund are subject to local regulations and practice. Responsibility for governance of the plan – including investment decisions and contributions schedules – lies jointly with the board of trustees which are either directors, senior executives or employees of the Company in accordance with the plan's regulations.

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.

The Company ensures that its investment positions are managed within an asset-liability matching (ALM) framework developed to align with its gratuity obligations. Within this framework, the Company's ALM objective is to match assets to the gratuity obligations by investing in fixed-rate short-term funds. These funds carry lower risk and provide fixed returns, ensuring the preservation of the investment amount at maturity, which can then be reinvested. Additionally, they offer attractive returns compared to peers. The Company actively monitors how the duration and expected yield of these investments align with the expected cash outflows arising from the gratuity scheme obligations.

The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are in rated financial institutions, such that the risk failure of the investments is minimal. A large portion of assets in 2025 consists of investment in open ended fixed rate return fund managed by NBP Fund Management Limited. The Company believes that such investments offer the best returns with an acceptable level of risk. The composition of plan assets has been disclosed in note 14.2.2.

The amount recognized in statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of the plan assets.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognized immediately in the statement of profit or loss.

The future contribution rate of the plan includes allowances for deficit and surplus. Projected Unit Credit Method, using the following significant assumptions, has been used for valuation of this scheme:

	2025	2024
Discount rate per annum	12.00%	16.25%
Expected increase in eligible salary level per annum	11.00%	13.75%
Duration of plan	4 years	4 years

The expected mortality rates assumed are based on the SLIC (2001-2005) mortality table set back one year.

c) **Accumulating compensated absences**

The Company accounts for the liability in respect of employees' compensated absences in the year in which these are earned. Provision to cover the obligations is made using the current salary level of employees. The unutilized leaves are accumulated subject to a maximum of 90 days. The unutilized accumulated leaves can be encashed at the time the employee leaves Company service.

Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to statement of profit or loss. The most recent valuation was carried out as at June 30, 2025 using the "Projected Unit Credit Method."

The amount recognised in the statement of financial position represents the present value of the defined benefit obligations. Actuarial gains and losses are charged to the statement of profit or loss immediately in the period when these occur.

Projected unit credit method, using the following significant assumptions, has been used for valuation of accumulating compensated absences:

	2025	**2024**
Discount rate per annum	14.75%	16.25%
Expected rate of increase in salary level per annum	11.00%	13.75%
Expected mortality rate	SLIC 2001 - 2005	SLIC 2001 - 2005
Duration of the plan	8.6 years	8.6 years

4.2 Income tax

Income tax expense comprises current and deferred tax. Income tax is recognized in the unconsolidated statement of profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or comprehensive income as the case may be.

Current

The charge for current income tax is calculated using prevailing tax rates or tax rates expected to apply to 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. Where there is uncertainty in income tax accounting i.e. when it is not probable that the tax authorities will accept the treatment, the impact of the uncertainty is measured and accounted for using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty. Such judgements are reassessed whenever circumstances have changed or there is new information that affects the judgements. Where, at the assessment stage, the taxation authorities have adopted a different tax treatment and the Company considers that the most likely outcome will be in favour of the Company, the amounts are shown as contingent liabilities. In making a judgment and / or estimate relating to probability of outcome, the management considers laws, statutory rules, regulations and their interpretations. Where, based on management's estimate, a provision is required, the same is recorded in the financial statements.

Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Levies

Minimum taxes that exceed the normal tax liability, as well as tax deducted at source (other than from dividends received from subsidiaries, joint ventures, and associates) under the provisions of the Income Tax Ordinance, 2001 ('the Ordinance'), are not within the scope of IAS 12 - Income Taxes. Instead, these taxes fall under the provisions of IFRIC 21 - Levies, and IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.

Consequently, a liability for these levies is recognized in accordance with IFRIC 21 when the event specified in the Ordinance that triggers the obligation occurs. Therefore, excess minimum taxes and final taxes are recognized as liabilities when they become due, ensuring compliance with the recognition and measurement principles outlined in IAS 37.

4.3 Leases

4.3.1 The Company is the lessee:

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

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

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

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Extension options (or periods covered by termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). While making this assessment, the Company considers significant penalties to terminate (or not extend) as well as the significant cost of business disruption.

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

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in unconsolidated statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

4.3.2 The Company is the lessor:

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental income received under operating leases (net of any incentives given to the lessee) is recognised as income on a straight-line basis over the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

4.4 Property, plant and equipment

4.4.1 Operating fixed assets

Operating fixed assets except freehold land, buildings on freehold land, roads, bridges and railway sidings, plant and machinery are stated at cost less accumulated depreciation and any identified impairment loss. Buildings on freehold land, roads, bridges and railway sidings and plant and machinery are stated at fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses while freehold land is stated at revalued amount being the fair value at the date of revaluation, less any subsequent impairment losses, if any. Revaluation is carried out within five years to ensure that the carrying amount of the asset does not differ materially from its fair value. Latest revaluation of operating fixed assets was carried out by an independent professional valuer as on June 30, 2024.

Increases in the carrying amounts arising on revaluation of operating fixed assets are recognised, net of tax, in other comprehensive income and accumulated in surplus on revaluation of fixed assets in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Each year, the difference between the depreciation calculated on the revalued carrying amount of an asset and the depreciation based on its original cost, after tax, is reclassified from the revaluation surplus to retained earnings. The company adopts the gross method for presenting revaluation adjustments. On the revaluation date, both the accumulated depreciation and the gross carrying amount of the asset are restated to align with the revalued amount. When the asset is disposed off, any remaining balance in the revaluation surplus related to that asset is transferred to retained earnings.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as stated in note 4.11.

Proceeds from the sale of items while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management are not deducted from the cost of an item of property, plant and equipment. Instead, the Company recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repair and maintenance costs are included in the statement of profit or loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense, and the related surplus on revaluation of property, plant and equipment is transferred directly to retained earnings.

Depreciation on operating fixed assets is charged to profit or loss on the following methods and rates so as to write off the depreciable amounts of the assets over their estimated useful lives after taking into account their residual values:

Asset category	**Depreciation method**	**Annual depreciation rate**
Buildings on freehold land	Straight line	5% to 20%
Plant and machinery	-do-	5% to 20%
Roads, bridges and railway sidings	-do-	5% to 10%
Spares held for capital expenditure	-do-	10%
Furniture, fixtures and equipment	Reducing balance	10% to 30%
Quarry equipment	-do-	20%
Vehicles	-do-	20%
Share of joint assets	-do-	10%

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The Company's estimate of the residual values and useful lives of its operating fixed assets as at June 30, 2025 has not required any adjustment as its impact is considered insignificant.

4.4.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure including borrowing costs connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.4.3 Major spare parts and stand-by equipment

Major spare parts and stand-by equipment qualify as property, plant and equipment when an entity expects to use them for more than one year. Transfers are made to operating assets category as and when such items are available for use. These spares parts are depreciated over a useful life of 10 years on a straight line basis.

4.5 Intangible assets

Intangible assets have a finite life and are stated at cost less accumulated amortization for finite intangible asset and any identified impairment loss. The estimated useful life and amortization method is reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets having a finite life are amortised using the straight-line method over their estimated useful lives at the rate of 33% per annum.

4.6 Investments

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets. All other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

4.6.1 Investments in equity instruments of subsidiaries and associates

Investments in equity instrument of subsidiaries and associates are measured at cost as per the requirements of IAS-27 "Separate Financial Statements". However, at subsequent reporting dates, the Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognised as an expense in the unconsolidated statement of profit or loss.

The Company assesses at the end of each reporting period whether there is any indication that a previously recognised impairment loss may no longer exist or may have decreased. It assesses whether there have been favourable events or changes in circumstances, since impairment loss was recognised. If any such indication exists, the Company estimates the recoverable amount of that investment and reverses the impairment loss. The amount of any reversal recognised is restricted to increasing the carrying value of investment to the carrying value that would have been recognised if the original impairment had not occurred. A reversal of impairment loss is recognised in the unconsolidated statement of profit or loss.

The Company is required to issue consolidated financial statements along with its separate financial statements in accordance with the requirements of IFRS 10, 'Consolidated financial statements' and IAS 27, 'Separate financial statements'.

4.7 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at moving weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the reporting date. For items which are slow moving and/or identified as obsolete, adequate provision is made for any excess book value over estimated realizable value. The Company reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence.

4.8 Stock-in-trade

Stock-in-trade are valued at the lower of cost and net realizable value. Cost is determined as follows:

Raw material	at weighted average cost
Packing material	at weighted average cost
Work in process	at weighted average manufacturing cost
Finished goods	at weighted average manufacturing cost

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labour and a proportion of appropriate manufacturing overheads.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

If the expected net realisable value is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value. Provision is made in the unconsolidated financial statements for obsolete and slow moving stock-in-trade based on management estimate.

The Company's certain stock items [i.e. raw materials (limestone, clay and gypsum), work-in-process (clinker) and stores and spares (coal)] are stored in purpose-built sheds, stockpiles and silos. As the weighing of these stock items is not practicable, the management assesses the reasonableness of the on-hand inventory by obtaining measurement of stockpiles and converting these measurements into unit of volume by using angle of repose and bulk density values.

4.9 Financial assets

4.9.1 Classification

The Company classifies its financial assets other than investments in subsidiaries in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss]; and

- those to be measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

4.9.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

4.9.3 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i) Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.

ii) FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as a separate line item in the statement of profit or loss.

iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises. All derivatives in the scope of IFRS 9 are also required to be measured at FVPL.

Equity instruments

The Company subsequently measures equity investments except for investments in subsidiaries and associates, at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.9.4 Impairment of financial assets other than investment in equity instruments

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance to be recognised from initial recognition of the receivables, while general 3-stage approach for deposits, loans, bank balances and other receivables i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Trade debts;
- Deposits and other receivables
- Bank balances; and
- Short Term Investments

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. The Company considers a default on a financial asset is when the counterparty fails to make contractual payments within 360 days of when they fall due.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.10 Financial liabilities

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

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the unconsolidated statement of profit or loss, when the liabilities are derecognised, as well as through effective interest rate amortization process.

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

4.11 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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

4.12 Off setting of financial instruments

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

4.13 Trade debts and other receivables

Trade debts are amounts due from customer for goods sold or services performed in ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Company. Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method less loss allowance.

4.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Additionally, cash and cash equivalents encompass short-term borrowings that are repayable on demand and are an integral part of the Group's cash management, as well as bank overdrafts. Bank overdrafts and short-term borrowings are presented within borrowings in current liabilities in the statement of financial position.

4.15 Revenue recognition

Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, commissions and government levies. The credit term does not include any financing component.

Revenue is recognised at the time of dispatch of goods from the factory and / or delivery at a specified location depending on the arrangement with the customers.

4.16 Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset, except for financial assets that subsequently become credit-impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Finance income that arises from treasury activity (such as income on surplus funds invested for the short term) is classified outside operating profit whilst including other types of finance income as operating items.

4.17 Contract asset and contract liability

A contract asset is recognised for the Company's right to consideration in exchange for goods or services that it has transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company presents the amount as a contract asset, excluding any amounts presented as a receivable.

A contract liability is recognised for the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Company transfers a good or service to the customer, the entity shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

4.18 Foreign currency translations

a) Functional and presentation currency

Items included in these unconsolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs'), which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

4.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification at the reporting date.

4.20 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

4.21 Provisions

Provisions for legal claims and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4.22 Earnings per share ('EPS')

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

Diluted EPS is calculated by adjusting basic EPS with weighted average number of additional 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.

4.23 Dividend

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit and as a liability in the Company's unconsolidated statement of financial position in the year in which the dividends are approved by the Board of Directors or the Company's shareholders, as the case may be.

4.24 Borrowing cost

General and specific 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. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

4.25 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of tax, if any.

4.26 Contingent liabilities and assets

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.

Contingent liabilities are not recognized. A contingent liability is disclosed unless the possibility of an outflow is remote.

Contingent asset is disclosed when an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements since this may result in recognition of income that may never be realised.

Contingent liabilities and assets are generally estimated using:

- The single most likely outcome; or

- A weighted average of all the possible outcomes (the 'expected value' method). This is likely to be the most appropriate method for a large population of similar claims, but can also be applied to a single obligation with various possible outcomes.

4.27 Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

4.28 Own shares purchased for cancellation

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as own shares purchased for cancellation and are presented in the statement of changes in equity as a separate reserve.

4.29 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.

5. SHARE CAPITAL

5.1 Issued, subscribed and paid-up share capital

	Note	Number of shares	2025	2024
			(Rupees in thousand)	
Number of shares				
(2024: 835,972,162) ordinary shares of Rs 10 each fully paid in cash		835,972,162	8,359,721	8,359,721
(2024: 11,674,893) ordinary shares of Rs 10 each issued as fully paid for consideration other than cash	5.1.1 & 5.1.2	11,674,893	116,749	116,749
(2024: 46,069,400) ordinary shares of Rs 10 each issued as fully paid bonus shares		46,069,400	460,694	460,694
(2024: 153,846,153) ordinary shares of Rs 10 each issued as fully paid right shares at discount	5.1.3	153,846,153	1,538,462	1,538,462
	5.1.5	1,047,562,608	10,475,626	10,475,626

5.1.1 The Company bought back 24.159 million shares for the purpose of cancellation from October 27, 2023 to April 15, 2024 at market price prevailing at the date of purchase. The purchase was made pursuant to approvals of Board of Directors and the shareholders of the Company in their meeting held on September 6, 2023 and October 19, 2023 respectively, where the Company was allowed to purchase/buy back its issued ordinary shares up to the maximum of 100 million ordinary shares, through Pakistan Stock Exchange Limited, at spot/current share price prevailing during the period from October 27, 2023 to April 15, 2024. These shares were cancelled on April 24, 2024.

5.1.2 During the financial year 1992, pursuant to merger of White Cement Industries Limited and Pak Cement Capital Limited with and into the Company, the Company issued 3,503,000 ordinary shares at the rate of Rs 10 each to the shareholders of White Cement Industries Limited and 6,487,100 ordinary shares at the rate of Rs 10 each to the shareholders of Pak Cement Company Limited respectively. Further, during financial year 2001, pursuant to merger of Maple Leaf Electric Company Limited with and into the Company, the Company issued 25,844,000 ordinary shares at the rate of Rs 10 each to the shareholders of Maple Leaf Electric Company Limited. The shares were issued in accordance with the schemes of merger approved by the shareholders of the Company.

5.1.3 During the financial year ended June 30, 2011, Company issued 153,846,153 shares at Rs 6.50 per share at a discount of Rs 3.50 per share otherwise than right against Rs 1,000 million to the Holding Company, after complying with all procedural requirements in this respect.

5.1.4 During the financial year ended June 30, 2024, 1,624,417 ordinary shares issued against the conversion of preference shares were cancelled against buy back of shares.

5.1.5 Movement of issued, subscribed and paid-up share capital

	2025	2024	2025	2024
	Number of shares		(Rupees in thousand)	
At beginning of the year	1,047,562,608	1,073,346,232	10,475,626	10,733,462
Own shares purchased during the year	-	(25,783,624)	-	(257,836)
At end of the year	1,047,562,608	1,047,562,608	10,475,626	10,475,626

5.2 The Holding Company holds 606,497,944 (2024: 606,497,944) ordinary shares, which represents 57.89% (2024: 57.89%) of total ordinary issued, subscribed and paid-up share capital of the Company.

5.3 Directors of the Company hold 96,706 (2024: 96,706) ordinary shares of Rs 10 each of the Company.

6. CAPITAL RESERVES

	Note	2025	2024
		(Rupees in thousand)	
Capital redemption reserve	6.1	105,824	105,824
Share premium reserve	6.2	6,060,550	6,060,550
FVOCI reserve	6.3	2,831,908	1,031,048
Own shares purchased for cancellation	6.4	1,000,000	1,000,000
Capacity expansion reserve	6.5	20,000,000	20,000,000
Long term investments reserve	6.6	5,000,000	5,000,000
		34,998,282	33,197,422

6.1 This reserve has been created under section 85 of the repealed Companies Ordinance, 1984 for redemption of preference shares.

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

6.3 This represents the unrealised gain on remeasurement of equity investments at fair value through other comprehensive income and is not available for distribution.

6.4 This reserve has been created by reclassification of unappropriated profits for the purpose of buy back of shares and is not available for distribution.

6.5 This reserve has been created by reclassification of unappropriated profits for the purpose of capacity expansion and is not available for distribution.

6.6 This reserve has been created by reclassification of unappropriated profits for the purpose of long term investments and is not available for distribution.

	Note	2025	2024
		(Rupees in thousand)	
7. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX			
At beginning of the year		6,308,541	2,751,306
Surplus on revaluation during the year	7.1	-	4,310,048
Surplus on disposal of fixed assets during the year		(1,340)	(1,610)
Transfer to unappropriated profit in respect of incremental depreciation charged during the year		(684,792)	(751,203)
At end of the year		5,622,409	6,308,541
Deferred tax liability on revaluation surplus			
At beginning of the year		2,293,317	882,322
Tax effect of surplus on revaluation of fixed assets		-	1,658,154
Transferred to unappropriated profit in respect of disposal of fixed assets during the year		(523)	(628)
Transferred to unappropriated profit in respect of incremental depreciation charged during the year		(267,350)	(278,321)
Effect of change in effective tax rate		-	31,790
At end of the year		2,025,444	2,293,317
		3,596,965	4,015,224

7.1 The Company's freehold land, buildings on freehold land, roads, bridges and railway sidings and plant and machinery were revalued by Tristar International Consultant (Private) Limited, an independent professional valuer, as at June 30, 2024, as detailed in note 51.

8. LONG TERM LOANS FROM FINANCIAL INSTITUTIONS - SECURED

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand		----------------			
1	Askari Bank Limited - Term Finance	1,000,000	212,139	388,921	06 equal quarterly installments ending on December 28, 2026	3-month KIBOR + 125 basis points ('bps') per annum ('p.a'), payable quarterly in arrears, from 1st drawdown to be set on last business day before first draw down and then on immediately preceding day of each quarter.	1st Joint Parri Passu ('JPP') charge of Rs 1,334 million over fixed assets of the Company as below: 1. Hypothecation charge over all present and future plant and machinery of the company. 2. Land and building of cement unit phase-III.
2	Bank of Punjab - Demand Finance	2,000,000	438,592	689,216	07 equal quarterly installments ending on February 27, 2027	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be reset on last working day of preceding calendar quarter.	1st JPP charge over all present and future fixed assets of the Company with 25%margin facility coverage of amounting to Rs 1,003 million.
3	MCB Bank Limited - Demand Finance	2,000,000	433,670	707,254	07 equal quarterly installments ending on March 23, 2027	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be reset on 1st working day of each quarter.	First Pari Passu (FPP) charge over all present and future fixed assets at 25% margin.
4	National Bank of Pakistan - Demand Finance	5,500,000	708,573	1,280,001	05 equal quarterly installments ending on September 30, 2026	3-month KIBOR + 75 bps, payable quarterly in arrears, to be reset on last business day before first draw down and then on immediately preceding day of each calendar quarter.	FPP / JPP charge of Rs 5,333.33 million over all present and future fixed assets (including land, buildings, plant and machinery) of the Company. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
5	Samba Bank Limited - Long term financing facility ('LTFF')	750,000	-	112,500	The loan was fully repaid in the current financial year	3-month KIBOR + 75 bps, payable quarterly in arrears, to be reset on 1st working day of each calendar quarter	JPP charge of Rs 600 million on entire present and future fixed assets of the Company including land, plant and machinery, buildings and all fixed assets under lien to other long term lenders.
6	MCB Islamic Bank Limited - Diminishing Musharakah	1,500,000	292,873	570,614	Repayment will made in following tranches: Tranche 1 04 equal quarterly installments ending on May 23, 2026 Tranche 2 04 equal quarterly installments ending on May 28, 2026 Tranche 3 04 equal quarterly installments ending on June 28, 2026 Tranche 4 05 equal quarterly installments ending on September 14, 2026 Tranche 5 05 equal quarterly installments ending on September 17, 2026 Tranche 6 06 equal quarterly installments ending on December 28, 2026.	3-month KIBOR + 70 bps, payable quarterly in arrears, to be set on the date of first day of disbursement and to be reset on 1st working day of each calendar quarter.	1st JPP charge of Rs 2,000 million over all present and future fixed assets of the Company including land and buildings. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand ----------------					
7	Askari Bank Limited - Temporary Economic Refinance Facility ('TERF')	900,000	172,480	310,464	05 equal quarterly installments ending on August 17, 2026	State Bank of Pakistan (SBP) rate + 200 bps p.a, payable quarterly in arrears	1st JPP charge of Rs 2,000 million to the extent of Rs 890.493 million with 25% margin over fixed assets of the Company as below: a. Hypothecation charge over all present and future plant and machinery of the Company. b. Land and building of the cement unit Phase II and additional bare land measuring 30 kanals adjacent to it. Ranking hypothecation charge of Rs 310 million with a 25% margin over all present and future fixed assets (excluding land and building) of the company to be registered with SECP.
8	The Bank of Punjab - Demand Finance	600,000	135,087	189,122	10 equal quarterly installments ending on December 14, 2027	3-month KIBOR + 75 bps, payable quarterly in arrears, to be set on the day of 1st draw down and then on last working day of preceding calendar quarter.	1st JPP charge of Rs 7,903 million over all present and future fixed assets of the Company with 25% margin and personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
9	National Bank of Pakistan - Demand Finance	1,220,497	535,579	624,843	24 equal quarterly installments ending on June 18, 2031	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be reset on last working day of preceding calendar quarter.	FPP /JPP charge on present and future fixed assets of the Company with 25% margin. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
10	National Bank of Pakistan - TERF	1,779,503	1,285,214	1,507,652	24 equal quarterly installments ending on June 18, 2031	SBP rate + 125 bps p.a, payable quarterly in arrears	FPP /JPP charge on present and future fixed assets of the Company with 25% margin. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
11	The Bank of Punjab - Demand Finance	2,500,000	1,736,528	2,014,372	25 equal quarterly installments ending on August 23, 2031	3-month KIBOR + 90 bps p.a., payable quarterly in arrears to be reset on last working day of preceding calendar quarter.	1st JPP charge of Rs 7,903 million over all present and future fixed assets of the Company with 25% margin and personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
12	The Bank of Punjab - TERF	500,000	375,000	453,125	24 equal quarterly installments ending on June 29, 2031	SBP rate + 150 bps p.a., payable quarterly in arrears	1st JPP charge over all present and future fixed assets of the Company with 25% margin facility coverage amounting to Rs 645.833 million (Bank of Punjab charge value Rs 7,903,000 million)

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand ----------------					
13	MCB Bank Limited LTFF	805,806	646,159	746,885	Repayment will made in following tranches: Tranche 1 23 equal quarterly installments ending on March 18, 2031 Tranche 2 26 equal quarterly installments ending on December 3, 2031	SBP rate + 150 bps payable quarterly in arrears	1st JPP charge over all present and future fixed assets of the Company of Rs 38,051 million with 25% margin.
14	MCB Bank Limited - Demand Finance	1,194,194	462,410	539,536	24 equal quarterly installments ending on June 18, 2031	3-month KIBOR + 75 bps p.a., payable quarterly in arrears to be reset on last working day of preceding calendar quarter.	1st JPP charge over all present and future fixed assets of the Company of Rs 38,051 million with 25% margin.
15	Habib Bank Limited - LTFF	3,000,000	336,423	448,564	12 equal quarterly installments ending on June 25, 2028	SBP rate + 150 bps p.a, payable quarterly in arrears	1st JPP charge of Rs 4,000 million over all present and future fixed assets of the Company including land measuring 2,097 kanals and 9 marlas, buildings, plant and machinery.
16	Allied Bank Limited -Term Finance	2,500,000	2,200,000	-	16 equal quarterly installments starting from January 21, 2026	3-month KIBOR + 45 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	Pari Passu (PP)/JPP charge of 25% margin, over all present and future plant and machinery of the Company.
17	Allied Bank Limited -Term Finance	518,575	246,102	308,662	Repayment will made in following tranches: Tranche 1 16 equal quarterly installments ending on June 30, 2029 Tranche 2 14 equal quarterly installments ending on November 30, 2028 Tranche 3 17 equal quarterly installments ending on September 30, 2029	3-month KIBOR + 100 bps p.a, payable quarterly in arrears, markup to be reset on last working day of preceding calendar quarter.	JPP/FPP charge of Rs 853.33 million, inclusive of 25% margin, over all present and future plant and machinery of the Company.
18	Allied Bank Limited - LTFF	121,425	70,831	91,069	14 equal quarterly installments ending on November 22, 2028	SBP rate + 100 bps p.a, payable quarterly in arrears.	JPP/FPP charge of Rs 853.33 million, inclusive of 25% margin, over all present and future plant and machinery of the Company.
19	Faysal Bank Limited - Diminishing Musharakah	2,000,000	884,022	1,156,029	13 equal quarterly installments ending on August 31, 2028	3-month KIBOR + 50 bps p.a, payable quarterly in arrears.	JPP charge over all present and future fixed assets of the Company with 25% margin.

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand ----------------					
20	MCB Islamic Bank Limited - Diminishing Musharakah	350,000	87,574	212,737	Repayment will made in following tranches: Tranche 1 02 equal quarterly installments ending on October 01, 2025 Tranche 2 01 equal quarterly installment ending on September 30, 2025 Tranche 3 04 equal quarterly installments ending on April 26, 2026	SBP rate + 150 bps p.a, payable quarterly in arrears.	JPP charge over fixed assets of Company including land, buildings and plant and machinery with 25% margin.
21	MCB Bank Limited - Demand Finance	500,000	312,448	333,278	15 equal quarterly installments ending on February 28, 2029	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be set on last business day before first draw down and then on immediately preceding day of each quarter.	1st JPP charge of Rs 2,000 million over all present and future fixed assets of the Company including land and building. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
22	Askari Bank Limited - Term Finance	1,000,000	-	270,820	The loan was fully repaid in the current financial year	3-month KIBOR + 125 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge of Rs 1,334 million over fixed assets of the Company inclusive of 25% margin as below: - Hypothecation charge over all present and future plant and machinery of the Company. - Land and building of cement unit phase II and additional bare land measuring 30 kanals adjacent to it.
23	Allied Bank Limited - LTFF	1,000,000	593,750	843,750	Repayment will made in following tranches: Tranche 1 09 equal quarterly instalments ending on August 4, 2027 Tranche 2 10 equal quarterly instalments ending on December 12, 2027	3-month KIBOR + 70 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge over fixed assets (plant and machinery) of the Company with 25% margin. Disbursement will be made against ranking charge to be upgraded within 90 days from the date of initial disbursement.
24	United Bank Limited - Term Finance	3,500,000	500,000	-	10 equal quarterly installments starting from September 17, 2025	3 month KIBOR + 75 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge of Rs 6,000 million on fixed assets including land, building, plant and machinery of the Company inclusive of 25% margin. Initial disbursement will be against ranking charge on movable fixed assets (plant and machinery only). JPP charge over fixed assets (land, building, plant and machinery) to be created within 6 months from first drawdown date alongwith mortgage perfection.
25	MCB Islamic Bank Limited - Diminishing Musharakah	1,500,000	1,500,000	-	16 equal quarterly installments starting from January 18, 2026	3-month KIBOR + 50 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge of Rs 2,000 million over fixed assets of the Company inclusive of 25% margin.

Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
	---------------- Rupees in thousand ----------------					
Total	**38,240,000**	**14,165,454**	**13,799,414**			
Accrued mark up on long term loans		313,156	547,017			
Amortized Cost of long term loans		14,478,610	14,346,431			
Impact of deferred government grant		(450,487)	(605,926)			
Current portion of long term loans from financial institutions - secured (principal portion)		(3,933,328)	(3,407,702)			
Current portion of long term loans from financial institutions - secured (accrued mark up portion)		(313,156)	(547,017)			
Long term portion of loans from financial institutions		**9,781,639**	**9,785,786**			

	Note	2025	2024
		(Rupees in thousand)	

9. DEFERRED GOVERNMENT GRANT

	Note	2025	2024
Balance as at 01 July	9.1 & 9.2	605,926	785,692
Amortization during the year		(155,439)	(179,766)
Balance as at 30 June		450,487	605,926
Current portion		(128,183)	(155,439)
Non - current portion		322,304	450,487

9.1 This represents deferred grant related to loans obtained, during 2021, under "SBP Temporary Economic Refinance Facility Scheme" for setting of waste heat recovery plant. These facilities carry mark-up at the rate specified by State Bank of Pakistan plus spread of 0.5% to 2% per annum. The loans were initially measured at its fair value in accordance with IFRS 9 (Financial Instruments) using market rates at SBP approval dates of each tranche. The difference between fair value of loan and loan proceeds was recognized as deferred grant as per requirements of IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance), Circular No. 11 of 2020 issued by the Institute of Chartered Accountants of Pakistan (ICAP) and selected opinion issued in November 2020 by the ICAP.

9.2 The Company has obtained loans under "SBP Temporary Economic Refinance Facility" and "SBP Financing Scheme for Renewable energy" for setting up of Waste Heat Recovery Plant, for import and installation of cement production line (Line - IV) and for setting up Solar Energy Project. These facilities carry markup at the rate specified by State Bank of Pakistan plus spread of 0.50% to 1.50% per annum. The loan has been initially measured at its fair value in accordance with IFRS 9 (Financial Instruments) using market rates at SBP approval dates of each tranche. The difference between fair value of loan and loan proceeds has been recognized as deferred grant as per requirements of IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance) and as per selected opinion issued in November 2020 by the Institute of Chartered Accountants of Pakistan.

10. LONG TERM LOAN FROM SUBSIDIARY COMPANY

	Note	2025 (Rupees in thousand)	2024
Balance as at July 01		4,500,000	2,000,000
Disbursements during the year		-	2,500,000
Repayment during the year	10.1	(4,500,000)	-
Balance as at June 30		-	4,500,000

10.1 The Company entered into an agreement on June 1, 2019, to convert the outstanding balance payable into a long-term loan from Maple Leaf Power Limited, the Subsidiary Company, in lieu of electricity purchased. An addendum to the agreement was signed on June 30, 2023. According to this addendum, Rs 2,000 million, which was payable from April 1, 2024, was rescheduled to be paid in eight equal quarterly installments starting from October 1, 2025.

Another addendum was signed on April 30, 2024, disbursing an additional Rs 2,500 million to the Company, increasing the total loan amount to Rs 4,500 million. This loan was then payable in nine equal quarterly installments starting from October 1, 2026. However, it was fully settled during the year. The loan carried a mark-up at 3-month KIBOR plus 1% per annum, payable quarterly in arrears. The effective mark-up rate during the year ranged from 13.14% to 21.24% (2024: 22.46% to 23.91%) per annum.

	Note	2025	2024
		(Rupees in thousand)	

11. LEASE LIABILITIES

The reconciliation of the carrying amount is as follows:

	Note	2025	2024
Balance as at July 1		48,579	41,665
Addition during the year		8,366	20,438
Interest on lease liabilities	40	7,287	6,842
Payments made during the year		(20,572)	(18,529)
Leases terminated during the year		(842)	(1,837)
Balance as at June 30		42,818	48,579
Current maturity shown under current liabilities		(14,323)	(13,909)
Non-current lease liabilities		28,495	34,670
Maturity analysis of liability against right of use asset is as follows:			
Less than one year		18,276	18,893
One to five years		24,357	30,745
More than five years		23,338	27,593
		65,971	77,231
Future finance charge		(23,153)	(28,652)
Present value of liability against right-of-use assets		42,818	48,579

11.1 The unconsolidated statement of financial position shows the following amounts related to leases:

	Note	2025	2024
Right-of-use assets	19.4	40,682	48,137
Lease liabilities			
Current portion		14,323	13,909
Non-current portion		28,495	34,670

11.2 The unconsolidated statement of Profit or loss shows the following amounts related to leases:

	Note	2025	2024
Depreciation expense on right-of-use assets	19.4.1	15,152	13,594
Interest on lease liabilities	40	7,287	6,842

12. LONG TERM DEPOSITS

These include interest free security deposits from stockists and suppliers and are repayable on cancellation/withdrawal of the dealership or on cessation of business with the Company. As per the agreements signed with these parties, the Company has the right to utilise the amounts for the furtherance of their business, hence, the amounts are not required to be kept in a separate account maintained in a scheduled bank. Therefore, the Company is in compliance with section 217 of the Companies Act, 2017. These deposits have not been carried at amortised cost since the effect of discounting is immaterial in the context of these financial statements.

13. DEFERRED INCOME TAX LIABILITY

	2025	2024
	(Rupees in thousand)	
Deferred tax liability on taxable temporary differences arising in respect of:		
- Accelerated tax depreciation on fixed assets	10,974,474	10,610,223
- Surplus on revaluation of fixed assets	2,025,726	2,293,945
- Investments at fair value through OCI	853,465	378,925
- Investments at fair value through profit or loss	404,779	-
- Intangibles	7,952	5,050
- Right-of-use assets	15,865	18,774
	14,282,261	13,306,917
Deferred income tax asset on deductible temporary differences arising in respect of:		
- Provision for expected credit loss	(427,849)	(229,024)
- Lease liabilities	(11,099)	(18,946)
- Employee benefits obligations	(20,415)	(14,657)
	(459,363)	(262,627)
	13,822,898	13,044,290

13.1 Movement in deferred income tax balances is as follows:

	2025	2024
At beginning of the year	13,044,290	8,669,211
Recognized in statement of profit or loss:		
- Accelerated tax depreciation on fixed assets	364,251	1,041,221
- Surplus on revaluation of fixed assets	(268,219)	(524,842)
- Unused tax losses	-	475,609
- Employee benefits obligations	(11,161)	4,728
- Investment at fair value through profit or loss	404,779	-
- Right-of-use assets	(2,909)	(2,801)
- Lease liabilities	7,847	3,408
- Intangible assets	2,902	5,050
- Minimum tax and Alternative corporate tax	-	1,503,569
- Provision for expected credit loss	(198,825)	(139,304)
	298,665	2,366,638
Recognized in surplus on revaluation of fixed assets		
- Effect of change in proportion of local and export sales	-	31,790
- Surplus on revaluation of fixed assets	-	1,658,154
Recognized in other comprehensive income:		
- Employees' benefits obligations	5,403	5,432
- Investment at fair value through OCI	474,540	313,065
	13,822,898	13,044,290

14. EMPLOYEE BENEFITS OBLIGATIONS

	Note	2025	2024
		(Rupees in thousand)	
Accumulating compensated absences	14.1	298,289	253,363
Gratuity	14.2	52,349	75,164
		350,638	328,527

14.1 Accumulating compensated absences

	Note	2025	2024
Opening liability		253,363	213,284
Charged to unconsolidated statement of profit or loss		76,308	64,947
Payments made during the year		(31,382)	(24,868)
Liability as at year end	14.1.1	298,289	253,363

14.1.1 Movement in liability for accumulating compensated absences

	2025	2024
	(Rupees in thousand)	
Present value of accumulating compensated absences as at beginning of the year	253,363	213,284
Current service cost for the year	15,276	12,765
Interest cost for the year	35,057	32,638
Benefits paid during the year	(31,382)	(24,868)
Remeasurements:		
Actuarial loss from changes in demographic assumptions	-	2,662
Experience adjustments	25,975	16,882
Present value of accumulating compensated absences as at year end	298,289	253,363

14.1.2 Charge for the year

	2025	2024
Current service cost	15,276	12,765
Interest cost	35,057	32,638
Actuarial losses on present value of accumulating compensated absences	25,975	19,544
Total expense for the year	76,308	64,947

14.1.3 Actuarial assumptions

The principal actuarial assumptions used in the actuarial valuation of this scheme by applying projected unit credit method as on June 30 are as follows:

	2025	2024
Discount rate used for interest cost - per annum	14.75%	16.25%
Discount rate used for year end obligations - per annum	12.00%	14.75%
Expected rate of growth per annum in future salaries	11.00%	13.75%
Expected mortality rate	SLIC 2001 - 2005 Setback 1 Year	
Retirement assumption	60 Years	60 Years
Average duration	8.6 years	8.6 years

14.1.4 Sensitivity analysis

Significant assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Accumulating compensated absences	
	Present value of defined benefit obligation	
	Increase in assumption	Decrease in assumption
	(Rupees in thousand)	
Discount rate + 100 bps	274,474	233,203
Future salary increase + 100 bps	325,286	276,168

14.1.5 Risks associated with the accumulating compensated absences

(i) Final salary risk (linked to inflation risk) - the risk that the final salary at the time of cessation of service is greater than what we assumed. Since, the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

(ii) Demographic risks
- Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

14.2 Gratuity

The latest actuarial valuation of the Company's defined benefit plan, was conducted on June 30, 2025 using projected unit credit method. Detail of obligation for defined benefit plan is as follows:

The amounts recognized in the unconsolidated statement of financial position are as follows:

	Note	2025	2024
		(Rupees in thousand)	
Present value of defined benefit obligation	14.2.1	161,131	183,179
Fair value of plan assets	14.2.2	(116,943)	(120,047)
Add: Payable to ex-employees		8,161	12,032
Net liability at end of the year		52,349	75,164
Net liability at beginning of the year		75,164	65,208
Charged to unconsolidated statement of profit or loss	14.2.3	14,424	14,087
Net remeasurement for the year (credited)/ charged to OCI	14.2.3	(13,853)	18,730
Contribution made by the Company during the year		(23,386)	(22,861)
Net liability at end of the year		52,349	75,164

14.2.1 Movement in the present value of defined benefit obligations is as follows:

	2025	2024
	(Rupees in thousand)	
Present value of defined benefit obligations at beginning of the year	183,179	162,625
Current service cost	7,351	6,619
Interest cost	24,097	23,785
Benefits due but not paid	(6,964)	(10,835)
Adjustment against payables	274	21
Benefits paid during the year	(32,650)	(21,680)
Remeasurements:		
Actuarial losses from changes in demographic assumptions	-	200
Actuarial losses from changes in financial assumptions	845	1,274
Experience adjustments	(15,001)	21,170
Present value of defined benefit obligation at end of the year	161,131	183,179

14.2.2 Movement in the fair value of plan assets is as follows:

	2025	2024
Fair value of plan assets at beginning of the year	120,047	99,816
Contributions made during the year	23,386	22,861
Expected return on plan assets for the year	17,024	16,317
Actuarial (loss)/gain on plan assets	(303)	3,914
Benefits paid during the year	(43,211)	(22,861)
Fair value of plan assets at end of the year	116,943	120,047
Plan assets comprise of:		
Units of NBP Mustahkam Fund - Fixed term Munafa Plan V	116,267	119,615
Cash at bank	676	432
	116,943	120,047

	2025	2024
	(Percentage)	
Debit instruments	99.42%	99.64%
Cash at bank	0.58%	0.36%
	100.00%	100.00%

14.2.3 Charge for the year

	2025	2024
	(Rupees in thousand)	
Unconsolidated statement of profit or loss		
Current service cost	7,351	6,619
Interest cost	24,097	23,785
Expected return on plan assets	(17,024)	(16,317)
	14,424	14,087
Unconsolidated statement of comprehensive income		
Actuarial (gain) / loss on retirement benefits - net	(13,853)	18,730
	571	32,817

Actuarial assumptions

	2025	2024
The following are the principal actuarial assumptions at 30 June:		
Discount rate used for year end obligations - per annum	12.00%	16.25%
Discount rate used for interest cost in profit or loss - per annum	14.75%	13.75%
Expected rate of growth per annum in future salaries	11.00%	13.75%
Expected mortality rate	SLIC 2001 - 2005 Setback 1 Year	
Retirement assumptions	60 Years	60 Years
Average duration	4 Years	4 Years

14.2.4 This also includes payments made to employees with respect to gratuity due but not paid in 2024 amounting to Rs 13.006 million.

14.2.5 The Company expects to charge Rs 9.952 million to unconsolidated statement of profit or loss on account of defined benefit plan in the year ending June 30, 2026.

14.2.6 Sensitivity analysis

Significant assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Gratuity	
	Present value of defined benefit obligation	
	Increase in assumption	Decrease in assumption
	(Rupees in thousand)	
Discount rate + 100 bps	154,593	176,191
Future salary increase + 100 bps	168,305	190,845

14.2.7 Risks associated with the defined benefit plan

(i) Final salary risk (linked to inflation risk) – the risk that the final salary at the time of cessation of service is greater than what is currently assumed. Since, the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

(ii) Demographic risks

- Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

- Investment risk – the risk of the investment underperforming and being not sufficient to meet the liabilities.

14.3 Accumulating compensated absences and gratuity charge to profit or loss for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales	35	67,332	51,925
Selling and distribution expenses	36	20,460	15,830
Administrative expenses	37	2,940	11,279
		90,732	79,034

15. TRADE AND OTHER PAYABLES

	Note	2025 (Rupees in thousand)	2024 (Rupees in thousand)
Trade creditors		4,103,573	4,116,388
Due to related parties	15.1	1,452,981	831,669
Bills payable - secured		1,766,229	458,792
Accrued liabilities		1,548,935	1,504,506
Contract liabilities	15.2	817,088	352,641
Payable to Workers' Profit Participation Fund	15.3	2,043,800	1,700,214
Payable to Workers' Welfare Fund	15.4	702,742	427,129
Electricity duty payable	15.5	-	155,952
Payable to Provident Fund Trust		28,281	25,989
		12,463,629	9,573,280
Payable to Government on account of:			
Federal excise duty payable		33,576	58,507
Sales tax payable - net		-	129,352
Royalty and Excise Duty payable		2,951,581	400,439
Other taxes payable		361,344	189,978
		3,346,501	778,276
Contractors' retention money	15.6	2,005,076	2,025,278
Security deposits repayable on demand	15.7	108,606	97,138
Payable against redemption of preference shares		990	993
Other payables		1,465	7,268
		2,116,137	2,130,677
		17,926,267	12,482,233

15.1 Due to related parties

This represents the amounts due in respect of transactions during the year as detailed in note 46 to the financial statements.

	2025 (Rupees in thousand)	2024 (Rupees in thousand)
Due to Maple Leaf Power Limited ('MLPL')	1,452,981	821,425
Due to Holding Company	-	10,244
	1,452,981	831,669

15.2 This represents contract liabilities of the Company towards various parties. Revenue recognised in the current year that was included in the contract liability balance at the beginning of the year amounts to Rs 134.394 million (2024: Rs 280.783 million).

15.3 Payable to Workers' Profit Participation Fund

	Note	2025 (Rupees in thousand)	2024 (Rupees in thousand)
Opening balance		1,700,214	1,564,031
Provision for the year	38	564,586	270,735
Payments made during the year		(221,000)	(134,552)
Closing balance		2,043,800	1,700,214

	Note	2025	2024
		(Rupees in thousand)	
15.4 Workers' Welfare Fund			
Opening balance		427,129	280,436
Provision for the year	38	454,242	187,800
Payments made during the year		(178,629)	(41,107)
Closing balance		702,742	427,129
15.5 Electricity duty payable			
Opening balance		155,952	116,327
(Reversal)/provision for the year	35.3	(155,952)	39,625
Closing balance		-	155,952

15.6 This represents retention monies withheld of contractors and are repayable after satisfactory completion of contracts. It also includes retention money payable to M/s Chengdu Design & Research Institute of Building Materials Industry Co., Limited, amounting to CNY 38.433 million (2024: CNY 38.433 million) equivalent to Rs 1,525.293 million (2024: 1,481.864 million) against Line-IV and to M/s Sinoma Energy Conservation Limited against Line-IV Waste Heat Recovery Plant amounting to CNY 5.437 million (2024: CNY 5.437 million) equivalent to Rs 215.613 million (2024: Rs 209.469 million). This amount will be payable on issuance of certificate of performance test acceptance by the Company.

15.7 This represents security deposits received from distributors and contractors of the Company. Distributors and contractors have given the Company a right to utilize deposits in ordinary course of business.

16. MARK-UP ACCRUED ON BORROWINGS

	Note	2025	2024
		(Rupees in thousand)	
Accrued mark-up on:			
- Long term loans from financial institutions - secured	16.1	313,156	547,017
- Long term loan from Subsidiary Company	10	-	257,224
- Short term borrowings	16.2	7,278	61,704
		320,434	865,945

16.1 Accrued mark-up on long term loans includes Rs 49.689 million (2024: Rs 43.698 million) related to an arrangement permissible under Shariah. Remaining mark up pertains to the loans from conventional banks.

16.2 Accrued mark-up on short term borrowings includes Rs 1.773 million (2024: Rs 5.561 million) related to an arrangement permissible under Shariah. Remaining mark up pertains to the loans from conventional banks.

17. SHORT TERM BORROWINGS FROM FINANCIAL INSTITUTIONS - SECURED

	Note	2025	2024
		(Rupees in thousand)	
Banking and financial institutions:			
- Cash finance and others facilities availed	17.1	6,779	-
- Running finance	17.2 & 17.3	143,520	1,645,316
- Islamic mode of financing	17.4	671,986	-
		822,285	1,645,316

17.1 Cash finance facilities available from various commercial banks under markup arrangements amount to Rs 500 million (2024: Rs 500 million). The markup rate charged during the year on the outstanding balances ranged from 12.33% to 20.74% (2024: 19.00% to 23.61%) per annum, payable quarterly in arrears. These facilities are secured against pari passu hypothecation charge over all present and future current assets of the Company amounting to Rs 5,800 million, along with a 25% margin.

17.2 Running finance facilities available from various commercial banks under markup arrangements amount to Rs 3,850 million (2024: Rs 4,100 million). The markup rate charged during the year on the outstanding balances ranged from 11.78% to 20.74% (2024: 19.00% to 24.16%) per annum, payable quarterly in arrears. These facilities are secured against Joint Pari Passu hypothecation charge over all present and future current assets of the Company amounting to Rs 5,800 million, along with a 25% margin.

17.3 Money market loans available under markup arrangements amount to Rs 1,800 million (2024: Rs 1,600 million). The markup rate charged during the year on the outstanding balances was 13.28% (2024: 22.25% to 22.93%) per annum. These loans are secured against Joint Pari Passu hypothecation charge over all present and future current assets of the Company, along with a 25% margin. These facilities are available as a sub-limit of the main running finance facilities.

17.4 Islamic financing facilities amounting to Rs 2,000 million (2024: Rs 2,000 million) have been obtained from Faysal Bank Limited for working capital requirements. These facilities are secured by a First Joint Pari Passu charge over all present and future current assets of the Company amounting to Rs 2,667 million.

Markup on Murabaha arrangements is payable at the respective maturity dates, while markup on Musharaka arrangements is payable quarterly on the outstanding balances. The markup rate charged during the year ranged from 12.24% to 20.34% (2024: 22.27%) per annum.

18. CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 The Company had filed an appeal before the Customs, Central Excise and Sales Tax Appellate Tribunal, Karachi (now, Customs, Excise & Sales Tax Appellate Tribunal, Karachi) against the order of the Deputy Collector Customs whereby the refund claim of the Company amounting to Rs 12.350 million was rejected and the Company was held liable to pay an amount of Rs 37.050 million by way of 10% customs duty allegedly leviable in terms of SRO 584(I)/95 and 585(I)/95 dated July 01, 1995. The impugned demand was raised by the department on the alleged ground that the Company was not entitled to exemption from payment of customs duty and sales tax in terms of SRO 279(I)/94 dated April 02, 1994.

The Honourable Lahore High Court, upon the Company's appeal, vide its order dated November 06, 2001, decided the matter in favour of the Company. However, the Collector of Customs preferred a petition before the Honourable Sindh High Court, which is pending adjudication. No provision has been made in these unconsolidated financial statements in respect of the above stated amount as the management and the Company's legal advisor are confident that the ultimate outcome of this case will be in favour of the Company.

18.1.2 A show cause notice was issued to the Company on December 04, 1999 and demand was raised by the Central Board of Revenue (now, the Federal Board of Revenue) for payment of duties and taxes on the plant and machinery imported by the Company (pursuant to the exemption granted in terms of SRO 484(I)/92 allegedly on the ground that the plant could be locally manufactured and was therefore not exempt). A total demand of Rs 1,386.720 million was raised by the Central Board of Revenue out of which an amount of Rs 449.328 million was deposited by the Company (initially, the Company deposited Rs 269.328

million and subsequently deposited further amount of Rs 180 million). Initially, the matter was decided in favour of the Company as per the judgment of the Lahore High Court in Writ Petition No. 6794/2000. Against the aforesaid judgment of Lahore High Court, the Customs Department had filed appeal before the Supreme Court of Pakistan which was decided by the Honourable Supreme Court vide judgment dated December 21, 2011 with the direction to file reply to the Show Cause Notice before the Collector of Customs, Faisalabad.

The Company filed its reply before the Collector of Customs, Faisalabad who decided the same against the Company vide order No. 6/2014 dated July 09, 2014. The said order was challenged by the Company by way of filing of appeal No. 172/LB/2014 before the Customs Appellate Tribunal, Lahore which vide Judgment dated August 21, 2019 has granted partial relief to the Company with direction to the Customs Department to recalculate the customs duty in accordance with the list communicated by the Engineering Development Board vide letter dated June 21, 2006.

However, the Collector of Customs instead of making fresh calculations, through a demand notice CA-1946/2000(Pt-I)/8169 dated October 23, 2019 restored the original demand raised by the earlier order No. 06/2014 and directed the Company to pay the amount of Rs 933.810 million within a period of seven days. The said demand of tax was challenged by the Company before the Honourable Lahore High Court, wherein stay against recovery was granted to it by the Honourable Lahore High Court vide order dated November 04, 2019. This matter is still pending before the Honourable Lahore High Court, Lahore, and next date of hearing is yet to be fixed by the office of the High Court. No provision has been made in these unconsolidated financial statements in respect of the above stated amount as the management and the legal advisor of the Company are confident that the ultimate outcome of this case will be in favour of the Company.

18.1.3 The Company has filed an appeal before the Honourable Supreme Court of Pakistan against the judgment of the Division Bench of the Honourable High Court of Sindh at Karachi. The Division Bench, in its judgment dated September 15, 2008, partly accepted the appeal by declaring that the levy and collection of infrastructure cess/fee prior to December 28, 2006, was illegal and ultra vires, while after December 28, 2006, it was legal and collected by the Excise Department in accordance with the law. The appeal challenges the declaration that the infrastructure cess/fee collected after December 28, 2006, was lawful. The Province of Sindh and the Excise and Taxation Department have also appealed against the judgment. The Honourable Supreme Court consolidated both appeals and set them aside. Subsequently, the law has been challenged in a constitutional petition in the Honourable Sindh High Court, Karachi. The Honourable High Court granted a stay on May 31, 2011, requiring payment of 50% of the cess to the Excise Department and furnishing a bank guarantee for the remaining 50%. The matter is pending adjudication, and the stay order remains in effect.

18.1.4 The Competition Commission of Pakistan, in an order dated August 27, 2009, imposed a penalty on twenty cement factories in Pakistan at a rate of 7.5% of their turnover. The penalty imposed on the Company amounts to Rs 586.190 million. The Commission alleges a violation of section 4(1) of the Competition Commission Ordinance, 2007. However, following the abeyance by the Honourable Islamabad High Court pursuant to the Supreme Court of Pakistan's judgment dated July 31, 2009, the petition has become infructuous. The Company has filed Writ Petition No. 15618/2009 before the Honourable Lahore High Court. No provision has been made in these unconsolidated financial statements as the management and the Company's legal advisor are confident that the case's ultimate outcome will be in the Company's favor.

18.1.5 The Company received a demand notice from the Director General Mines and Minerals, Punjab, imposing a penalty of Rs 154 million under Rule 68(2) of the Punjab Mining Concession Rules, 2002, calculated at 1% per day for delayed royalty payments. The Company challenged the fairness and legality of the penalty through an appeal to the Secretary Mines, who instructed that the penalty be recalculated at 1% per month and suggested amending the rule to 2% per month for future cases. Since the rule was not amended and the revised calculation was not applied, the Company filed Writ Petition No. 1008 of 2014 in the Lahore High Court, which sent the matter back to the Secretary for further review.

Despite this, the Company received another demand notice for Rs 244.784 million. In response, it filed Writ Petition No. 16877 of 2024, and the Lahore High Court granted interim relief, stopping the authorities from recovering the penalty. Subsequently, through a consolidated judgment dated July 04, 2025, the Lahore High Court declared Rule 68(2) ultra vires and of no legal effect, struck down the related demands, and quashed the recovery notices. Accordingly, the matter has been decided in favour of the Company, and no liability arises in respect of the aforementioned demand.

18.1.6 The Federal Board of Revenue (FBR) selected the Company's case for audit of its sales tax affairs for the tax periods from July 2017 through June 2018 through computerized balloting which was intimated through notice dated February 10, 2021 issued by the office of the Commissioner Inland Revenue (CIR). Subsequently, the Deputy CIR issued audit report and show cause notice dated March 8, 2021 and March 17, 2021 respectively. The proceedings were finalized through order dated March 31, 2021 through which an aggregate sales tax demand of Rs 1,399.890 million was created against the company.

The Company preferred an appeal against the above referred order which was disposed of by the Commissioner Inland Revenue (Appeals) [CIR(A)] vide appellate order dated July 15, 2021. Through such appellate order, majority of the issues which were pressed in appeal were settled in favour of the Company. Regarding the issues decided against the Company, the Company is in the process of preferring an appeal before the Appellate Tribunal Inland Revenue (ATIR). No provision has been made in these unconsolidated financial statements as the management and the Company's legal advisor are confident that the Company is likely to obtain relief from the appellate authorities.

18.1.7 The Learned Additional Commissioner vide order No. ENF-III.50.2017 dated March 22, 2018 raised demand of Rs 256 million against the Company, related to tax periods from July 2015 to March 2017 on alleged non-deduction of withholding tax on services received by the Company. Being aggrieved, the Company filed an appeal before the Commissioner (Appeals), Punjab Revenue Authority. The Company also challenged the vires of Rule 6 of Punjab Sales Tax on Services (Withholding) Rules, 2002 before Honourable Lahore High Court (LHC) through constitutional petition No. 203460/2018. The Honourable Court issued notice to the department and suspended proceedings before the first appellate authority vide order dated May 23, 2018. The writ petition is pending adjudication. The Company and the tax/legal advisor of the Company are expecting favourable outcome of the case. Therefore, no provision has been booked in these unconsolidated financial statements.

18.1.8 The Company was selected for audit under section 42B of Federal Excise Act 2005 for tax periods from July 2017 to June 2018 intimated by a letter dated December 8, 2020. The DCIR finalized the audit and created a demand of Rs 690.52 million along with default surcharge and penalty, vide order No. 02 dated October 20, 2021. Being aggrieved, the Company preferred an appeal before CIR(A). The appeal was disposed off by CIR(A) vide appellate order No. 12 dated February 10, 2022 and entire amount of Federal Excise Duty along with penalty and default surcharge was annulled and the matter was remanded back to the taxation officer. Being aggrieved, the Company preferred an appeal before the ATIR which is pending adjudication. However, the management and the tax advisor of the Company are hopeful of favourable outcome of the case, therefore, no provision has been incorporated in these unconsolidated financial statements.

18.1.9 The Company received show cause notice, dated April 17, 2022 as per which it was alleged that the Company's claim of input sales tax amounting to Rs 85.980 million, for the tax periods from January 2017 to August 2019, was illegal. The Company responded to the notice vide letter dated April 25, 2022. The proceedings were concluded by the DCIR and demand of Rs 85.980 million along with default surcharge and penalty was raised by DCIR vide assessment order dated May 31, 2022, passed under section 11 of the Sales Tax Act 1990. Being aggrieved, the Company preferred an appeal before the CIR(A), which is pending adjudication. The management of the Company is hopeful of favourable outcome of the case, therefore, no provision has been incorporated in these unconsolidated financial statements.

18.1.10 The Company received show cause notice dated April 7, 2022 as per which it was alleged that the Company's claim of input sales tax, amounting to Rs 620.980 million, for the tax periods from July 2019 to November 2021 was illegal. The Company responded to the notice vide letter dated March 25, 2022. The proceedings were concluded by the DCIR and demand of Rs 580.060 million along with default surcharge and penalty was raised by DCIR vide assessment order dated May 31, 2022 passed under section 11 of the Sales Tax Act 1990. Being aggrieved, the Company preferred an appeal before the CIR(A), which has been decided by CIR(A) vide order dated November 8, 2022. Department has preferred an appeal before learned ATIR against the order of CIR(A). The management of the Company is hopeful of favourable outcome of the case, therefore, no provision has been recorded in these unconsolidated financial statements.

18.1.11 Various notices have been issued to the Company by different tax authorities in the current and prior years, requiring the Company to explain its position regarding, allegedly, fake input sales tax credits claimed by a few suppliers of coal who supplied coal to the Company. The Company has responded to all such notices about its legal position, stating that it was in compliance with all applicable provisions of the Sales Tax Act, 1990, regarding these transactions, and has provided supporting documents to the relevant tax authorities. There have been no further correspondences on the above notices, except for cases in which demand has been raised by the Large Taxpayers Office (LTO) Lahore. LTO Lahore has issued orders numbered 22/2024, 23/2024, and 28/2024, dated June 14, 2024, June 16, 2024, and June 22, 2024, respectively, raising demands amounting to Rs 25.797 million, Rs 302.606 million, and Rs 379.040 million.

During the current year, the Company received three additional orders numbered 31/2024, 04/2024, and 06/2024, dated July 2, 2024, July 19, 2024, and August 30, 2024, respectively, raising demands of Rs 97.446 million, Rs 31.010 million, and Rs 19.932 million. The Company filed appeals against all these orders before the Appellate Tribunal Inland Revenue (ATIR), which were decided in the Company's favour. Subsequent to the year-end, the remaining orders were also decided in the Company's favour by the ATIR on July 17, 2025.

18.1.12 The District Council of Mianwali is installing water meters at the Company's premises and is seeking recovery of amounts in respect of water conservancy charges. The Company challenged this through Writ Petition No. 227126/2018 before the Lahore High Court. The Court remanded the matter to the Secretary, Local Government, with directions to hear the petitioners and issue a decision within 30 days. In response, the Secretary constituted a Committee to determine revised water conservancy charges. The Committee proposed two separate rates: one for water abstraction and the other for restoration.

Based on the Committee's rates, the District Council Mianwali issued bills amounting to Rs 752.147 million for the period from August 2018 to December 2024. The Company challenged these charges before the Honorable Lahore High Court, Rawalpindi Bench, through Writ Petition No. 157/2025, where a stay order was granted. The Lahore High Court also appointed the Secretary, Local Government, to mediate between the Company and the Department to finalize the applicable water charges. The matter is currently pending adjudication, and the Company remains hopeful of a favorable outcome.

18.1.13 Contingencies relating to income tax matters are disclosed in note 32 to these unconsolidated financial statements.

Based on the advice of the taxation/legal advisors of the Company, the management expects a favourable outcome in most of the above cases and adequate provisions have been created in these unconsolidated financial statements.

18.1.14 Guarantees given by banks on behalf of the Company aggregate to Rs 1,302.802 million (2024: Rs 1,239.389 million) in favour of Sui Northern Gas Pipelines Limited and Government Institutions.

18.1.15 Guarantees amounting to Rs 365.529 million (2024: Rs 348.319 million) have been issued on behalf of the Company in favour of the Mines & Minerals Department, Government of the Punjab, in lieu of royalty.

18.1.16 Corporate guarantee given by the Company amounting to Rs 600 million (2024: Rs 1,000 million) to a financial institution related to credit facilities available to Maple Leaf Power Limited. The Company has not recognised a liability for the guarantee as the amount is not considered material.

	Note	2025	2024
		(Rupees in thousand)	
18.2 Commitments			
18.2.1 In respect of:			
- contracts for capital expenditure		176,066	1,558,799
- irrevocable letters of credit for spare parts		236,100	420,822
- purchase of coal		2,713,667	536,690
		3,125,833	2,516,311

19. PROPERTY, PLANT AND EQUIPMENT

	Note	2025	2024
Operating fixed assets	19.1	62,641,493	65,428,006
Capital work in progress - at cost	19.2	125,704	471,174
Major spare parts and stand-by equipment	19.3	28,336	48,281
Right-of-use assets	19.4	40,682	48,137
		62,836,212	65,995,598

19.1 Operating fixed assets

	Cost / Revalued amount							Depreciation					
	As at July 01, 2024	Revaluation	Additions	Transfers	Disposals	As at June 30, 2025	Rate	As at July 01, 2024	Revaluation	For the year	Disposals	As at June 30, 2025	Net book value at June 30, 2025
	Rupees in thousand						Percentage	Rupees in thousand					
Owned													
Freehold land													
- cost	844,872	-	20,757	-	-	865,629	-	-	-	-	-	-	865,629
- surplus on revaluation	428,253	-	-	-	-	428,253	-	-	-	-	-	-	428,253
	1,273,125	-	20,757	-	-	1,293,882		-	-	-	-	-	1,293,882
Buildings on freehold land													
- cost	21,043,426	-	262,851	-	(201)	21,306,076	5 to 20	6,006,112	-	887,775	(170)	6,893,717	14,412,359
- surplus on revaluation	676,410	-	-	-	(1)	676,409	5 to 20	368,505	-	34,131	(1)	402,635	273,774
	21,719,836	-	262,851	-	(202)	21,982,485		6,374,617	-	921,906	(171)	7,296,352	14,686,133
Roads, bridges and railway sidings													
- cost	746,800	-	39,494	-	-	786,294	5 to 10	234,930	-	43,899	-	278,829	507,465
- surplus on revaluation	62,197	-	-	-	-	62,197	5 to 10	6,517	-	11,029	-	17,546	44,651
	808,997	-	39,494	-	-	848,491		241,447	-	54,928	-	296,375	552,116
Plant and machinery													
- cost	67,593,791	-	928,914	-	(33,416)	68,489,289	5 to 20	26,774,554	-	2,405,657	(16,379)	29,163,832	39,325,457
- surplus on revaluation	14,420,246	-	-	-	(3,554)	14,416,692	5 to 20	8,903,531	-	639,632	(2,214)	9,540,949	4,875,743
	82,014,037	-	928,914	-	(36,970)	82,905,981		35,678,085	-	3,045,289	(18,593)	38,704,781	44,201,200
Spares held for capital expenditure	947,901		-	-	-	947,901	10	63,867		85,311	-	149,178	798,723
Furniture, fixtures and equipment	662,625	-	75,967	-	(19,519)	719,073	10 to 30	480,474	-	52,389	(14,950)	517,913	201,160
Quarry equipment	185,004	-	-	-	-	185,004	20	176,954	-	1,610	-	178,564	6,440
Vehicles	1,135,625	-	298,818	-	(63,943)	1,370,500	20	303,700	-	206,515	(41,554)	468,661	901,839
Share of joint assets (note 19.1.4)	6,000	-	-	-	-	6,000	10	6,000	-	-	-	6,000	-
	2,937,155	-	374,785	-	(83,462)	3,228,478		1,030,995	-	345,825	(56,504)	1,320,316	1,908,162
Total	108,753,150	-	1,626,801	-	(120,634)	110,259,317		43,325,144	-	4,367,948	(75,268)	47,617,824	62,641,493

	Cost / Revalued amount							Depreciation					
	As at July 01, 2023	Revaluation	Additions	Transfers	Disposals	As at June 30, 2024	Rate	As at July 01, 2023	Revaluation	For the year	Disposals	As at June 30, 2024	Net book value at June 30, 2024
	------- Rupees in thousand -------						Percentage	------- Rupees in thousand -------					
Owned													
Freehold land													
- cost	824,605	-	20,267	-	-	844,872	-	-	-	-	-	-	844,872
- surplus on revaluation	369,883	58,370	-	-	-	428,253	-	-	-	-	-	-	428,253
	1,194,488	58,370	20,267	-	-	1,273,125		-	-	-	-	-	1,273,125
Buildings on freehold land													
- cost	19,779,245	-	1,264,181	-	-	21,043,426	5 to 20	5,094,656	-	911,456	-	6,006,112	15,037,314
- surplus on revaluation	343,724	332,686	-	-	-	676,410	5 to 20	233,683	93,844	40,978	-	368,505	307,905
	20,122,969	332,686	1,264,181	-	-	21,719,836		5,328,339	93,844	952,434	-	6,374,617	15,345,219
Roads, bridges and railway sidings													
- cost	469,052	-	277,748	-	-	746,800	5 to 10	197,066	-	37,864	-	234,930	511,870
- surplus on revaluation	4,429	57,768	-	-	-	62,197	5 to 10	4,345	2,151	21	-	6,517	55,680
	473,481	57,768	277,748	-	-	808,997		201,411	2,151	37,885	-	241,447	567,550
Plant and machinery													
- cost	65,463,218	-	2,392,009	-	(261,436)	67,593,791	5 to 20	24,286,431	-	2,554,563	(66,440)	26,774,554	40,819,237
- surplus on revaluation	7,477,789	6,953,229	-	-	(10,772)	14,420,246	5 to 20	5,206,479	2,996,010	710,204	(9,162)	8,903,531	5,516,715
	72,941,007	6,953,229	2,392,009	-	(272,208)	82,014,037		29,492,910	2,996,010	3,264,767	(75,602)	35,678,085	46,335,952
Spares held for capital expenditure	-	-	-	947,901	-	947,901	10	-	-	63,867	-	63,867	884,034
Furniture's, fixtures and equipment	582,891	-	79,984	-	(250)	662,625	10 to 30	445,598	-	35,085	(209)	480,474	182,151
Quarry equipment	185,004	-	-	-	-	185,004	20	174,942	-	2,012	-	176,954	8,050
Vehicles	758,677	-	460,690	-	(83,742)	1,135,625	20	218,855	-	138,739	(53,894)	303,700	831,925
Share of joint assets	6,000	-	-	-	-	6,000	10	6,000	-	-	-	6,000	-
	1,532,572	-	540,674	947,901	(83,992)	2,937,155		845,395	-	239,703	(54,103)	1,030,995	1,906,160
	96,264,517	7,402,053	4,494,879	947,901	(356,200)	108,753,150		35,868,055	3,092,005	4,494,789	(129,705)	43,325,144	65,428,006

19.1.1 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales	35	4,182,482	4,348,085
Selling and distribution expenses	36	32,779	33,290
Administrative expenses	37	152,687	113,414
		4,367,948	4,494,789

19.1.2 Sale of operating fixed assets

For the year ended June 30, 2025

Particulars	Cost	Accumulated depreciation	Net book value	Sale value	Gain / (loss) on sale	Mode of sale	Particulars of purchaser
	----------------------- Rupees in thousand -----------------------						
Plant and Machinery							
							Outsiders
Nozzle Liner	2,002	505	1,497	1,018	(479)	Negotiation	Mr. Akhtar Nawaz
Elastomer Bushing Drawing	680	172	508	346	(162)	-do-	Mr. Akhtar Nawaz
Expansion Joint	801	81	720	29	(691)	-do-	M/s SGK Contractor
Top Cover Piston	2,361	649	1712	389	(1,323)	-do-	M/s SGK Contractor
Vehicles							
							Outsiders
Toyota Prado	12,445	9,643	2,802	14,800	11,998	Negotiation	Mr. Zeeshan Ijaz
							Employees
Suzuki Cultus	1,672	1,146	526	2,600	2,074	As per Company's policy	Mr. Waseem Alam
Toyota Corolla Altis	2,658	2,079	579	4,552	3,973	-do-	Mr. Ahsan Saeed
Suzuki Cultus	2,350	1,286	1,064	2,762	1,698	-do-	Mr. Waqas Bashir
Suzuki Cultus	2,350	1,286	1,064	2,861	1,797	-do-	Mr. Waqas Bashir
Honda City	4,012	1,536	2,476	3,850	1,374	-do-	Mr. Hassan Raza
Suzuki Cultus	2,172	1,135	1,037	2,967	1,930	-do-	Mr. Muhammad Saeed
Suzuki Cultus	2,468	954	1,514	2,700	1,186	-do-	Miss Hasnaa Asim
Suzuki Cultus	2,350	1,238	1,112	2,888	1,776	-do-	Mr. Usama Qamar
Suzuki Cultus	2,468	1,009	1,459	3,075	1,616	-do-	Miss Amina Rafiq
Honda Civic	3,298	1,733	1,565	2,660	1,095	-do-	Mr. Zeeshan Ahmad
Hyundai Sonata	7,431	3,416	4,015	9,000	4,985	-do-	Mr. Hassan Saif
Toyota Corolla GLI	2,353	1,814	539	3,535	2,996	-do-	Mr. Muhammad Naeem

For the year ended June 30, 2024

Particulars	Cost	Accumulated depreciation	Net book value	Sale value	Gain / (loss) on sale	Mode of sale	Particulars of purchaser
	---------- Rupees in thousand ----------						
Plant and Machinery							
Preventive Maintenance Kit	4,454	2,290	2,164	648	(1,516)	Negotiation	M/s Muhammad Hayat Contractor
Preventive Maintenance Kit	4,454	2,290	2,164	648	(1,516)	-do-	M/s Muhammad Hayat Contractor
Cables And Cable Trays	59,194	52,561	6,633	9,998	3,365	-do-	Mr. Ashiq
Complete Tertiary Air Duct	7,891	5,284	2,607	4,138	1,531	-do-	Mr. Abdur Rasheed
Roller Segment	12,585	2,329	10,256	6,600	(3,656)	-do-	Mr. Abdur Rasheed
Table Wear Segment	8,315	1,539	6,776	4,361	(2,415)	-do-	Mr. Abdur Rasheed
Gear Unit	837	193	644	526	(118)	-do-	Mr. Abdur Rasheed
Hmi For Loader	1,056	59	997	3	(994)	-do-	Mr. Abdur Rasheed
Lid For Explosion Door	3,897	896	3,001	2,447	(554)	-do-	Mr. Abdur Rasheed
Hoisting Damper Tongue For Tad Duct	2,519	142	2,377	2,884	507	-do-	Mr. Abdur Rasheed
Vehicles							
							Key Management Personnel
Toyota Prado	12,780	10,988	1,792	9,500	7,708	As per Company's Policy	Mr. Mohsin Raza Naqvi
Honda Civic	2,930	1,915	1,015	2,900	1,885	-do-	Mr. Tariq Ahmed Mir
Honda Civic	2,929	1,943	986	2,870	1,884	-do-	Mr. Amer Bilal
Honda Civic	2,927	1,953	974	2,850	1,876	-do-	Mr. Basharat
Toyota Corolla	2,918	1,939	979	2,810	1,831	-do-	Mr. Nasir Iqbal
Honda Civic Oriel	2,929	1,964	965	2,910	1,945	-do-	Mr. Zeeshan Malik Bhutta
Audi	6,587	4,802	1,785	6,450	4,665	-do-	Mr. Sohail Sadiq
Audi	6,538	4,760	1,778	6,500	4,722	-do-	Mr. Yahya Hamid
							Employees
Suzuki Cultus	1,603	1,061	542	1,520	978	-do-	Mr. Nauman Javaid
Honda Civic	2,930	1,943	987	2,630	1,643	-do-	Mr. Abdul Hanan Khan
Honda Civic	2,827	1,262	1,565	2,040	475	-do-	Mr. Sohaib Khakwani
Toyota Corolla	2,465	1,639	826	3,500	2,674	-do-	Mr. Aslam Khan
Suzuki Cultus	2,350	1,061	1,289	2,400	1,111	-do-	Mr. Muhammad Usman Javaid
Suzuki Cultus	2,350	1,057	1,293	2,400	1,107	-do-	Mr. Zeeshan Ali Ahmed
Toyota Corolla	7,779	-	7,779	7,510	(269)	-do-	Mr. Malik Asghar Ali

19.1.3 Additions in operating fixed assets include transfers from capital work-in-progress amounting to Rs 1,373 million (2024: Rs 4,056 million).

19.1.4 Ownership of the housing colony's assets included in the operating fixed assets is shared by the Company jointly with Agritech Limited in ratio of 101:245 since the time when both the companies were managed by Pakistan Industrial Development Corporation. These assets are in possession of the Housing Colony Establishment for mutual benefits.

19.1.5 Buildings, roads, bridges and railway sidings, plant and machinery are located at freehold land measuring 10,210 kanals located at Iskandrabad District Mianwali.

19.1.6 The Company has leased land measuring 127 kanals located at Iskandrabad, District Mianwali, to Maple Leaf Power Limited, a wholly owned subsidiary of the Company. The lease is classified as operating lease in these unconsolidated financial statements.

19.1.7 Had the certain classes of operating fixed assets not been revalued, the net book value would have been as follows:

	2025	2024
	(Rupees in thousand)	
Freehold land	865,629	844,872
Buildings on freehold land	14,412,359	15,037,314
Roads, bridges and railway sidings	507,465	511,870
Plant and machinery	39,325,457	40,819,237
	55,110,910	57,213,293

19.1.8 The latest valuation of Company's assets was carried as on June, 30 2024. The forced sale value of the assets as at that date was as follows:

	(Rupees in thousand)
Freehold land	1,082,156
Buildings on freehold land	13,033,026
Roads, bridges and railway sidings	441,670
Plant and machinery	37,022,060
	51,578,912

19.1.9 As of June 30, 2025, all of the Company's assets are located in Pakistan and are registered under the Company's name, except for the exception mentioned in note 19.1.4. These assets are also under charge against borrowings as detailed in note 8.

	Note	2025	2024
		(Rupees in thousand)	
19.2 Capital work-in-progress - at cost			
The reconciliation of the carrying amount is as follows:			
At beginning of the year		471,174	1,676,796
Additions during the year		1,035,797	2,942,600
Transfers during the year to operating fixed assets	19.1.3	(1,373,451)	(4,055,890)
Transfers during the year to intangible assets	20	(7,816)	(89,828)
Charged off during the year		-	(2,504)
At end of the year	19.2.1	125,704	471,174

19.2.1 The balance at year-end comprises the following:

	2025	2024
Civil works	14,233	80,575
Plant and machinery	23,275	46,490
Roads and bridges	-	71
IT equipment	-	30,467
Vehicles	-	11,171
Advances to suppliers against:		
- civil works	47,483	187,001
- plant and machinery	32,210	29,238
- intangible assets	3,911	-
- vehicles	4,592	86,161
	125,704	471,174

19.3 Major spare parts and stand-by equipment

This represents stores held for capital expenditure related to Company's expansion project. The reconciliation of carrying amount is as follows:

	Note	2025	2024
		(Rupees in thousand)	
At the beginning of the year		48,281	238,239
Additions during the year		250,593	1,831,538
Transfers made during the year		(270,538)	(2,021,496)
At the end of the year		28,336	48,281

19.4 Right of use asset

The reconciliation of carrying amount is as follows:

	Note	2025	2024
At the beginning of the year		48,137	43,112
Additions during the year		10,173	20,437
Disposal during the year		(2,476)	(1,818)
Depreciation charged during the year	19.4.1	(15,152)	(13,594)
At the end of the year		40,682	48,137

19.4.1 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
Cost of sales	35	2,196	2,221
Selling and distribution expenses	36	12,956	11,373
		15,152	13,594

19.5 During the financial year ended June 30, 2024, borrowing costs amounting to Rs 7.564 million were capitalised in operating fixed assets.

20. INTANGIBLE ASSETS

This includes computer software. The reconciliation of carrying amount is as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost			
Balance as on July 1		180,499	90,671
Additions during the year	19.2	7,816	89,828
Balance as on June 30		188,315	180,499
Amortisation			
Balance as on July 1		95,689	83,725
Charge for the year	20.1	30,200	11,964
		125,889	95,689
Book value as at June 30		62,426	84,810
Annual amortisation rate - %		33%	33%

20.1 Amortization charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales	35	11,736	5,883
Administrative expenses	37	18,464	6,081
		30,200	11,964

21. LONG TERM INVESTMENT

	Note	2025	2024
Investments held at cost			
In associate - Quoted			
Agritech Limited ('AGL')	21.1	6,824,870	-
In Subsidiaries - Unquoted			
Maple Leaf Power Limited	21.2	5,020,000	5,020,000
Maple Leaf Industries Limited	21.3	-	10,000
Novacare Hospitals (Private) Limited	21.4	5,084,144	1,292,000
		10,104,144	6,322,000
Investments at fair value through profit or loss			
Advance against issue of privately placed term finance certificates (PPTFCs)	21.5	889,661	-
Investment in un–listed preference shares	21.6	2,552,435	-
	21.7	20,371,110	6,322,000

21.1 The Company holds 201,663,428 (2024: 43,742,500) ordinary shares having par value of Rs 10 each, representing 33.66% (2024: 10.30%) of AGL's share capital. Market value of the Company's investment in the ordinary shares of AGL as at June 30, 2025, was Rs 10,948.308 million. The investment provided the Company with significant influence over AGL on January 10, 2025, thereby qualifying it as an associate. The investment was remeasured at fair value using the "fair value as deemed cost" method per IAS 28. This method combines the fair value of previously held interest and any additional consideration at the date of becoming an associate. In line with IAS 27, the investment is recorded at cost in these separate financial statements.

During the year, the Company increased its investment in AGL through various Share Purchase Agreements (SPAs). These included an acquisition from the Bank of Punjab (BOP) amounting to Rs 1,300 million, comprising a combination of ordinary shares, convertible redeemable listed preference shares, non-convertible redeemable unlisted preference shares, and privately placed Term Finance Certificates (PPTFCs). Subsequently, on December 2, 2024, and December 18, 2024, the Company entered into SPAs with Faysal Bank Limited (FBL) and Bank Alfalah Limited (BAFL), respectively. These transactions resulted in further acquisitions of similar financial instruments for total considerations of Rs 1,825.008 million and Rs 1,800.901 million respectively. In addition, the Company acquired 102.350 million ordinary shares of AGL directly from the general public. On May 7, 2025, 47,285,425 convertible redeemable listed preference shares held by the Company were converted into 55,571,094 ordinary shares of AGL in accordance with their contractual terms.

AGL was incorporated in Pakistan on December 15, 1959 as an unlisted public limited company under the repealed Companies Act, 1913 (now the Companies Act, 2017) and remained a wholly owned subsidiary of National Fertilizer Corporation of Pakistan (Private) Limited ("NFC"), a Government owned Corporation, until July 15, 2006. The shares of AGL are quoted on Pakistan Stock Exchange Limited. The registered office of AGL is situated at Askari Corporate Tower, 4th Floor, 75-76 D-1, Main Boulevard, Gulberg III, Lahore.

The principal business of AGL is the production and sale of Urea and Granulated Single Super Phosphate ("GSSP") fertilizer. Geographical locations of the manufacturing facilities of AGL are located at Unit I located at Iskanderabad, District Mianwali (Unit I) and at Hattar Road, Haripur (Unit II).

21.2 The Company holds 100% (2024: 100%) shares in Maple Leaf Power Limited ('MLPL'), a wholly owned subsidiary of the Company.

MLPL was incorporated in Pakistan on October 15, 2015, as a public company limited by shares, under the repealed Companies Ordinance, 1984 (now, the Companies Act, 2017). The registered office of MLPL is located at 42-Lawrence Road, Lahore.

The principal objective of MLPL is to develop, design, operate and maintain electric power generation plant and in connection therewith to engage in the business of generation, sale and supply of electricity to the Company. MLPL operates a 40 megawatt Coal Fired Power Generation Plant and a 7.9 megawatt Solar Power Plant at Iskanderabad, District Mianwali, Punjab, Pakistan for generation of electricity.

21.3 The Company holds 100% (2024: 100%) shares in Maple Leaf Industries Limited, a wholly owned subsidiary of the Company.

MLIL is a public company limited by shares incorporated in Pakistan on September 21, 2022, under the Companies Act, 2017. The registered office of MLIL is located at 42-Lawrence Road, Lahore, Pakistan. As of the reporting date, MLIL has not commenced its commercial operations.

MLIL was incorporated with the primary objective of setting up a cement manufacturing facility in Special Economic Zone in Mianwali, Punjab. However, the Government of Pakistan did not allow for import of machinery for cement manufacturing line and consequently, the Board of Directors of MLIL decided to initiate the winding-up process of the Company as at March 31, 2024. The winding-up process has since been completed.

21.4 The Company holds 47,214,440 shares (2024: 1,200,000 shares) at a face value of Rs 100 per share representing 99.99% (2024: 99.59%) shareholding in Novacare Hospitals (Private) Limited ("Novacare"), a wholly-owned subsidiary effectively. This balance includes share deposit money of Rs 362.700 million (2024: Rs 1,172 million).

Novacare was established in Pakistan on March 21, 2023, as a private company limited by shares under the Companies Act, 2017, by Andalus Holdings (ADGM) Limited ("Andalus") through its representatives Mr. Faraz Minai and Mr. Ghalib Hafiz. The Company, along with any of its affiliates, acts as an investor in Novacare according to the term sheet signed on May 10, 2023. Currently, the Company holds 47,214,440 Class B ordinary shares of Rs 100 each. These shares come with both voting and dividend rights and will be converted into Class A ordinary shares on the 7th anniversary of the Company's investment in Novacare. According to the term sheet, the Company cannot sell, transfer, or encumber these shares without Andalus's prior consent. Additionally, the Company is prohibited from directly or indirectly competing with Novacare, which includes holding more than 29% of equity capital or voting rights in any business operating in the healthcare sector. The Company's shareholding in Novacare should not drop below 66.66% at any time.

The principal line of business of Novacare is to establish, manage, and operate healthcare facilities, including hospitals, pharmacies, nursing homes, clinics, laboratories, dental clinics, and healthcare centers. Novacare aims to provide healthcare and surgical services, including the treatment of various diseases. Novacare is currently in the pre commencement phase and has not yet commenced its commercial operations. The registered office of Novacare is situated at 1st Floor, F-J Plaza, Block No. 2, Markaz F-7, Islamabad Capital Territory (I.C.T), Pakistan and the hospital is being established/constructed in Defence Housing Authority, Islamabad.

21.5 This represents advance against issue of AGL's zero coupon PPTFCs having a par value of Rs 5,000 each, purchased through Share Purchase Agreements (SPAs) with various banks as described in note 21.1. AGL is in the process of issuing these instruments. These instruments carry zero mark-up/profit and are payable to the instrument holders in the form of a bullet payment by the end of December 2026. Accordingly, they have been recognised by discounting future cash flows over the remaining term using a rate of 1-Year KIBOR + 8% per annum (20.10% per annum).

21.6 This represents investment in unlisted, cumulative, non-convertible preference shares of AGL having a par value of Rs 10 each. These shares carry limited voting rights and entitle the Company to a cumulative dividend at the rate of 1-Year KIBOR plus 4.00% per annum. The preference shares are redeemable, in full or in part, at the option of AGL, subject to the terms of issuance. These have been recognised by discounting future contractual cashflows using a rate of 1-Year KIBOR + 8% per annum (ranging from 20.07% to 20.54% per annum).

	Note	2025	2024
		(Rupees in thousand)	
21.7 Reconciliation of carrying amount			
As at beginning of the year		6,322,000	5,030,000
Transferred from advances		-	120,000
Transferred from short term investments		894,972	-
Investment made during the year		10,859,501	1,172,000
Fair value gain recognised during the year			
- Credited to statement of profit or loss		1,619,394	-
- Credited to other comprehensive income		685,243	-
Disposal of investment during the year		(10,000)	-
As at end of the year		20,371,110	6,322,000

22. LONG TERM LOANS TO EMPLOYEES - SECURED

	Note	2025	2024
House building		17,795	29,518
Vehicles		2,926	2,205
Others		10,856	19,599
Balance as at June 30		31,577	51,322
Current portion presented under current assets	27	(14,967)	(20,094)
		16,610	31,228

22.1 These loans are secured against employees' retirement benefits and carry interest at the rate of 6% (2024: 6%) per annum. These loans are recoverable in 30 to 60 monthly installments.

22.2 This includes loans to key management personnel amounting to Rs 9.841 million (2024: Rs 18.508 million). The maximum aggregate amount outstanding from key management personnel at any time during the year calculated with reference to month end balances is Rs 18.508 million (2024: 19.953 million). Further, no amount is due from Directors and the Chief Executive Officer as at June 30, 2025 (2024: Nil).

23. LONG TERM DEPOSITS

This includes deposits with various utility companies, regulatory authorities and others.

24. STORES, SPARE PARTS AND LOOSE TOOLS

	2025	2024
	(Rupees in thousand)	
Stores [including in transit: Rs 1,630.862 million (2024: Nil)]	8,480,869	8,347,446
Spare parts [including in transit: Rs 36.176 million (2024: Rs 76.357 million)]	3,950,687	3,905,659
Loose tools	29,756	24,183
	12,461,312	12,277,288

	Note	2025	2024
		(Rupees in thousand)	

25. STOCK-IN-TRADE

	Note	2025	2024
Raw material		137,006	229,148
Packing material		847,744	471,239
Work-in-process		2,674,113	2,047,480
Finished goods		784,126	508,686
		4,442,989	3,256,553

26. TRADE DEBTS

	Note	2025	2024
Due from customers			
- Local		5,470,310	4,660,247
- Export		236,921	115,547
		5,707,231	4,775,794
Loss allowance	26.1	(1,097,049)	(587,049)
		4,610,182	4,188,745

26.1 The reconciliation of loss allowance is as follow:

	Note	2025	2024
At beginning of the year		587,049	230,049
Loss allowance recognised during the year		514,430	357,191
Trade debts written off against loss allowance		(4,430)	(191)
At end of the year		1,097,049	587,049

27. LOANS AND ADVANCES

	Note	2025	2024
Current portion of long term loans to employees	22	14,967	20,094
Advances			
- To employees	27.1	17,578	25,489
- To suppliers	27.2	288,661	217,279
Balances with statutory authorities:			
- Sales tax receivable - net		212,280	-
- Government authorities	27.3	185,012	185,396
		703,531	428,164
		718,498	448,258

27.1 This includes advances to key management personnel (Mr. Amir Feroze) amounting to Rs. 5.150 million (2024: Rs 1.333 million). The maximum aggregate amount outstanding from key management personnel at any time during the year calculated with reference to month end balances is Rs 18.592 million (2024: Rs 29.534 million). Further, no amount is due from other directors at the year end (2024: Nil).

27.2 This includes an amount of Rs 109.363 million (2024: Rs 15.554 million) advanced to the Ministry of Railways for transportation of coal and cement.

27.3 This represents an amount paid to the Government under protest in respect of various cases that are currently pending before the Authorities.

28. SHORT TERM INVESTMENTS

	Note	2025	2024
		(Rupees in thousand)	
Investments at fair value through profit or loss			
Next Capital Limited:			
4,269,375 (2024: 4,269,375) fully paid ordinary shares of Rs 10 each			
Equity held: 7.50% (2024: 7.50%)			
Cost of investment: (Rs 30 million (2024: Rs 30 million)			
Fair value of investment		34,198	19,596
Mutual Funds:			
Income Fund		1,523,014	-
Money Market Funds		1,679,920	-
	28.1	3,202,934	-
		3,237,132	19,596
Investments at fair value through other comprehensive income			
Pioneer Cement Limited			
17,321,046 (2024: 17,321,046) fully paid ordinary shares of Rs 10 each			
Equity held: 7.63% (2024: 7.63%)			
Cost of investment: Rs 1,237.085 million (2024: Rs 1,237.085 million)			
Fair value of investment		3,951,450	2,921,194
Agritech Limited			
201,663,428 (2024: 43,742,500) fully paid ordinary shares of Rs 10 each			
Equity held: 33.66% (2024: 10.30%)			
Cost of investment: Rs 6,824.870 million (2024: Rs 1,169.108 million)			
Fair value of investment	28.2	-	894,972
Faysal Bank Limited			
49,176,960 (2024: Nil) fully paid ordinary shares of Rs 10 each			
Equity held: 3.24% (2024: Nil)			
Cost of investment: Rs 2,869.462 million (2024: Nil)			
Fair value of investment		3,429,331	-
		7,380,781	3,816,166
Investment at Amortised cost - debt instrument			
Term deposit receipts	28.3 & 28.4	484,500	384,500
		11,102,413	4,220,262

28.1 This represents investments in units of mutual funds, the details of which are as follows:

Name of Fund	2025 Number of Units	2025 Value of investment	2024 Number of Units	2024 Value of investment
		Rupees in thousand		Rupees in thousand
NBP Income Fund - Cash Plan – II	152,301,349	1,523,014	-	-
ABL Money Market Plan - I	60,257,763	603,590	-	-
Alfalah GHP Money Market Fund	5,717,142	566,095	-	-
MCB Cash Management Optimizer	4,987,295	510,235	-	-
		3,202,934		-

28.2 During the year, Agritech Limited became an associate of the Company and has been classified under long term investments, as disclosed in note 21.

28.3 This represents term deposits having a maturity of six months to one year from March 4, 2025 till April 11, 2026 carrying mark-up at the rates ranging from 7% to 15.50% (2024: 14.50% to 15.50%) per annum.

28.4 Term deposit receipts are held as margin guarantees with commercial banks. The margins are subject to restrictions and are therefore not available for general use by the other entities within the Group. Out of these, Nil (2024: Rs 238.50 million) have an original maturity of three months or less.

29. SHORT TERM DEPOSITS AND PREPAYMENTS

	2025	2024
	(Rupees in thousand)	
Prepayments	33,936	277,022
Margin against:		
- letters of credit	29,997	65,210
- bank guarantees	624,081	619,613
Short term deposits	683	1,633
	688,697	963,478

30. ACCRUED PROFIT

This represents profit accrued on saving accounts and term deposit receipts at rates ranging from 4.69% to 19.50% (2024: 8.75% to 20.50%) per annum.

31. OTHER RECEIVABLES

	Note	2025	2024
		(Rupees in thousand)	
Due from related party - unsecured	31.1	15,488	2,619
Others	31.2	54,664	129,474
		70,152	132,093

31.1 This represents balance receivable from the Holding Company amounting to Rs 15.399 million (2024: Nil), Maple Leaf Industries Limited (subsidiary) amounting to Nil (2024: Rs 2.619 million) and Novacare Hospitals (Private) Limited (subsidiary) amounting to Rs 0.087 million (2024: Nil).

The maximum aggregate amount outstanding from the associates and related parties at any time during the year calculated with reference to month end balances is Rs 878.442 million (2024: Rs 512.874 million).

31.2 This includes Rs 22.261 million (2024: Rs 13.923 million) receivable from the federal government against export rebate.

	2025	2024
	(Rupees in thousand)	

32. ADVANCE INCOME TAX - NET OF PROVISION

	2025	2024
At beginning of the year	227,415	25,302
Tax deducted / deposited at source	998,022	909,345
Advance income tax paid	3,140,979	525,001
Tax adjustments related to prior year	965,963	60,039
Excess payments in previous years written off	(17,433)	-
Tax refunds received	(178,579)	-
	5,136,367	1,519,687
Provision for the year - current tax for the year including levy	(5,295,161)	(1,292,272)
	(158,794)	227,415

32.1 The Additional Commissioner Inland Revenue (ACIR) initiated proceedings related to the tax year 2017, vide order dated March 13, 2019 against the Company under section 122(5A) read with section 122(9) of the Income Tax Ordinance, 2001 ('Ordinance'). The notice was duly responded by tax advisor of the Company. The proceedings were concluded and ACIR raised an additional tax demand of Rs 303.36 million through amendment order dated January 27, 2020 passed under section 122(5A) of the Ordinance. The Company preferred an appeal against the amendment order before the Commissioner Inland Revenue (Appeals) ('CIR(A)'). The CIR(A) through his order dated May 6, 2020, decided all the matters in favour of the Company except for issues relating to claim of depreciation and initial allowance without reducing tax credit claimed under section 65B of the Ordinance from the cost of the asset and apportionment of advertisement and sales promotion expenses. The Company, as well as the tax authorities, have preferred appeals before the Appellant Tribunal Inland Revenue ('ATIR'), which are pending for adjudication at the year end.

However, being prudent the Company has recorded the provision of Rs 46.880 million in these unconsolidated financial statements. Management of the Company is confident of favourable outcome of the case. Therefore, no further provision has been incorporated in these unconsolidated financial statements.

32.2 Through notice dated October 9, 2020, the ACIR initiated proceedings against the Company under section 122(5A) read with section 122(9) of the Ordinance for tax year 2019..

The Company requested the ACIR to merge such proceedings with the audit proceedings initiated under section 177 of the Ordinance for such tax year as the issues highlighted in the subject notice have also been confronted to the Company through audit proceedings. There has been no further correspondence from the department on this score. Through notice dated June 9, 2023, the ACIR, re-initiated proceedings against the Company under section 122(5A) read with section 122(9) of the Ordinance for tax year 2019. The proceedings were concluded by ACIR vide order dated October 5, 2023. Aggrieved by the order, the Company preferred an appeal before the CIR(A) which is pending for adjudication.

32.3 Through notice dated May 21, 2020, the ACIR initiated proceedings against the Company under section 122(5A) read with section 122(9) of the Ordinance. The notice was duly responded through letter dated August 25, 2020 for tax year 2018.

The above proceedings were concluded by the ACIR through amendment order dated September 2, 2020 passed under section 122(5A) of Ordinance through which income tax demand of Rs 376.182 million was created against the Company. The Company preferred an appeal against the amendment order before the CIR(A).

The CIR(A), through appellate order dated December 30, 2020, decided all the matters in favour of the Company except for issues relating to claim of depreciation and initial allowance, without reducing tax credit claimed under section 65B of the Ordinance from the cost of the asset, apportionment of Workers' Profit Participation Fund, computation of accounting income by apportioning deductions on account of donations, provision for Workers' Welfare Fund and loss on investments, and disallowance of claim of advances written off. The Company, as well as the tax authorities, have preferred appeals before the ATIR, which are pending adjudication.

32.4 For tax year 2015, the ACIR amended the deemed assessment through an order dated December 27, 2016, under section 122(5A) of the Income Tax Ordinance, 2001, resulting in a tax demand of Rs 241.736 million. The Company challenged this order before the CIR(A), who, through an order dated January 5, 2017, decided all issues in favour of the Company except for the treatment of exchange gain on export sales in the computation of apportionment ratios.

In compliance with the CIR(A)'s decision, the Deputy Commissioner Inland Revenue issued an appeal effect order dated July 31, 2017 under sections 124/129, followed by a rectification order dated August 17, 2017, which was finalized on March 14, 2018. However, the Company identified errors in the appeal effect order and filed a second appeal before the CIR(A). Through an order dated April 17, 2020, the CIR(A) decided certain matters—specifically the enhancement of minimum tax liability and the apportionment of admissible deductions—against the Company, resulting in an additional tax impact of Rs 180 million.

The Company has filed an appeal before the ATIR, which is currently pending adjudication. Based on legal precedents and professional advice, management believes that the Company has a strong case and expects a favorable outcome. Accordingly, no provision has been recorded in these unconsolidated financial statements.

32.5 Through order dated July 31, 2017, the deemed assessment for the tax year 2016 was amended by the ACIR under section 122(5A) of the Ordinance raising a tax demand of Rs 1,129.967 million against the Company. Being aggrieved with the order, the Company filed an appeal with the CIR(A), the appeal was disposed of by the CIR(A) through appellate order dated December 5, 2017. Through such order all the issues involved in the appeal were decided in favour of the Company.

Aggrieved by such appellate order, the tax department filed an appeal before the ATIR which was decided vide order dated March 19, 2024, whereby the issues assailed in the appeal were partially decided in the favour of the Company. Aggrieved by the order, the Company filed an application for rectification of the appellate order, which was partially modified in favour of the Company vide order dated May 14, 2024. Simultaneously, the Company also assailed ATIR's order dated March 19, 2024 in appeal before the Lahore High Court which is pending adjudication.

32.6 For tax year 2021, the Company received a notice dated January 20, 2022, whereby the ACIR initiated proceedings against the Company under section 122(9) read with section 122(5A) of the Income Tax Ordinance 2001. The Company responded to the notice vide letter dated June 23, 2022. The ACIR concluded the proceedings vide amendment order dated August 5, 2022, through which the income tax refund was curtailed to Rs 862.510 million. Being aggrieved, the Company filed an appeal against the amendment order before the CIR(A) that was disposed of vide order dated February 7, 2024 though which partial relief was granted. Aggrieved by such order, the Company preferred an appeal before the ATIR which has not been taken over for hearing yet.

Based on the advice of the taxation/legal advisors of the Company, the management expects a favourable outcome in most of the above cases and adequate provisions have been created in the unconsolidated financial statements.

33. CASH AND BANK BALANCES

	Note	2025	2024
		(Rupees in thousand)	
At banks:			
Savings accounts	33.1	586,910	534,451
Current accounts:			
Foreign currency		98,196	79,896
Local currency		923,244	513,638
		1,021,440	593,534
		1,608,350	1,127,985
In hand			
Foreign currency		2,552	2,482
Local currency		4,579	2,945
		7,131	5,427
		1,615,481	1,133,412

33.1 The balances in saving accounts bear mark-up at rates ranging from 4.69 % to 19.50% (2024: 8.75 % to 20.50%) per annum.

34. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	2025	2024
	(Rupees in thousand)	
Gross local sales	99,521,338	88,609,781
Less:		
Federal excise duty	(14,953,624)	(7,763,020)
Sales tax	(16,843,945)	(15,088,469)
Discount and others	(1,687,479)	(1,200,134)
Commission	(406,836)	(397,200)
	(33,891,884)	(24,448,823)
Net local sales	65,629,454	64,160,958
Export sales	3,312,992	2,291,390
	68,942,446	66,452,348

34.1 Disaggregated revenue information

	2025	2024
Type of customers		
Government customers	713	2,896
Non-government customers	102,833,617	90,898,275
	102,834,330	90,901,171
Timing of revenue recognition:		
Revenue recognized at a point in time		
Primary geographical markets		
Pakistan	99,521,339	88,609,781
Afghanistan	3,206,132	2,159,479
Maldives	2,094	6,215
Oman	-	33,072
Qatar	9,231	9,743
Sri Lanka	22,036	9,108
South Africa	2,264	1,809
United Arab Emirates	-	1,207
Yemen	13,243	10,995
Tanzania	57,991	59,762
	102,834,330	90,901,171

35. COST OF SALES

	Note	2025	2024
		(Rupees in thousand)	
Raw materials consumed	35.1	8,875,696	3,912,267
Packing materials consumed		3,315,539	3,539,273
Salaries, wages and other benefits	35.2	1,855,967	1,748,265
Fuel and power	35.3	24,985,594	28,712,100
Stores, spare parts and loose tools consumed		1,050,155	1,309,775
Rent, rates and taxes		3,771	2,766
Insurance		263,037	221,158
Repairs and maintenance		852,726	821,157
Depreciation on operating fixed assets	19.1.1	4,182,482	4,348,085
Depreciation on right-of-use assets	19.4.1	2,196	2,221
Amortization of intangible assets	20.1	11,736	5,883
Vehicles running and maintenance		392,272	530,069
Other expenses	35.4	306,532	298,855
		46,097,703	45,451,875
Work in process:			
At beginning of the year		2,047,480	1,898,084
At end of the year		(2,674,113)	(2,047,480)
		(626,633)	(149,396)
Cost of goods manufactured		45,471,070	45,302,479
Finished goods:			
At beginning of the year		508,686	694,271
At end of the year		(784,126)	(508,686)
		(275,440)	185,585
Cost of sales		45,195,630	45,488,064

35.1 Raw materials consumed

	Note	2025	2024
At beginning of the year		229,148	121,609
Add: Purchases and extraction made including royalty thereon		8,783,554	4,019,806
		9,012,702	4,141,415
At end of the year	25	(137,006)	(229,148)
		8,875,696	3,912,267

35.2 Salaries, wages and other benefits expense includes contribution to provident fund trust amounting to Rs 90.073 million (2024: Rs 81.679 million). Further, it includes provision for gratuity and accumulating compensated absences as mentioned in note 14.3 to these unconsolidated financial statements.

35.3 This includes the reversal of the provision for electricity duty amounting to Rs 155.952 million (2024: Nil), pursuant to the decision of the Supreme Court of Pakistan dated October 8, 2024, in Civil Appeals Nos. 256 to 472 of 2011 (2024 SCP 348), which held that no electricity duty can be recovered from the entities using generators exceeding 500 KW capacity for self-consumption.

35.4 Other expenses include housing colony expenses aggregating to Rs 159.87 million (2024: Rs 224.456 million).

	Note	2025	2024
		(Rupees in thousand)	

36. SELLING AND DISTRIBUTION EXPENSES

	Note	2025	2024
Salaries, wages and other benefits	36.1	565,427	585,652
Travelling and conveyance		409,172	310,955
Vehicle running and maintenance		123,006	152,582
Postage, telephone and fax		35,123	16,460
Printing, stationery and office supplies		10,032	16,205
Entertainment		22,529	14,892
Repair and maintenance		13,898	23,001
Depreciation on operating fixed assets	19.1.1	32,779	33,290
Depreciation on right-of-use assets	19.4.1	12,956	11,373
Legal and professional charges		25,703	19,247
Advertisement and sale promotions		1,157,824	1,239,612
Fee and subscription		73,942	66,651
Freight and forwarding		1,595,045	2,958,327
Other expenses		46,318	23,562
		4,123,754	5,471,808

36.1 Salaries, wages and other benefits expense includes contribution to provident fund trust amounting to Rs 20.264 million (2024: Rs 20.200 million). Further, it includes provision for gratuity and accumulating compensated absences as mentioned in note 14.3 to these unconsolidated financial statements.

37. ADMINISTRATIVE EXPENSES

	Note	2025	2024
		(Rupees in thousand)	
Salaries, wages and other benefits	37.1	1,123,644	958,881
Travelling		207,192	169,563
Vehicle running and maintenance		118,956	137,019
Postage, telephone and fax		20,406	19,014
Printing, stationery and office supplies		45,880	45,849
Entertainment		53,482	53,731
Utilities expenses		56,463	51,962
Repair and maintenance		38,178	58,657
Legal and professional charges	37.2	126,619	99,831
Consultancy fee and subscription		150,900	93,288
Depreciation on operating fixed assets	19.1.1	152,687	113,414
Amortization of intangible assets	20.1	18,464	6,081
Rent, rates and taxes		14,046	16,640
Other expenses		49,403	28,218
		2,176,320	1,852,148

37.1 Salaries, wages and other benefits expense includes contribution to provident fund trust amounting to Rs 46.902 million (2024: Rs 38.402 million). Further, it includes the provision for gratuity and accumulating compensated absences as mentioned in note 14.3 to these unconsolidated financial statements.

37.2 Legal and professional charges include the following in respect of auditor's remuneration (exclusive of sales tax) for:

	2025	2024
	(Rupees in thousand)	
Annual statutory audit	3,870	1,900
Interim review	1,475	650
Group reporting	263	263
Other certifications	655	900
Taxation services	62,516	37,044
Consultancy in respect of Information Technology services	11,600	41,334
Out of pocket expenses	180	600
	80,559	82,691

37.3 The Company has shared expenses aggregating Rs 44.302 million (2024: Rs 38.320 million) on account of combined offices with the Holding Company. These expenses have been recorded in respective account.

38. OTHER EXPENSES

	Note	2025	2024
		(Rupees in thousand)	
Donations	38.1	24,982	52,819
Worker's Profit Participation Fund	15.3	564,586	270,735
Worker's Welfare Fund	15.4	454,242	187,800
Loss on disposal of investment in subsidiaries	21.3	4,595	-
Un-realised loss on investments		-	2,476
Exchange loss - net		33,699	20,897
Loss on sale of stores and spares	38.2	103,406	34,819
Advances written off		2,936	-
Miscellaneous		18,572	-
		1,207,018	569,545

38.1 Donations for the year have been given in respect of:

	2025	2024
Agha Khan Cultural Service - Pakistan	4,800	-
Aitchison College Lahore	-	42,806
A-One Service Contractors (Private) Limited	1,245	-
Daudkhel Police Station	7,778	1,912
Daudkhel Press Club	-	258
Daudkhel Water Supply Project	-	1,475
Hameedah Memorial Hospital	950	-
Hassan Boys Hostel	3,074	-
Kalabagh Graphics	688	-
Maple CSR Initiative	-	1,364
Miscellaneous donations in the form of cement	1,350	2,641
Shafaullah	444	363
Sunshine Trust	-	2,000
Takbeer Boys Hostel	291	-
Technical Education & Vocational Training Authority (TEVTA)	1,970	-
Three Star Boys Hostel	1,792	-
Wali Dad Khan	600	-
	24,982	52,819

38.1.1 None of the Directors or their spouses have any interest in the donee.

38.2 This includes loss of Rs 5.889 million (2024: Rs 34.819 million) on stores and spares sold to the Holding Company.

39. OTHER INCOME

	Note	2025	2024
		(Rupees in thousand)	
			Restated
Interest on advances to related party		29,917	11,409
Interest on loans to employees		345	366
Dividend income	39.1	6,660,316	86,605
Un-realised gain on investments	39.2	1,693,739	65,838
Gain on disposal of operating fixed assets		58,987	47,366
Sale of scrap		3,137	1,667
Miscellaneous		16,215	25,200
		8,462,656	238,451

39.1 Includes dividend from subsidiary, Maple Leaf Power Limited, of Rs 6,400.500 million (2024: Nil).

39.2 Includes fair value gain of Rs 1,619.394 million (2024: Nil) on re-measurement of investments in associate, AGL, carried at fair value though profit or loss.

40. FINANCE COST

	Note	2025	2024
		(Rupees in thousand)	
Profit / interest / mark up on:			
- Long term loans and finances - secured		1,853,848	3,202,258
- Long term loan from Subsidiary Company		550,327	609,021
- Short term borrowings		1,002,492	237,299
		3,406,667	4,048,578
Interest on lease liabilities		7,287	6,842
Bank and other charges		140,834	82,866
		3,554,788	4,138,286

41. FINANCE INCOME

	Note	2025	2024
		(Rupees in thousand)	
			Restated
Profit on bank deposits	41.1	226,009	117,691
Gain on disposal of investments in market treasury bills	41.2	805,066	-
		1,031,075	117,691

41.1 This includes profit earned on deposits under arrangements which are permissible under Shariah amounting to Rs 0.281 million (2024: Rs 1.014 million). The remaining profit relates to interest / mark-up based arrangements from conventional banks as mentioned in note 33.1.

41.2 This represents income from treasury bills earning a return of 13.88% per annum. The maturity date of the treasury bills was January 02, 2025.

	Note	2025	2024
		(Rupees in thousand)	

42. TAXATION

	Note	2025	2024
Final taxes - levy	42.1	38,972	45,804
Current income tax			
- For the year		5,256,189	1,246,468
- Prior years	42.2	(965,963)	-
		4,290,226	1,246,468
Deferred income tax	13.1	298,665	2,366,649
		4,627,863	3,658,921

42.1 This represents final taxes paid under section 150 and section 154 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

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

	2025	2024
	(Rupees in thousand)	
Current tax liability for the year as per applicable tax laws	5,295,161	1,292,272
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(5,256,189)	(1,246,468)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(38,972)	(45,804)
Difference	-	-

42.2 This includes Rs 509.303 million related to the tax credit under Section 65B. Initially, the Company had recognized the credit at 5% in its books, following an amendment introduced through the Finance Act 2019. However, the Supreme Court of Pakistan, in its judgment dated September 18, 2024, allowed companies to claim the credit at 10% for the period up to June 30, 2019, resulting in the recognition of this credit.

Additionally, included in this is an amount of Rs 456.660 million that pertains to the recognition and utilisation of Minimum Tax from prior years. These were previously unrecorded as deferred tax assets on a prudent basis.

	2025	2024
	(Rupees in thousand)	

42.3 Tax charge reconciliation

42.3.1 Numerical reconciliation between tax expense and accounting profit:

	2025	2024
Profit before taxation	21,664,237	8,931,448
Income tax @ 29% under the Income Tax Ordinance, 2001	6,282,629	2,590,120
Tax effect of:		
Super tax	1,437,770	845,593
Final tax regime	(36,374)	(86,806)
Change in tax rate and proportion of local and export sales	-	488,532
Tax credit under Section 65 B	(509,303)	-
Dividend income exempt from tax	(1,856,145)	-
Recognition of credit on account of Alternative Corporate Tax	(207,750)	-
Restricted vehicle	8,881	-
Recognition of credit on account of minimum tax	(456,660)	-
Rate difference in current tax and deferred tax	(74,491)	22,081
Rate difference on capital gain	(2,475)	-
Permanent difference	7,245	8,798
Amount not allowable for tax purposes	-	15,318
Amount not taxable for tax purposes	(4,234)	-
Prior year	35,941	(224,715)
Other	2,829	-
	4,627,863	3,658,921

43. EARNINGS PER SHARE - BASIC AND DILUTED

43.1 Basic earnings per share

		2025	2024
Profit for the year	Rupees in '000	17,036,374	5,272,527
Weighted average number of ordinary shares	No. of shares in '000	1,047,563	1,058,911
Earning per share - basic	Rupees	16.26	4.98

43.2 Weighted average number of ordinary shares

	2025	2024
	(Shares in thousand)	
Outstanding number of shares	1,047,563	1,073,405
Impact of own shares purchased	-	(14,494)
	1,047,563	1,058,911

43.3 A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2025, and June 30, 2024, which would have any effect on the earnings per share if the option to convert is exercised.

44. CASH FLOW INFORMATION

44.1 Cash generated from operations

	Note	2025 (Rupees in thousand)	2024 (Rupees in thousand)
Profit before final taxes and income tax		21,664,237	8,931,448
Adjustments for:			
- Depreciation on operating fixed assets	19.1.1	4,367,948	4,494,789
- Depreciation on right-of-use asset	19.4.1	15,152	13,594
- Amortization on intangible assets	20.1	30,200	11,964
- Provision for expected credit loss	26.1	510,000	357,000
- Bad debts written off	26.1	4,430	191
- Advances written off	38	2,936	-
- Gain on disposal of property, plant and equipment	39	(58,987)	(47,366)
- Exchange loss	38	33,699	20,897
- Loss on sale of stores and spares	38	103,406	34,819
- Exchange gain/(loss) on cash and cash equivalents		3,071	(2,893)
- Loss on disposal of investment in subsidiaries	38	4,595	-
- Un-realised gain on investments	39	(1,693,739)	-
- Un-realised loss on investments	38	-	2,476
- Provision for employee benefits obligations	14.3	90,732	79,034
- Profit on bank deposits	41	(226,009)	(117,691)
- Dividend income	39	(6,660,316)	(86,605)
- Adjustment to operating fixed assets		39,100	-
- Advances written off	32	17,433	-
- Finance cost	40	3,554,788	4,138,286
		138,439	8,898,495
Effect on cash flow due to working capital changes:			
(Increase)/decrease in current assets			
- Stores, spare parts and loose tools		(1,357,047)	(3,345,949)
- Stock-in-trade		(1,186,436)	618,055
- Trade debts		(935,867)	(1,944,951)
- Loans and advances		(273,176)	300,146
- Short term deposits and prepayments		274,781	(480,548)
- Other receivables		61,941	(109,562)
		(3,415,804)	(4,962,809)
(Decrease) / increase in current liabilities			
- Trade and other payables		4,933,437	(56,842)
		1,517,633	(5,019,651)
		23,320,309	12,810,292

45. CASH AND CASH EQUIVALENTS

	Note	2025	2024
Short term running finance	17	(143,520)	(1,645,316)
Cash and bank	33	1,615,481	1,133,412
Short term investments		-	238,500
		1,471,961	(273,404)

46. RELATED PARTY TRANSACTIONS

The related parties include the subsidiaries, the Holding Company, the Associate, related parties on the basis of common directorship, group companies, key management personnel and post employment benefit plans. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Related party transactions carried out during the year are as follows:

	Name of parties	Relationship	Transactions	2025	2024
				(Rupees in thousand)	
a)	**Kohinoor Textile Mills Limited**	Holding Company	Sale of goods	38,400	2,419
			Receivable from the Holding Company	15,400	-
			Sale of spares	26,005	11,792
			Payments made by related party on behalf of the Company	44,302	38,324
b)	**Maple Leaf Power Limited**	Subsidiary Company	Sale of coal to Subsidiary Company	5,355,852	6,180,773
			Long term loan obtained	-	2,500,000
			Long term loan repaid during the year	4,500,000	-
			Rent charged	479	479
			Purchase of electricity (inclusive of taxes)	8,257,031	8,778,003
			Purchase of steam (inclusive of taxes)	3,441	63,937
			Payments made by related party on behalf of the Company	1,749	26,101
			Markup paid on long term loan	807,578	609,021
			Expenses paid on the behalf of the related party by the Company	205,107	134,831
			Scrap purchases	22,550	32,943
c)	**Maple Leaf Industries Limited**	Subsidiary Company	Expenses paid on the behalf of related party by the Company	2,619	1,865
d)	**Novacare Hospitals (Private) Limited**	Subsidiary Company	Advance paid against issue of shares	362,700	1,172,000
			Sales made to related party	288,447	-
			Advance received from related party	7,045	-
			Other receivables	87	-
e)	**Maple Leaf Capital Limited**	Common directorship	Loan provided during the year	1,353,000	500,000
			Loan recovered during the year	1,353,000	500,000
			Markup received on loan	29,917	11,409
f)	**Agritech Limited**	Associate	Sale of Stores to related party	197	-
			Amount received from related party	197	-
g)	**Key management personnel**	Key management personnel	Remuneration and other benefits - note 46.1	600,930	622,150
h)	**Employee benefits**				
	Gratuity	Post employment benefit plan	Expense charged in respect of defined benefit plan	23,386	22,861
	Provident fund trust	Post employment benefit plan	Expense charged in respect of provident fund	368,398	306,812

46.1 This represents remuneration of the Chief Executive, Directors and certain executives that is included in the remuneration disclosed in note 47 to these unconsolidated financial statements.

46.2 Transactions with related parties have been carried out on mutually agreed terms and conditions. The related parties with whom the Company had entered into transactions or had arrangements/agreements in place during the year have been disclosed below along with their basis of relationship:

Name	Relationship	% of shareholding in the Company
Kohinoor Textile Mills Limited	Holding Company	57.89%
Maple Leaf Power Limited	Subsidiary Company	None
Maple Leaf Industries Limited	Subsidiary Company	None
Novacare Hospitals (Private) Limited	Subsidiary Company	None
Maple Leaf Capital Limited	Common directorship	1.15%
Agritech Limited	Associate	None
Mr. Tariq Sayeed Saigol	Director / Key management personnel	0.0031%
Mr. Sayeed Tariq Saigol	Director / Key management personnel	0.0010%
Mr. Taufique Sayeed Saigol	Director / Key management personnel	0.0015%
Mr. Waleed Tariq Saigol	Director / Key management personnel	0.0011%
Mr. Danial Taufique Saigol	Director / Key management personnel	0.0005%
Ms. Jahanara Saigol	Director / Key management personnel	0.0002%
Mr. Shafiq Ahmed Khan	Director / Key management personnel	0.0015%
Mr. Zulfikar Monnoo	Director / Key management personnel	0.0003%
Mr. Syed Mohsin Raza Naqvi	Director / Key management personnel	None
Mr. Sohail Sadiq	Key management personnel	None
Mr. Yahya Hamid	Key management personnel	None
Mr. Amir Feroze	Key management personnel	None
Mr. Tariq Ahmed Mir	Key management personnel	None
Company's Employees Gratuity Fund	Post Employment Benefit Plan	None
Company's Employees Provident Fund	Post Employment Benefit Plan	None

47. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts 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:

	2025			
	Chief Executive	Directors - Executive	Directors - Non-Executives	Executives
	(---------------------- Rupees in thousand		----------------------)	
Short term benefits				
Managerial remuneration	98,331	52,563	-	804,361
Bonus	153,846	-	-	-
House rent	7,215	2,022	-	155,703
Medical	7,215	4,043	-	66,742
Conveyance	4,792	1,952	-	132,626
Utilities	6,383	3,577	-	90,626
Advisory arrangement	-	-	988	-
	277,782	64,157	988	1,250,058
Post employment benefits				
Contribution to Provident Fund Trust	7,215	4,043	-	65,894
	284,997	68,200	988	1,315,952
Number of persons	1	1	7	275

	2024			
	Chief Executive	Directors - Executive	Directors - Non-Executives	Executives
	(---------------------- Rupees in thousand		----------------------)	
Short term benefits				
Managerial remuneration	90,188	38,805	-	616,881
Bonus	153,846	-	-	-
House rent	7,215	3,104	-	121,627
Medical	7,215	3,104	-	51,586
Conveyance	3,633	2,182	-	121,661
Utilities	6,383	2,746	-	74,088
Advisory arrangement	-	-	980	-
	268,480	49,941	980	985,843
Post employment benefits				
Contribution to Provident Fund Trust	7,215	3,104	-	50,950
	275,695	53,045	980	1,036,793
Number of persons	1	1	7	216

47.1 The Chief Executive, Directors and some Executives are also provided with company maintained cars in accordance with the respective policies.

47.2 Aggregate amount charged in these unconsolidated financial statements in respect of meeting fee paid to Directors is Rs 0.988 million (2024: Rs 0.980 million).

48. CAPACITY AND PRODUCTION

	Capacity		Actual Production	
	2025	2024	2025	2024
	---------- Metric tons ----------			
Clinker	7,800,000	7,800,000	3,681,406	3,625,857

Plant capacity is based on 300 working days, that can be exceeded if the plant is operational for more than 300 days during the year. Actual production is less than the installed capacity due to planned maintenance shutdown and gap between market demand and supply of cement.

49. OPERATING SEGMENT

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision-maker. The Chief Executive Officer has been identified as the 'chief operating decision-maker', who is responsible for allocating resources and assessing performance of the operating segments. Currently, the Company is functioning as a single operating segment.

50. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's Board of Directors ("the Board") has overall responsibility for establishment and oversight of the Company's risk management framework. The Board is 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 changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees upon the policies for managing each of these risks.

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 ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

(a) 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 income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions and recognised assets and liabilities that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures. Currently, the Company's foreign exchange risk exposure is restricted to bank balances and amounts payable to/ receivable from foreign entities.

Following exchange rates have been applied for translating material transactions/balances in foreign currency:

	Average rate for the year		Spot rate			
	2025	2024	2025		2024	
	Buying	Selling	Buying	Selling	Buying	Selling
EURO	303.94	307.31	332.25	332.83	297.88	298.41
GBP	361.38	352.00	388.97	389.65	351.22	351.85
USD	279.34	284.70	283.60	284.10	278.30	278.80
CNY	38.71	39.49	39.59	39.66	38.47	38.53

Exposure to currency risk

	2025					
	USD	GBP	CNY	RMB	EURO	RUPEES
	(in thousand)					
Assets						
Trade debts	835	-	-	-	-	236,921
Cash and bank balances	352	2	-	-	-	100,748
	1,187	2		-	-	337,669
Liabilities						
Trade creditors and bills payable	(5,788)	-	(263)	-	(51)	(1,671,712)
Retention money payable	-	-	(44,515)	-	-	(1,765,477)
Net Statement of financial position exposure	(4,601)	2	(44,778)	-	(51)	(3,099,520)

	2024					
	USD	GBP	CNY	RMB	EURO	RUPEES
	(in thousand)					
Assets						
Trade debts	415	-	-	-	-	115,547
Cash and bank balances	279	-	-	-	2	82,378
	694	-	-	-	2	197,925
Liabilities						
Trade creditors and bills payable	(245)	-	-	(44,900)	(115)	(1,761,620)
Retention money payable	-	-	(43,840)	-	-	(1,691,334)
Net statement of financial position exposure	449	-	(43,840)	(44,900)	(113)	(3,255,029)

Sensitivity analysis

At June 30, 2025, if the Rupee had (weakened)/strengthened by 10% against the following currencies with all other variables held constant, the effect on post-tax profit for the year would have been, as follows:

	If Rupee is strengthened		If Rupee is weakend	
	Impact on profit or loss		Impact on profit or loss	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
EURO	1,035	2,057	(1,035)	(2,057)
GBP	(47)	-	47	-
USD	79,772	(7,615)	(79,772)	7,615
CNY	108,330	102,236	(108,330)	(102,236)

(ii) Price risk

Price risk represents the risk that the fair value or future cash flows of 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 trading in market.

Investments exposed to price risk

The Company is exposed to equity securities price risk because of investments held by the Company and classified at fair value through profit or loss or other comprehensive income. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board. The primary goal of the Company's investment strategy is to maximise investment returns.

At the reporting date, the Company's investment in quoted equity securities held at fair value is as follows:

	2025	2024
	(Rupees in thousand)	
Investment in equity securities	7,414,979	3,816,166

The above investments in equity instruments are publicly traded on the Pakistan Stock Exchange Limited.

The table below summarises the impact of increases/decreases of the KSE-100 index on the Company's equity. The analysis is based on the assumption that the KSE-100 index had increased/decreased by 10% with all other variables held constant and all the Company's equity investments moved according to the historical correlation with the index:

	Impact on profit or loss		Impact on other components of equity	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Pakistan Stock Exchange Limited	2,086	196	450,184	381,421

Price risk management

The Company manages price risk by monitoring exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies. The carrying value of investments subject to equity price risk are based on quoted market prices as at reporting date. Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from reported market value. Fluctuations in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

(iii) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk primarily arises from loan to related party, bank balances, short term and long-term borrowings. These borrowings issued at variable rates expose the Company to cash flow interest rate risk.

The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Company calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

Fixed rate financial instruments

	2025	2024
	(Rupees in thousand)	
Non-derivative financial instruments		
Financial assets		
Short term investment - term deposit receipt	484,500	384,500
Long term loans to employees - secured	31,577	51,322
	516,077	435,822
Financial liabilities	-	-
Net exposure	516,077	435,822

The related mark-up / interest rates for fixed rate financial instruments are indicated in the related notes to the unconsolidated financial statements.

Floating rate financial instruments

	2025	2024
	(Rupees in thousand)	
Non-derivative financial instruments		
Financial assets		
Bank balances - saving accounts	586,910	534,451
Long term investments at fair value through profit or loss	3,442,096	-
Financial liabilities		
Long term loans from financial institutions - secured	(14,165,454)	(13,799,414)
Lease liabilities	(42,818)	(48,579)
Long term loan from Subsidiary Company	-	(4,500,000)
Short term borrowings from financial institutions - secured	(822,285)	(1,645,316)
	(15,030,557)	(19,993,309)
Net exposure	(11,001,551)	(19,458,858)

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2025, if interest rates on variable rate instruments had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been Rs 67.109 million (2024: Rs 118.699 million lower/higher) lower/higher, mainly as a result of higher/lower interest expense on floating rate instruments.

b) Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation.

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost and at FVTPL and deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at the end of the reporting period was as follows:

	2025	2024
	(Rupees in thousand)	
Financial asset at amortized cost		
Long term deposits	67,309	64,209
Trade debts - net of loss allowance	4,610,182	4,188,745
Long term loans to employees	31,577	51,322
Short term investments	484,500	384,500
Margins and short term deposits	654,761	686,456
Accrued profit	42,880	20,333
Other receivables	70,152	132,093
Cash at bank	1,608,350	1,127,985
	7,569,711	6,655,643
Financial assets at fair value through profit or loss		
Advance against issue of privately placed term finance certificates (PPTFCs)	889,661	-
Investment in un–listed preference shares	2,552,435	-
	3,442,096	-

(ii) 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:

	2025	2024
	(Rupees in thousand)	
Customers	4,610,182	4,188,745
Banking companies and financial institutions	2,789,808	2,217,641
Associate	3,442,096	-
Others	3,611,817	249,257
	11,011,807	6,655,643

(iii) Impairment of financial assets

The Company's financial assets such as trade debts, cash and cash equivalents and debts instruments carried at amortised cost are subject to the expected credit losses model. The above financial assets other than trade debts are not exposed to any material credit risk and the identified impairment loss was immaterial.

Trade debts

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained from these customers to calculate the net exposure towards these customers.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before June 30, 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade debts. The Company has identified the Gross Domestic Product and the Consumer Price Index of the country in which it majorly sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The age analysis of trade debts and loss allowance using the aforementioned approach as at June 30, 2025 was determined as follows:

	2025			2024		
	Expected loss %	Gross carrying amount	Loss Allowance	Expected loss %	Gross carrying amount	Loss Allowance
		(Rupees in thousand)			(Rupees in thousand)	
The aging of trade debts at the reporting date is:						
Not past due	2.46%	2,780,212	68,317	3.16%	2,359,730	74,549
1- 90 days	2.46%	1,150,199	28,320	3.16%	1,226,288	38,743
91 - 180 days	3.69%	487,676	17,975	4.44%	617,407	27,392
181 - 270 days	19.12%	235,297	44,983	29.02%	151,407	43,936
271 - 365 days	35.63%	180,821	64,428	54.66%	40,872	22,339
366 - above days	100.00%	873,026	873,026	100.00%	380,090	380,090
		5,707,231	1,097,049		4,775,794	587,049

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Credit quality of the customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored and shipments to the export customers are generally covered by letters of credit or other form of credit insurance. Default is triggered when more than 360 days have passed.

(iv) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired (mainly bank balances) can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate. The external credit rating of instruments of the Associate exposed to credit risk was not available:

Banks	Rating			2025	2024
	Short term	Long term	Agency	(Rupees in thousand)	
Bank balances					
Allied Bank Limited	A1+	AAA	PACRA	87,038	72,417
Askari Bank Limited	A1+	AAA	PACRA	211	38,138
Bank Al-Habib Limited	A1+	AAA	PACRA	278,460	142,719
Bank Alfalah Limited	A1+	AAA	PACRA	2,232	6,069
Bank Islami Pakistan Limited	A1+	AAA	PACRA	14,271	14,271
The Bank of Punjab	A1+	AA+	PACRA	16,925	13,382
AlBaraka Bank Limited	A1	A+	PACRA	9	9
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	9,580	2,580
Faysal Bank Limited	A1+	AA	PACRA	44	2
Finca Microfinance Bank Limited	A3	BBB+	PACRA	8,924	3,335
Habib Bank Limited	A1+	AAA	VIS	366,696	188,238
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	35,353	31,399
MCB Bank Limited	A1+	AAA	PACRA	572,243	501,693
National Bank of Pakistan	A1+	AAA	VIS	15,501	6,255
Samba Bank Limited	A1	AA	VIS	1,847	2,294
Silkbank Limited	A1+	AAA	VIS	17	16
Soneri Bank Limited	A1+	AA-	PACRA	107	106
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	4,434	2,854
MCB Islamic Bank Limited	A1	A+	PACRA	1,618	24,940
United Bank Limited	A1+	AAA	VIS	192,840	77,268
				1,608,350	1,127,985
Short term investment - Term deposit receipts					
The Bank of Punjab	A1+	AA+	PACRA	484,500	384,500
Accrued profit					
The Bank of Punjab	A1+	AA+	PACRA	42,880	20,333
Margin against bank guarantees					
Allied Bank Limited	A1+	AAA	PACRA	193,765	188,160
Askari Bank Limited	A1+	AAA	PACRA	260,000	260,000
United Bank Limited	A1+	AAA	VIS	31,055	31,055
Summit Bank Limited	A1+	AA+	PACRA	44,320	43,492
Soneri Bank Limited	A1+	AA-	PACRA	5,000	5,000
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	-	1,964
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	39,941	39,942
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	50,000	50,000
				624,081	619,613
Margin against letters of credit					
Allied Bank Limited	A1+	AAA	PACRA	-	47,658
The Bank of Punjab	A1+	AA+	PACRA	29,997	17,552
				29,997	65,210
Total				2,789,808	2,217,641

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets, or that such obligations will have to be settled in a manner unfavourable to the Company. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in notes 8 and 17 to these unconsolidated financial statements is a listing of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

Exposure to liquidity risk

Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years
At June 30, 2025	---------------------- (Rupees in thousand)				---------------------
Non-derivative financial liabilities					
Long term loans from financial institutions - secured	14,165,454	14,165,454	3,046,133	10,232,195	887,126
Long term deposits	8,214	8,214	-	8,214	-
Trade and other payables	10,987,855	10,987,855	10,987,855	-	-
Unclaimed dividend	26,877	26,877	26,877	-	-
Mark-up accrued on borrowings	320,434	320,434	320,434	-	-
Short term borrowings	822,285	822,285	822,285	-	-
	26,331,119	26,331,119	15,203,584	10,240,409	887,126

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years
At June 30, 2024	-------------------- (Rupees in thousand)				---------------------
Non-derivative financial liabilities					
Long term loans from financial institutions - secured	13,799,414	13,799,414	2,672,355	9,410,036	1,717,023
Long term loan from Subsidiary Company	4,500,000	4,500,000	954,900	3,545,100	-
Long term deposits	8,214	8,214	-	8,214	-
Trade and other payables	9,042,032	9,042,032	9,042,032	-	-
Unclaimed dividend	27,256	27,256	27,256	-	-
Mark-up accrued on borrowings	865,945	865,945	865,945	-	-
Short term borrowings	1,645,316	1,645,316	1,645,316	-	
	29,888,177	29,888,177	15,207,804	12,963,350	1,717,023

51. 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 between market participants 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 without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price.

IFRS 13, 'Fair Value Measurements' 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 the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in the fair value hierarchy:

	Note	Carrying Amount					Fair Value		
		Fair Value through statement of other comprehensive income	Fair value through statement of profit or loss	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		----------------------------- (Rupees in thousand) -----------------------------							
June 30, 2025									
Financial assets at fair value									
Long term investments		-	3,442,096	-	-	3,442,096	-	-	3,442,096
Short term investments		7,380,781	3,237,132	-	-	10,617,913	10,617,913	-	-
Financial assets at amortised cost									
Cash and bank balances		-	-	1,615,481	-	1,615,481	-	-	-
Long term loans to employees		-	-	31,577	-	31,577	-	-	-
Short term investment - term deposit receipt		-	-	484,500	-	484,500	-	-	-
Margins and short term deposits		-	-	654,761	-	654,761	-	-	-
Other receivables		-	-	70,152	-	70,152	-	-	-
Accrued profit		-	-	42,880	-	42,880	-	-	-
Long term deposits		-	-	67,309	-	67,309	-	-	-
Trade debts		-	-	4,610,182	-	4,610,182	-	-	-
	51.1	7,380,781	6,679,228	7,576,842	-	21,636,851	10,617,913	-	3,442,096
Financial liabilities measured at fair value									
Financial liabilities at amortised cost									
Long term loans from financial institutions - secured		-	-	-	14,165,454	14,165,454	-	-	-
Long term deposits		-	-	-	8,214	8,214	-	-	-
Trade and other payables		-	-	-	10,987,855	10,987,855	-	-	-
Unclaimed dividend		-	-	-	26,877	26,877	-	-	-
Mark-up accrued on borrowings		-	-	-	320,434	320,434	-	-	-
Short term borrowings		-	-	-	822,285	822,285	-	-	-
		-	-	-	26,331,119	26,331,119	-	-	-

	Note	Carrying Amount					Fair Value		
		Fair Value through statement of other comprehensive income	Fair value through statement of profit or loss	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		----------------------------- (Rupees in thousand) -----------------------------							
June 30, 2024									
Financial assets measured at fair value									
Short term investments		3,816,166	19,596	-	-	3,835,762	3,835,762	-	-
Financial assets at amortised cost									
Cash and bank balances		-	-	1,133,412	-	1,133,412	-	-	-
Long term loans to employees		-	-	51,322	-	51,322	-	-	-
Short term investment - term deposit receipt		-	-	384,500	-	384,500	-	-	-
Margin and short term deposits		-	-	686,456	-	686,456	-	-	-
Other receivables		-	-	132,093	-	132,093	-	-	-
Accrued profit		-	-	20,333	-	20,333	-	-	-
Long term deposits		-	-	64,209	-	64,209	-	-	-
Trade debts		-	-	4,188,745	-	4,188,745	-	-	-
	50.1	3,816,166	19,596	6,661,070	-	10,496,832	3,835,762	-	-
Financial liabilities measured at fair value									
Financial liabilities at amortised cost									
Long term loans from financial institutions - secured		-	-	-	13,799,414	13,799,414	-	-	-
Long term loan from Subsidiary Company		-	-	-	4,500,000	4,500,000	-	-	-
Margins and short term deposits		-	-	-	8,214	8,214	-	-	-
Trade and other payables		-	-	-	9,042,032	9,042,032	-	-	-
Unclaimed dividend		-	-	-	27,256	27,256	-	-	-
Mark-up accrued on borrowings		-	-	-	865,945	865,945	-	-	-
Short term borrowings					1,645,316	1,645,316			
		-	-	-	29,888,177	29,888,177	-	-	-

June 30, 2025

	Level 1	Level 2	Level 3	Total
	--------- (Rupees in thousand)-------			
Recurring fair value measurements of certain items of operating fixed assets				
Land	-	1,293,882	-	1,293,882
Buildings on freehold land	-	-	14,686,133	14,686,133
Road, bridges and railway	-	-	552,116	552,116
Plant and machinery	-	-	44,201,200	44,201,200
	-	1,293,882	59,439,449	60,733,331

June 30, 2024

	Level 1	Level 2	Level 3	Total
	--------- (Rupees in thousand)-------			
Recurring fair value measurements of certain items of operating fixed assets				
Land	-	1,273,125	-	1,273,125
Buildings on freehold land	-	-	15,345,219	15,345,219
Road, bridges and railway	-	-	567,550	567,550
Plant and machinery	-	-	46,335,952	46,335,952
	-	1,273,125	62,248,721	63,521,846

Other than certain classes of operating fixed assets, no other items are measured at fair value.

Valuation techniques used to determine level 2 and level 3 fair values

The company obtains independent valuations for its freehold land, buildings on freehold land, railway siding, plant and machinery, and tools and equipment (classified as property, plant and equipment) at least every five years. The management updates its assessment of the fair value of each asset mentioned above, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates. Level 2 fair value of freehold land has been derived using a comparable transactions approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot. Level 3 fair value of buildings on freehold land has been determined using a depreciated replacement cost approach, whereby, current cost of construction of a similar building in a similar location has been adjusted using a suitable depreciation rate to arrive at present market value. Level 3 fair values of plant and machinery and roads, bridges and railway sidings have been determined using a depreciated replacement cost approach, whereby, the current replacement cost of plant and machinery, and roads, bridges and railway sidings of similar make/origin, capacity and level of technology has been adjusted using a suitable depreciation rate on account of normal wear and tear.

Valuation inputs and relationship to fair value

The following table summarizes the quantitative and qualitative information about the significant unobservable inputs used in recurring level 3 fair value measurements. See paragraph above for the valuation techniques adopted.

Description	Fair value at		Significant unobservable inputs	Quantitative data / range and relationship to the fair value
	June 30, 2025	June 30, 2024		
	(Rupees in thousand)			
Land	1,293,882	1,273,125	Cost of acquisition of similar land would obviously be much higher as compared to the book value of present free hold land	Fair market value is dependent upon availability of similar land in the area, sale intentions of the owner, availability of needy buyers, location of land and availability of infrastructure as well as utilities, however, in this case, the option of availability of such a big piece of land in the close vicinity is quite scarce, as much, the fair present market value of land could be assessed on the basis of usual appreciation of land rates in the surroundings with particular aspect of big area of land because higher the area of plot, the lower is the unit price of land as a general phenomenon with particular reference of the actual requirement of the tentative buyer and the fair market value would be determined only upon specific requirement and interest of buyer.
Building	14,686,133	15,345,219	Cost of construction of a new similar building Suitable depreciation rate to arrive at depreciated replacement value.	As per usual practice, the cost of construction of a new similar building has been taken into account with a reasonable rate of annual depreciation. In case the cost of construction of a similar new building is on higher side the present market value would also, be higher. On the other hand if the depreciation is applied on a higher side, the value of building will also be on the lower side.
Road, Bridges & Railway	552,116	567,550	Cost of construction of a new similar roads, bridges & railways Suitable depreciation rate to arrive at depreciated replacement value.	As per usual practice, the cost of construction of a new similar road, bridges and railway have been taken into account with a reasonable rate of annual depreciation. In case the cost of construction of a similar road, bridges and railway is on higher side the present market value would also, be higher. On the other hand if the depreciation is applied on a higher side, the value of road, bridges and railway will also be on the lower side.
Plant & Machinery	44,201,200	46,335,952	Cost of acquisition of similar plant and machinery with similar level of technology Suitable depreciation rate to arrived at depreciated replacement value	The market value of plant and machinery has been worked out on the basis of cost of similar new machinery with the same efficiency/output and after applying usual rate of depreciation there upon keeping in view the remaining useful life thereof. Thus, if the depreciation rate is higher, the current value of machinery would be lower and if the present cost of similar machinery equipment is higher, the present value thereof would also be higher.

51.1 The fair values of these financial assets and liabilities are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

51.2 There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the year and there were no changes in valuation techniques during the year.

51.3 The forced sale value of above mentioned assets has been disclosed in note 19.1.8.

52. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2025								
	Own shares purchased for cancellation	Unclaimed dividend	Liabilities against right of use assets	Payable against redemption of preference shares	Long term financing from financial institutions	Long term loan from Subsidiary Company	Short term borrowings	Accrued markup	Total
	(Rupees in thousand)								
As at July 01, 2024	-	27,256	48,579	993	13,193,489	4,500,000	1,645,316	865,945	20,281,578
Changes from financing cash flows									
Dividend paid	-	(379)	-	-	-	-	-	-	(379)
Long term loan repaid to subsidiary company	-	-	-	-	-	(4,500,000)	-	-	(4,500,000)
Financial charges paid	-	-	-	-	-	-	-	(4,093,012)	(4,093,012)
Lease rentals paid during the year	-	-	(20,572)	-	-	-	-	-	(20,572)
Redemption of preference shares	-	-	-	(3)	-	-	-	-	(3)
Proceeds from short term borrowings from financial institutions	-	-	-	-	-	-	678,765	-	678,765
Proceeds from long term loans from financial institutions	-	-	-	-	4,200,000	-	-	-	4,200,000
Repayments of long term loans from financial institutions - secured - net	-	-	-	-	(3,833,960)	-	-	-	(3,833,960)
Total changes from financing cash flows	-	(379)	(20,572)	(3)	366,040	(4,500,000)	678,765	(4,093,012)	(7,569,161)
Other changes									
Deferred grant	-	-	-	-	155,438	-	-	-	155,438
Change in running finances	-	-	-	-	-	-	(1,501,796)	-	(1,501,796)
Recognized during the year	-	-	8,366	-	-	-	-	-	8,366
Cancelled/terminated during the year	-	-	(842)	-	-	-	-	-	(842)
Overdraft repaid									
Finance cost	-	-	7,287	-	-	-	-	3,547,501	3,554,788
Total liability related other changes	-	-	14,811	-	155,438	-	(1,501,796)	3,547,501	2,215,954
As at June 30, 2025	-	26,877	42,818	990	13,714,967	-	822,285	320,434	14,928,371

	2024								
	Own shares purchased for cancellation	Unclaimed dividend	Liabilities against right of use assets	Payable against redemption of preference shares	Long term financing from financial institutions	Long term loan from Subsidiary Company	Short term borrowings	Accrued markup	Total
	(Rupees in thousand)								
As at July 01, 2023	-	27,378	41,665	1,005	17,832,739	2,000,000	-	880,039	20,782,826
Changes from financing cash flows									
Dividend paid	-	(122)	-	-	-	-	-	-	(122)
Long term loan received from subsidiary company	-	-	-	-	-	2,500,000	-	-	2,500,000
Redemption of preference shares	-	-	-	(12)	-	-	-	-	(12)
Proceeds from short term borrowings - net	-	-	-	-	-	-	-	-	-
Financial charges paid	-	-	-	-	-	-	-	(4,145,538)	(4,145,538)
Lease rentals paid during the year	-	-	(18,529)	-	-	-	-	-	(18,529)
Own share purchased for cancellation	(999,145)	-	-	-	-	-	-	-	(999,145)
Repayment of Long term loans from financial institutions - secured - net	-	-	-	-	(4,819,016)	-	-	-	(4,819,016)
Total changes from financing cash flows	(999,145)	(122)	(18,529)	(12)	(4,819,016)	2,500,000	-	(4,145,538)	(7,482,362)
Other changes									
Deferred grant	-	-	-	-	179,766	-	-	-	179,766
Change in running finances and over draft balances	-	-	-	-	-	-	1,645,316	-	1,645,316
Cancelled during the year	999,145	-	-	-	-	-	-	-	999,145
Recognized during the year	-	-	18,601	-	-	-	-	-	18,601
Finance cost	-	-	6,842	-	-	-	-	4,131,444	4,138,286
Total liability related other changes	999,145	-	25,443	-	179,766	-	1,645,316	4,131,444	6,981,114
As at June 30, 2024	-	27,256	48,579	993	13,193,489	4,500,000	1,645,316	865,945	20,281,578

53. CAPITAL MANAGEMENT

The Company's objectives when managing capital are 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.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

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 equity (as shown in the statement of financial position). Net debt is calculated as total borrowings (including current and non-current borrowings) including book overdraft (if any) less cash and bank balances and liquid investments.

The gearing ratios as at June 30, 2025 and 2024 are as follows:

		2025	2024
		(Rupees in thousand)	
Borrowings		15,350,991	20,859,254
Cash and bank balances and liquid investments		(5,302,915)	(1,517,912)
Net debt		10,048,076	19,341,342
Total equity		71,461,592	52,615,908
Gearing ratio	Percentage	**14.06%**	**36.76%**

Loan covenants

In accordance with the terms of agreements with the lenders of long term finances (as referred to in note 8 to these financial statements), the Company is required to comply with the following major financial covenants:

- the gearing ratio must be not more than 2.5 times;
- the current ratio should be greater than or equal to 0.75 times; and
- the interest coverage ratio not falling below 1.5 times.

The Company is complied with these covenants as of the reporting period.

There are no indications that the Company would have difficulties complying with the covenants when they will be next tested as at June 30, 2026.

54. PROVIDENT FUND TRUST

The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

55. NUMBER OF EMPLOYEES

	2025	2024
Total number of employees as on June 30		
- Head office	492	528
- Factory	1,218	1,280
	1,710	1,808
Average number of employees during the year		
- Head office	467	501
- Factory	1245	1,281
	1,712	1,782

56. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

	2025	2024
	(Rupees in thousand)	
Loans/advances obtained as per Islamic mode:		
Loans obtained as per Islamic mode	3,436,455	2,927,947
Shariah compliant bank deposits/bank balances		
Bank balances	26,900	23,626
Revenue earned from a shariah-compliant business segment		
Revenue from contracts with customers - net	68,942,446	66,452,348
Profit earned from shariah compliant bank deposits/bank balances		
Profit on deposits with banks	281	1,014
Gain or dividend earned from shariah compliant investments		
Dividend income	6,660,316	86,605
Mark-up paid on Islamic mode of financing	497,255	492,617
Interest paid on loans	4,511,841	3,177,304

Relationship with shariah compliant banks

The Company has obtained short term borrowings and long term finances, and has maintained bank balances with shariah compliant banks.

57. DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under Part 1 Clause VII of the Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

Description	Note	2025	2024
		(Rupees in thousand)	
Statement of Financial Position			
Financing obtained as per Islamic mode	8 & 17	3,436,455	2,927,947
Accrued finance cost on conventional loan	16	268,157	559,462
Long-term and short-term Shariah compliant Investments	21 & 28	24,309,795	10,138,166
Bank balances - Shariah compliant	33	26,900	23,626
Statement of Profit or Loss			
Revenue earned from a shariah-compliant business segment	34	68,942,446	66,452,348
Source and detailed break up of other income			
Other income earned from shariah compliant:	39 & 41		
Profit on bank deposits		281	1,014
Gain on disposal of operating fixed assets		58,987	47,366
Sale of scrap		3,137	1,667
Miscellaneous		16,215	25,200
Dividend income		6,660,316	86,605
Other income earned from non - shariah compliant:	39 & 41		
Profit on bank deposits		225,728	116,677
Interest on advances to related party		29,917	11,409
Interest on loans to employees		345	366
Un-realised gain on investments		1,693,739	65,838
Gain on disposal of investments		805,066	-

The Company has business relationship with Islamic banks in ordinary course of business. Disclosures other than above are not applicable to the Company.

58. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purpose of comparison and better presentation, however, no significant reclassification has been made.

59. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on August 06, 2025. The Board of Directors have the power to amend and re-issue the financial statements.

DIRECTOR | CHIEF FINANCIAL OFFICER | DIRECTOR

CONSOLIDATED FINANCIAL STATEMENTS

for the Year Ended June 30, 2025

DIRECTORS' REPORT ON AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Directors are pleased to present the audited consolidated financial statements of Maple Leaf Cement Factory Limited (the Holding Company) and its wholly owned subsidiary companies, Maple Leaf Power Limited, Novacare Hospitals (Pvt.) Limited and its associated company Agritech Limited (collectively referred to as Group) for the year ended 30 June 2025.

GROUP RESULTS

The Group has earned gross profit of Rupees 25,442 million as compared to Rupees 22,430 million of corresponding year. The Group made after tax profit of Rupees 11,503 million during this period as compared to profit of Rupees 6,920 million during the corresponding year.

The overall group financial results are as follows:

	June 30, 2025	June 30, 2024
	(Rupees in million)	
Sales	68,654	66,452
Gross Profit	25,442	22,430
Profit from operations	19,108	14,219
Financial charges - Net	1,978	3,412
Profit after tax	11,503	6,920
	------------- (Rupees) -------------	
Earnings per share – basic and diluted	10.98	6.51

SUBSIDIARY COMPANY

MAPLE LEAF POWER LIMITED (MLPL)

Maple Leaf Cement Factory Limited has formed a subsidiary company namely, Maple Leaf Power Limited ("MLPL"). MLPL ("the Subsidiary") was incorporated in Pakistan on 15 October 2015 under the Companies Ordinance, 1984 (Now the Companies Act, 2017) as public limited company. The principal objective of MLPL is to develop, design, operate and maintain electric power generation plant in connection therewith to engage in the business of generation, sale and supply of electricity to the Holding Company.

NOVACARE HOSPITALS (PRIVATE) LIMITED

Novacare Hospitals (Private) Limited ("NHPL") was incorporated in Pakistan on March 21, 2023, by Andalus Holdings (ADGM) Limited ("Andalus"), represented by directors Mr. Faraz Minai and Mr. Ghalib Hafiz, each holding 2,500 shares. The principal line of business of NHPL is to establish, manage and operate healthcare facilities, including hospitals, pharmacies, nursing homes, clinics, laboratories, dental clinics, and healthcare centers. NHPL aims to provide healthcare and surgical services, including the treatment of various diseases. NHPL is currently in the pre-commencement phase and has purchased land for hospital on which it has begun construction work. The Registered Office of NHPL is situated at Plot No. 11-12. Central Commercial-C, DHA-5, Islamabad.

In compliance with the Companies Act, 2017, all relevant matters of Section 227 have been placed in our Standalone Directors' Report to the shareholders.

ACKNOWLEDGEMENT

The Directors are grateful to the Group's members, financial institutions, customers and employees for their cooperation and support. They also appreciate the hard work and dedication of the employees working in different roles.

(Syed Mohsin Raza Naqvi)
Director

(Sayeed Tariq Saigol)
Chief Executive Officer

Lahore: August 06, 2025

INDEPENDENT AUDITOR'S REPORT

To the members of Maple Leaf Cement Factory Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Maple Leaf Cement Factory Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

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Karachi Lahore Islamabad

Following are the Key audit matters:

S.No.	Key audit matter(s)	How the matter was addressed in our audit
1	Revenue recognition (Refer notes 4.16 and 33 to the annexed consolidated financial statements) Revenue from sale of goods is recognised when performance obligations are satisfied by transferring control of a promised good to a customer. The Group is principally engaged in the production and sale of cement and wall putty in the local and export markets. Due to revenue being one of the key performance indicators of the Group, a large number of revenue transactions with a large number of customers, and the inherent risk of material misstatement, we consider it to be a key audit matter.	Our audit procedures included the following: • Understood and evaluated management controls over revenue and checked their validation; • Performed testing of sample of revenue transactions with underlying documentation including dispatch documents and sales invoices; • Performed cut-off procedures on sample basis to ensure revenue has been recognised in the correct period; • Checked on a sample basis, approval of sales prices by the appropriate authority; • Performed recalculation of discounts as per Group's policy on test basis; • Performed analytical procedures to analyse variation in the price and quantity sold during the year; and • Assessed the adequacy and appropriateness of the disclosures made in the financial statements related to revenue.

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

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

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

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

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

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

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

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

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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 Khurram Akbar Khan.

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: August 26, 2025
UDIN: AR202510070IFh5pBME9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
- 1,400,000,000 (2024: 1,400,000,000) ordinary shares of Rs 10 each		14,000,000	14,000,000
- 100,000,000 (2024: 100,000,000) 9.75% redeemable preference shares of Rs 10 each		1,000,000	1,000,000
		15,000,000	15,000,000
Issued, subscribed and paid-up share capital 1,047,562,608 (2024: 1,047,562,608) ordinary shares of Rs 10 each	5	10,475,626	10,475,626
Capital reserves	6	34,998,282	33,197,422
Revenue reserve: Un-appropriated profits		21,543,468	9,543,934
Surplus on revaluation of fixed assets	7	3,942,406	4,397,948
Non-controlling interests		(496)	28,713
Total equity		70,959,286	57,643,643
NON - CURRENT LIABILITIES			
Long term loans from financial institutions - secured	8	9,781,639	9,785,786
Deferred government grant	9	322,304	450,487
Lease liabilities	10	53,292	50,881
Long term deposits	11	8,214	8,214
Deferred Income tax	12	13,837,046	13,048,262
Employee benefits obligations	13	350,638	328,527
		24,353,133	23,672,157
CURRENT LIABILITIES			
Current portion of:			
- Long term loans from financial institutions - secured	8	3,933,328	3,407,702
- Deferred government grant	9	128,183	155,439
- Lease liabilities	10	39,970	31,828
Trade and other payables	14	17,698,228	13,083,068
Provision for income tax	15	449,875	68,857
Unclaimed dividend		26,877	27,255
Mark-up accrued on borrowings	16	320,434	608,721
Short term borrowings from financial institutions - secured	17	822,285	1,645,316
		23,419,180	19,028,186
CONTINGENCIES AND COMMITMENTS	18		
		118,731,599	100,343,986

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

DIRECTOR **CHIEF FINANCIAL OFFICER** **DIRECTOR**

	Note	2025	2024
		(Rupees in thousand)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	19	72,403,474	72,786,438
Intangible assets	20	62,426	84,810
Long term investments	21	9,505,895	-
Long term loans to employees - secured	22	16,610	31,228
Long term deposits	23	88,212	66,635
		82,076,617	72,969,111
CURRENT ASSETS			
Stores, spare parts and loose tools	24	13,010,204	12,836,410
Stock-in-trade	25	4,278,247	3,176,688
Trade debts	26	4,610,182	4,188,745
Loans and advances	27	924,947	513,922
Short term investments	28	11,102,413	4,231,462
Short term deposits and prepayments	29	717,268	998,350
Accrued profit	30	42,880	20,400
Other receivables	31	107,290	129,474
Cash and bank balances	32	1,861,551	1,279,424
		36,654,982	27,374,875
		118,731,599	100,343,986

DIRECTOR **CHIEF FINANCIAL OFFICER** **DIRECTOR**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
			Restated
Revenue from contracts with customers - net	33	68,653,999	66,452,348
Cost of sales	34	(43,212,083)	(44,021,883)
Gross profit		25,441,916	22,430,465
Selling and distribution expenses	35	(4,133,510)	(5,471,808)
Administrative expenses	36	(2,345,069)	(1,987,637)
Net impairment loss on financial assets	26.1	(514,430)	(357,191)
Other expenses	37	(1,418,766)	(699,345)
Other income	38	2,077,570	304,086
Operating profit		19,107,711	14,218,570
Finance cost	39	(3,011,546)	(3,535,084)
Finance income	40	1,033,613	122,621
Finance cost - net		(1,977,933)	(3,412,463)
Share of net loss of associate accounted for using equity method	21	(761,071)	-
Profit before final taxes and income tax		16,368,707	10,806,107
Final taxes - levy	41	(38,972)	(45,804)
Profit before income tax		16,329,735	10,760,303
Income tax	41	(4,826,457)	(3,840,526)
Profit for the year		11,503,278	6,919,777
Profit is attributable to:			
Equity holders of the Holding Company		11,503,305	6,891,064
Non-controlling interests		(27)	28,713
		11,503,278	6,919,777
		------------- Rupees -------------	
Earnings per share for profit attributable to the equity holders of the Holding Company - basic and diluted	42	10.98	6.51

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

DIRECTOR CHIEF FINANCIAL OFFICER DIRECTOR

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
Profit for the year		11,503,278	6,919,777
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be subsequently reclassified to profit or loss:			
Remeasurement of retirement benefits	13	13,853	(18,730)
Tax effect of remeasurement of retirement benefits		(5,403)	5,432
		8,450	(13,298)
Change in fair value of investments at fair value through other comprehensive income (OCI)	28	2,275,400	1,146,535
Tax effect of change in fair value of investment at fair value through OCI		(474,540)	(313,065)
		1,800,860	833,470
Surplus on revaluation of fixed assets	7	-	4,676,449
Tax effect of surplus on revaluation of fixed assets		-	(1,661,884)
Effect on deferred tax due to change in effective tax rate		3,055	(30,867)
		3,055	2,983,698
Other comprehensive income for the year		1,812,365	3,803,870
Total comprehensive income for the year		13,315,643	10,723,647
Total comprehensive income is attributable to:			
Equity holders of the Holding Company		13,315,670	10,694,934
Non-controlling interests		(27)	28,713
		13,315,643	10,723,647

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

DIRECTOR　　CHIEF FINANCIAL OFFICER　　DIRECTOR

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from operations	43	23,372,203	14,348,743
Decrease / (increase) in long term loans to employees		14,618	(13,139)
Increase in long term deposits to suppliers		(21,577)	(8,234)
Employee benefit obligations paid		(54,768)	(47,729)
Income tax and final taxes paid		(4,368,527)	(1,498,408)
Income tax refunds received		178,579	-
Net cash inflow from operating activities		19,120,528	12,781,233
Cash flows from investing activities			
Payments for property, plant and equipment		(3,611,410)	(5,453,903)
Payments for acquisition of intangibles		(7,816)	(89,828)
Investments in Agritech Limited		(7,067,357)	-
Dividends received		259,816	86,605
Proceeds from the disposal of investments in market treasury bills		805,066	-
Proceeds from disposal of property, plant and equipment		95,921	355,361
Proceeds from disposal of stores and spares		195,180	11,792
Purchase of short term investments		(48,572,637)	(1,625,808)
Proceeds from sale of short term investments		42,709,617	2,475,461
Short term loan to Maple Leaf Capital Limited		-	500,000
Repayment of short term loan by Maple Leaf Capital Limited		-	(500,000)
Profit received on short term loan to Maple Leaf Capital Limited		-	11,409
Profit received on bank deposits		206,067	99,930
Net cash outflow from investing activities		(14,987,553)	(4,128,981)
Cash flows from financing activities			
Repayment of long term loans from financial institutions - secured		(3,833,960)	(4,819,016)
Proceeds from long term loans from financial institutions - secured		4,200,000	-
Short term borrowings - net		678,765	-
Finance cost paid		(3,286,683)	(3,682,164)
Lease rentals paid		(42,222)	(32,329)
Payments for shares bought back		-	(999,145)
Redemption of preference shares		(3)	(12)
Dividend paid		(378)	(123)
Net cash outflow from financing activities		(2,284,481)	(9,532,789)
Net increase / (decrease) in cash and cash equivalents		1,848,494	(880,537)
Cash and cash equivalents at beginning of the year		(127,392)	750,252
Effects of exchange rate changes on cash and cash equivalents		(3,071)	2,893
Cash and cash equivalents at end of the year	44	1,718,031	(127,392)

Refer note 51 for reconciliation of liabilities arising from financing activities.

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

DIRECTOR　　CHIEF FINANCIAL OFFICER　　DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2025

	Share Capital	Capital Reserves								Revenue Reserve	Equity attributable to Holding Company	Equity attributable to NCI	Total Equity
		Share premium	Capital redemption reserve	FVOCI reserve	Own shares purchased for cancellation	Capital expansion	Long term investments	Sub-total	Surplus on revaluation of fixed assets - net of tax	Un-appropriated profits			
	Rupees in thousand												
Balance as on July 01, 2023	**10,733,462**	**6,060,550**	**105,824**	**197,578**	**-**	**-**	**-**	**6,363,952**	**1,900,302**	**28,921,425**	**47,919,141**	**-**	**47,919,141**
Own shares purchased during the year for cancellation	(257,836)	-	-	-	-	-	-	-	-	(741,309)	(999,145)	-	(999,145)
Re-classification of un-appropriated profits to Capital Reserves	-	-	-	-	1,000,000	20,000,000	5,000,000	26,000,000	-	(26,000,000)	-	-	-
Total comprehensive income for the year ended June 30, 2024													
Profit for the year	-	-	-	-	-	-	-	-	-	6,891,064	6,891,064	28,713	6,919,777
Other comprehensive income for the year	-	-	-	833,470	-	-	-	833,470	2,983,698	(13,298)	3,803,870	-	3,803,870
	-	-	-	833,470	-	-	-	833,470	2,983,698	6,877,766	10,694,934	28,713	10,723,647
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	-	(484,675)	484,675	-	-	-
Transfer of revaluation surplus on disposal of fixed assets - net of tax	-	-	-	-	-	-	-	-	(1,377)	1,377	-	-	-
Balance as at June 30, 2024	**10,475,626**	**6,060,550**	**105,824**	**1,031,048**	**1,000,000**	**20,000,000**	**5,000,000**	**33,197,422**	**4,397,948**	**9,543,934**	**57,614,930**	**28,713**	**57,643,643**
Total comprehensive income for the year ended June 30, 2025													
Profit for the year	-	-	-	-	-	-	-	-	-	11,503,305	11,503,305	(27)	11,503,278
Other comprehensive income for the year	-	-	-	1,800,860	-	-	-	1,800,860	3,055	8,450	1,812,365	-	1,812,365
	-	-	-	1,800,860	-	-	-	1,800,860	3,055	11,511,755	13,315,670	(27)	13,315,643
Incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	-	-	-	-	(457,404)	457,404	-	-	-
Transfer of revaluation surplus on disposal of fixed assets - net of tax	-	-	-	-	-	-	-	-	(1,193)	1,193	-	-	-
Adjustment to NCI	-	-	-	-	-	-	-	-	-	29,182	29,182	(29,182)	-
Balance as at June 30, 2025	**10,475,626**	**6,060,550**	**105,824**	**2,831,908**	**1,000,000**	**20,000,000**	**5,000,000**	**34,998,282**	**3,942,406**	**21,543,468**	**70,959,782**	**(496)**	**70,959,286**

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

DIRECTOR

CHIEF FINANCIAL OFFICER

DIRECTOR

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. THE GROUP AND ITS OPERATIONS

The Group comprises of:
- Maple Leaf Cement Factory Limited;
- Maple Leaf Power Limited;
- Novacare Hospitals (Private) Limited.

The Group is principally engaged in the following businesses:
- Cement production;
- Power generation; and
- Healthcare.

1.1 Maple Leaf Cement Factory Limited (the 'Holding Company') is a public company limited by shares incorporated in Pakistan on April 13, 1960 under the repealed Companies Act, 1913 (now, the Companies Act, 2017, hereinafter may be referred to as the 'Act'). Its ordinary shares are listed on the Pakistan Stock Exchange Limited. It's registered office is situated at 42 - Lawrence Road, Lahore, Pakistan. It has one cement plant which is located at Iskanderabad, District Mianwali, in the province of Punjab. It is principally engaged in the production and sale of cement and wall putty. It is a subsidiary of Kohinoor Textile Mills Limited ("the Ultimate Holding Company").

1.2 Maple Leaf Power Limited ('MLPL') was incorporated in Pakistan on October 15, 2015, as a public company limited by shares, under the repealed Companies Ordinance, 1984 (now, the Act). The registered office of MLPL is located at 42-Lawrence Road, Lahore.

The principal objective of MLPL is to develop, design, operate and maintain electric power generation plant and in connection therewith to engage in the business of generation, sale and supply of electricity to the Holding Company. MLPL operates a 40 megawatt Coal Fired Power Generation Plant and a 7.9 megawatt Solar Power Plant at Iskanderabad, District Mianwali, Punjab, Pakistan for generation of electricity.

MLPL is registered as a Captive Power Producer ('CPP') and has obtained electricity generation licenses from the National Electric Power Regulatory Authority ('NEPRA'). A generation license for a 40 megawatt Coal Fired Power Plant was granted on December 20, 2016, and for a 25 megawatt Solar Power Plant on May 31, 2024. MLPL entered into power and steam purchase agreements with the Holding Company on July 4, 2017, and October 31, 2019, respectively. These agreements are valid for 20 years.

1.3 Maple Leaf Industries Limited ("MLIL") was a public company limited by shares incorporated in Pakistan on September 21, 2022, under the Companies Act, 2017. The registered office of MLIL was located at 42-Lawrence Road, Lahore, Pakistan.

MLIL was incorporated with the primary objective of setting up a cement manufacturing facility in Special Economic Zone in Mianwali, Punjab. However, the Government of Pakistan did not allow for import of machinery for cement manufacturing line and consequently, the Board of Directors of MLIL decided to initiate the winding-up process of the Company as at March 31, 2024. The winding-up process has since been completed.

1.4 Novacare Hospitals (Private) Limited ("NHPL") was incorporated in Pakistan on March 21, 2023, by Andalus Holdings (ADGM) Limited ("Andalus"), represented by directors Mr. Faraz Minai and Mr. Ghalib Hafiz, each holding 2,500 shares. Andalus, based in Abu Dhabi, is incorporating a company in Pakistan to which these shares will be transferred. On May 10, 2023, Andalus entered into an agreement with the Holding Company that along with its affiliates, Holding Company would invest in NHPL, maintaining at least a 66.66% shareholding. The agreement, granting the Holding Company ordinary shares, has a term of eight years with a one-year extension option.

The principal line of business of NHPL is to establish, manage, and operate healthcare facilities, including hospitals, pharmacies, nursing homes, clinics, laboratories, dental clinics, and healthcare centres. NHPL aims to provide healthcare and surgical services, including the treatment of various diseases. NHPL is currently in the pre-commencement phase and has purchased land for hospital on which it has begun construction work. The registered office of NHPL is situated at 1st Floor, F-J Plaza, Block No. 2, Markaz F-7, Islamabad Capital Territory (I.C.T), Pakistan.

The Holding Company's shareholding in its subsidiaries is as follows:

	Shareholding
- Maple Leaf Power Limited	100%
- Novacare Hospitals (Private) Limited	99.99%

The Group has regional offices located across Pakistan, the geographical locations of which are listed below:

Regional office	Geographical location
Lahore region	304-B, 3rd Floor, City Tower, Main Boulevard, Gulberg II, Lahore
Multan region	Office No. 708, 7th Floor, the United Mall, Abdali Road, Multan
Sargodha region	Office No. 59, 2nd Floor, Al Rehman Trade Centre University Road, Sargodha
Rawalpindi region	Kohinoor Textile Mills Limited, Peshawar Road, Rawalpindi
Karachi region	25-West Wharf Road, Industrial Area, Karachi
Faisalabad region	Office No. 10, 3rd Floor, Legacy Tower, Kohinoor City, Jaranwala Road, Faisalabad

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the 'Act'); and
- Provisions of and directives issued under the Act.

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

2.1.1 Change in accounting policy for finance income

The Group has changed its accounting policy to classify finance income that arises from treasury activities (such as income on surplus funds invested for the short term) and on financial assets that are held for cash management purposes as 'Finance income' on the statement of profit or loss, which were previously being classified under 'Other income'. The Group invests surplus funds available for cash management purposes in short-term instruments to earn better returns. Presenting related finance income and costs on a net basis reflects the economic substance of these treasury activities and provides users with more relevant and reliable information.

This change has been accounted for retrospectively in line with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". There has been no effect on the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and earnings per share as a result of this change.

The effects of change in accounting policy are as follows:

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	(Rupees in thousand)		
Effects on statement of profit or loss			
For the year ended June 30, 2025			
Other income	3,111,183	(1,033,613)	2,077,570
Finance income	-	1,033,613	1,033,613
For the year ended June 30, 2024			
Other income	426,707	(122,621)	304,086
Finance income	-	122,621	122,621

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Group's consolidated financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments to published standards and interpretations that are effective in the current year

Certain standards, amendments and interpretations to IFRS are effective for accounting period beginning on July 01, 2024 but are considered not to be relevant to the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these consolidated financial statements, except for the following:

a) Amendment to International Accounting Standard (IAS) 1 – Non-current liabilities with covenants

The amendment clarifies how conditions that an entity must comply with within twelve months after the reporting period affect the classification of a liability. The amendment also aims to improve the information an entity provides related to liabilities subject to these amendments. The amendment clarifies that a liability should be classified as a current liability if a breach of covenant that gives the lender the right to demand immediate repayment occurs at or prior to the end of the reporting period, unless sufficient relief is granted by the lender before or at the end of the reporting period.

b) IFRIC Agenda Decision – Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8)

In its July 2024 meeting, the IASB discussed and did not object to an IFRIC agenda decision on 'Disclosure of Revenues and Expenses for Reportable Segments (IFRS 8 Operating Segments)'. IFRS 8 Operating Segments requires an entity to disclose specific information about assets, liabilities, and profit or loss by segment. Specifically, IFRS 8 paragraph 23 requires an entity to disclose certain specified items of profit or loss if these are included in the measure of segment profit or loss reviewed by the chief operating decision maker, or are otherwise regularly provided to the chief operating decision maker, even if not included in that measure of segment profit or loss. Some of the requirements in paragraph 23 are very straightforward – for example, 'revenues from external customers' and 'interest expense'. Others, such as the requirement to disclose 'material items of income and expense disclosed in accordance with paragraph 97 of IAS 1, are much more judgmental. The decision clarifies how an entity applies those requirements. The key takeaways are that:

(i) Material items of income and expense that need to be disclosed as specified items are notlimited to only unusual or non-recurring items.

(ii) Determining how much detail needs to be included in the segment reporting will be a matter of judgment considering the entity's specific facts and circumstances, the core principle of IFRS 8, and the principles of materiality.

(iii) An entity is not required to disclose by reportable segment each item of income and expense presented in its statement of profit or loss or disclosed in the notes.

The above amendments did not result in any significant changes to these consolidated financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after July 1, 2025 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these consolidated financial statements, except for the following:

(a) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective for annual period beginning on July 1, 2026)

On May 30, 2024, the IASB issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures'. The amendments respond to recent questions arising in practice, and include new requirements not only for financial institutions but also for corporate entities. These new requirements serve the following purposes:

(a) clarification of the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

(b) clarification and addition of further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

(c) addition of new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

(d) update in the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

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

The Group is yet to assess the impact of these amendments on its financial statements.

(b) Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on July 1, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

(c) International Financial Reporting Standard (IFRS) 18, 'Presentation and Disclosure in Financial Statements (effective for annual period beginning on July 1, 2027)

The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. IFRS 18 will replace IAS 1 'Presentation of financial statements', introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The key new concepts introduced in IFRS 18 relate to:

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

  The Group is yet to assess the impact of this Standard and amendments to existing standards on its financial statements.

3. BASIS OF MEASUREMENT

3.1 These consolidated financial statements have been prepared under the historical cost convention except as otherwise stated.

3.2 Critical accounting estimates and judgments

The Group's material accounting policy information is stated in note 4. The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to the estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

- Employee benefits obligations - notes 4.2 and 13
- Provision for taxation - notes 4.3, 12 and 41
- Revaluation of property, plant and equipment - notes 4.5.1, 7 and 19.1
- Useful lives and residual values of property, plant & equipment - notes 4.5.1 and 19.1
- Expected credit loss against trade debts, deposits and other receivables - notes 4.10.4 and 26
- Estimation of quantity of stockpiles - note 4.9
- Contingent taxation liabilities - note 18

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the following:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the consolidated statement of profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests ('NCI') in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

When control of subsidiary ceases, non-controlling interests in the equity of subsidiary is measured and disposed of at its proportionate share of the fair value of the net assets of the subsidiary.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (refer to note 4.1 (c)), after initially being recognised at cost in the consolidated statement of financial position.

c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the consolidated statement of profit or loss.

d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the consolidated statement of profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of profit or loss where appropriate.

4.2 Employee benefits

4.2.1 Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

4.2.2 Post employment benefits

a) Defined contribution plan - Provident Fund

The Holding Company operates a defined contributory approved Provident Fund Trust for all its employees. Equal monthly contributions are made both by the Group and employees at the rate of 10% of the basic salary to the Provident Fund Trust. Obligation for contributions to defined contribution plan is expensed as the related service is provided.

b) Defined benefit plan - Gratuity

The Holding Company operates approved funded gratuity scheme for all its workers who have completed the minimum qualifying period of service of three years. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to consolidated statement of profit or loss. The most recent valuation was carried out as at June 30, 2025 using the "Projected Unit Credit Method".

The Holding Company operates defined benefit gratuity plan in accordance with the local regulatory framework in Pakistan. The plan provides benefits to members in the form of a gratuity amount payable at the end of employment. This is a trustee-administered fund. Plan assets held by the fund are governed by local regulations and practice. Responsibility for governance of the plan – including investment decisions and contributions schedules – lies jointly with the board of trustees which are either directors, senior executives or employees of the Holding Company in accordance with the plan's regulations.

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 Holding Company as reduced by benefits paid during the year.

The Holding Company ensures that its investment positions are managed within an asset-liability matching (ALM) framework developed to align with its gratuity obligations. Within this framework, the Group's ALM objective is to match assets to the gratuity obligations by investing in fixed-rate short-term funds. These funds carry lower risk and provide fixed returns, ensuring the preservation of the investment amount at maturity, which can then be reinvested. Additionally, they offer attractive returns compared to peers. The Group actively monitors how the duration and expected yield of these investments align with the expected cash outflows arising from the gratuity scheme obligations.

The Holding Company has not changed the processes used to manage its risks from previous periods. The Holding Company does not use derivatives to manage its risk. Investments are in rated financial institutions, such that the risk failure of the investments is minimal. A large portion of assets in 2024 consists of investment in open ended fixed rate return fund managed by NBP Fund Management Limited. The Holding Company believes that such investments offer the best returns with an acceptable level of risk. The composition of plan assets has been disclosed in note 13.2.2.

The amount recognized in statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of the plan assets.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognized immediately in the consolidated statement of profit or loss.

The future contribution rate of the plan includes allowances for deficit and surplus. Projected Unit Credit Method, using the following significant assumptions, has been used for valuation of this scheme:

	2025	**2024**
Discount rate per annum	12.00%	16.25%
Expected increase in eligible salary level per annum	11.00%	13.75%
Duration of plan	4 years	4 years

The expected mortality rates assumed are based on the SLIC (2001-2005) mortality table set back one year.

c) Accumulating compensated absences

The Holding Company accounts for the liability in respect of employees' compensated absences in the year in which these are earned. Provision to cover the obligations is made using the current salary level of employees. The unutilized leaves are accumulated subject to a maximum of 90 days. The unutilized accumulated leaves can be encashed at the time the employee leaves Group service.

Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to statement of profit or loss. The most recent valuation was carried out as at June 30, 2025 using the "Projected Unit Credit Method."

The amount recognised in the statement of financial position represents the present value of the defined benefit obligations. Actuarial gains and losses are charged to the consolidated statement of profit or loss immediately in the period when these occur.

Projected unit credit method, using the following significant assumptions, has been used for valuation of accumulating compensated absences:

	2025	2024
Discount rate per annum	14.75%	16.25%
Expected rate of increase in salary level per annum	11.00%	13.75%
Expected mortality rate	SLIC 2001 - 2005	SLIC 2001 - 2005
Duration of the plan	8.6 years	8.6 years

4.3 Taxation

Income tax expense comprises current and deferred tax. Income tax is recognized in the consolidated statement of profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or comprehensive income as the case may be.

Current

The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to 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. Where there is uncertainty in income tax accounting i.e. when it is not probable that the tax authorities will accept the treatment, the impact of the uncertainty is measured and accounted for using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty. Such judgements are reassessed whenever circumstances have changed or there is new information that affects the judgements. Where, at the assessment stage, the taxation authorities have adopted a different tax treatment and the Group considers that the most likely outcome will be in favour of the Group, the amounts are shown as contingent liabilities. In making a judgment and / or estimate relating to probability of outcome, the management considers laws, statutory rules, regulations and their interpretations. Where, based on management's estimate, a provision is required, the same is recorded in the financial statements.

Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Levies

Minimum taxes that exceed the normal tax liability, as well as tax deducted at source (other than from dividends received from subsidiaries, joint ventures, and associates) under the provisions of the Income Tax Ordinance, 2001 ('the Ordinance'), are not within the scope of IAS 12 - Income Taxes. Instead, these taxes fall under the provisions of IFRIC 21 - Levies, and IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.

Consequently, a liability for these levies is recognized in accordance with IFRIC 21 when the event specified in the Ordinance that triggers the obligation occurs. Therefore, excess minimum taxes and final taxes are recognized as liabilities when they become due, ensuring compliance with the recognition and measurement principles outlined in IAS 37.

4.4 Leases

4.4.1 The Group is the lessee:

At inception of a 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.

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

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 being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate 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-of-use asset, or is recorded in the consolidated statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Extension options (or periods covered by termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). While making this assessment, the Group considers significant penalties to terminate (or not extend) as well as the significant cost of business disruption.

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

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in consolidated statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

4.4.2 The Group is the lessor:

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rental income received under operating leases (net of any incentives given to the lessee) is recognised as income on a straight-line basis over the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

4.5 Property, plant and equipment

4.5.1 Operating fixed assets

Operating fixed assets except freehold land, buildings on freehold land, roads, bridges and railway sidings, plant and machinery are stated at cost less accumulated depreciation and any identified impairment loss. Buildings on freehold land, roads, bridges and railway sidings and plant and machinery are stated at fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses while freehold land is stated at revalued amount being the fair value at the date of revaluation, less any subsequent impairment losses, if any. Revaluation is carried out within five years to ensure that the carrying amount of the asset does not differ materially from its fair value. Latest revaluation of operating fixed assets was carried out by an independent professional valuer as on June 30, 2024.

Increases in the carrying amounts arising on revaluation of operating fixed assets are recognised, net of tax, in other comprehensive income and accumulated in surplus on revaluation of fixed assets in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Each year, the difference between the depreciation calculated on the revalued carrying amount of an asset and the depreciation based on its original cost, after tax, is reclassified from the revaluation surplus to retained earnings. The Group adopts the gross method for presenting revaluation adjustments. On the revaluation date, both the accumulated depreciation and the gross carrying amount of the asset are restated to align with the revalued amount. When the asset is disposed off, any remaining balance in the revaluation surplus related to that asset is transferred to retained earnings.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as stated in note 4.12.

Proceeds from the sale of items while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management are not deducted from the cost of an item of property, plant and equipment. Instead, the Group recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are included in the statement of profit or loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense, and the related surplus on revaluation of property, plant and equipment is transferred directly to retained earnings.

Depreciation on operating fixed assets is charged to profit or loss on the following methods and rates so as to write off the depreciable amounts of the assets over their estimated useful lives after taking into account their residual values:

Asset category	**Depreciation method**	**Annual depreciation rate**
Buildings on freehold land	Straight line	5% to 20%
Plant and machinery	-do-	5% to 20%
Roads, bridges and railway sidings	-do-	5% to 10%
Spares held for capital expenditure	-do-	10%
Furniture, fixtures and equipment	Reducing balance	10% to 30%
Quarry equipment	-do-	20%
Vehicles	-do-	20%
Share of joint assets	-do-	10%

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The Group's estimate of the residual values and useful lives of its operating fixed assets as at June 30, 2025 has not required any adjustment as its impact is considered insignificant.

4.5.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure including borrowing costs connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.5.3 Major spare parts and stand-by equipment

Major spare parts and stand-by equipment qualify as property, plant and equipment when an entity expects to use them for more than one year. Transfers are made to operating assets category as and when such items are available for use. These spares parts are depreciated over a useful life of 10 years on a straight line basis.

4.6 Intangible assets

Intangible assets have a finite life and are stated at cost less accumulated amortization for finite intangible asset and any identified impairment loss. The estimated useful life and amortization method is reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets having a finite life are amortised using the straight-line method over their estimated useful lives at the rate of 33% per annum.

4.7 Investments

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets. All other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

4.7.1 Investments in equity instruments of associate

Investments in equity instruments of associate is accounted for using the equity method of accounting as referred to in note 4.1 (c).

4.8 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at moving weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the reporting date. For items which are slow moving and/or identified as obsolete, adequate provision is made for any excess book value over estimated realizable value. The Group reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence.

4.9 Stock-in-trade

Stocks are valued at the lower of cost and net realizable value. Cost is determined as follows:

Raw material	at weighted average cost
Packing material	at weighted average cost
Work in process	at weighted average manufacturing cost
Finished goods	at weighted average manufacturing cost

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labour and a proportion of appropriate manufacturing overheads.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

If the expected net realisable value is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value. Provision is made in the consolidated financial statements for obsolete and slow moving stock-in-trade based on management estimate.

Further, the Group's certain stock items [i.e. raw materials (limestone, clay and gypsum), work-in-process (clinker) and stores and spares (coal)] are stored in purpose-built sheds, stockpiles and silos. As the weighing of these stock items is not practicable, the management assesses the reasonableness of the on-hand inventory by obtaining measurement of stockpiles and converting these measurements into unit of volume by using angle of repose and bulk density values.

4.10 Financial assets

4.10.1 Classification

The Group classifies its financial assets other than investments in subsidiaries in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss]; and
- those to be measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

4.10.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

4.10.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

i) Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.

ii) FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as a separate line item in the statement of profit or loss.

iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises. All derivatives in the scope of IFRS 9 are also required to be measured at FVPL.

Equity instruments

The Group subsequently measures all equity investments at fair value other than investment in associate. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.10.4 Impairment of financial assets other than investment in equity instruments

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debts, the Group applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance to be recognised from initial recognition of the receivables, while general 3-stage approach for deposits, loans, bank balances and other receivables i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Trade debts;
- Deposits and other receivables;
- Long term loans to employees;
- Accrued profit;
- Bank balances; and
- Short term investments.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. The Group considers a default on a financial asset is when the counterparty fails to make contractual payments within 360 days of when they fall due.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group recognises an impairment gain or loss in the consolidated statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.11 Financial liabilities

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

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest rate method. Gain and losses are recognized in the profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

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

4.12 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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

4.13 Off setting of financial instruments

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

4.14 Trade debts and other receivables

Trade debts are amounts due from customer for goods sold or services performed in ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Group holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method less loss allowance.

4.15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Additionally, cash and cash equivalents encompass short-term borrowings that are repayable on demand and are an integral part of the Group's cash management, as well as bank overdrafts. Bank overdrafts and short-term borrowings are presented within borrowings in current liabilities in the statement of financial position.

4.16 Revenue recognition

Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, commissions and government levies. The credit term does not include any financing component.

Revenue is recognised at the time of dispatch of goods from the factory and / or delivery at a specified location depending on the arrangement with the customers.

4.17 Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset, except for financial assets that subsequently become credit-impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Finance income that arises from treasury activity (such as income on surplus funds invested for the short term) is classified outside operating profit whilst including other types of finance income as operating items.

4.18 Contract asset and contract liability

A contract asset is recognised for the Group's right to consideration in exchange for goods or services that it has transferred to a customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group presents the amount as a contract asset, excluding any amounts presented as a receivable.

A contract liability is recognised for the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Group transfers a good or service to the customer, the entity shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

4.19 Foreign currency translations

a) Functional and presentation currency

Items included in these consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). The financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs'), which is the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

4.20 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the Group issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

4.21 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

4.22 Provisions

Provisions for legal claims and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4.23 Earnings per share ('EPS')

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

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

4.24 Dividend

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit and as a liability in the Group's consolidated statement of financial position in the year in which the dividends are approved by the Board of Directors or the Group's shareholders, as the case may be.

4.25 Borrowing cost

General and specific 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. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in consolidated statement of profit or loss in the period in which they are incurred.

4.26 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of tax, if any.

4.27 Contingent liabilities and assets

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.

Contingent liabilities are not recognized. A contingent liability is disclosed unless the possibility of an outflow is remote.

Contingent asset is disclosed when an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements since this may result in recognition of income that may never be realised.

Contingent liabilities and assets are generally estimated using:

- The single most likely outcome; or
- A weighted average of all the possible outcomes (the 'expected value' method). This is likely to be the most appropriate method for a large population of similar claims, but can also be applied to a single obligation with various possible outcomes.

4.28 Government grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the consolidated profit or loss over the period necessary to match them with the costs that they are intended to compensate.

4.29 Own shares purchased for cancellation

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity. Repurchased shares are classified as own shares purchased for cancellation and are presented in the consolidated statement of changes in equity as a separate reserve.

4.30 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. 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. An operating segment's operating results are reviewed regularly by the Chief Operating Decision Makers (the CODMs) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Holding Company.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

The business segments are engaged in providing products or services which are subject to risks and rewards which differ from the risk and rewards of other segments.

The Group's strategic steering committee, consisting of the Board of Directors of the Parent Company, examines the Group's performance both from a product and geographic perspective and has identified two reportable segments of its business as detailed in note 48 to the consolidated financial statements.

4.31 Pre-operating administrative expenses

Pre-operating administrative expenses include costs incurred before the commencement of principal operations, being expensed as incurred. These expenses do not meet the criteria for capitalization under IFRS.

4.32 Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.

5. SHARE CAPITAL

5.1 Issued, subscribed and paid-up share capital

	Note	Number of shares	2025	2024
			(Rupees in thousand)	
Number of shares				
(2024: 835,972,162) ordinary shares of Rs 10 each fully paid in cash		835,972,162	8,359,721	8,359,721
(2024: 11,674,893) ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash	5.1.1 & 5.1.2	11,674,893	116,749	116,749
(2024: 46,069,400) ordinary of Rs. 10 each issued as fully paid bonus shares		46,069,400	460,694	460,694
(2024: 153,846,153) ordinary shares of Rs. 10 each issued as fully paid right shares at discount	5.1.3	153,846,153	1,538,462	1,538,462
	5.1.4	1,047,562,608	10,475,626	10,475,626

5.1.1 The Holding Company has bought back 24.159 million shares for the purpose of cancellation from October 27, 2023 to April 15, 2024 at market price prevailing at the date of purchase. The purchase was made pursuant to approvals of Board of Directors and the shareholders of the Holding Company in their meeting held on September 6, 2023 and October 19, 2023 respectively, where the Holding Company was allowed to purchase/buy back its issued ordinary shares up to the maximum of 100 million ordinary shares, through Pakistan Stock Exchange Limited, at spot/current share price prevailing during the period from October 27, 2023 to April 15, 2024. These shares were cancelled on April 24, 2024.

5.1.2 During the financial year 1992, pursuant to merger of White Cement Industries Limited and Pak Cement Capital Limited with and into the Holding Company, the Holding Company issued 3,503,000 ordinary shares at the rate of Rs 10 each to the shareholders of White Cement Industries Limited and 6,487,100 ordinary shares at the rate of Rs 10 each to the shareholders of Pak Cement Company Limited respectively. Further, during financial year 2001, pursuant to merger of Maple Leaf Electric Company Limited with and into the Holding Company, the Holding Company issued 25,844,000 ordinary shares at the rate of Rs 10 each to the shareholders of Maple Leaf Electric Company Limited. The shares were issued in accordance with the schemes of merger approved by the shareholders of the Holding Company.

5.1.3 During the financial year ended June 30, 2011, the Holding Company issued 153,846,153 shares at Rs 6.50 per share at a discount of Rs. 3.50 per share otherwise than right against Rs. 1,000 million to the Ultimate Holding Company, after complying with all procedural requirements in this respect.

5.1.4 Movement of issued, subscribed and paid-up share capital

Capacity	2025	2024	2025	2024
	Number of shares		(Rupees in thousand)	
At beginning of the year	1,047,562,608	1,073,346,232	10,475,626	10,733,462
Own shares purchased during the year	-	(25,783,624)	-	(257,836)
At end of the year	1,047,562,608	1,047,562,608	10,475,626	10,475,626

5.1.4.1 During the financial year 2024, 1,624,417 ordinary shares issued against the conversion of preference shares were cancelled against buy back of shares.

5.2 The Ultimate Holding Company holds 606,497,944 (2024: 606,497,944) ordinary shares, which represents 57.89% (2024: 57.89%) of total ordinary issued, subscribed and paid-up share capital of the Company.

5.3 Directors of the Holding Company hold 96,706 (2024: 96,706) ordinary shares of Rs. 10 each of the Holding Company.

6. CAPITAL RESERVES

	Note	2025	2024
		(Rupees in thousand)	
Capital redemption reserve	6.1	105,824	105,824
Share premium reserve	6.2	6,060,550	6,060,550
FVOCI reserve	6.3	2,831,908	1,031,048
Own shares purchased for cancellation	6.4	1,000,000	1,000,000
Capacity expansion reserve	6.5	20,000,000	20,000,000
Long term investments reserve	6.6	5,000,000	5,000,000
		34,998,282	33,197,422

6.1 This reserve has been created under section 85 of the repealed Companies Ordinance, 1984, for redemption of preference shares.

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

6.3 This represents the unrealised gain on remeasurement of equity investments at fair value through other comprehensive income and is not available for distribution.

6.4 This reserve has been created by reclassification of unappropriated profits for the purpose of buy back of shares and is not available for distribution.

6.5 This reserve has been created by reclassification of unappropriated profits for the purpose of capacity expansion and is not available for distribution.

6.6 This reserve has been created by reclassification of unappropriated profits for the purpose of long term investments and is not available for distribution.

	Note	2025	2024
		(Rupees in thousand)	
7. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX			
At beginning of the year		6,696,334	2,785,266
Surplus on revaluation during the year	7.1	-	4,676,449
Surplus on disposal of fixed assets during the year		(1,718)	(2,257)
Transfer to unappropriated profits in respect of incremental depreciation charged during the year		(724,925)	(763,124)
At end of the year		5,969,691	6,696,334
Deferred tax liability on revaluation surplus			
At beginning of the year		2,298,386	884,964
Tax effect of surplus on revaluation of fixed assets		-	1,661,884
Transferred to unappropriated profits in respect of disposal of fixed assets during the year		(525)	(880)
Transferred to unappropriated profit in respect of incremental depreciation charged during the year		(267,521)	(278,449)
Effect of change in effective tax rate		(3,055)	30,867
At end of the year		2,027,285	2,298,386
		3,942,406	4,397,948

7.1 The Group's freehold land, buildings on freehold land, roads, bridges and railway sidings and plant and machinery were revalued by Tristar International Consultant (Private) Limited, an independent professional valuer, as at June 30, 2024, as detailed in note 50.

8. LONG TERM LOANS FROM FINANCIAL INSTITUTIONS - SECURED

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand		----------------			
1	Askari Bank Limited - Term Finance	1,000,000	212,139	388,921	06 equal quarterly instalments ending on December 28, 2026	3-month KIBOR + 125 basis points ('bps') per annum ('p.a'), payable quarterly in arrears, from 1st drawdown to be set on last business day before first draw down and then on immediately preceding day of each quarter.	1st Joint Parri Passu ('JPP') charge of Rs 1,334 million over fixed assets of the Holding Company as below: 1. Hypothecation charge over all present and future plant and machinery of the company. 2. Land and building of cement unit phase-III.
2	The Bank of Punjab - Demand Finance	2,000,000	438,592	689,216	07 equal quarterly instalments ending on February 27, 2027	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be reset on last working day of preceding calendar quarter.	1st JPP charge over all present and future fixed assets of the Holding Company with 25% margin facility coverage of amounting to Rs 1,003 million.
3	MCB Bank Limited - Demand Finance	2,000,000	433,670	707,254	07 equal quarterly instalments ending on March 23, 2027	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be reset on 1st working day of each quarter.	First Pari Passu (FPP) charge over all present and future fixed assets of the Holding Company at 25% margin.
4	National Bank of Pakistan - Demand Finance	5,500,000	708,573	1,280,001	05 equal quarterly instalments ending on September 30, 2026	3-month KIBOR + 75 bps, payable quarterly in arrears, to be reset on last business day before first draw down and then on immediately preceding day of each calendar quarter.	FPP / JPP charge of Rs 5,333.33 million over all present and future fixed assets (including land, buildings, plant and machinery) of the Holding Company. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
5	Samba Bank Limited - Long term financing facility ('LTFF')	750,000	-	112,500	The loan was fully repaid in the current financial year	3-month KIBOR + 75 bps, payable quarterly in arrears, to be reset on 1st working day of each calendar quarter	JPP charge of Rs 600 million on entire present and future fixed assets of the Holding Company including land, plant and machinery, buildings and all fixed assets under lien to other long term lenders.
6	MCB Islamic Bank Limited - Diminishing Musharakah	1,500,000	292,873	570,614	Repayment will made in following tranches: Tranche 1 04 equal quarterly instalments ending on May 23, 2026 Tranche 2 04 equal quarterly instalments ending on May 28, 2026 Tranche 3 04 equal quarterly instalments ending on June 28, 2026 Tranche 4 05 equal quarterly instalments ending on September 14, 2026 Tranche 5 05 equal quarterly instalments ending on September 17, 2026 Tranche 6 06 equal quarterly instalments ending on December 28, 2026.	3-month KIBOR + 70 bps, payable quarterly in arrears, to be set on the date of first day of disbursement and to be reset on 1st working day of each calendar quarter.	1st JPP charge of Rs 2,000 million over all present and future fixed assets of the Holding Company including land and buildings. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand		----------------			
7	Askari Bank Limited - Temporary Economic Refinance Facility ('TERF')	900,000	172,480	310,464	05 equal quarterly instalments ending on August 17, 2026	State Bank of Pakistan (SBP) rate + 200 bps p.a, payable quarterly in arrears	1st JPP charge of Rs 2,000 million to the extent of Rs 890.493 million with 25% margin over fixed assets of the Holding Company as below: a. Hypothecation charge over all present and future plant and machinery of the Holding Company. b. Land and building of the cement unit Phase II and additional bare land measuring 30 kanals adjacent to it. Ranking hypothecation charge of Rs 310 million with a 25% margin over all present and future fixed assets (excluding land and building) of the company to be registered with SECP.
8	The Bank of Punjab - Demand Finance	600,000	135,087	189,122	10 equal quarterly instalments ending on December 14, 2027	3-month KIBOR + 75 bps, payable quarterly in arrears, to be set on the day of 1st draw down and then on last working day of preceding calendar quarter.	1st JPP charge of Rs 7,903 million over all present and future fixed assets of the Holding Company with 25% margin and personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
9	National Bank of Pakistan - Demand Finance	1,220,497	535,579	624,843	24 equal quarterly instalments ending on June 18, 2031	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be reset on last working day of preceding calendar quarter.	FPP /JPP charge on present and future fixed assets of the Holding Company with 25% margin. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
10	National Bank of Pakistan - TERF	1,779,503	1,285,214	1,507,652	24 equal quarterly instalments ending on June 18, 2031	SBP rate + 125 bps p.a, payable quarterly in arrears	FPP /JPP charge on present and future fixed assetsoftheHoldingCompanywith25%margin. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
11	The Bank of Punjab - Demand Finance	2,500,000	1,736,528	2,014,372	25 equal quarterly instalments ending on August 23, 2031	3-month KIBOR + 90 bps p.a., payable quarterly in arrears to be reset on last working day of preceding calendar quarter.	1st JPP charge of Rs 7,903 million over all present and future fixed assets of the Holding Company with 25% margin and personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).
12	The Bank of Punjab - TERF	500,000	375,000	453,125	24 equal quarterly instalments ending on June 29, 2031	SBP rate + 150 bps p.a., payable quarterly in arrears	1st JPP charge over all present and future fixed assets of the Holding Company with 25% margin facility coverage amounting to Rs 645.833 million (Bank of Punjab charge value Rs 7,903,000 million)

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand		----------------			
13	MCB Bank Limited - LTFF	805,806	646,159	746,885	Repayment will made in following tranches: Tranche 1 23 equal quarterly instalments ending on March 18, 2031 Tranche 2 26 equal quarterly instalments ending on December 3, 2031	SBP rate + 150 bps payable quarterly in arrears	1st JPP charge over all present and future fixed assets of the Holding Company of Rs 38,051 million with 25% margin.
14	MCB Bank Limited - Demand Finance	1,194,194	462,410	539,536	24 equal quarterly instalments ending on June 18, 2031	3-month KIBOR + 75 bps p.a., payable quarterly in arrears to be reset on last working day of preceding calendar quarter.	1st JPP charge over all present and future fixed assets of the Holding Company of Rs 38,051 million with 25% margin.
15	Habib Bank Limited - LTFF	3,000,000	336,423	448,564	12 equal quarterly instalments ending on June 25, 2028	SBP rate + 150 bps p.a, payable quarterly in arrears	1st JPP charge of Rs 4,000 million over all present and future fixed assets of the Holding Company including land measuring 2,097 kanals and 9 marlas, buildings, plant and machinery.
16	Allied Bank Limited -Term Finance	2,500,000	2,200,000	-	16 equal quarterly instalments starting from January 21, 2026	3-month KIBOR + 45 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	Pari Passu (PP)/JPP charge of 25% margin, over all present and future plant and machinery of the Holding Company.
17	Allied Bank Limited -Term Finance	518,575	246,102	308,662	Repayment will made in following tranches: Tranche 1 16 equal quarterly instalments ending on June 30, 2029 Tranche 2 14 equal quarterly instalments ending on November 30, 2028 Tranche 3 17 equal quarterly instalments ending on September 30, 2029	3-month KIBOR + 100 bps p.a, payable quarterly in arrears, markup to be reset on last working day of preceding calendar quarter.	JPP/FPP charge of Rs 853.33 million, inclusive of 25% margin, over all present and future plant and machinery of the Holding Company.
18	Allied Bank Limited - LTFF	121,425	70,831	91,069	14 equal quarterly instalments ending on November 22, 2028	SBP rate + 100 bps p.a, payable quarterly in arrears.	JPP/FPP charge of Rs 853.33 million, inclusive of 25% margin, over all present and future plant and machinery of the Holding Company.
19	Faysal Bank Limited - Diminishing Musharakah	2,000,000	884,022	1,156,029	13 equal quarterly instalments ending on August 31, 2028	3-month KIBOR + 50 bps p.a, payable quarterly in arrears.	JPP charge over all present and future fixed assets of the Holding Company with 25% margin.
20	MCB Islamic Bank Limited - Diminishing Musharakah	350,000	87,574	212,737	Repayment will made in following tranches: Tranche 1 02 equal quarterly instalments ending on October 01, 2025 Tranche 2 01 equal quarterly instalment ending on September 30, 2025 Tranche 3 04 equal quarterly instalments ending on April 26, 2026	SBP rate + 150 bps p.a, payable quarterly in arrears.	JPP charge over fixed assets of the Holding Company including land, buildings and plant and machinery with 25% margin.
21	MCB Bank Limited - Demand Finance	500,000	312,448	333,278	15 equal quarterly instalments ending on February 28, 2029	3-month KIBOR + 75 bps p.a, payable quarterly in arrears, to be set on last business day before first draw down and then on immediately preceding day of each quarter.	1st JPP charge of Rs 2,000 million over all present and future fixed assets of the Holding Company including land and building. Personal guarantee of Mr. Tariq Sayeed Saigol and Mr. Sayeed Tariq Saigol (sponsoring directors and key management personnel).

	Lender	Sanctioned Limit	2025	2024	Remaining Tenor of Principal Repayments	Mark-up as per Agreement	Security
		---------------- Rupees in thousand		----------------			
22	Askari Bank Limited - Term Finance	1,000,000	-	270,820	The loan was fully repaid in the current financial year	3-month KIBOR + 125 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge of Rs 1,334 million over fixed assets of the Holding Company inclusive of 25% margin as below: - Hypothecation charge over all present and future plant and machinery of the Holding Company. - Land and building of cement unit phase II and additional bare land measuring 30 kanals adjacent to it.
23	Allied Bank Limited - LTFF	1,000,000	593,750	843,750	Repayment will made in following tranches: Tranche 1 09 equal quarterly instalments ending on August 4, 2027 Tranche2 10 equal quarterly instalments ending on December 12, 2027	3-month KIBOR + 70 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge over fixed assets (plant and machinery) of the Holding Company with 25% margin. Disbursement will be made against ranking charge to be upgraded within 90 days from the date of initial disbursement.
24	United Bank Limited - Term Finance	3,500,000	500,000	-	10 equal quarterly instalments starting from September 17, 2025	3 month KIBOR + 75 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge of Rs 6,000 million on fixed assets including land, building, plant and machinery of the Holding Company inclusive of 25% margin. Initial disbursement will be against ranking charge on movable fixed assets (plant and machinery only). JPP charge over fixed assets (land, building, plant and machinery) to be created within 6 months from first drawdown date along with mortgage perfection.
25	MCB Islamic Bank Limited - Diminishing Musharakah	1,500,000	1,500,000	-	16 equal quarterly instalments starting from January 18, 2026	3-month KIBOR + 50 bps p.a, payable quarterly in arears, to be set on one business day before 1st drawdown and then on immediately preceding day before start of each quarter.	1st JPP charge of Rs 2,000 million over fixed assets of the Holding Company inclusive of 25% margin.
	Total	**38,240,000**	**14,165,454**	**13,799,414**			
	Accrued mark up on long term loans		313,156	547,017			
	Amortized cost of long term loans		**14,478,610**	**14,346,431**			
	Impact of deferred government grant		(450,487)	(605,926)			
	Current portion of long term loans from financial institutions - secured (principal portion)		(3,933,328)	(3,407,702)			
	Current portion of long term loans from financial institutions - secured (accrued mark up portion)		(313,156)	(547,017)			
	Long term portion of loans from financial institutions		**9,781,639**	**9,785,786**			

9. DEFERRED GOVERNMENT GRANT

	Note	2025	2024
		(Rupees in thousand)	
Balance as at 01 July	9.1 & 9.2	605,926	785,692
Amortisation during the year		(155,439)	(179,766)
Balance as at 30 June		450,487	605,926
Current portion		(128,183)	(155,439)
Non - current portion		322,304	450,487

9.1 This represents deferred grant related to loans obtained by the Holding Company, during 2021, under "SBP Temporary Economic Refinance Facility Scheme" for setting of waste heat recovery plant. These facilities carry mark-up at the rate specified by State Bank of Pakistan plus spread of 0.5% to 2% per annum. The loans were initially measured at its fair value in accordance with IFRS 9 (Financial Instruments) using market rates at SBP approval dates of each tranche. The difference between fair value of loan and loan proceeds was recognized as deferred grant as per requirements of IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance), Circular No. 11 of 2020 issued by the Institute of Chartered Accountants of Pakistan (ICAP) and selected opinion issued in November 2020 by the ICAP.

9.2 The Group has obtained loans under "SBP Temporary Economic Refinance Facility" and "SBP Financing Scheme for Renewable energy" for setting up of Waste Heat Recovery Plant, for import and installation of cement production line (Line - IV) and for setting up Solar Energy Project. These facilities carry markup at the rate specified by State Bank of Pakistan plus spread of 0.50% to 1.50% per annum. The loan has been initially measured at its fair value in accordance with IFRS 9 (Financial Instruments) using market rates at SBP approval dates of each tranche. The difference between fair value of loan and loan proceeds has been recognized as deferred grant as per requirements of IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance) and as per selected opinion issued in November 2020 by the Institute of Chartered Accountants of Pakistan.

10. LEASE LIABILITIES

	Note	2025	2024
		(Rupees in thousand)	
The reconciliation of the carrying amount is as follows:			
Balance as at July 1		82,709	41,665
Addition during the year		44,402	66,056
Reassessment of lease liability		(3,935)	-
Interest on lease liabilities	39	13,150	9,154
Payments made during the year		(42,222)	(32,329)
Lease terminated during the year		(842)	(1,837)
Balance as at June 30		93,262	82,709
Current maturity shown under current liabilities		(39,970)	(31,828)
		53,292	50,881
Maturity analysis of liability against right of use asset is as follows:			
Less than one year		48,377	36,812
One to five years		52,173	48,664
More than five years		23,338	33,418
		123,888	118,894
Future finance charge		(30,626)	(36,185)
Present value of liability against right of use asset		93,262	82,709

		Note	2025	2024
			(Rupees in thousand)	
10.1	**The consolidated statement of financial position shows the following amounts related to leases:**			
	Right of use assets	19.4	86,091	86,852
	Lease liabilities			
	Current portion		39,970	31,828
	Non-current portion		53,292	50,881
10.2	**The consolidated statement of profit or loss shows the following amounts related to leases:**			
	Depreciation expense on right of use assets	19.4	40,555	20,498
	Interest on lease liabilities	39	13,150	9,154

11. LONG TERM DEPOSITS

These include interest free security deposits from stockists and suppliers and are repayable on cancellation/withdrawal of the dealership or on cessation of business with the Group. As per the agreements signed with these parties, the Group has the right to utilise the amounts for the furtherance of their business, hence, the amounts are not required to be kept in a separate account maintained in a scheduled bank. Therefore, the Group is in compliance with section 217 of the Companies Act, 2017. These deposits have not been carried at amortised cost since the effect of discounting is immaterial in the context of these financial statements.

12. DEFERRED TAXATION

	2025	2024
	(Rupees in thousand)	
Deferred tax liability on taxable temporary differences arising in respect of:		
- Accelerated tax depreciation on fixed assets	10,986,524	10,640,015
- Surplus on revaluation of fixed assets	2,027,824	2,299,272
- Investments at fair value through OCI	853,465	378,925
- Investments at fair value through profit or loss	404,779	-
-Intangibles	7,952	5,050
-Right of use assets	15,865	18,774
	14,296,409	13,342,036
Deferred tax asset on deductible temporary differences arising in respect of:		
- Provision against expected credit loss	(427,849)	(229,024)
- Lease Liabilities	(11,099)	(18,946)
- Employee benefits obligations	(20,415)	(14,657)
- Deferred tax on unrealised profit on Inventory	-	(31,147)
	(459,363)	(293,774)
	13,837,046	13,048,262

	2025	2024
	(Rupees in thousand)	
12.1 Movement in deferred tax balances is as follows:		
At beginning of the year	13,048,262	8,707,481
Recognized in statement of profit or loss:		
- Accelerated tax depreciation on fixed assets	346,509	1,035,390
- Surplus on revaluation of fixed assets	(268,392)	(524,970)
- Unused tax losses	-	475,609
- Employee benefits obligations	(11,161)	15,592
- Investment at fair Value through profit or loss	404,779	-
- Right of used assets	(2,909)	(2,801)
- Lease liabilities	7,847	3,408
- Intangible Assets	2,902	5,050
- Minimum tax and Alternative corporate tax	-	1,503,569
- Deferred tax on unrealised profit on inventory	31,146	(31,146)
- Provision for expected credit loss	(198,825)	(139,304)
	311,896	2,340,397
Recognized in surplus on revaluation of fixed assets		
- Effect of change in rate	(3,055)	35,520
- Surplus on revaluation of fixed assets	-	1,657,231
Recognized in other comprehensive income:		
- Employee benefits obligations	5,403	(5,432)
- Investment at fair value through OCI	474,540	313,065
	13,837,046	13,048,262

12.2 The pre-commencement expenditure of NHPL available for carry forward is estimated at Rs 358.918 million (2024: Rs 121.842 million). Management considers that the pre-commencement expenditure available for carry forward may not be utilized in the foreseeable future. Consequently, on prudence basis, deferred tax asset of Rs 104.086 million (2024: Rs 35.334 million) has not been recognised in these financial statements.

13. EMPLOYEE BENEFITS OBLIGATIONS

	Note	2025	2024
		(Rupees in thousand)	
Accumulating compensated absences	13.1	298,289	253,363
Gratuity	13.2	52,349	75,164
		350,638	328,527

13.1 Accumulating compensated absences

	2025	2024
Opening liability	253,363	213,284
Charged to consolidated statement of profit or loss	76,308	64,947
Payments made during the year	(31,382)	(24,868)
Liability as at year end	298,289	253,363

13.1.1 Movement in liability for accumulating compensated absences

	2025	2024
	(Rupees in thousand)	
Present value of accumulating compensated absences as at beginning of the year	253,363	213,284
Current service cost for the year	15,276	12,765
Interest cost for the year	35,057	32,638
Benefits paid during the year	(31,382)	(24,868)
Remeasurements:		
Actuarial loss from changes in demographic assumptions	-	2,662
Experience adjustments	25,975	16,882
Present value of accumulating compensated absences as at year end	298,289	253,363

13.1.2 Charge for the year

	2025	2024
Current service cost	15,276	12,765
Interest cost	35,057	32,638
Actuarial losses on present value of defined benefit obligations	25,975	19,544
Total expense for the year	76,308	64,947

13.1.3 Actuarial assumptions

The principal actuarial assumptions used in the actuarial valuation of this scheme by applying projected unit credit method as on June 30 are as follows:

	2025	2024
Discount rate used for interest cost - per annum	14.75%	16.25%
Discount rate used for year end obligations - per annum	12.00%	14.75%
Expected rate of growth per annum in future salaries	11.00%	13.75%%
Expected mortality rate	SLIC 2001 - 2005 Setback 1 Year	
Retirement assumption	60 Years	60 Years
Average duration	8.6 years	8.6 years

13.1.4 Sensitivity analysis

Significant assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Accumulating compensated absences Present value of defined benefit obligation Increase in assumption	
	Increase in assumption	Decrease in assumption
	(Rupees in thousand)	
Discount rate + 100 bps	274,474	233,203
Future salary increase + 100 bps	325,286	276,168

13.1.5 Risks associated with the accumulating compensated absences

(i) Final salary risk (linked to inflation risk) - the risk that the final salary at the time of cessation of service is greater than what we assumed. Since, the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

(ii) Demographic risks
- Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

13.2 Gratuity

The latest actuarial valuation of the Group's defined benefit plan, was conducted on June 30, 2025 using projected unit credit method. Detail of obligation for defined benefit plan is as follows:

The amounts recognized in the consolidated statement of financial position are as follows:

	Note	2025	2024
		(Rupees in thousand)	
Present value of defined benefit obligation	13.2.1	161,131	183,179
Fair value of plan assets	13.2.2	(116,943)	(120,047)
Payable to ex-employees		8,161	12,032
Net liability at end of the year		52,349	75,164
Net liability at beginning of the year		75,164	65,208
Charged to consolidated statement of profit or loss	13.2.3	14,424	14,087
Net remeasurement for the year (credited)/ charged to OCI	13.2.3	(13,853)	18,730
Contribution made by the Group during the year		(23,386)	(22,861)
Net liability at end of the year		52,349	75,164

	Note	2025	2024
		(Rupees in thousand)	
13.2.1 Movement in the present value of defined benefit obligations is as follows:			
Present value of defined benefit obligations at beginning of the year		183,179	162,625
Current service cost		7,351	6,619
Interest cost		24,097	23,785
Benefits due but not paid		(6,964)	(10,835)
Adjustment against payables		274	21
Benefits paid during the year	13.2.4	(32,650)	(21,680)
Remeasurements:			
Actuarial losses from changes in demographic assumptions		-	200
Actuarial losses from changes in financial assumptions		845	1,274
Experience adjustments		(15,001)	21,170
Present value of defined benefit obligation at end of the year		161,131	183,179
13.2.2 Movement in the fair value of plan assets is as follows:			
Fair value of plan assets at beginning of the year		120,047	99,816
Contributions made during the year		23,386	22,861
Expected return on plan assets for the year		17,024	16,317
Actuarial (loss)/gain on plan assets		(303)	3,914
Benefits paid during the year		(43,211)	(22,861)
Fair value of plan assets at end of the year		116,943	120,047
Plan assets comprise of:			
NBP Mustahkam Fund - Fixed term Munafa Plan- V		116,267	119,615
Cash at bank		676	432
		116,943	120,047

	2025	2024
	(Percentage)	
Debt instrument	99.42%	99.64%
Cash at bank	0.58%	0.36%
	100.00%	100.00%

13.2.3 Charge for the year

	2025	2024
	(Rupees in thousand)	
Consolidated statement of profit or loss		
Current service cost	7,351	6,619
Interest cost	24,097	23,785
Expected return on plan assets	(17,024)	(16,317)
	14,424	14,087
Consolidated statement of comprehensive income		
Actuarial (gain) / loss on retirement benefits - net	(13,853)	18,730
	571	32,817

Actuarial assumptions

	2025	2024
The following are the principal actuarial assumptions at June 30:		
Discount rate used for year end obligations - per annum	12.00%	16.25%
Discount rate used for interest cost in profit or loss - per annum	14.75%	13.75%
Expected rate of growth per annum in future salaries	11.00%	13.75%
Expected mortality rate	SLIC 2001 - 2005 Setback 1 Year	
Retirement assumptions	60 Years	60 Years
Average duration	4 Years	4 Years

13.2.4 This also includes payments made to employees with respect to gratuity due but not paid in 2024 amounting to Rs 13.006 million.

13.2.5 The Group expects to charge Rs 9.952 million to consolidated statement of profit or loss on account of defined benefit plan in the year ending June 30, 2026.

13.2.6 Sensitivity analysis

Significant assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Gratuity	
	Present value of defined benefit obligation	
	Increase in assumption	Decrease in assumption
	(Rupees in thousand)	
Discount rate + 100 bps	154,593	176,191
Future salary increase + 100 bps	168,305	190,845

13.2.7 Risks associated with the defined benefit plan

(i) Final salary risk (linked to inflation risk) – the risk that the final salary at the time of cessation of service is greater than what is currently assumed. Since, the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

(ii) Demographic risks

- Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

- Investment risk – the risk of the investment underperforming and being not sufficient to meet the liabilities.

13.3 Accumulating compensated absences and gratuity charge to profit or loss for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales	34	67,332	51,925
Selling and distribution expenses	35	20,460	15,830
Administrative expenses	36	2,940	11,279
		90,732	79,034

14. TRADE AND OTHER PAYABLES

	Note	2025	2024
Trade creditors		4,406,301	4,464,246
Due to related parties	14.1	-	10,364
Bills payable - secured		1,769,163	474,442
Accrued liabilities		1,689,225	1,642,353
Contract liabilities	14.2	810,042	352,641
Payable to Workers' Profit Participation Fund	14.3	2,568,709	2,127,605
Payable to Workers' Welfare Fund	14.4	797,341	511,983
Electricity duty payable	14.5	-	471,176
Payable to Provident Fund Trust		28,281	25,989
		12,069,062	10,080,799
Payable to Government on account of:			
Federal excise duty payable		33,576	58,507
Sales tax payable - net		-	104,005
Royalty and Excise Duty payable		2,951,581	400,439
Other taxes payable		462,297	296,493
		3,447,454	859,444
Contractors' retention money	14.6	2,062,541	2,029,626
Security deposits repayable on demand	14.7	108,606	97,138
Payable against redemption of preference shares		990	993
Other payables		9,575	15,068
		2,181,712	2,142,825
		17,698,228	13,083,068

14.1 This represents the amounts due to the Ultimate Holding Company in respect of transactions during the year as detailed in note 45 to the financial statements.

14.2 This represents contract liabilities of the Group towards various parties. Revenue recognised in the current year that was included in the contract liability balance at the beginning of the year amounts to Rs. 134.394 million (2024: Rs. 280.783 million).

	Note	2025	2024
		(Rupees in thousand)	
14.3 Payable to Workers' Profit Participation Fund			
Opening balance		2,127,605	1,903,611
Provision for the year	37	676,952	363,646
Payments made during the year		(235,848)	(139,652)
Closing balance		2,568,709	2,127,605
14.4 Workers' Welfare Fund			
Opening balance		511,983	329,660
Provision for the year	37	504,247	230,848
Payments made during the year		(218,889)	(48,525)
Closing balance		797,341	511,983
14.5 Electricity duty payable			
Opening balance		471,176	346,983
(Reversal)/provision for the year	34.3	(471,176)	124,193
Closing balance		-	471,176

14.6 This represents retention monies withheld of contractors and are repayable after satisfactory completion of contracts. It also includes retention money payable to M/s Chengdu Design & Research Institute of Building Materials Industry Co., Limited, amounting to CNY 38.433 million (2024: CNY 38.433 million) equivalent to Rs. 1,525.293 million (2024: 1,481.864 million) against Line-IV and to M/s Sinoma Energy Conservation Limited against Line-IV Waste Heat Recovery Plant amounting to CNY 5.437 million (2024: CNY 5.437 million) equivalent to Rs. 215.613 million (2024: Rs. 209.469 million). This amount will be payable on issuance of certificate of performance test acceptance by the Group.

14.7 This represents security deposits received from distributors and contractors of the Group. Distributors and contractors have given the Group a right to utilize deposits in ordinary course of business.

15. PROVISION FOR TAXATION

	2025	2024
	(Rupees in thousand)	
At beginning of the year	68,857	21,342
Tax deducted / deposited at source	(997,195)	(913,368)
Advance income tax paid	(3,371,332)	(525,001)
Tax adjustments related to prior year	(965,963)	(60,039)
Excess payments in previous years written off	17,433	-
Tax refunds received	178,579	-
	(5,069,621)	(1,477,066)
Provision for the year - current tax for the year including levy	5,519,496	1,545,923
	449,875	68,857

15.1 The Additional Commissioner Inland Revenue (ACIR) initiated proceedings related to the tax year 2017, vide order dated March 13, 2019 against the Group under section 122(5A) read with section 122(9) of the Income Tax Ordinance, 2001 ('Ordinance'). The notice was duly responded by tax advisor of the Group. The proceedings were concluded and ACIR raised an additional tax demand of Rs 303.36 million through amendment order dated January 27, 2020 passed under section 122(5A) of the Ordinance. The Group preferred an appeal against the amendment order before the Commissioner Inland Revenue (Appeals) ('CIR(A)'). The CIR(A) through his order dated May 6, 2020, decided all the matters in favour of the Group except for issues relating to claim of depreciation and initial allowance without reducing tax credit claimed under section 65B of the Ordinance from the cost of the asset and apportionment of advertisement and sales promotion expenses. The Group, as well as the tax authorities, have preferred appeals before the Appellant Tribunal Inland Revenue ('ATIR'), which are pending for adjudication at the year end.

However, being prudent the Group has recorded the provision of Rs 46.880 million in these consolidated financial statements.

15.2 Through notice dated October 9, 2020, the ACIR initiated proceedings against the Group under section 122(5A) read with section 122(9) of the Ordinance for tax year 2019.

The Group requested the ACIR to merge such proceedings with the audit proceedings initiated under section 177 of the Ordinance for such tax year as the issues highlighted in the subject notice have also been confronted to the Group through audit proceedings. There has been no further correspondence from the department on this score. Through notice dated June 9, 2023, the ACIR, re-initiated proceedings against the Group under section 122(5A) read with section 122(9) of the Ordinance for tax year 2019. The proceedings were concluded by ACIR vide order dated October 5, 2023. Aggrieved by the order, the Group preferred an appeal before the CIR(A) which is pending for adjudication.

15.3 Through notice dated May 21, 2020, the ACIR initiated proceedings against the Group under section 122(5A) read with section 122(9) of the Ordinance. The notice was duly responded through letter dated August 25, 2020 for tax year 2018.

The above proceedings were concluded by the ACIR through amendment order dated September 2, 2020 passed under section 122(5A) of Ordinance through which income tax demand of Rs 376.182 million was created against the Group. The Group preferred an appeal against the amendment order before CIR(A).

The CIR(A), through appellate order dated December 30, 2020, decided all the matters in favour of the Group except for issues relating to claim of depreciating & initial allowance, without reducing tax credit claimed under section 65B of the Ordinance from the cost of the asset, apportionment of Workers' Profit Participation Fund, computation of accounting income by apportioning deductions on account of donations, provision for Workers' Welfare Fund & loss on investments, and disallowance of claim of advances written off. The Group, as well as the tax authorities, have preferred appeals before the ATIR, which is pending adjudication.

15.4 For tax year 2015, the ACIR amended the deemed assessment through an order dated December 27, 2016, under section 122(5A) of the Income Tax Ordinance, 2001, resulting in a tax demand of Rs 241.736 million. The Group challenged this order before the CIR(A), who, through an order dated January 5, 2017, decided all issues in favour of the Group except for the treatment of exchange gain on export sales in the computation of apportionment ratios.

In compliance with the CIR(A)'s decision, the Deputy Commissioner Inland Revenue issued an appeal effect order dated July 31, 2017 under sections 124/129, followed by a rectification order dated August 17, 2017, which was finalized on March 14, 2018. However, the Group identified errors in the appeal effect order and filed a second appeal before the CIR(A). Through an order dated April 17, 2020, the CIR(A) decided certain matters—specifically the enhancement of minimum tax liability and the apportionment of admissible deductions—against the Group, resulting in an additional tax impact of Rs 180 million.

The Group has filed an appeal before the ATIR, which is currently pending adjudication. Based on legal precedents and professional advice, management believes that the Group has a strong case and expects a favourable outcome. Accordingly, no provision has been recorded in these consolidated financial statements.

15.5 Through order dated July 31, 2017, the deemed assessment for the tax year 2016 was amended by the ACIR under section 122(5A) of the Ordinance raising a tax demand of Rs 1,129.967 million against the Group. Being aggrieved with the order, the Group filed an appeal with the CIR(A), the appeal was disposed of by the CIR(A) through appellate order dated December 5, 2017. Through such order all the issues involved in the appeal were decided in favour of the Group.

Aggrieved by such appellate order, the tax department filed an appeal before the ATIR which was decided vide order dated March 19, 2024, whereby the issues assailed in the appeal were partially decided in the favour of the Group. Aggrieved by the order, the Group filed an application for rectification of the appellate order, which was partially modified in favour of the Group vide order dated May 14, 2024. Simultaneously, the Group also assailed ATIR's order dated March 19, 2024 in appeal before the Lahore High Court which is pending adjudication.

15.6 For tax year 2021, the Group received a notice dated January 20, 2022, whereby the ACIR initiated proceedings against the Group under section 122(9) read with section 122(5A) of the Income Tax Ordinance 2001. The Group responded to the notice vide letter dated June 23, 2022. The ACIR concluded the proceedings vide amendment order dated August 5, 2022, through which the income tax refund was curtailed to Rs 862.510 million. Being aggrieved, the Group filed an appeal against the amendment order before the CIR(A) that was disposed of vide order dated February 7, 2024 though which partial relief was granted. Aggrieved by such order, the Group preferred an appeal before the ATIR which has not been taken over for hearing yet.

15.7 The Deputy Commissioner Inland Revenue (DCIR) issued a show cause notice to the Group on November 29, 2022, for the tax year 2017, requiring the Group to provide details and clarification of the annual statement of tax collected or deducted under Rule 44 of the Income Tax Rules, 2002. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 718.174 million under Section 161 of the Income Tax Ordinance, 2001 inclusive of default surcharge.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The appeal was transferred to ATIR, after the amendment to section 126A of the Income Tax Ordinance, 2001, as per Finance Act, 2024. The ATIR passed an order dated March 24, 2025, remanding the case back to the DCIR. The case is still pending before the DCIR.

15.8 The DCIR issued a show cause notice to the Group on January 31, 2023 for the tax year 2018, requiring the Group to provide details and clarification of the annual statement of tax collected or deducted under Rule 44 of the Income Tax Rules, 2002. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 349.742 million under Section 161 of the Income Tax Ordinance, 2001 inclusive of default surcharge.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The appeal was transferred to ATIR, after the amendment to section 126A of the Income Tax Ordinance, 2001, as per

Finance Act, 2024. The Group contested the CIR-A's decision before the ATIR which passed an order dated May 14, 2025, remanding the case back to the DCIR. The case is still pending before the DCIR.

15.9 The DCIR issued a show cause notice to the Group on February 1, 2023 for the tax year 2019, requiring the Group to provide details and clarification of the annual statement of tax collected or deducted under Rule 44 of the Income Tax Rules, 2002. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 423.565 million under Section 161 of the Income Tax Ordinance, 2001 inclusive of default surcharge.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The appeal was transferred to the ATIR, after the amendment to section 126A of the Income Tax Ordinance, 2001, as per Finance Act, 2024. The case is still pending before the ATIR.

15.10 The DCIR issued a show cause notice to the Group on January 31, 2023 for the tax year 2020, requiring the Group to provide details and clarification of the annual statement of tax collected or deducted under Rule 44 of the Income Tax Rules, 2002. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 271.713 million under Section 161 of the Income Tax Ordinance, 2001 inclusive of default surcharge.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The appeal was transferred to ATIR, after the amendment to section 126A of the Income Tax Ordinance, 2001, as per Finance Act, 2024. The Group contested the CIR-A's decision before the ATIR which passed an order dated February 13, 2025, remanding the case back to the DCIR. The matter is still pending before the DCIR.

15.11 The DCIR issued a show cause notice to the Group on September 23, 2022 for the tax year 2021, requiring the Group to provide details and clarification of the annual statement of tax collected or deducted under Rule 44 of the Income Tax Rules, 2002. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 1,387.967 million under Section 161 of the Income Tax Ordinance, 2001 inclusive of default surcharge.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The appeal was transferred to ATIR, after the amendment to section 126A of the Income Tax Ordinance, 2001, as per Finance Act, 2024. The appeal before the ATIR is still pending for hearing.

15.12 The DCIR issued a show cause notice to the Group on November 24, 2022 for the tax year 2022, requiring the Group to provide details and clarification of the annual statement of tax collected or deducted under Rule 44 of the Income Tax Rules, 2002. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 168.650 million under Section 161 of the Income Tax Ordinance, 2001 inclusive of default surcharge.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The appeal was transferred to ATIR, after the amendment to section 126A of the Income Tax Ordinance, 2001, as per Finance Act, 2024. The ATIR passed an impugned order dated March 24, 2025, where they ruled in the favour of the department. The Group has challenged the decision of the ATIR in the Lahore High court, where the appeal is pending.

Based on the advice of the taxation/legal advisors of the Group, the management expects a favourable outcome in most of the above cases and adequate provisions have been created in the consolidated financial statements.

16. MARK-UP ACCRUED ON BORROWINGS

	2025	2024
	(Rupees in thousand)	
Accrued mark-up on:		
- Long term loans from financial institutions - secured	313,156	547,017
- Short term borrowings	7,278	61,704
	320,434	608,721

16.1 Accrued mark-up on long term loans includes Rs. 49.689 million (2024: Rs. 43.698 million) related to an arrangement permissible under Shariah. Remaining mark up pertains to the loans from conventional banks.

16.2 Accrued mark-up on short term borrowings includes Rs. 1.773 million (2024: Rs. 5.561 million) related to an arrangement permissible under Shariah. Remaining mark up pertains to the loans from conventional banks.

17. SHORT TERM BORROWINGS FROM FINANCIAL INSTITUTIONS - SECURED

	Note	2025	2024
		(Rupees in thousand)	
Banking and financial institutions:			
- Cash finance and others facilities availed	17.1	6,779	-
- Running finance	17.2 & 17.3	143,520	1,645,316
- Islamic mode of financing	17.4	671,986	-
		822,285	1,645,316

17.1 Cash finance facilities available from various commercial banks under markup arrangements amount to Rs. 500 million (2024: Rs. 500 million). The markup rate charged during the year on the outstanding balances ranged from 12.33% to 20.74% (2024: 19.00% to 23.61%) per annum, payable quarterly in arrears. These facilities are secured against pari passu hypothecation charge over all present and future current assets of the Holding Company amounting to Rs 5,800 million, along with a 25% margin.

17.2 Running finance facilities available from various commercial banks under markup arrangements amount to Rs 3,850 million (2024: Rs. 4,100 million). The markup rate charged during the year on the outstanding balances ranged from 11.78% to 20.74% (2024: 19.00% to 24.16%) per annum, payable quarterly in arrears. These facilities are secured against Joint Pari Passu hypothecation charge over all present and future current assets of the Holding Company amounting to Rs 5,800 million, along with a 25% margin.

17.3 Money market loans available under markup arrangements amount to Rs. 1,800 million (2024: Rs. 1,600 million). The markup rate charged during the year on the outstanding balances was 13.28% (2024: 22.25% to 22.93%) per annum. These loans are secured against Joint Pari Passu hypothecation charge over all present and future current assets of the Holding Company, along with a 25% margin. These facilities are available as a sub-limit of the main running finance facilities.

17.4 Islamic financing facilities amounting to Rs. 2,000 million (2024: Rs. 2,000 million) have been obtained from Faysal Bank Limited for working capital requirements. These facilities are secured by a First Joint Pari Passu charge over all present and future current assets of the Holding Company amounting to Rs. 2,667 million.

Markup on Murabaha arrangements is payable at the respective maturity dates, while markup on Musharaka arrangements is payable quarterly on the outstanding balances. The markup rate charged during the year ranged from 12.24% to 20.34% (2024: 22.27%) per annum.

18. CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 The Group had filed an appeal before the Customs, Central Excise and Sales Tax Appellate Tribunal, Karachi (now, Customs, Excise & Sales Tax Appellate Tribunal, Karachi) against the order of the Deputy Collector Customs whereby the refund claim of the Group amounting to Rs 12.350 million was rejected and the Group was held liable to pay an amount of Rs 37.050 million by way of 10% customs duty allegedly leviable in terms of SRO 584(I)/95 and 585(I)/95 dated July 01, 1995. The impugned demand was raised by the department on the alleged ground that the Group was not entitled to exemption from payment of customs duty and sales tax in terms of SRO 279(I)/94 dated April 02, 1994.

The Honourable Lahore High Court, upon the Group's appeal, vide its order dated November 06, 2001, decided the matter in favour of the Group. However, the Collector of Customs preferred a petition before the Honourable Sindh High Court, which is pending adjudication.

18.1.2 A show cause notice was issued to the Group on December 04, 1999 and demand was raised by the Central Board of Revenue (now, the Federal Board of Revenue) for payment of duties and taxes on the plant and machinery imported by the Group (pursuant to the exemption granted in terms of SRO 484(I)/92 allegedly on the ground that the plant could be locally manufactured and was therefore not exempt). A total demand of Rs 1,386.720 million was raised by the Central Board of Revenue out of which an amount of Rs 449.328 million was deposited by the Group (initially, the Group deposited Rs 269.328 million and subsequently deposited further amount of Rs 180 million). Initially, the matter was decided in favour of the Group as per the judgment of the Lahore High Court in Writ Petition No. 6794/2000. Against the aforesaid judgment of Lahore High Court, the Customs Department had filed appeal before the Supreme Court of Pakistan which was decided by the Honourable Supreme Court vide judgment dated December 21, 2011 with the direction to file reply to the Show Cause Notice before the Collector of Customs, Faisalabad.

The Group filed its reply before the Collector of Customs, Faisalabad who decided the same against the Group vide order No. 6/2014 dated July 09, 2014. The said order was challenged by the Group by way of filing of appeal No. 172/LB/2014 before the Customs Appellate Tribunal, Lahore which vide Judgment dated August 21, 2019 has granted partial relief to the Group with direction to the Customs Department to recalculate the customs duty in accordance with the list communicated by the Engineering Development Board vide letter dated June 21, 2006.

However, the Collector of Customs instead of making fresh calculations, through a demand notice CA-1946/2000(Pt-I)/8169 dated October 23, 2019 restored the original demand raised by the earlier order No. 06/2014 and directed the Group to pay the amount of Rs 933.810 million within a period of seven days. The said demand of tax was challenged by the Group before the Honourable Lahore High Court, wherein stay against recovery was granted to it by the Honourable Lahore High Court vide order dated November 04, 2019. This matter is still pending before the Honourable Lahore High Court, Lahore, and next date of hearing is yet to be fixed by the office of the High Court.

18.1.3 The Group has filed an appeal before the Honourable Supreme Court of Pakistan against the judgment of the Division Bench of the Honourable High Court of Sindh at Karachi. The Division Bench, in its judgment dated September 15, 2008, partly accepted the appeal by declaring that the levy and collection of infrastructure cess/fee prior to December 28, 2006, was illegal and ultra vires, while after December 28, 2006, it was legal and collected by the Excise Department in accordance with the law. The appeal challenges the declaration that the infrastructure cess/fee collected after December 28, 2006, was lawful. The Province of Sindh and the Excise and Taxation Department have also appealed against the judgment. The Honourable Supreme Court consolidated both appeals and set them aside. Subsequently, the law has been challenged in a constitutional petition in the Honourable Sindh High Court, Karachi. The Honourable High Court granted a stay on May 31, 2011, requiring payment of

50% of the cess to the Excise Department and furnishing a bank guarantee for the remaining 50%. The matter is pending adjudication, and the stay order remains in effect.

18.1.4 The Competition Commission of Pakistan, in an order dated August 27, 2009, imposed a penalty on twenty cement factories in Pakistan at a rate of 7.5% of their turnover. The penalty imposed on the Group amounts to Rs 586.190 million. The Commission alleges a violation of section 4(1) of the Competition Commission Ordinance, 2007. However, following the abeyance by the Honourable Islamabad High Court pursuant to the Supreme Court of Pakistan's judgment dated July 31, 2009, the petition has become infructuous. The Group has filed Writ Petition No. 15618/2009 before the Honourable Lahore High Court , which is pending adjudication.

18.1.5 The Group received a demand notice from the Director General Mines and Minerals, Punjab, imposing a penalty of Rs 154 million under Rule 68(2) of the Punjab Mining Concession Rules, 2002, calculated at 1% per day for delayed royalty payments. The Group challenged the fairness and legality of the penalty through an appeal to the Secretary Mines, who instructed that the penalty be recalculated at 1% per month and suggested amending the rule to 2% per month for future cases. Since the rule was not amended and the revised calculation was not applied, the Group filed Writ Petition No. 1008 of 2014 in the Lahore High Court, which sent the matter back to the Secretary for further review.

Despite this, the Group received another demand notice for Rs 244.784 million. In response, it filed Writ Petition No. 16877 of 2024, and the Lahore High Court granted interim relief, stopping the authorities from recovering the penalty. Subsequently, through a consolidated judgment dated July 04, 2025, the Lahore High Court declared Rule 68(2) ultra vires and of no legal effect, struck down the related demands, and quashed the recovery notices. Accordingly, the matter has been decided in favour of the Group, and no liability arises in respect of the aforementioned demand.

18.1.6 The Federal Board of Revenue (FBR) selected the Group's case for audit of its sales tax affairs for the tax periods from July 2017 through June 2018 through computerized balloting which was intimated through notice dated February 10, 2021 issued by the office of the Commissioner Inland Revenue (CIR). Subsequently, the Deputy CIR issued audit report and show cause notice dated March 8, 2021 and March 17, 2021 respectively. The proceedings were finalized through order dated March 31, 2021 through which an aggregate sales tax demand of Rs 1,399.890 million was created against the Group.

The Group preferred an appeal against the above referred order which was disposed of by the Commissioner Inland Revenue (Appeals) [CIR(A)] vide appellate order dated July 15, 2021. Through such appellate order, majority of the issues which were pressed in appeal were settled in favour of the Group. Regarding the issues decided against the Group, the Group is in the process of preferring an appeal before the Appellate Tribunal Inland Revenue (ATIR).

18.1.7 The Learned Additional Commissioner vide order no. ENF-III.50.2017 dated March 22, 2018 raised demand of Rs 256 million against the Group, related to tax period from July 2015 to March 2017 on alleged non-deduction of withholding tax on services received by the Group. Being aggrieved, the Group filed an appeal before the Commissioner (Appeals), Punjab Revenue Authority. The Group also challenged the vires of Rule 6 of Punjab Sales Tax on Services (Withholding) Rules, 2002 before Honourable Lahore High Court (LHC) through constitutional petition no. 203460/2018. The Honourable Court issued notice to the department and suspended proceedings before the first appellate authority vide order dated May 23, 2018. The writ petition is pending adjudication.

18.1.8 The Group was selected for audit under section 42B of Sales Tax Act, 1990 for tax period July 2017 to June 2018 intimated by letter dated December 8, 2020. The DCIR finalized the audit and created a demand of Rs 690.520 million along with default surcharge and penalty, vide order no. 02 dated October 20, 2021. Being aggrieved, the Group preferred an appeal before CIR(A). The appeal was disposed off by CIR(A) vide appellate order no. 12 dated February 10, 2022 and entire amount of Federal Excise Duty along with penalty and default surcharge was annulled and the matter was remanded back to the taxation officer. Being aggrieved, the Group preferred an appeal before the ATIR which is pending adjudication.

18.1.9 The Group received show cause notice, dated April 17, 2022 as per which it was alleged that the Group's claim of input sales tax amounting to Rs 85.980 million, for the tax periods January 2017 to August 2019, was illegal. The Group responded to the notice vide letter dated April 25, 2022. The proceedings were concluded by the DCIR and demand of Rs 85.980 million along with default surcharge and penalty was raised by DCIR vide assessment order dated May 31, 2022, passed under section 11 of the Sales Tax Act 1990. Being aggrieved, the Group preferred an appeal before the CIR(A), which is pending adjudication.

18.1.10 The Group received show cause notice dated April 7, 2022 as per which it was alleged that the Group's claim of input sales tax, amounting to Rs 620.980 million, for the tax periods July 2019 to November 2021 was illegal. The Group responded to the notice vide letter dated March 25, 2022. The proceedings were concluded by the DCIR and demand of Rs 580.060 million along with default surcharge and penalty was raised by DCIR vide assessment order dated May 31, 2022 passed under section 11 of the Sales Tax Act 1990. Being aggrieved, the Group preferred an appeal before the CIR(A), which has been decided by CIR(A) vide order dated November 8, 2022. Department has preferred an appeal before learned ATIR against the order of CIR(A).

18.1.11 Various notices have been issued to the Group by different tax authorities in the current and prior years, requiring the Group to explain its position regarding, allegedly, fake input sales tax credits claimed by a few suppliers of coal who supplied coal to the Group. The Group has responded to all such notices about its legal position, stating that it was in compliance with all applicable provisions of the Sales Tax Act, 1990, regarding these transactions, and has provided supporting documents to the relevant tax authorities. There have been no further correspondences on the above notices, except for cases in which demand has been raised by the Large Taxpayers Office (LTO) Lahore. LTO Lahore has issued orders numbered 22/2024, 23/2024, and 28/2024, dated June 14, 2024, June 16, 2024, and June 22, 2024, respectively, raising demands amounting to Rs 25.797 million, Rs 302.606 million, and Rs 379.040 million.

During the current year, the Group received three additional orders numbered 31/2024, 04/2024, and 06/2024, dated July 2, 2024, July 19, 2024, and August 30, 2024, respectively, raising demands of Rs 97.446 million, Rs 31.010 million, and Rs 19.932 million. The Group filed appeals against all these orders before the Appellate Tribunal Inland Revenue (ATIR), which were decided in the Group's favour. Subsequent to the year-end, the remaining orders were also decided in the Group's favour by the ATIR on July 17, 2025.

18.1.12 The District Council of Mianwali is installing water meters at the Group's premises and is seeking recovery of amounts in respect of water conservancy charges. The Group challenged this through Writ Petition No. 227126/2018 before the Lahore High Court. The Court remanded the matter to the Secretary, Local Government, with directions to hear the petitioners and issue a decision within 30 days. In response, the Secretary constituted a Committee to determine revised water conservancy charges. The Committee proposed two separate rates: one for water abstraction and the other for restoration.

Based on the Committee's rates, the District Council Mianwali issued bills amounting to Rs 752.147 million for the period from August 2018 to December 2024. The Group challenged these charges before the Honorable Lahore High Court, Rawalpindi Bench, through Writ Petition No. 157/2025, where a stay order was granted. The Lahore High Court also appointed the Secretary, Local Government, to mediate between the Group and the Department to finalize the applicable water charges. The matter is currently pending adjudication, and the Group remains hopeful of a favorable outcome.

18.1.13 The Deputy Commissioner Inland Revenue (DCIR) issued a show cause notice to the Group on November 29, 2022, requiring the Group to provide details and clarification on the adjustment of various inputs under section 8 of the Sales Tax Act, 1990 (the Act) for the tax periods from July 2019 to June 2020. The Group fully complied with the notice and the assessing officer finalised the proceedings and passed an order on February 02, 2023, creating a demand of Rs 491.522 million and imposing a penalty of Rs 22.722 million.

Aggrieved by the order, the Group filed an appeal before the Commissioner Inland Revenue- Appeals (CIR-A). The CIR-A heard the case and issued an order dated May 31, 2023, remanding it back to the department. The Group has contested the CIR-A's decision before the Appellate Tribunal Inland Revenue (ATIR) which is still pending before ATIR.

18.1.14 The DCIR issued a show cause notice to the group on November 29, 2022, requiring the Group to provide details and clarification on the adjustment of various inputs under section 8 of the Act, for the tax periods from July 2020 to June 2021. The Group fully complied with the notice and the assessing officer finalised the proceedings and passed an order on February 07, 2023, creating a demand of Rs 500.060 million and imposing a penalty of Rs 17.301 million.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The CIR-A heard the case and issued an order dated May 31, 2023, remanding it back to the department. The Group has contested the CIR-A's decision before the ATIR which is still pending before ATIR.

18.1.15 The DCIR issued a show cause notice to the Group on March 16, 2021, requiring the Group to provide details and clarification on the adjustment of various inputs under Section 8 of the Act for the tax period from July 2017 to December 2020. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 843.580 million.

Aggrieved by the order, the Group filed an appeal before the CIR(A). The CIR(A) confirmed the department's treatment to the tune of Rs 580.286 million and annulled the remaining demand. The Group contested the CIR(A)'s decision before the ATIR, which remanded the order back to the department. The Group then appealed to the Lahore High Court (LHC), which also remanded the case back to the department.

The DCIR restarted the proceedings and issued a notice. The Group fully complied, and the DCIR passed an impugned order amounting to Rs 158.150 million on January 31, 2024, against which the Group appealed before the CIR-A. Following the Tax Laws (Amendment) Act, 2024, the appeal was transferred to the ATIR, Lahore. The AITR remanded the case back to the DCIR through an order dated August 22, 2024, which is still pending before the DCIR.

18.1.16 The DCIR issued a show cause notice to the Group on March 18, 2021, requiring the Group to provide details and clarification on the adjustment of various inputs under Section 8 of the Act for the tax periods from July 2016 to July 2017. The Group fully complied with the notice, and the assessing officer finalized the proceedings, creating a demand of Rs 182.831 million.

Aggrieved by the order, the Group filed an appeal before the CIR-A. The CIR-A confirmed the department's treatment to the tune of Rs 96.352 million and annulled the remaining demand. The Group contested the CIR-A's decision before the ATIR, which remanded the order back to the department. The Group then appealed to the Lahore High Court (LHC), which also remanded the case back to the department.

The DCIR restarted the proceedings and issued a notice. The Group fully complied, and the DCIR passed an impugned order on January 31, 2024, against which the Group appealed before the CIR-A. Following the Tax Laws (Amendment) Act, 2024, the appeal was transferred to the ATIR, Lahore. The AITR remanded the case back to the DCIR through an order dated August 22, 2024, which is still pending before the DCIR.

18.1.17 The DCIR issued a show cause notice to the Group on November 16, 2021, requiring the Group to provide details and clarification on the adjustment of various inputs under section 8 of the Act for the tax periods from July 2019 to August 2019. The Group fully complied with the notice, and the assessing officer finalised the proceedings on February 15, 2022, creating a demand of Rs 6.792 million and imposing a 100% penalty.

Aggrieved with the said order, the Group filed an appeal before the CIR-A. The CIR-A confirmed the department's treatment. The Group contested the CIR-A's order before ATIR whereby the ATIR ruled in the favour of the department through an order dated December 06, 2022. Being aggrieved, the Group has preferred an appeal before Lahore High Court. The case is still pending before the Lahore High Court.

18.1.18 The DCIR issued a show cause notice to the Group on April 12, 2022, requiring the Group to provide details and clarification on account of non-deduction and non-payment of withholding tax under section 11(4) of the Act for the tax periods from July 2016 to June 2018. The Group fully complied with the notice, and the assessing officer finalised the proceedings on June 22, 2022, creating a demand of Rs 14.061 million and imposing a penalty of Rs 0.703 million.

Aggrieved by the said order, the Group filed an appeal before the CIR-A. The CIR-A confirmed the department's treatment. The Group contested the CIR-A's order before the ATIR, whereby the ATIR ruled in the favour of the department through an order dated April 03, 2024. Being aggrieved, the Group has preferred an appeal before the Lahore High Court. The case is still pending before the Lahore High Court.

Based on the advice of the taxation/legal advisors of the Group, the management expects a favourable outcome in most of the above cases and adequate provisions have been created in the consolidated financial statements.

The Group's contingencies relating to income tax matters are disclosed in note 15 to these consolidated financial statements.

18.1.19 Guarantees given by banks on behalf of the Group aggregate to Rs 1,302.802 million (2024: Rs 1,239.389 million) in favour of Sui Northern Gas Pipelines Limited and Government Institutions.

18.1.20 Guarantees amounting to Rs 365.529 million (2024: Rs 348.319 million) have been issued on behalf of the Group in favour of the Mines & Minerals Department, Government of the Punjab, in lieu of royalty.

18.1.21 Corporate guarantee given by the Group amounting to Rs 600 million (2024: Rs 1,000 million) to a financial institution related to credit facilities. The Group has not recognised a liability for the guarantee as the amount is not considered material.

18.1.22 The Group has arranged guarantees from different banks aggregating to Rs 25 million (2024: Rs 25 million) which comprises a guarantee from Askari Bank Limited worth Rs 15 million (secured with 100% margin) and a guarantee from MCB Bank Limited worth Rs 10 million in favour of Director Excise and Taxation, Karachi.

	Note	2025	2024
		(Rupees in thousand)	
18.2 Commitments			
18.2.1 In respect of:			
- contracts for capital expenditure		2,569,757	3,438,891
- irrevocable letters of credit for spare parts		250,404	512,822
- purchase of coal		2,713,667	536,690
		5,533,828	4,488,403

19. PROPERTY, PLANT AND EQUIPMENT

	Note	2025	2024
Operating fixed assets	19.1	68,245,149	71,306,232
Capital work in progress - at cost	19.2	4,043,898	1,345,073
Major spare parts and stand-by equipment	19.3	28,336	48,281
Right-of-use of assets	19.4	86,091	86,852
		72,403,474	72,786,438

19.1 Operating fixed assets

	Cost / Revalued amount							Depreciation					
	As at July 01, 2024	Revaluation	Additions	Transfers	Disposals	As at June 30, 2025	Annual Rate	As at July 01, 2024	Revaluation	For the year	Disposals	As at June 30, 2025	Net book value at June 30, 2025
	Rupees in thousand						Percentage	Rupees in thousand					
Owned													
Freehold land													
- cost	1,368,463	-	20,757	-	-	1,389,220	-	-	-	-	-	-	1,389,220
- surplus on revaluation	428,253	-	-	-	-	428,253	-	-	-	-	-	-	428,253
	1,796,716	-	20,757	-	-	1,817,473		-	-	-	-	-	1,817,473
Buildings on freehold land													
- cost	21,043,426	-	262,851	-	(201)	21,306,076	5 - 20	6,006,112	-	887,775	(170)	6,893,717	14,412,359
- surplus on revaluation	676,410	-	-	-	(1)	676,409	5 - 20	368,505	-	34,131	(1)	402,635	273,774
	21,719,836	-	262,851	-	(202)	21,982,485		6,374,617	-	921,906	(171)	7,296,352	14,686,133
Buildings on leasehold land													
- cost	1,575,105	-	20,340	-	-	1,595,445		487,818	-	80,005	-	567,823	1,027,622
- surplus on revaluation	483,538	-	-	-	-	483,538		158,393	-	24,452	-	182,845	300,693
	2,058,643	-	20,340	-	-	2,078,983		646,211	-	104,457	-	750,668	1,328,315
Roads, bridges and railway sidings													
- cost	746,800	-	39,494	-	-	786,294	5 - 10	234,930	-	43,899	-	278,829	507,465
- surplus on revaluation	62,197	-	-	-	-	62,197	5 - 10	6,517	-	11,029	-	17,546	44,651
	808,997	-	39,494	-	-	848,491		241,447	-	54,928	-	296,375	552,116
Plant and machinery													
- cost	72,769,977	-	1,008,774	-	(46,799)	73,731,952	5 - 20	28,269,412	-	2,686,897	(21,382)	30,934,927	42,797,025
- surplus on revaluation	14,706,934	-	-	-	(4,157)	14,702,777	5 - 20	8,993,561	-	655,313	(2,439)	9,646,435	5,056,342
	87,476,911	-	1,008,774	-	(50,956)	88,434,729		37,262,973	-	3,342,210	(23,821)	40,581,362	47,853,367
Spares held for capital expenditure	999,991	-	-	-	-	999,991	10	67,767	-	90,520	-	158,287	841,704
Furniture, fixtures and equipment	680,731	-	83,793	-	(19,827)	744,697	10 - 30	485,900	-	55,391	(15,027)	526,264	218,433
Quarry equipment	194,144	-	-	-	-	194,144	20	184,282	-	1,972	-	186,254	7,890
Vehicles	1,142,206	-	342,900	-	(63,943)	1,421,163	20	308,746	-	214,253	(41,554)	481,445	939,718
Share of joint assets	6,000	-	-	-	-	6,000	10	6,000	-	-	-	6,000	-
	3,023,072	-	426,693	-	(83,770)	3,365,995		1,052,695	-	362,136	(56,581)	1,358,250	2,007,745
Total	116,884,175	-	1,778,909	-	(134,928)	118,528,156		45,577,943	-	4,785,637	(80,573)	50,283,007	68,245,149

	Cost / Revalued amount							Depreciation					
	As at July 01, 2023	Revaluation	Additions	Transfers	Disposals	As at June 30, 2024	Annual Rate	As at July 01, 2023	Revaluation	For the year	Disposals	As at June 30, 2024	Net book value at June 30, 2024
	---------- Rupees in thousand ----------						Percentage	---------- Rupees in thousand ----------					
Owned													
Freehold land													
- cost	824,605	-	543,858	-	-	1,368,463	-	-	-	-	-	-	1,368,463
- surplus on revaluation	369,883	58,370	-	-	-	428,253	-	-	-	-	-	-	428,253
	1,194,488	58,370	543,858	-	-	1,796,716		-	-	-	-	-	1,796,716
Buildings on freehold land													
- cost	19,779,145	-	1,264,181	-	-	21,043,326	5 - 20	5,094,556	-	911,456	-	6,006,012	15,037,314
- surplus on revaluation	343,724	332,686	-	-	-	676,410	5 - 20	233,683	93,844	40,978	-	368,505	307,905
	20,122,869	332,686	1,264,181	-	-	21,719,736		5,328,239	93,844	952,434	-	6,374,517	15,345,219
Buildings on leasehold land													
- cost	1,475,578	-	99,527	-	-	1,575,105	5 - 10	411,638	-	76,180	-	487,818	1,087,287
- surplus on revaluation	58,849	424,689	-	-	-	483,538	5 - 10	16,048	139,347	2,998	-	158,393	325,145
	1,534,427	424,689	99,527	-	-	2,058,643		427,686	139,347	79,178	-	646,211	1,412,432
Roads, bridges and railway sidings													
- cost	469,052	-	277,748	-	-	746,800	5 - 10	197,066	-	37,864	-	234,930	511,870
- surplus on revaluation	4,429	57,768	-	-	-	62,197	5 - 10	4,345	2,151	21	-	6,517	55,680
	473,481	57,768	277,748	-	-	808,997		201,411	2,151	37,885	-	241,447	567,550
Plant and machinery													
- cost	69,871,063	-	3,179,053	-	(288,837)	72,761,279	5 - 20	25,542,624	-	2,801,883	(75,267)	28,269,240	44,492,039
- surplus on revaluation	7,653,629	7,065,153	-	-	(11,848)	14,706,934	5 - 20	5,257,150	3,026,875	719,127	(9,591)	8,993,561	5,713,373
	77,524,692	7,065,153	3,179,053	-	(300,685)	87,468,213		30,799,774	3,026,875	3,521,010	(84,858)	37,262,801	50,205,412
Spares held for capital expenditure	-	-	-	999,991	-	999,991	10	-	-	67,767	-	67,767	932,224
Furniture's, fixtures and equipment	591,263	-	98,416	-	(250)	689,429	10 - 30	450,218	-	36,063	(209)	486,072	203,357
Quarry equipment	194,144	-	-	-	-	194,144	20	181,817	-	2,465	-	184,282	9,862
Vehicles	765,258	-	460,690	-	(83,742)	1,142,206	20	223,518	-	139,122	(53,894)	308,746	833,460
Share of joint assets	6,000	-	-	-	-	6,000	10	6,000	-	-	-	6,000	-
	1,556,665	-	559,106	999,991	(83,992)	3,031,770		861,553	-	245,417	(54,103)	1,052,867	1,978,903
Total	102,406,622	7,938,666	5,923,473	999,991	(384,677)	116,884,075		37,618,663	3,262,217	4,835,924	(138,961)	45,577,843	71,306,232

19.1.1 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales	34	4,588,972	4,688,636
Selling and distribution expenses	35	32,782	33,290
Administrative expenses	36	163,883	113,998
		4,785,637	4,835,924

19.1.2 Sale of operating fixed assets

For the year ended June 30, 2025

Particulars	Cost	Accumulated depreciation	Net book value	Sale value	Gain / (loss) on sale	Mode of sale	Particulars of purchaser
	---------- Rupees in thousand ----------						
Plant and Machinery							
							Outsiders
Nozzle Liner	2,002	505	1,497	1,018	(479)	Negotiation	Mr. Akhtar Nawaz
Elastomer Bushing Drawing	680	172	508	346	(162)	-do-	Mr. Akhtar Nawaz
Expansion Joint	801	81	720	29	(691)	-do-	M/s SGK Contractor
Top Cover Piston	2,361	649	1,712	389	(1,323)	-do-	M/s SGK Contractor
Vehicles							
							Outsiders
Toyota Prado	12,445	9,643	2,802	14,800	11,998	Negotiation	Mr. Zeeshan Ijaz
							Employees
Suzuki Cultus	1,672	1,146	526	2,600	2,074	As per Group's Policy	Mr. Waseem Alam
Toyota Corolla Altis	2,658	2,079	579	4,552	3,973	-do-	Mr. Ahsan Saeed
Suzuki Cultus	2,350	1,286	1,064	2,762	1,698	-do-	Mr. Waqas Bashir
Suzuki Cultus	2,350	1,286	1,064	2,861	1,797	-do-	Mr. Waqas Bashir
Honda City	4,012	1,536	2,476	3,850	1,374	-do-	Mr. Hassan Raza
Suzuki Cultus	2,172	1,135	1,037	2,967	1,930	-do-	Mr. Muhammad Saeed
Suzuki Cultus	2,468	954	1,514	2,700	1,186	-do-	Miss Hasnaa Asim
Suzuki Cultus	2,350	1,238	1,112	2,888	1,776	-do-	Mr. Usama Qamar
Suzuki Cultus	2,468	1,009	1,459	3,075	1,616	-do-	Miss Amina Rafiq
Honda Civic	3,298	1,733	1,565	2,660	1,095	-do-	Mr. Zeeshan Ahmad
Hyundai Sonata	7,431	3,416	4,015	9,000	4,985	-do-	Mr. Hassan Saif
Toyota Corolla GLI	2,353	1,814	539	3,535	2,996	-do-	Mr. Muhammad Naeem

For the year ended June 30, 2024:

Particulars	Cost	Accumulated depreciation	Net book value	Sale value	Gain / (loss) on sale	Mode of sale	Particulars of purchaser
	------ Rupees in thousand ------						
Plant and Machinery							
							Outsiders
Preventive Maintenance Kit	4,454	2,290	2,164	648	(1,516)	Negotiation	M/s Muhammad Hayat Contractor
Preventive Maintenance Kit	4,454	2,290	2,164	648	(1,516)	-do-	M/s Muhammad Hayat Contractor
Cables And Cable Trays	59,194	52,561	6,633	9,998	3,365	-do-	Mr. Ashiq
Complete Tertiary Air Duct	7,891	5,284	2,607	4,138	1,531	-do-	Mr. Abdur Rasheed
Roller Segment	12,585	2,329	10,256	6,600	(3,656)	-do-	Mr. Abdur Rasheed
Table Wear Segment	8,315	1,539	6,776	4,361	(2,415)	-do-	Mr. Abdur Rasheed
Gear Unit	837	193	644	526	(118)	-do-	Mr. Abdur Rasheed
Hmi For Loader	1,056	59	997	3	(994)	-do-	Mr. Abdur Rasheed
Lid For Explosion Door	3,897	896	3,001	2,447	(554)	-do-	Mr. Abdur Rasheed
Hoisting Damper Tongue For Tad Duct	2,519	142	2,377	2,884	507	-do-	Mr. Abdur Rasheed
Vehicles							
							Key Management Personnel
Toyota Prado	12,780	10,988	1,792	9,500	7,708	As per Group's Policy	Mr. Mohsin Raza Naqvi
Honda Civic	2,930	1,915	1,015	2,900	1,885	-do-	Mr. Tariq Ahmed Mir
Honda Civic	2,929	1,943	986	2,870	1,884	-do-	Mr. Amer Bilal
Honda Civic	2,927	1,953	974	2,850	1,876	-do-	Mr. M.Basharat
Toyota Corolla	2,918	1,939	979	2,810	1,831	-do-	Mr. Nasir Iqbal
Honda Civic Oriel	2,929	1,964	965	2,910	1,945	-do-	Mr. Zeeshan Malik Bhutta
Audi	6,587	4,802	1,785	6,450	4,665	-do-	Mr. Sohail Sadiq
Audi	6,538	4,760	1,778	6,500	4,722	-do-	Mr. Yahya Hamid
							Employees
Suzuki Cultus	1,603	1,061	542	1,520	978	-do-	Mr. Nauman Javaid
Honda Civic	2,930	1,943	987	2,630	1,643	-do-	Mr. Abdul Hanan Khan
Honda Civic	2,827	1,262	1,565	2,040	475	-do-	Mr. Sohaib Khakwani
Toyota Corolla	2,465	1,639	826	3,500	2,674	-do-	Mr. Aslam Khan
Suzuki Cultus	2,350	1,061	1,289	2,400	1,111	-do-	Mr. Muhammad Usman Javaid
Suzuki Cultus	2,350	1,057	1,293	2,400	1,107	-do-	Mr. Zeeshan Ali Ahmed
Toyota Corolla	7,779	-	7,779	7,510	(269)	-do-	Mr. Malik Asghar Ali

19.1.3 Additions in operating fixed assets include transfers from capital work-in-progress amounting to Rs. 1,710 million (2024: Rs. 4,916 million).

19.1.4 Ownership of the housing colony's assets included in the operating fixed assets is shared by the Holding Company jointly with Agritech Limited in ratio of 101:245 since the time when both the companies were managed by Pakistan Industrial Development Corporation. These assets are in possession of the Housing Colony Establishment for mutual benefits.

19.1.5 Buildings, roads, bridges and railway sidings, plant and machinery are located at freehold land measuring 10,210 kanals located at Iskandrabad District Mianwali.

19.1.6 Included in freehold land is a plot measuring 50 kanals located in Defence Housing Authority (DHA) Phase V, Islamabad. An agreement was signed between NHPL and DHA Islamabad on June 15, 2023, for the purchase of this plot with the intent to establish a hospital. The plot was officially allotted to NHPL on January 31, 2024, and is non-transferable. NHPL is strictly prohibited from using this plot for any purpose other than the hospital project. If the plot is used for any other purpose, DHA retains the absolute right to terminate the agreement and immediately repossess the plot.

19.1.7 Had the certain classes of operating fixed assets not been revalued the net book value would have been as follows:

	2025	2024
	(Rupees in thousand)	
Freehold land	1,389,220	1,368,463
Buildings on freehold land	14,412,359	15,037,314
Buildings on leasehold land	1,027,622	1,087,287
Roads, bridges and railway sidings	507,465	511,870
Plant and machinery	42,797,025	44,492,039
	60,133,691	62,496,973

19.1.8 The latest valuation of Group's assets was carried as on June 30, 2024. The forced sale value of the assets as at that date is as follows:

	(Rupees in thousand)
Freehold land	1,082,156
Buildings on freehold land	14,233,595
Roads, bridges and railway sidings	441,670
Plant and machinery	40,113,391
	55,870,812

19.1.9 As of June 30, 2025, all of the Group's assets are located in Pakistan and are registered under the Group's name, except for the exception mentioned in note 19.1.4. These assets are also under charges against borrowings as detailed in note 8.

	Note	2025	2024
		(Rupees in thousand)	
19.2 Capital work-in-progress - at cost			
The reconciliation of the carrying amount is as follows:			
At beginning of the year		1,345,073	1,676,796
Additions during the year		4,416,778	4,677,061
Transfers during the year to operating fixed assets	19.1.3	(1,710,137)	(4,916,453)
Transfers during the year to intangible assets	20	(7,816)	(89,828)
Charged off during the year		-	(2,503)
At end of the year	19.2.1	4,043,898	1,345,073
19.2.1 The balance at year-end comprises the following:			
Civil works		3,651,076	872,583
Plant and machinery		67,436	46,490
Roads and bridges		-	71
IT equipment		-	30,467
Vehicles		-	11,171
Advances to suppliers against:			
- civil works		283,853	268,892
- plant and machinery		33,030	29,238
- intangible assets		3,911	-
- vehicles		4,592	86,161
		4,043,898	1,345,073

19.3 Major spare parts and stand-by equipment

This represents stores held for capital expenditure related to Group's expansion project. The reconciliation of carrying amount is as follows:

	Note	2025	2024
		(Rupees in thousand)	
At the beginning of the year		48,281	238,239
Additions during the year		250,593	1,831,538
Transfers made during the year		(270,538)	(2,021,496)
At the end of the year		28,336	48,281

19.4 Right-of-use of assets

The reconciliation of carrying amount is as follows:

	Note	2025	2024
At the beginning of the year		86,852	43,112
Additions during the year		46,205	66,056
Reassessment during the year		(3,935)	-
Disposal during the year		(2,476)	(1,818)
Depreciation charged during the year	19.4.1	(40,555)	(20,498)
		86,091	86,852

19.4.1 Depreciation charge for the year has been allocated as follows:

	Note	2025	2024
Cost of sales	34	2,196	2,221
Selling and distribution expenses	35	12,956	11,373
Administrative expenses	36	25,403	6,904
		40,555	20,498

19.5 During the financial year ended June 30, 2024, borrowing costs amounting to Rs. 7.564 million were capitalised in operating fixed assets.

20. INTANGIBLE ASSETS

This includes computer software. The reconciliation of carrying amount is as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost			
Balance as on July 1		180,499	90,671
Additions during the year	19.2	7,816	89,828
Balance as on June 30		188,315	180,499
Amortisation			
Balance as on July 1		95,689	83,725
Charge for the year	20.1	30,200	11,964
		125,889	95,689
Book value as at June 30		62,426	84,810
Annual amortisation rate - %		33%	33%

20.1 Amortization charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in thousand)	
Cost of sales	34	11,736	5,883
Administrative expenses	36	18,464	6,081
		30,200	11,964

21. LONG TERM INVESTMENTS

Investment in associate – equity method

Agritech Limited (AGL):

	Note	2025	2024
Balance at the beginning		-	-
Transferred from short term investments	28.2	894,972	-
Investment during the year		5,929,898	-
Share of loss for the period - adjusted		(753,577)	-
Loss on dilution of investment		(7,494)	-
Share of OCI for the period		-	-
	21.1	6,063,799	-

Investments at fair value through profit or loss

	Note	2025	2024
Investment in un-listed preference shares	21.2	2,552,435	-
Advance against issue of privately placed	21.3	889,661	-
		3,442,096	-
	21.4	9,505,895	-

21.1 The Group holds 201,663,428 (2024: 43,742,500) ordinary shares with a par value of Rs 10 each, representing 33.66% (2024: 10.30%) of AGL's share capital. The market value of the Group's investment in the ordinary shares of AGL as at June 30, 2025, was Rs 10,948.308 million. AGL became associate of the Group on January 10, 2025.

Identified assets acquired, liabilities assumed or incurred have been currently carried at provisional fair values determined by the management's expert as at the acquisition date. The fair value exercise of identifiable assets and liabilities is currently in progress and will be completed within the allowed measurement period of one year specified under IFRS - 3. The carrying value of the below balances may change as a result of the fair value exercise as required under IFRS - 3. Any adjustment arising at the time finalisation of this exercise will be incorporated with retrospective effect from the date of acquisition.

During the year, the Group increased its investment in AGL through various Share Purchase Agreements (SPAs). These included an acquisition from the Bank of Punjab (BOP) amounting to Rs 1,300 million, comprising a combination of ordinary shares, convertible redeemable listed preference shares, non-convertible redeemable unlisted preference shares, and privately placed Term Finance Certificates (PPTFCs). Subsequently, on December 2, 2024, and December 18, 2024, the Group entered into SPAs with Faysal Bank Limited (FBL) and Bank Alfalah Limited (BAFL), respectively. These transactions resulted in further acquisitions of similar financial instruments for total considerations of Rs 1,825.008 million and Rs 1,800.901

million respectively. In addition, the Group acquired 102.350 million ordinary shares of AGL directly from the general public. On May 7, 2025, 47,285,425 convertible redeemable listed preference shares held by the Group were converted into 55,571,094 ordinary shares of AGL in accordance with their contractual terms.

21.1.1 Summary of provisional fair values and notional goodwill arising on acquisition of 23.65% stake in AGL is as follows:

	Provisional fair values as at acquisition date (Rupees in thousand)
ASSETS	
Non–current assets	
Property, plant and equipment	76,815,422
Intangible assets	144
Long term loans and advances	27,099
Long term deposits and Prepayments	60,950
	76,903,615
Current assets	
Stores, spares and loose tools	2,396,693
Stock in trade	5,116,525
Trade debts	45,796
Advances, Deposits, prepayments and other receivables	4,150,138
Tax refund due from government	26,994
Short term investments	6,783,988
Cash and bank balances	423,027
	18,943,161
Total assets	95,846,776
LIABILITIES	
Non current liabilities	
Redeemable capital - secured	3,706,686
Convertible, redeemable preference shares	4,748,941
Non-convertible, redeemable preference shares	18,542,698
Long term finances-secured	510,375
Deferred liabilities	16,504,002
	44,012,702
Current liabilities	
Preference dividend payable	28,729,605
Trade and other payables	7,748,452
Mark-up accrued on borrowings	2,747,603
Short term borrowings - secured	2,057,908
	41,283,568
Total liabilities	85,296,270
Fair value of net assets of AGL – provisional	10,550,506

21.1.2 Notional goodwill – provisional

	Note	Provisional fair values as at acquisition date (Rupees in thousand)
Cost of investment in associate		3,712,674
Fair value of net assets of AGL – provisional	21.1.1	10,550,506
Percentage shareholding in associate		23.65%
Group's share of net assets		(2,495,195)
Notional goodwill – provisional		1,217,479

21.2 This represents investment in unlisted, cumulative, non-convertible preference shares of AGL having a par value of Rs 10 each. These shares carry limited voting rights and entitle the Group to a cumulative dividend at the rate of 1-Year KIBOR plus 4.00% per annum. The preference shares are redeemable, in full or in part, at the option of AGL, subject to the terms of issuance. These have been recognised by discounting future contractual cashflows using a rate of 1-Year KIBOR + 8% per annum (ranging from 20.07% to 20.54% per annum).

21.3 This represents advance against issue of AGL's zero coupon PPTFCs having a par value of Rs 5,000 each, purchased through Share Purchase Agreements (SPAs) with various banks. AGL is in the process of issuing these instruments. These instruments carry zero mark-up/profit and are payable to the instrument holders in the form of a bullet payment by the end of December 2026. Accordingly, they have been recognised by discounting future cash flows over the remaining term using a rate of 1-Year KIBOR + 8% per annum (20.10% per annum).

21.4 The reconciliation of carrying amount is as follows:

	Note	2025 (Rupees in thousand)	2024 (Rupees in thousand)
As at beginning of the year		-	-
Transferred from short term investments	28.2	894,972	-
Investments made during the year		7,067,357	-
Share of loss for the period - adjusted		(753,577)	-
Loss on dilution of investment		(7,494)	-
Fair value gain recognized during the year			
- Credited to statement of profit or loss		1,619,394	-
- Credited to other comprehensive income		685,243	-
As at end of the year		9,505,895	-

	Note	2025	2024
		(Rupees in thousand)	

22. LONG TERM LOANS TO EMPLOYEES - SECURED

	Note	2025	2024
House building		17,795	29,518
Vehicles		2,926	2,205
Others		10,856	19,599
Balance as at June 30		31,577	51,322
Current portion presented under current assets	27	(14,967)	(20,094)
		16,610	31,228

22.1 These loans are secured against employees' retirement benefits and carry interest at the rate of 6% (2024: 6%) per annum. These loans are recoverable in 30 to 60 monthly instalments.

22.2 This includes loans to key management personnel amounting to Rs 9.841 million (2024: Rs 18.508 million). The maximum aggregate amount outstanding from key management personnel at any time during the year calculated with reference to month end balances is Rs 18.508 million (2024: Rs 19.953 million). Further, no amount is due from Directors and the Chief Executive Officer as at June 30, 2025 (2024: Nil).

23. LONG TERM DEPOSITS

This includes deposits with various utility companies, regulatory authorities and others.

24. STORES, SPARE PARTS AND LOOSE TOOLS

	Note	2025	2024
		(Rupees in thousand)	
Stores [including in transit: Rs 1,630.862 million (2024: Nil)]		8,818,774	8,714,512
Spare parts [including in transit: Rs 36.176 million (2024: Rs 88.590 million)]		4,159,882	4,096,619
Loose tools		31,548	25,279
		13,010,204	12,836,410

25. STOCK-IN-TRADE

	Note	2025	2024
Raw material		137,006	229,148
Packing material		847,744	471,239
Work-in-process		2,578,852	1,989,532
Finished goods		714,645	486,769
		4,278,247	3,176,688

26. TRADE DEBTS

	Note	2025	2024
Due from customers:			
- Local		5,470,310	4,660,247
- Export		236,921	115,547
Loss allowance	26.1	(1,097,049)	(587,049)
		4,610,182	4,188,745

	Note	2025	2024
		(Rupees in thousand)	
26.1 The reconciliation for loss allowance is as follow:			
At beginning of the year		587,049	230,049
Loss allowance recognised during the year		514,430	357,191
Trade debts written off against loss allowance		(4,430)	(191)
At end of the year		1,097,049	587,049

27. LOANS AND ADVANCES

	Note	2025	2024
Current portion of long term loans to employees	22	14,967	20,094
Advances			
- To employees	27.1	17,578	25,489
- To suppliers	27.2	324,014	262,601
Balances with statutory authorities:			
- Sales tax receivable - net		363,034	-
- Sales tax recoverable	27.3	20,342	20,342
- Government authorities	27.4	185,012	185,396
		909,980	493,828
		924,947	513,922

27.1 This includes advances to key management personnel (Mr. Amir Feroze) amounting to Rs 5.150 million (2024: Rs 1.333 million). The maximum aggregate amount outstanding from key management personnel at any time during the year calculated with reference to month end balances is Rs 18.592 million (2024: Rs 29.534 million). Further, no amount is due from other directors at the year end (2024: Nil).

27.2 This includes an amount of Rs 109.363 million (2024: Rs 15.554 million) advanced to the Ministry of Railways for transportation of coal and cement.

27.3 This represents deposit made with the Deputy Commissioner Inland Revenue (DCIR) in respect of input tax disallowed under section 8 of Sales Tax Act, 1990 as disclosed in note 18.1.14 and is not impaired.

27.4 This represents an amount paid to the Government under protest in respect of various cases that are currently pending before the Authorities.

28. SHORT TERM INVESTMENTS

	Note	2025	2024
		(Rupees in thousand)	
Investments at fair value through profit or loss			
Next Capital Limited:			
4,269,375 (2024: 4,269,375) fully paid ordinary shares of Rs 10 each			
Equity held: 7.50% (2024: 7.50%)			
Cost of investment: (Rs 30 million (2024: Rs 30 million)			
Fair value of investment		34,198	19,596
Mutual Funds:			
Income Fund		1,523,014	-
Money Market Funds		1,679,920	-
	28.1	3,202,934	-
		3,237,132	19,596
Investments at fair value through other comprehensive income			
Pioneer Cement Limited			
17,321,046 (2024: 17,321,046) fully paid ordinary shares of Rs 10 each			
Equity held: 7.63% (2024: 7.63%)			
Cost of investment: Rs 1,237.085 million (2024: Rs 1,237.085 million)			
Fair value of investment		3,951,450	2,921,194
Agritech Limited			
201,663,428 (2024: 43,742,500) fully paid ordinary shares of Rs 10 each			
Equity held: 33.66% (2024: 10.30%)			
Cost of investment: Rs 6,824.870 million (2024: Rs 1,169.108 million)			
Fair value of investment	28.2	-	894,972
Faysal Bank Limited			
49,176,960 (2024: Nil) fully paid ordinary shares of Rs 10 each			
Equity held: 3.24% (2024: Nil)			
Cost of investment: Rs 2,869.462 million (2024: Nil)			
Fair value of investment		3,429,331	-
		7,380,781	3,816,166
Investment at amortised cost - debt instrument			
Term deposit receipts	28.3 & 28.4	484,500	395,700
		11,102,413	4,231,462

28.1 This represents investments in units of mutual funds, the details of which are as follows:

Name of Fund	2025 Number of Units	2025 Value of investment (Rupees in thousand)	2024 Number of Units	2024 Value of investment (Rupees in thousand)
NBP Income Fund - Cash Plan – II	152,301,349	1,523,014	-	-
ABL Money Market Plan - I	60,257,763	603,590	-	-
Alfalah GHP Money Market Fund	5,717,142	566,095	-	-
MCB Cash Management Optimizer	4,987,295	510,235	-	-
		3,202,934		-

28.2 During the year, Agritech Limited became an associate of the Group and has been accounted for using the equity method, as disclosed in note 21.

28.3 This represents term deposits having a maturity of six months to one year from March 4, 2025 till April 11, 2026 carrying mark-up at the rates ranging from 7% to 15.50% (2024: 14.50% to 15.50%) per annum.

28.4 Term deposit receipts are held as margin guarantees with commercial banks. The margins are subject to restrictions and are therefore not available for general use by the other entities within the Group. Out of these, Nil (2024: Rs 238.50 million) have an original maturity of three months or less.

29. SHORT TERM DEPOSITS AND PREPAYMENTS

	2025 (Rupees in thousand)	2024 (Rupees in thousand)
Prepayments	47,507	296,894
Margin against:		
- letters of credit	29,997	65,210
- bank guarantees	639,081	634,613
Short term deposits	683	1,633
	717,268	998,350

30. ACCRUED PROFIT

This represents profit accrued on saving accounts and term deposit receipts at rates ranging from 4.69% to 19.50% (2024: 8.75% to 20.50%) per annum.

31. OTHER RECEIVABLES

	Note	2025 (Rupees in thousand)	2024 (Rupees in thousand)
Due from related party - unsecured	31.1	52,627	-
Others	31.2	54,663	129,474
		107,290	129,474

31.1 This represents balance receivable from the Ultimate Holding Company amounting to Rs.15.399 million (2024: Nil).

The maximum aggregate amount outstanding from the Ultimate Holding Company at any time during the year calculated with reference to month end balances is Rs. 15.399 million (2024: Rs. 10.255 million).

31.2 This incudes Rs. 22.261 million (2024: Rs. 13.923 million) receivable from the federal government against export rebate.

32. CASH AND BANK BALANCES

	Note	2025	2024
		(Rupees in thousand)	
At banks:			
Savings accounts	32.1	601,273	516,088
Current accounts:			
Foreign currency		98,196	79,896
Local currency		1,154,590	676,732
		1,252,786	756,628
		1,854,059	1,272,716
In hand			
Foreign currency		2,552	2,482
Local currency		4,940	4,226
		7,492	6,708
		1,861,551	1,279,424

32.1 The balances in saving accounts bear mark-up at rates ranging from 4.69 % to 19.50% (2024: 8.75 % to 20.50%) per annum.

33. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	2025	2024
	(Rupees in thousand)	
Gross local sales	99,232,891	88,609,781
Less:		
Federal excise duty	(14,953,624)	(7,763,020)
Sales tax	(16,843,945)	(15,088,469)
Discount and others	(1,687,479)	(1,200,134)
Commission	(406,836)	(397,200)
	(33,891,884)	(24,448,823)
Net local sales	65,341,007	64,160,958
Export sales	3,312,992	2,291,390
	68,653,999	66,452,348

33.1 Disaggregation of revenue

	2025	2024
Type of customers		
Government customers	713	2,896
Non-Government customers	102,545,170	90,898,275
	102,545,883	90,901,171
Timing of revenue recognition:		
- Revenue recognized at a point in time		
Primary geographical markets		
Pakistan	99,232,892	88,609,781
Afghanistan	3,206,132	2,159,479
Maldives	2,094	6,215
Oman	-	33,072
Qatar	9,231	9,743
Sri Lanka	22,036	9,108
South Africa	2,264	1,809
United Arab Emirates	-	1,207
Yemen	13,243	10,995
Tanzania	57,991	59,762
	102,545,883	90,901,171

34. COST OF SALES

	Note	2025	2024
		(Rupees in thousand)	
Raw materials consumed	34.1	8,939,483	3,884,350
Packing materials consumed		3,315,539	3,539,273
Salaries, wages and other benefits	34.2	1,982,323	1,862,947
Fuel and power	34.3	22,327,231	26,618,964
Stores, spare parts and loose tools consumed		1,103,907	1,395,155
Rent, rates and taxes		4,893	2,766
Insurance		289,433	238,037
Repairs and maintenance		911,586	868,349
Depreciation on operating fixed assets	19.1.1	4,588,972	4,688,636
Depreciation on right-of-use assets	19.4.1	2,196	2,221
Amortization of intangibles	20.1	11,736	5,883
Vehicles running and maintenance		415,061	559,310
Other expenses	34.4	136,919	300,383
		44,029,279	43,966,274
Work in process:			
At beginning of the year		1,989,532	1,856,759
At end of the year		(2,578,852)	(1,989,532)
		(589,320)	(132,773)
Cost of goods manufactured		43,439,959	43,833,501
Finished goods:			
At beginning of the year		486,769	675,151
At end of the year		(714,645)	(486,769)
		(227,876)	188,382
Cost of sales		43,212,083	44,021,883

34.1 Raw materials consumed

	Note	2025	2024
At beginning of the year		229,148	121,609
Add: Purchases and extractions made including royalty thereon		8,847,341	3,991,889
		9,076,489	4,113,498
At end of the year	25	(137,006)	(229,148)
Raw materials consumed		8,939,483	3,884,350

34.2 Salaries, wages and other benefits expense includes contribution to provident fund trust amounting to Rs. 96.483 million (2024: Rs. 87.299 million). Further, it includes provision for gratuity and accumulating compensated absences as mentioned in note 13.3 to these consolidated financial statements.

34.3 This includes the reversal of the provision for electricity duty amounting to Rs. 471.176 million (2024: Nil), pursuant to the decision of the Supreme Court of Pakistan dated October 8, 2024, in Civil Appeals Nos. 256 to 472 of 2011 (2024 SCP 348), which held that no electricity duty can be recovered from the entities using generators exceeding 500 KW capacity for self-consumption.

34.4 Other expenses include housing colony expenses aggregating to Rs. 159.87 million (2024: Rs. 224.456 million).

	Note	2025	2024
		(Rupees in thousand)	

35. SELLING AND DISTRIBUTION EXPENSES

	Note	2025	2024
Salaries, wages and other benefits	35.1	565,427	585,652
Travelling and conveyance		409,172	310,955
Vehicle running and maintenance		123,006	152,582
Postage, telephone and fax		35,123	16,460
Printing, stationery and office supplies		10,032	16,205
Entertainment		22,529	14,892
Repair and maintenance		13,898	23,001
Depreciation on operating fixed assets	19.1.1	32,782	33,290
Depreciation on right-of-use assets	19.4.1	12,956	11,373
Legal and professional charges		26,691	19,247
Advertisement and sale promotions		1,166,589	1,239,612
Fee and subscription		73,942	66,651
Freight and forwarding		1,595,045	2,958,327
Other expenses		46,318	23,561
		4,133,510	5,471,808

35.1 Salaries, wages and other benefits expense includes contribution to provident fund trust amounting to Rs. 20.264 million (2024: Rs. 20.200 million). Further, it includes provision for gratuity and accumulating compensated absences as mentioned in note 13.3 to these consolidated financial statements.

	Note	2025	2024
		(Rupees in thousand)	

36. ADMINISTRATIVE EXPENSES

	Note	2025	2024
Salaries, wages and other benefits	36.1	1,227,505	1,052,888
Travelling		214,683	169,605
Vehicle running and maintenance		123,743	139,158
Postage, telephone and fax		20,593	22,170
Printing, stationery and office supplies		47,169	47,099
Entertainment		53,748	56,024
Utilities expenses		58,295	52,459
Repair and maintenance		41,698	63,074
Legal and professional charges	36.2	149,214	118,639
Consultancy fee and subscription		155,866	93,364
Depreciation on operating fixed assets	19.1.1	163,883	113,998
Depreciation on right-of-use assets	19.4.1	25,403	6,904
Amortization of intangibles	20.1	18,464	6,081
Rent, rates and taxes		18,909	17,265
Other expenses		25,896	28,909
	36.4	2,345,069	1,987,637

36.1 Salaries, wages and other benefits expense includes contribution to provident fund trust amounting to Rs. 47.235 million (2024: Rs. 38.403 million). Further, it includes provision for gratuity and accumulating compensated absences as mentioned in note 13.3 to these consolidated financial statements.

36.2 Legal and professional charges include the following in respect of auditor's remuneration (exclusive of sales tax) for:

	2025	2024
	(Rupees in thousand)	
Annual statutory audits	8,020	4,100
Interim review	1,475	650
Group reporting	300	263
Other certifications	955	900
Taxation services	68,216	37,004
Consultancy in respect of Information Technology services	11,600	41,334
Out of pocket expenses	501	925
	91,067	85,176

36.3 The Group has shared expenses aggregating Rs. 44.302 million (2024: Rs. 38.320 million) on account of combined offices with the Ultimate Holding Company. These expenses have been recorded in respective account.

36.4 This includes pre-operative administrative expenses of Rs. 191.259 million (2024: Rs. 115.252 million) in respect of NHPL, which is currently in the pre-commencement phase. These expenses are deductible when calculating taxable income, as detailed in note 12.2 of these consolidated financial statements.

37. OTHER EXPENSES

	Note	2025	2024
		(Rupees in thousand)	
Donations	37.1	24,982	52,819
Worker's Profit Participation Fund	14.3	676,952	363,646
Worker's Welfare Fund	14.4	504,247	230,848
Loss on disposal of subsidiary	37.2	4,595	-
Un-realised loss on investments		-	2,476
Exchange loss - net		83,719	10,757
Loss on sale of stores and spares	37.3	103,406	34,819
Advances written off		3,290	-
Miscellaneous		17,575	3,980
		1,418,766	699,345

37.1 Donations for the year have been given to:

		2025	2024
Agha Khan Cultural Service - Pakistan		4,800	-
Aitchison College Lahore		-	42,806
A-One Service Contractors (Private) Limited		1,245	-
Daudkhel Police Station		7,778	1,912
Daudkhel Press Club		-	258
Daudkhel Water Supply Project		-	1,475
Hameedah Memorial Hospital		950	-
Hassan Boys Hostel		3,074	-
Kalabagh Graphics		688	-
Maple CSR Initiative		-	1,364
Miscellaneous donations in the form of cement		1,350	2,641
Shafaullah		444	363
Sunshine Trust		-	2,000
Takbeer Boys Hostel		291	-
Technical Education & Vocational Training Authority (TEVTA)		1,970	-
Three Star Boys Hostel		1,792	-
Wali Dad Khan		600	-
	37.1.1	24,982	52,819

37.1.1 None of the directors or their spouses have any interest in the donee.

37.2 This represents the loss on disposal of the subsidiary, Maple Leaf Industries Limited (MLIL), which was wound up during the year.

37.3 This represents loss on stores and spares sold to the Ultimate Holding Company.

38. OTHER INCOME

	Note	2025	2024
		(Rupees in thousand)	
			(Restated)
Interest on advances to related party		29,917	11,409
Interest on loans to employees		345	366
Dividend income		259,816	86,605
Gain on disposal of operating fixed assets		52,788	109,644
Sale of scrap		24,750	5,503
Un-realised gain on investments	38.1	1,693,739	65,838
Miscellaneous		16,215	24,721
		2,077,570	304,086

38.1 Includes fair value gain of Rs 1,619.394 million (2024: Nil) on re-measurement of investments in associate, AGL, carried at fair value though profit or loss.

39. FINANCE COST

	Note	2025	2024
		(Rupees in thousand)	
Profit / interest / mark up on:			
- Long term loans and finances - secured	8	1,853,848	3,202,258
- Short term borrowings	17	1,002,492	237,299
		2,856,340	3,439,557
Interest on lease liabilities	10	13,150	9,154
Bank and other charges		142,056	86,373
		3,011,546	3,535,084

40. FINANCE INCOME

	Note	2025	2024
		(Rupees in thousand)	
			(Restated)
Profit on bank deposits	40.1	228,547	122,621
Gain on disposal of investments in market treasury bills	40.2	805,066	-
		1,033,613	122,621

40.1 This includes profit earned on deposits under arrangements which are permissible under Shariah amounting to Rs 0.281 million (2024: Rs 1.014 million). The remaining profit relates to interest / mark-up based arrangements from conventional banks as mentioned in note 32.1.

40.2 This represents income from treasury bills earning a return of 13.88% per annum. The maturity date of the treasury bills was January 02, 2025.

41. TAXATION

	Note	2025	2024
		(Rupees in thousand)	
Final taxes - levy	41.1	38,972	45,804
Current income tax			
-For the year		5,480,524	1,500,119
-Prior years	41.2	(965,963)	-
		4,514,561	1,500,119
Deferred income tax	12.1	311,896	2,340,407
		4,865,429	3,886,330

41.1 This represents final taxes paid under section 150 and section 154 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

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

	2025	2024
	(Rupees in thousand)	
Current tax liability for the year as per applicable tax laws	5,519,496	1,545,923
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(5,480,524)	(1,500,119)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(38,972)	(45,804)
Difference	-	-

41.2 This includes Rs. 509.303 million related to the tax credit under Section 65B. Initially, the Group had recognized the credit at 5% in its books, following an amendment introduced through the Finance Act 2019. However, the Supreme Court of Pakistan, in its judgment dated September 18, 2024, allowed companies to claim the credit at 10% for the period up to June 30, 2019, resulting in the recognition of this credit.

Additionally, included in this is an amount of Rs. 456.660 million that pertains to the recognition and utilisation of Minimum Tax from prior years. These were previously unrecorded as deferred tax assets on a prudent basis.

41.3 Tax charge reconciliation

41.3.1 Numerical reconciliation between tax expense and accounting profit:

	2025	2024
	(Rupees in thousand)	
Profit before taxation	16,368,707	10,806,107
Income tax @ 29% under the Income Tax Ordinance, 2001	29%	29%
Tax effect of :	4,746,925	3,133,771
Exempt income	(511,380)	(392,836)
Super tax	1,495,292	910,634
Final tax regime	(36,374)	(86,806)
Amount allowable for tax purposes	(20,287)	(43,830)
Amount not allowable for tax purposes	2,240,794	55,692
Permanent differences	7,245	8,798
Prior year	35,941	(213,851)
Change in tax rate and proportion of local and export sales	-	488,532
Rate difference in current tax and deferred tax	(72,104)	26,226
Tax Credit under 65 B	(509,303)	-
Dividend income exempt from tax	(1,856,145)	-
Recognition of credit on account of Alternate Corporate Tax	(207,750)	-
Restricted vehicle	8,881	-
Recognition of credit on account of Minimum Tax	(456,660)	-
Rate difference on Capital Gain	(2,475)	-
Other	2,829	-
	4,865,429	3,886,330

42. EARNINGS PER SHARE - BASIC AND DILUTED

42.1 Basic earnings per share

		2025	2024
Profit for the year equity holders of the Holding Company	Rupees in '000	11,503,305	6,891,064
Weighted average number of ordinary shares	No. of shares in '000	1,047,563	1,058,911
Earning per share - basic	Rupees	10.98	6.51

42.2 Weighted average number of ordinary shares

	2025	2024
	(Number in thousand)	
Outstanding number of shares	1,047,563	1,073,405
Impact of own shares purchased	-	(14,494)
	1,047,563	1,058,911

42.3 A diluted earnings per share has not been presented as the Group does not have any convertible instruments in issue as at June 30, 2025, and June 30, 2024, which would have any effect on the earnings per share if the option to convert is exercised.

43. CASH FLOW INFORMATION

43.1 Cash generated from operations

	Note	2025	2024
		(Rupees in thousand)	
Profit before final taxes and income tax		16,368,707	10,806,107
Adjustments for:			
- Depreciation on operating fixed assets	19.1.1	4,785,637	4,835,924
- Depreciation on right-of-use asset	19.4.1	40,555	20,498
- Share of net loss of associate accounted for using equity method	21	761,071	-
- Amortisation on intangible assets	20.1	30,200	11,964
- Provision for expected credit loss	26.1	510,000	357,000
- Bad debts written off	26.1	4,430	191
- Advances written off	37	3,290	-
- Gain on disposal of property, plant and equipment	38	(52,788)	(109,644)
- Exchange loss	37	83,719	10,757
- Loss on sale of stores and spares	37	103,406	34,819
- Exchange loss/ (gain) on cash and cash equivalents		3,071	(2,893)
- (Gain) / loss on re-measurement of short term investments at fair value	38	(14,601)	2,476
- Advances against income tax written off	15	17,433	-
- Unrealized gain on long term investments of AGL	38	(1,679,138)	-
- Adjustment to operating fixed assets		39,100	
- Provision for employee benefits obligations	13	90,732	79,034
- Profit on bank deposits	40	(228,547)	(122,621)
- Gain on disposal of investments in market treasury bills	40	(805,066)	-
- Dividend income	38	(259,816)	(86,605)
- Finance cost	39	3,011,546	3,535,084
		6,444,234	8,565,984
Effect on cash flow due to working capital changes:			
(Increase)/decrease in current assets			
- Stores, spare parts and loose tools		(1,346,806)	(3,368,563)
- Stock-in-trade		(1,101,559)	637,475
- Trade debts		(935,867)	(1,944,948)
- Loans and advances		(414,315)	386,538
- Short term deposits and prepayments		281,082	(500,420)
- Other receivables		22,184	(107,569)
		(3,495,281)	(4,897,487)
Increase /(decrease) in current liabilities			
- Trade and other payables		4,054,543	(125,861)
		559,262	(5,023,348)
		23,372,203	14,348,743

44. CASH AND CASH EQUIVALENTS

	Note	2025	2024
Short term running finance	17.2 & 17.3	(143,520)	(1,645,316)
Cash and bank	32	1,861,551	1,279,424
Short term investments		-	238,500
		1,718,031	(127,392)

45. RELATED PARTY TRANSACTIONS

The related parties include the Ultimate Holding Company, associate, related parties on the basis of common directorship, group companies, key management personnel of the Group and the Ultimate Holding Company, other related parties and post employment benefit plans. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise). The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Related party transactions carried out during the year are as follows:

	Name of parties	Relationship	Transactions	2025	2024
				(Rupees in thousand)	
a)	**Kohinoor Textile Mills Limited**	Ultimate Holding Company	Sale of goods	38,400	2,419
			Expenses by the Group on behalf of the related party	15,400	-
			Sale of spares	26,005	11,792
			Expenses by related party on behalf of the Group	44,302	38,324
b)	**Maple Leaf Capital Limited**	Common directorship	Loan provided during the year	1,353,000	500,000
			Loan recovered during the year	1,353,000	500,000
			Markup received on loan	29,917	11,409
c)	**Agritech Limited**	Associate	Sale of Stores to related party	197	-
d)	**Key management personnel**	Key management personnel	Remuneration and other benefits - note 45.1	600,930	622,150
e)	**Employee benefits**				
	Gratuity	Post employment benefit plan	Expense charged in respect of gratuity plan	23,386	22,861
	Provident fund trust	Post employment benefit plan	Expense charged in respect of provident fund	368,398	306,812

45.1 This represents remuneration of the Chief Executive, Directors and certain executives that are included in the remuneration disclosed in note 46 to these consolidated financial statements.

45.2 Transactions with related parties have been carried out on mutually agreed terms and conditions. The related parties with whom the Group had entered into transactions or had arrangements/agreements in place during the year have been disclosed below along with their basis of relationship:

Name	Relationship	% of shareholding in the Company
Kohinoor Textile Mills Limited	Ultimate Holding Company	57.89%
Maple Leaf Capital Limited	Common directorship	1.15%
Agritech Limited	Associate	None
Mr. Tariq Sayeed Saigol	Director / Key management personnel	0.0031%
Mr. Sayeed Tariq Saigol	Director / Key management personnel	0.0010%
Mr. Taufique Sayeed Saigol	Director / Key management personnel	0.0015%
Mr. Waleed Tariq Saigol	Director / Key management personnel	0.0011%
Mr. Danial Taufique Saigol	Director / Key management personnel	0.0005%
Ms. Jahanara Saigol	Director / Key management personnel	0.0002%
Mr. Shafiq Ahmed Khan	Director / Key management personnel	0.0015%
Mr. Zulfikar Monnoo	Director / Key management personnel	0.0003%
Mr. Syed Mohsin Raza Naqvi	Director / Key management personnel	None
Mr. Sohail Sadiq	Key management personnel	None
Mr. Yahya Hamid	Key management personnel	None
Mr. Amir Feroze	Key management personnel	None
Mr. Tariq Ahmed Mir	Key management personnel	None
Company's Employees Gratuity Fund	Post Employment Benefit Plan	None
Company's Employees Provident Fund	Post Employment Benefit Plan	None

46. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	2025			
	Directors			Executives
	Chief Executive	Executive	Non-Executives	
	(---------------------- Rupees in thousand ----------------------)			
Short term benefits				
Managerial remuneration	98,331	52,563	-	949,600
Bonus	153,846	-	-	-
House rent	7,215	2,022	-	158,489
Medical	7,215	4,043	-	66,742
Conveyance	4,792	1,952	-	133,930
Utilities	6,383	3,577	-	90,626
Perquisites and other benefits	-	-	-	28,533
Advisory arrangement	-	-	988	-
	277,782	64,157	988	1,427,920
Post employment benefits				
Contribution to Provident Fund Trust	7,215	4,043	-	69,837
	284,997	68,200	988	1,497,757
Number of persons	1	1	7	309

	2024			
	Directors			Executives
	Chief Executive	Executive	Non-Executives	
	(---------------------- Rupees in thousand ----------------------)			
Short term benefits				
Managerial remuneration	90,188	38,805	-	725,993
Bonus	153,846	-	-	-
House rent	7,215	3,104	-	123,038
Medical	7,215	3,104	-	51,586
Conveyance	3,633	2,182	-	123,192
Utilities	6,383	2,746	-	74,088
Perquisites and other benefits	-	-	-	22,603
Advisory arrangement	-	-	980	-
	268,480	49,941	980	1,120,500
Post employment benefits				
Contribution to Provident Fund Trust	7,215	3,104	-	53,825
	275,695	53,045	980	1,174,325
Number of persons	1	1	7	236

46.1 The Chief Executive, Directors and some Executives are also provided with the Group maintained cars in accordance with the respective policies.

46.2 Aggregate amount charged in these consolidated financial statements in respect of meeting fee paid to Directors is Rs. 0.988 million (2024: Rs. 0.980 million).

47. CAPACITY AND PRODUCTION

	Capacity		Actual Production	
	2025	2024	2025	2024
	---------- Metric tons ----------			
Clinker	7,800,000	7,800,000	3,681,406	3,625,857

Plant capacity is based on 300 working days, that can be exceeded if the plant is operational for more than 300 days during the year. Actual production is less than the installed capacity due to planned maintenance shutdown and gap between market demand and supply of cement.

	2025	2024	2025	2024
	---------- MWH ----------			
Coal fired power plant	316,800	316,800	242,018	251,815
Solar power plant	12,858	12,858	12,472	5,781

The normal capacity of coal fired power plant and the solar power plant has been determined on the basis of 330 production days keeping in view the maintenance schedule of the plants. Lower production of power plant is due to the lower number of production days on account of reduced demand.

48. SEGMENT REPORTING

48.1 Reportable segments

A business segment is a group of assets and operations engaged in providing products that are subject to risk and returns that are different from those of other business segments.

The Group's operations comprise of the following reportable business segments:

Reportable segments	**Operation**
Cement production	The Maple Leaf Cement Factory Limited (the "Holding Company") is operating as a cement manufacturing segment of the Group. The principal activity of the Holding Company is the production and sale of cement.
Power generation	Maple Leaf Power Limited ("MLPL") is operating as an electric power generation segment of the Group. The principal activity of MLPL is explained in note 1.2 to these financial statements. MLPL sold 100% electricity and steam to the Holding Company during the year.
All other segments	This includes other operating segments that are not reportable and are presented as "All other segments": - Maple Leaf Industries Limited ("MLIL"), incorporated with the primary objective of establishing a cement manufacturing facility. During the year, MLIL was formally wound up on March 31, 2025. - Novacare Hospitals (Private) Limited ("NHPL"), incorporated to establish, manage, and operate healthcare facilities, including hospitals, pharmacies, nursing homes, clinics, laboratories, dental clinics, and healthcare centers. NHPL is currently in the pre-commencement phase.

The identification of operating segments was based on the internal organisational and reporting structure, built on the different products and services within the Group. Allocation of the individual organisational entities to the operating segments was exclusively based on economic criteria, irrespective of the participation structure under the Companies Act, 2017.

48.2 Information about reportable segments

The information related to each reportable segment is based on the internal reporting to the Group Board of Directors, identified as CODM. Segment operating profit or loss as included in internal management reports reviewed by the CODM is used to measure performance because management believes that such information is the most relevant in evaluating the result of the respective segments relative to other entities that operate in the same industries. This information is prepared under the IFRSs applicable to the consolidated financial statements:

	Cement production	Power generation	All other segments	Inter segment elimination	Total
	------------------------- (Rupees in thousand) -------------------------				
For the year ended June 30, 2025					
Revenue					
Revenue from external customers	68,942,446	-	-	(288,447)	68,653,999
Intersegment revenue	-	7,000,400	-	(7,000,400)	-
	68,942,446	7,000,400	-	(7,288,847)	68,653,999
Cost of sales	(45,195,630)	(5,049,420)	-	7,032,967	(43,212,083)
Selling and distribution expenses	(4,123,758)	-	(9,752)	-	(4,133,510)
Administrative expenses	(2,145,161)	(17,333)	(182,575)	-	(2,345,069)
Other expenses	(1,207,027)	(162,235)	(50,511)	1,007	(1,418,766)
Net impairment loss on financial assets	(514,430)	-	-	-	(514,430)
Other income					
Other income from external customer	8,460,117	17,853	100	(6,400,500)	2,077,570
Intersegment other income	-	550,327	-	(550,327)	-
Finance Income	1,033,613	-	-		1,033,613
	9,493,730	568,180	100	(6,950,827)	3,111,183
Finance cost	(3,554,788)	(1,090)	(5,995)	550,327	(3,011,546)
Profit before final taxes and income tax	21,695,382	2,338,502	(248,733)	(6,655,373)	17,129,778
Final tax	(38,972)	-	-	-	(38,972)
Profit before income tax	21,656,410	2,338,502	(248,733)	(6,655,373)	17,090,806
Taxation	(4,588,891)	(206,420)	-	(31,146)	(4,826,457)
Profit for the year	17,067,519	2,132,082	(248,733)	(6,686,519)	12,264,349
Reconciliation:					
Segment profit for the year					12,264,349
Other consolidation adjustment					(761,071)
Consolidated profit for the year					**11,503,278**

	Cement production	Power generation	All other segments	Inter segment elimination	Total
	------------------------- (Rupees in thousand) -------------------------				
For the year ended June 30, 2024					
Revenue					
Revenue from external customers	66,452,348	-	-	-	66,452,348
Intersegment revenue	-	7,493,169	-	(7,493,169)	-
	66,452,348	7,493,169	-	(7,493,169)	66,452,348
Cost of sales	(45,488,064)	(6,035,965)	-	7,502,146	(44,021,883)
Selling and distribution expenses	(5,471,808)	-	-	-	(5,471,808)
Administrative expenses	(1,852,148)	(17,182)	(118,307)	-	(1,987,637)
Other expenses	(569,545)	(135,959)	-	6,159	(699,345)
Net impairment loss on financial assets	(357,191)	-	-	-	(357,191)
Other income					
Other income from external customer	356,142	75,428	5,757	(10,620)	426,707
Intersegment other income	-	636,938	-	(636,938)	-
	356,142	712,366	5,757	(647,558)	426,707
Finance cost	(4,138,286)	(3,434)	(2,385)	609,021	(3,535,084)
Profit before final taxes and income tax	8,931,448	2,012,995	(114,935)	(23,401)	10,806,107
Final tax	(45,804)	-	-	-	(45,804)
Profit before income tax	8,885,644	2,012,995	(114,935)	(23,401)	10,760,303
Taxation	(3,613,117)	(247,692)	-	20,283	(3,840,526)
Profit for the year	5,272,527	1,765,303	(114,935)	(3,118)	6,919,777
Reconciliation:					
Segment profit for the year					6,919,777
Other consolidation adjustment					-
Consolidated profit for the year					**6,919,777**

48.2.1 The revenue reported above represents revenue generated from each segment and inter segment revenue eliminated.

48.2.2 Revenue from major products and services

The analysis of the Group's revenue from external customers for major products and services is given in note 33 to these consolidated financial statements.

48.3 The accounting policies of the reportable segments are consistent with the Group's accounting policies described in note 3 to these consolidated financial statements, except for the fact that NHPL's operating fixed assets are reported under the cost model in its financial statements. However, the Group estimates that the net book value of those operating fixed assets, which are under the revaluation model, does not materially differ from their fair value as at June 30, 2025, as these assets were purchased and are also currently under construction both during the current year and the prior year.

48.4 Segment assets and liabilities

Reportable segment's assets and liabilities are reconciled to total assets and liabilities as follows:

	Cement Manufacturing	Power Generation	Other	Inter segment Elimination	Total
	------------------------- (Rupees in thousand) -------------------------				
For the year ended June 30, 2025					
Segment assets					
Current assets	35,752,604	2,064,088	524,814	(1,686,524)	36,654,982
Non-current assets	83,353,667	5,069,156	4,626,244	(10,972,450)	82,076,617
Segment liabilities					
Current liabilities	23,330,491	1,167,496	441,656	(1,520,463)	23,419,180
Non-current liabilities	24,314,188	14,321	24,624	-	24,353,133
For the year ended June 30, 2024					
Segment assets					
Current assets	26,867,837	1,760,089	161,742	(1,414,793)	27,374,875
Non-current assets	72,497,845	9,838,638	1,454,626	(10,821,998)	72,969,111
Segment liabilities					
Current liabilities	18,597,800	1,346,645	418,669	(1,334,928)	19,028,186
Non-current liabilities	28,151,974	35,118	16,211	(4,531,146)	23,672,157

48.4.1 For the purposes of monitoring segment performance and allocating resources between segments:

All assets and liabilities are allocated to reportable segments; and there are no assets and liabilities separately managed by Group.

48.5 Other segment information

	Cement Manufacturing	Power Generation	Other	Inter segment Elimination	Total
	------------------------- (Rupees in thousand) -------------------------				
For the year ended June 30, 2025					
Capital expenditure	431,597	145,765	3,149,080	(107,216)	3,619,226
Depreciation	4,383,100	406,489	36,603	-	4,826,192
Amortisation	30,200	-	-	-	30,200
Finance cost	3,554,788	1,090	5,995	(550,327)	3,011,546
Non-cash items other than depreciation, amortization and finance cost	(7,829,649)	(552,908)	-	6,197,782	(2,184,775)
For the year ended June 30, 2024					
Capital expenditure	3,099,319	940,511	1,414,073	-	5,453,903
Depreciation	4,508,383	340,551	7,488	-	4,856,422
Amortization	11,964	-	-	-	11,964
Finance cost	4,138,286	3,434	2,385	(609,021)	3,535,084
Non-cash items other than depreciation, amortization and finance cost	239,862	(680,613)	(5,756)	609,021	162,514

48.6 Geographical information

The Group operates in two principal geographical areas, Asia and Africa other than Pakistan and revenue from continuing operations from external customers based on geographical areas is as follows:

Geographical area	2025	2024
	Percentage	
Asia	99.94%	99.91%
Africa	0.06%	0.09%
	100.00%	100.00%

48.6.1 All assets of the Group as at June 30, 2025 are located in Pakistan.

49. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's Board of Directors ("the Board") has overall responsibility for establishment and oversight of the Group's risk management framework. The Board is 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 changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors reviews and agrees upon the policies for managing each of these risks.

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 ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Group's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Group and the manner in which such risks are managed is as follows:

(a) 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 income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions and recognised assets and liabilities that exist due to transactions in foreign currencies.

The Group is exposed to currency risk arising from various currency exposures. Currently, the Group's foreign exchange risk exposure is restricted to bank balances and amounts payable to/ receivable from foreign entities.

Following significant exchange rates have been applied for translating material transactions/ balances in foreign currency:

	Average rate for the year		Spot rate			
	2025	2024	2025		2024	
	Buying	Selling	Buying	Selling	Buying	Selling
EURO	303.94	307.31	332.25	332.83	297.88	298.41
GBP	361.38	352.00	388.97	389.65	351.22	351.85
USD	279.34	284.70	283.60	284.10	278.30	278.80
CNY	38.71	39.49	39.59	39.66	38.47	38.53

Exposure to currency risk

	2025				
	GBP	CNY	EURO	USD	Rupees Equivalent
	-----------(in thousand)-----------				
Assets					
Trade debts	-	-	-	835	236,921
Cash and bank balances	2	-	-	352	100,748
	2	-	-	1,187	337,669
Liabilities					
Trade creditors and bills payable	(225)	(263)	(51)	(7,052)	(2,118,486)
Retention money payable	-	(44,515)	-	-	(1,765,477)
	(225)	(44,778)	(51)	(7,052)	(3,883,963)
Net Statement of financial position exposure	(223)	(44,778)	(51)	(5,865)	(3,546,294)

	2024				
	GBP	CNY	EURO	USD	Rupees Equivalent
	-----------(in thousand)-----------				
Assets					
Trade debts	-	-	-	415	115,547
Loans and advances	-	88	-	39	14,353
Cash and bank balances	-	-	2	279	82,378
	-	88	2	733	212,278
Liabilities					
Trade creditors and bills payable	-	(44,900)	(115)	(1,566)	(2,129,091)
Retention money payable	-	(43,840)	-	-	(1,691,334)
	-	(88,740)	(115)	(1,566)	(3,820,425)
Net statement of financial position exposure	-	(88,652)	(113)	(833)	(3,608,147)

Sensitivity analysis

At June 30, 2025, if the Rupee had (weakened)/strengthened by 10% against the following currencies with all other variables held constant, the effect on consolidated post-tax profit for the year would have been, as follows:

	Impact on post-tax profit	
	2025	2024
	(Rupees in thousand)	
USD/PKR exchange rate - PKR weakened	(101,462)	(14,189)
USD/PKR exchange rate - PKR strengthened	101,462	14,189
CNY/PKR exchange rate - PKR weakened	(108,138)	(162,328)
CNY/PKR exchange rate - PKR strengthened	108,138	162,328

The impact of remaining currencies is immaterial in respect to these consolidated financial statements.

(ii) Price risk

Price risk represents the risk that the fair value or future cash flows of 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 trading in market.

Investments exposed to price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified through profit or loss and other comprehensive income. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board. The primary goal of the Group's investment strategy is to maximise investment returns.

At the reporting date, the Group's investment in quoted equity securities is as follows:

	2025	2024
	(Rupees in thousand)	
Investment in equity securities	7,414,979	3,835,762

The above investments in equity instruments are publicly traded on the Pakistan Stock Exchange Limited.

The table below summarises the impact of increases/decreases of the KSE-100 index on the Group's equity. The analysis is based on the assumption that the KSE-100 index had increased/decreased by 10% with all other variables held constant and all the Group's equity investments moved according to the historical correlation with the index:

	Impact on profit or loss		Impact on other components of equity	
	2025	2024	2025	2024
	(Rupees in thousand)		(Rupees in thousand)	
Pakistan Stock Exchange Limited	2,086	1,960	450,184	381,616

Price risk management

The Group manages price risk by monitoring exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies. The carrying value of investments subject to equity price risk are based on quoted market prices as at reporting date. Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from reported market value. Fluctuations in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

(iii) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk primarily arises from loan to related party, bank balances, short term and long-term borrowings. These borrowings issued at variable rates expose the Group to cash flow interest rate risk.

The Group analysis its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

Fixed rate financial instruments

	2025	2024
	(Rupees in thousand)	
Non-derivative financial instruments		
Financial assets		
Short term investment - term deposit receipt	484,500	395,700
Long term loans to employees - secured	31,577	51,322
Financial liabilities	-	-
Net exposure	516,077	447,022

The related mark-up / interest rates for fixed rate financial instruments are indicated in the related notes to the consolidated financial statements.

Floating rate financial instruments

	2025	2024
	(Rupees in thousand)	
Non-derivative financial instruments		
Financial assets		
Bank balances at deposit accounts	601,273	516,088
Long term investments at fair value through profit or loss	3,442,096	-
Financial liabilities		
Long term loans from banking companies-secured	(14,165,454)	(13,799,414)
Lease liabilities	(93,262)	(82,709)
Short term borrowings from financial institutions - secured	(822,285)	(1,645,316)
	(15,081,001)	(15,527,439)
Net exposure	(14,479,728)	(15,011,351)

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2025, if interest rates on variable rate instruments had been 3% higher/lower with all other variables held constant, consolidated post-tax profit for the year would have been Rs. 264.979 million (2024: Rs. 274.708 million higher/lower if interest rates had been 1% higher/lower) lower/higher, mainly as a result of higher/lower interest expense on floating rate instruments.

b) Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation.

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost and at FVTPL and deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at the end of the reporting period was as follows:

	2025	2024
	(Rupees in thousand)	
Financial asset at amortized cost		
Long term deposits	88,212	66,635
Trade debts - net of loss allowance	4,610,182	4,188,745
Long term loans to employees	31,577	51,322
Short term investments	484,500	395,700
Margins and short term deposits	669,761	701,456
Accrued profit	42,880	20,400
Other receivables	107,290	129,474
Cash at bank	1,854,059	1,272,716
	7,888,461	6,826,448
Financial assets at fair value through profit or loss		
Advance against issue of privately placed term finance certificates (PPTFCs)	2,552,435	-
Investment in un–listed preference shares	889,661	-
	3,442,096	-

(ii) 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:

	2025	2024
	(Rupees in thousand)	
Customers	4,610,182	4,188,745
Banking companies and financial institutions	3,050,517	2,388,639
Associate	3,442,096	-
Others	227,762	249,064
	11,330,557	6,826,448

(iii) Impairment of financial assets

The Group's financial assets, other than investments in equity instruments, are subject to the expected credit losses model. Financial assets other than trade debts are also subject to the impairment requirements of IFRS 9, however, the identified impairment loss was immaterial and are therefore not exposed to any material credit risk.

Trade debts

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained from these customers to calculate the net exposure towards these customers.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before June 30, 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade debts. The Group has identified the Gross Domestic Product and the Consumer Price Index of the country in which it majorly sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The analysis of ages of trade debts and loss allowance using the aforementioned approach as at June 30, 2025 was determined as follows:

	2025			2024		
	Expected loss %	Gross carrying amount	Loss Allowance	Expected loss %	Gross carrying amount	Loss Allowance
The aging of trade debts at the reporting date is:		**(Rupess in thousand)**			**(Rupees in thousand)**	
Not past due	2.46%	2,780,212	68,317	3.16%	2,359,730	74,549
1- 90 days	2.46%	1,150,199	28,320	3.16%	1,226,288	38,743
91 - 180 days	3.69%	487,676	17,975	4.44%	617,407	27,392
181 - 270 days	19.12%	235,297	44,983	29.02%	151,407	43,936
271 - 365 days	35.63%	180,821	64,428	54.66%	40,872	22,339
366 - above days	100.00%	873,026	873,026	100.00%	380,090	380,090
		5,707,231	1,097,049		4,775,794	587,049

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Credit quality of the customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored and shipments to the export customers are generally covered by letters of credit or other form of credit insurance. Default is triggered when more than 360 days have passed.

(iv) Credit quality of financial assets

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

Banks	Rating			2025	2024
	Short term	Long term	Agency	(Rupees in thousand)	
Bank balances					
Allied Bank Limited	A1+	AAA	PACRA	87,038	72,417
Askari Bank Limited	A1+	AAA	PACRA	2,676	38,801
Bank Al-Habib Limited	A1+	AAA	PACRA	278,460	142,719
Bank Alfalah Limited	A1+	AAA	PACRA	2,232	6,069
Bank Islami Pakistan Limited	A1+	AAA	PACRA	14,271	14,271
The Bank of Punjab	A1+	AA+	PACRA	20,581	14,472
AlBaraka Bank Limited	A1	A+	PACRA	9	9
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	234,489	127,601
Faysal Bank Limited	A1+	AA	PACRA	44	2
Finca Microfinance Bank Limited	A3	BBB+	PACRA	8,924	3,335
Habib Bank Limited	A1+	AAA	VIS	366,696	188,238
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	35,353	31,399
MCB Bank Limited	A1+	AAA	PACRA	579,393	537,544
National Bank of Pakistan	A1+	AAA	VIS	17,236	8,897
Samba Bank Limited	A1	AA	VIS	1,847	2,294
Silkbank Limited	A1+	AAA	VIS	17	16
Soneri Bank Limited	A1+	AA-	PACRA	107	106
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	4,434	2,854
MCB Islamic Bank Limited	A1	A+	PACRA	3,047	-
United Bank Limited	A1+	AAA	VIS	197,205	81,672
				1,854,059	1,272,716
Short term investment - Term deposit receipts					
The Bank of Punjab	A1+	AA+	PACRA	484,500	395,700
Accrued profit					
The Bank of Punjab	A1+	AA+	PACRA	42,880	20,400
Margin against bank guarantees					
Allied Bank Limited	A1+	AAA	PACRA	208,765	188,160
Askari Bank Limited	A1+	AAA	PACRA	260,000	275,000
United Bank Limited	A1+	AAA	VIS	31,055	31,055
Summit Bank Limited	A1+	AA+	PACRA	44,320	43,492
Soneri Bank Limited	A1+	AA-	PACRA	5,000	5,000
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	-	1,964
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	39,941	39,942
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	50,000	50,000
				639,081	634,613
Margin against letters of credit					
Allied Bank Limited	A1+	AAA	PACRA	-	47,658
The Bank of Punjab	A1+	AA+	PACRA	29,997	17,552
				29,997	65,210
Total				3,050,517	2,388,639

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets, or that such obligations will have to be settled in a manner unfavourable to the Group. Management closely monitors the Group's liquidity and cash flow position. This includes maintenance of liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in notes 8 and 17 to these consolidated financial statements is a listing of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

(i) Exposure to liquidity risk

Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

At June 30, 2025

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years
	---------------------- (Rupees in thousand)				----------------------
Non-derivative financial liabilities					
Long term loans from financial institutions - secured	14,165,454	14,165,454	3,046,133	10,232,195	887,126
Long term deposits	8,214	8,214	-	8,214	-
Trade and other payables	10,046,401	10,046,401	10,046,401	-	-
Unclaimed dividend	26,877	26,877	26,877	-	-
Mark-up accrued on borrowings	320,434	320,434	320,434	-	-
Short term borrowings	822,285	822,285	822,285	-	-
	25,389,665	25,389,665	14,262,130	10,240,409	887,126

At June 30, 2024

	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years
	--------------------- (Rupees in thousand)				----------------------
Non-derivative financial liabilities					
Long term loans from financial institutions - secured	13,799,414	13,799,414	2,672,355	9,410,036	1,717,023
Long term deposits	8,214	8,214	-	8,214	-
Trade and other payables	8,734,230	8,734,230	8,734,230	-	-
Unclaimed dividend	27,255	27,255	27,255	-	-
Mark-up accrued on borrowings	608,721	608,721	608,721	-	-
Short term borrowings	1,645,316	1,645,316	1,645,316	-	-
	24,823,150	24,823,150	13,687,877	9,418,250	1,717,023

50. 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 between market participants 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 without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Group is current bid price.

IFRS 13, 'Fair Value Measurements' 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 the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in the fair value hierarchy:

	Note	Carrying Amount					Fair Value		
		Fair Value through statement of other comprehensive income	Fair value through statement of profit or loss	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		------------------ (Rupees in thousand) ------------------							
June 30, 2025									
Financial assets at fair value									
Long term investments		-	3,442,096	-	-	3,442,096	-	-	3,442,096
Short term investments		7,380,781	3,237,132	-	-	10,617,913	10,617,913	-	-
Financial assets at amortised cost									
Cash and bank balances		-	-	1,854,059	-	1,854,059	-	-	-
Long term loans to employees		-	-	31,577	-	31,577	-	-	-
Short term investment - term deposit receipt		-	-	484,500	-	484,500	-	-	-
Margins and short term deposits		-	-	669,761	-	669,761	-	-	-
Other receivables		-	-	107,290	-	107,290	-	-	-
Accrued profit		-	-	42,880	-	42,880	-	-	-
Long term deposits		-	-	88,212	-	88,212	-	-	-
Trade debts		-	-	4,610,182	-	4,610,182	-	-	-
	50.1	7,380,781	6,679,228	7,888,461	-	21,948,470	10,617,913	-	3,442,096
Financial liabilities measured at fair value		-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value									
Long term loans from financial institutions - secured		-	-	-	14,165,454	14,165,454	-	-	-
Long term deposits		-	-	-	8,214	8,214	-	-	-
Trade and other payables		-	-	-	10,046,401	10,046,401	-	-	-
Unclaimed dividend		-	-	-	26,877	26,877	-	-	-
Mark-up accrued on borrowings		-	-	-	320,434	320,434	-	-	-
Short term borrowings		-	-	-	822,285	822,285	-	-	-
		-	-	-	25,389,665	25,389,665	-	-	-

	Note	Carrying Amount					Fair Value		
		Fair Value through statement of other comprehensive income	Fair value through statement of profit or loss	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
		------------------ (Rupees in thousand) ------------------							
June 30, 2024									
Financial assets measured at fair value									
Short term investments		3,816,166	19,596	-	-	3,835,762	3,835,762	-	-
Financial assets at amortised cost									
Cash and bank balances		-	-	1,272,716	-	1,272,716	-	-	-
Long term loans to employees		-	-	51,322	-	51,322	-	-	-
Short term investment - term deposit receipt		-	-	395,700	-	395,700	-	-	-
Margin and short term deposits		-	-	701,456	-	701,456	-	-	-
Other receivables		-	-	129,474	-	129,474	-	-	-
Accrued profit		-	-	20,400	-	20,400	-	-	-
Long term deposits		-	-	66,635	-	66,635	-	-	-
Trade debts		-	-	4,188,745	-	4,188,745	-	-	-
	50.1	3,816,166	19,596	6,826,448	-	10,662,210	3,835,762	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-	-	
Financial liabilities not measured at fair value									
Long term loans from financial institutions - secured		-	-	-	13,799,414	13,799,414	-	-	-
Margins and short term deposits		-	-	-	8,214	8,214	-	-	-
Trade and other payables		-	-	-	8,734,230	8,734,230	-	-	-
Unclaimed dividend		-	-	-	27,255	27,255	-	-	-
Mark-up accrued on borrowings		-	-	-	608,721	608,721	-	-	-
Short term borrowings					1,645,316	1,645,316	-	-	-
	50.1	-	-	-	24,823,150	24,823,150	-	-	-

As at June 30, 2025	Level 1	Level 2	Level 3	Total
	---- (Rupees in thousand) ----			
Recurring fair value measurements of certain items of operating fixed assets				
Freehold Land	-	1,817,473	-	1,817,473
Buildings on freehold land	-	-	16,014,448	16,014,448
Road, bridges and railway	-	-	552,116	552,116
Plant and machinery	-	-	47,853,367	47,853,367
	-	1,817,473	64,419,931	66,237,404

As at June 30, 2024

	Level 1	Level 2	Level 3	Total
	- - - - - - - - - (Rupees in thousand)- - - - - - - -			
Recurring fair value measurements of certain items of operating fixed assets				
Freehold Land	-	1,796,716	-	1,796,716
Buildings on freehold land	-	-	16,757,651	16,757,651
Road, bridges and railway	-	-	567,550	567,550
Plant and machinery	-	-	50,205,412	50,205,412
	-	1,796,716	67,530,613	69,327,329

Other than certain classes of operating fixed assets, no other items are measured at fair value.

Valuation techniques used to determine level 2 and level 3 fair values

The Group obtains independent valuations for its freehold land, buildings on freehold land, roads, bridges and railway sidings and plant and machinery(classified as property, plant and equipment) at least every three to five years. The Group engages external, independent and qualified valuers to determine the fair value of the Group's Property, Plant and Equipment. As at June 30, 2024, the fair values have been determined by Tristar International Consultant (Private) Limited.

The management updates its assessment of the fair value of each asset mentioned above, taking into account the most recent independent valuation. The management determines an asset's value within a range of reasonable fair value estimates.

Level 2 fair value of freehold land has been derived using a comparable transactions approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square foot.

Level 3 fair value of buildings on freehold land has been determined using a depreciated replacement cost approach, whereby, current cost of construction of a similar building in a similar location has been adjusted using a suitable depreciation rate to arrive at present market value.

Level 3 fair values of plant and machinery and roads, bridges and railway sidings have been determined using a depreciated replacement cost approach, whereby, the current replacement cost of plant and machinery, and roads, bridges and railway sidings of similar make/origin, capacity and level of technology has been adjusted using a suitable depreciation rate on account of normal wear and tear.

Valuation inputs and relationship to fair value

The following table summarizes the quantitative and qualitative information about the significant unobservable inputs used in recurring level 3 fair value measurements. See paragraph above for the valuation techniques adopted.

Description	Fair value at		Significant unobservable inputs	Quantitative data / range and relationship to the fair value
	June 30, 2025	June 30, 2024		
	Rupees in thousands			
Freehold land	1,817,473	1,796,716	Cost of acquisition of similar land (valuation price per square foot). Attributes of the Group's freehold land.	The fair market value of land depends on several factors, including the availability of similar land in the area, the owner's intention to sell, the presence of interested buyers, the land's location, and the availability of infrastructure and utilities. In this case, the availability of such a large piece of land nearby is quite rare. Therefore, the current fair market value has been assessed based on the usual appreciation of land rates in the surrounding area, with particular consideration given to the large size of the land. Generally, the larger the plot, the lower the unit price of the land. Ultimately, the fair market value would be determined by the specific requirements and interests of the potential buyer. Higher the unit price, the higher the value of land.
Buildings on freehold land	16,014,448	16,757,651	Cost of construction of a new similar building. Suitable depreciation rate to arrive at depreciated replacement value.	The cost of constructing a new, similar building is considered along with a reasonable annual depreciation rate. If the construction cost of a similar new building is high, the present market value will also be higher. Conversely, if a higher depreciation rate is applied, the building's value will be lower.

Roads, bridges and railway sidings	552,116	567,550	Cost of construction of new similar roads, bridges and railway sidings. Suitable depreciation rate to arrive at depreciated replacement value.	The cost of constructing new infrastructure such as roads, bridges, and railways is considered along with a reasonable annual depreciation rate. If the construction cost for similar infrastructure is high, the present market value will also be higher. Conversely, if a higher depreciation rate is applied, the value of the infrastructure will be lower.
Plant and machinery	47,853,367	50,205,412	Cost of acquisition of plant and machinery with similar level of technology. Suitable depreciation rate to arrived at depreciated replacement value. Expected wear and tear.	The market value of plant and machinery is determined by considering the cost of similar new machinery with equivalent efficiency and output, and then applying a standard rate of depreciation based on the remaining useful life and the expected wear and tear. If the depreciation rate is higher, the current value of the machinery will be lower. Conversely, if the cost to acquire similar machinery is higher, the current value will also be higher.

50.1 The fair values of these financial assets and liabilities are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

50.2 There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the year and there were no changes in valuation techniques during the year.

50.3 The forced sale value of above mentioned assets has been disclosed in note 19.1.8.

51. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2025							
	Own shares purchased for cancellation	Unclaimed dividend	Liabilities against right of use assets	Payable against redemption of preference shares	Long term financing from financial institutions	Short term borrowings	Accrued markup	Total
	(Rupees in thousand)							
As at July 01, 2024	-	27,255	82,709	993	13,193,488	1,645,316	608,721	15,558,482
Changes from financing cash flows								
Dividend paid	-	(378)	-	-	-	-	-	(378)
Financial charges paid	-	-	-	-	-	-	(3,286,683)	(3,286,683)
Lease rentals paid during the year	-	-	(42,222)	-	-	-	-	(42,222)
Redemption of preference shares	-	-	-	(3)	-	-	-	(3)
Proceeds from long term loans from financial institutions	-	-	-	-	4,200,000	678,765	-	4,878,765
Repayments of long term loans from financial institutions - secured - net	-	-	-	-	(3,833,960)	-	-	(3,833,960)
Total changes from financing cash flows	-	(378)	(42,222)	(3)	366,040	678,765	(3,286,683)	(2,284,481)
Other changes								
Deferred grant	-	-	-	-	155,439	-	-	155,439
Change in running finances	-	-	-	-	-	(1,501,796)	-	(1,501,796)
Recognized during the year	-	-	39,625	-	-	-	-	39,625
Finance cost	-	-	13,150	-	-	-	2,998,396	3,011,546
Total liability related other changes	-	-	52,775	-	155,439	(1,501,796)	2,998,396	1,704,814
As at June 30, 2025	-	26,877	93,262	990	13,714,967	822,285	320,434	14,978,815

	2024							
	Own shares purchased for cancellation	Unclaimed dividend	Liabilities against right of use assets	Payable against redemption of preference shares	Long term financing from financial institutions	Short term borrowings	Accrued markup	Total
	(Rupees in thousand)							
As at July 01, 2023	-	27,378	41,665	1,005	17,832,738	-	764,955	18,667,741
Changes from financing cash flows								
Dividend paid	-	(123)	-	-	-	-	-	(123)
Redemption of preference shares	-	-	-	(12)	-	-	-	(12)
Financial charges paid	-	-	-	-	-	-	(3,682,164)	(3,682,164)
Lease rentals paid during the year	-	-	(32,329)	-	-	-	-	(32,329)
Own share purchased for cancellation	(999,145)	-	-	-	-	-	-	(999,145)
Long term loans from financial institutions - secured - net	-	-	-	-	(4,819,016)	-	-	(4,819,016)
Total changes from financing cash flows	(999,145)	(123)	(32,329)	(12)	(4,819,016)	-	(3,682,164)	(9,532,789)
Other changes								
Deferred grant	-	-	-	-	179,766	-	-	179,766
Change in running finances and over draft balances	-	-	-	-	-	1,645,316	-	1,645,316
Cancelled during the year	999,145	-	-	-	-	-	-	999,145
Recognized during the year	-	-	64,219	-	-	-	-	64,219
Finance cost	-	-	9,154	-	-	-	3,525,930	3,535,084
Total liability related other changes	999,145	-	73,373	-	179,766	1,645,316	3,525,930	6,423,530
As at June 30, 2024	-	27,255	82,709	993	13,193,488	1,645,316	608,721	15,558,482

52. CAPITAL MANAGEMENT

The Group's objectives when managing capital are 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.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

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 equity (as shown in the statement of financial position). Net debt is calculated as total borrowings (including current and non-current borrowings, lease liabilities) excluding bank overdraft (if any) less cash and bank balances and liquid investments.

The gearing ratios as at June 30, 2025 and 2024 were as follows:

		2025	2024
		(Rupees in thousand)	
Borrowings		15,401,435	16,136,160
Cash and bank balances and liquid investments		(5,548,985)	(1,675,124)
Net debt		9,852,450	14,461,036
Total equity		70,959,286	57,643,643
Gearing ratio	Percentage	**13.88%**	**25.09%**

Loan covenants

In accordance with the terms of agreements with the lenders of long term finances (as referred to in note 8 to these financial statements), the Group is required to comply with the following major financial covenants:

- the gearing ratio must not be more than 2.5 times;
- the current ratio should be greater than or equal to 0.75 times; and
- the interest coverage ratio not falling below 1.5 times.

The Group is complied with these covenants as of the reporting period.

There are no indications that the Group would have difficulties complying with the covenants when they will be next tested as at June 30, 2026.

53. PROVIDENT FUND TRUST

The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

54. NUMBER OF EMPLOYEES

	2025	2024
Total number of employees as on June 30		
- Head office	521	539
- Factory	1,278	1,340
	1,799	1,879
Average number of employees during the year		
- Head office	489	508
- Factory	1,304	1,340
	1,793	1,848

55. DISCLOSURES BY GROUP LISTED ON ISLAMIC INDEX

	2025	2024
	(Rupees in thousand)	
Loans/advances obtained as per Islamic mode:		
Loans obtained as per Islamic mode	3,436,455	2,927,947
Shariah compliant bank deposits/bank balances		
Bank balances	253,238	150,017
Profit earned from shariah compliant bank deposits/bank balances		
Profit on deposits with banks	281	1,116
Revenue earned from a shariah-compliant business segment		
Revenue from contracts with customers - net	75,942,846	73,945,517
Gain or dividend earned from shariah compliant investments		
Dividend income	259,816	86,605
Mark-up paid on Islamic mode of financing	497,255	492,617
Interest paid on any conventional loan	4,511,841	3,180,664

Relationship with shariah compliant banks

The Group has obtained short term borrowings and long term finances, and has maintained bank balances with shariah compliant banks.

56. DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under Part 1 Clause VII of the Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

Description	2025	2024
	(Rupees in thousand)	
Statement of Financial Position		
Financing obtained as per Islamic mode	3,436,455	2,927,947
Accrued finance cost on conventional loan	268,157	559,462
Long-term and short-term Shariah compliant Investments	24,309,795	10,138,166
Bank balances - Shariah compliant	253,238	150,017
Statement of Profit or Loss		
Revenue earned from a shariah-compliant business segment	75,942,846	73,945,517
Source and detailed break up of other income		
Other income earned from shariah compliant:		
Profit on bank deposits	281	1,116
Gain on disposal of operating fixed assets	58,987	109,644
Sale of scrap	24,750	33,420
Miscellaneous	16,215	25,200
Dividend income	259,816	86,605
Other income earned from non - shariah compliant:		
Profit on bank deposits	228,166	120,139
Interest on loans to employees	345	366
Un-realised gain on investments	1,693,739	65,838
Gain on disposal of investments	805,066	-

The Group has business relationship with Islamic banks in ordinary course of business. Disclosures other than above are not applicable to the Company.

57. INTERESTS IN OTHER ENTITIES

57.1 Non-controlling interests ('NCI')

The non-controlling interests are not material to the consolidated financial statements, and therefore, detailed financial information has not been disclosed.

57.2 Interests in associate

Set out below is the associate of the Group as at June 30, 2025 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of business / country of incorporation	% of ownership interest		Nature of relationship	Measurement method	Quoted fair value		Carrying amount	
		2025	2024			2025	2024	2025	2024
		%	%			Rupees in thousand			
Agritech Limited ('AGL')	Pakistan	33.66%	10.30%	Associate	Equity method	10,948,308	-	6,063,799	-
Total equity accounted investments								6,063,799	-

Business activities of Group's associate

The principal business of AGL is the production and sale of Urea and Granulated Single Super Phosphate ("GSSP") fertilizer.

57.2.1 There are no commitments and contingent liabilities of the Group in respect of associate.

57.2.2 Summarized financial information of associate

The following table summarizes the financial information of associate as included in their own financial statements for the six months period ended June 30, 2025, which have been used for accounting under equity method as these were the latest approved financial statements.

The table also reconciles the summarized financial information to the carrying amount of the Group's interest in associate.

Summarized statement of financial position	**Note**	**2025** (Rupees in thousand)
Current assets		18,367,895
Non-current assets		66,050,653
Total assets		84,418,548
Current liabilities		38,056,320
Non-current liabilities		32,644,495
Total liabilities		70,700,815
Net assets		13,717,733
Reconciliation to carrying amounts:		
Opening net assets as at January 1, 2025		9,732,140
Increase in issued, subscribed and paid-up share capital		1,744,391
Profit for the six months period		2,241,202
Closing net assets as at June 30, 2025		13,717,733
Effect of equity method adjustments		2,931,645
Closing net assets after equity method adjustments		16,649,378
Group's share - %	57.2.2.1	23.65% - 33.66%
Group's share		6,063,799
Carrying amount		6,063,799

57.2.2.1 The Group's equity interest in the associate varied during the period. At the time of acquisition, the interest was 23.65%, which subsequently increased to a maximum of 34.40%. As a result of dilution of investment on May 7, 2025, the Group's equity interest was reduced to 33.66%.

58. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purpose of comparison and better presentation, however, no significant reclassification has been made.

59. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on August 06, 2025.

DIRECTOR | CHIEF FINANCIAL OFFICER | DIRECTOR

میپل لیف

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SOLID

MAPLE LEAF CEMENT

A Kohinoor Maple Leaf Group Company

MAPLE LEAF CEMENT FACTORY LIMITED

POSTAL BALLOT PAPER

Postal Ballot Paper for voting through post for the Special Business at the Annual General Meeting to be held on **Thursday, October 16, 2025 at 10:30 AM** at 42-Lawrence Road, Lahore, the Registered Office of the Company.

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

Address: **Maple Leaf Cement Factory Limited,**
42-Lawrence Road, Lahore, Pakistan
E-mail address: chairman@kmlg.com
Phone: +92-42-36278904-05
Website: www.kmlg.com

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) copy to be attached	
Additional information and enclosures (in case of representative of body corporate, corporation and Federal Government).	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution For Agenda Item No. 3
To consider and, if deemed fit, pass the following resolution as a special resolution under Section 199 of the Companies Act, 2017, with or without modification, as recommended by the Directors: -

"Resolved by way of special resolution that consent and approval of Maple Leaf Cement Factory Limited (the "Company") be and is hereby accorded under Section 199 of the Companies Act, 2017 (the "Act") for investment in the form of loans/advances from time to time to **Kohinoor Textile Mills Limited**, the holding company, upto an aggregate sum of **Rs. 1,000 million** (Rupees one thousand million only) for a period of one year commencing November 01, 2025 to October 31, 2026 (both days inclusive) at the mark-up rate of one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher. Vide special resolution passed in general meeting held on October 28, 2024, by the shareholders, the Company was authorized to extend a facility of similar nature to the extent of Rs. 1,000 million which is valid till October 31, 2025.

Resolved further that Chief Executive Officer and Secretary of the Company be and are hereby authorized **singly** to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of transactions in relation to the loans / advances to the holding company but not limited to filing of all the requisite statutory forms and all other documents with the Securities and Exchange Commission of Pakistan, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolutions."

Resolution For Agenda Item No. 4
To consider and, if deemed fit, pass the following resolution as a special resolution under Section 199 of the Companies Act, 2017, with or without modification, as recommended by the Directors:-

"Resolved by way of special resolution that consent and approval of Maple Leaf Cement Factory Limited (the "Company") be and is hereby accorded under Section 199 of the Companies Act, 2017 (the "Act") for investment in the form of loans / advances from time to time to **Maple Leaf Capital Limited**, an associated company, upto an aggregate sum of **Rs. 1,000 million** (Rupees one thousand million only) for a period of one year commencing November 01, 2025 to October 31, 2026 (both days inclusive) at the mark-up rate of one percent above three months KIBOR or one percent above the average borrowing cost of the Company, whichever is higher. Vide special resolution passed in general meeting held on October 28, 2024, by the shareholders, the Company was authorized to extend a facility of similar nature to the extent of Rs. 1,000 million which is valid till October 31, 2025.
Resolved further that the Chief Executive Officer and the Company Secretary of the Company be and are hereby

authorized **singly** to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of transactions in relation to the loans / advances to the associated company but not limited to filing of all the requisite statutory forms and all other documents with the Securities and Exchange Commission of Pakistan, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolution."

Resolution For Agenda Item No. 5

To ratify and approve transactions conducted with the Related Parties for the year ended June 30, 2025 by passing the following special resolution with or without modification: -

"Resolved that the transactions conducted with the Related Parties as disclosed in the note 46 of the unconsolidated financial statements for the year ended June 30, 2025 and specified in the Statement of Material Information under Section 134(3) be and are hereby ratified, approved and confirmed."

Resolution For Agenda Item No. 6

To authorize the Board of Directors of the Company to approve transactions with the related parties for the financial year ending on June 30, 2026 by passing the following special resolution with or without modification: -

"Resolved that the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with the Related Parties on case to case basis for the financial year ending on June 30, 2026.

Resolved further that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

Instructions For Poll

1. Please indicate your vote by ticking (√) the relevant box.
2. In case if both the boxes are marked as (√), your poll shall be treated as **"Rejected"**.

I/we hereby exercise my/our vote in respect of the following special resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below:

Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Resolution For Agenda Item No. 3		
Resolution For Agenda Item No. 4		
Resolution For Agenda Item No. 5		
Resolution For Agenda Item No. 6		

Notes:

1. Dully filled ballot paper should be sent to the Chairman at 42-Lawrence Road, Lahore or email at chairman@kmlg.com
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman one day before AGM i.e. on October 15, 2025. Any postal ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/Passport (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney/Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable.
7. Ballot Paper form has also been placed on the website of the Company at www.kmlg.com. Members may download the ballot paper from the website or use an original/photocopy published in newspapers.

Shareholder / Proxy Holder Signature/Authorized Signatory

(In case of corporate entity, please affix company stamp)

Place: __________

Date: __________

قرارداد برائے ایجنڈا آئٹم نمبر 6

درج ذیل قرارداد کو معہ یا بلا ترمیم پاس کر کے کمپنی کے بورڈ آف ڈائریکٹرز کو 30 جون 2026 اختتام پذیر ہونے والے سال کے لئے متعلقہ پارٹیوں کے ساتھ کی جانے والی ٹرانزیکشنز کی تصدیق اور منظوری دینے کا بااختیار بنانا۔

قرار پایا کہ کمپنی کا بورڈ آف ڈائریکٹرز 30 جون 2026 اختتام پذیر ہونے والے سال کے لئے متعلقہ پارٹیوں کے ساتھ کی جانے والی ٹرانزیکشنز کی تصدیق اور منظوری دینے کے لئے بااختیار ہیں۔

مزید قرار پایا کہ بورڈ کی طرف سے منظور کردہ ٹرانزیکشنز حصص داران سے بھی منظور شدہ خیال کی جائیں گی اور ان کی رسمی تصدیق/منظوری کے لئے اگلے سالانہ اجلاس عام میں حصص داران کے روبرو رکھی جائیں گی۔

انتخابات کے لئے ہدایات

1۔ براہ مہربانی متعلقہ بکس میں ٹک (✓) کا نشان لگا کر اپنے ووٹ کا اظہار کریں۔

2۔ بصورت اگر دونوں بکس میں ٹک (✓) کا نشان لگایا گیا تو آپ کا ووٹ "مسترد" تصور ہوگا۔

میں/ہم مندرجہ بالا قراردادوں کے سلسلے میں پوسٹل بیلٹ کے ذریعے اپنا/اپنے ووٹ استعمال کرتے ہیں اور ذیل میں مناسب باکس میں ٹک (✓) کا نشان لگا کر قراردادوں پر اپنی رضامندی یا اختلاف رائے دیتے ہیں:

قرارداد	میں/ہم قرارداد پر رضامند ہیں (FOR)	میں/ہم قرارداد کے خلاف ہیں (AGAINST)
قرارداد برائے ایجنڈا آئٹم نمبر 3		
قرارداد برائے ایجنڈا آئٹم نمبر 4		
قرارداد برائے ایجنڈا آئٹم نمبر 5		
قرارداد برائے ایجنڈا آئٹم نمبر 6		

نوٹس:

1۔ صحیح طریقے سے پُر شدہ پوسٹل بیلٹ چیئر مین کو 42۔ لارنس روڈ، لاہور، یا chairman@kmlg.com پر ای میل بھیجنا چاہیے۔

2۔ CNIC / پاسپورٹ کی کاپی (غیر ملکی کی صورت میں) پوسٹل بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔

3۔ بیلٹ پیپر AGM سے ایک دن قبل یعنی 15 اکتوبر 2025 کو یا اس سے پہلے صدر اجلاس تک پہنچ جانے چاہئیں۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلٹ ووٹنگ کے لیے قبول نہیں کیا جائے گا۔

4۔ بیلٹ پیپر پر دستخط CNIC / پاسپورٹ (غیر ملکی کی صورت میں) کے دستخط سے مماثل ہونا چاہیے۔

5۔ نامکمل، بغیر دستخط شدہ، غلط، کاٹ کر لکھا ہوا، پھٹا ہوا، مسخ شدہ، دوبارہ لکھا ہوا بیلٹ پیپر مسترد کر دیا جائے گا۔

6۔ باڈی کارپوریٹ، کارپوریشن یا وفاقی حکومت کے نمائندے کی صورت میں، کمپنیز ایکٹ 2017 کے سیکشن 138 یا 139، جیسا کہ قابل اطلاق ہو، کے مطابق بیلٹ پیپر کے ساتھ مجاز شخص کے CNIC کی کاپی، بورڈ کی قرارداد/ پاور آف اٹارنی/ اتھرائزیشن لیٹر وغیرہ کی تصدیق شدہ کاپی ہمراہ ہونا ضروری ہے۔

7۔ بیلٹ پیپر فارم کمپنی کی ویب سائٹ www.kmlg.com پر بھی رکھا گیا ہے۔ اراکین ویب سائٹ سے بیلٹ پیپر ڈاؤن لوڈ کر سکتے ہیں یا اخبارات میں شائع ہونے والی اصل/فوٹو کاپی استعمال کر سکتے ہیں۔

____

شیئر ہولڈر/ پراکسی ہولڈر/ مجاز دستخط کنندہ کے دستخط:

(کارپوریٹ ادارہ کی صورت میں، براہ مہربانی کمپنی کی مہر ثبت کریں)

تاریخ: ______________

مقام: ______________

میپل لیف سیمنٹ فیکٹری لمیٹڈ

پوسٹل بیلٹ پیپر

بروز جمعرات 16 اکتوبر 2025ء کو صبح 10:30 بجے کمپنی کے رجسٹرڈ آفس 42-لارنس روڈ، لاہور میں منعقد ہونے والے سالانہ اجلاس عام میں خصوصی امور کے لیے ڈاک کے ذریعے ووٹنگ کے لیے بیلٹ پیپر۔

چیئرمین کے رابطہ کی تفصیلات جہاں باقاعدہ پُر شدہ بیلٹ پیپر ارسال کیا جاسکتا ہے:

پتہ: میپل لیف سیمنٹ فیکٹری لمیٹڈ

ای میل ایڈریس: chairman@kmlg.com

فون: 042-36278904-05 ویب سائٹ: www.kmlg.com

فولیو/سی ڈی سی اکاؤنٹ نمبر	
شیئر ہولڈر/ پراکسی ہولڈر کا نام	
رجسٹرڈ ایڈریس	
ملکیتی حصص کی تعداد	
CNIC/پاسپورٹ نمبر (بصورت غیر ملکی) (کاپی منسلک ہو)	
اضافی معلومات اور وضاحتیں (باڈی کارپوریٹ، کارپوریشن اور وفاقی حکومت کے نمائندہ کی صورت میں)	
مجاز دستخط کنندہ کا نام:	
مجاز دستخط کنندہ کا CNIC/پاسپورٹ نمبر (بصورت غیر ملکی) (کاپی منسلک ہو)	

قرارداد برائے ایجنڈا آئٹم نمبر 3

غور وخوض اور اگر بہتر خیال کیا گیا تو کمپنیز ایکٹ 2017 کی دفعہ 199 کے تحت ڈائریکٹرز کی سفارشات کے مطابق درج ذیل قرارداد کو مع یا بلا ترمیم بطور خصوصی قرارداد منظور کرنا۔

خصوصی قرارداد کے ذریعے قرار پایا کہ میپل لیف سیمنٹ فیکٹری لمیٹڈ (کمپنی) کو رضامندی اور منظوری دی جاتی ہے اور بذریعہ ہذا تین ماہ کے KIBOR شرح سے ایک فیصد زیادہ یا کمپنی کے اوسط قرضہ کی لاگت سے ایک فیصد زیادہ، جو بھی زائد ہو، کے مارک اپ شرح پر یکم نومبر 2025ء تا 31 اکتوبر 2026ء (دونوں ایام سمیت) ایک سال کی مدت کیلئے 1,000 ملین روپے (ایک ہزار ملین روپے صرف) مجموعی رقم تک ہولڈنگ کمپنی کو نشاط ٹیکسٹائل ملز لمیٹڈ میں وقتاً فوقتاً قرضوں/ پیشگیوں کی شکل میں سرمایہ کاری کمپنیز ایکٹ 2017ء کی دفعہ 199 کے مطابق ہو۔ حصص داران کی طرف سے 28 اکتوبر 2024ء کو منعقدہ اجلاس عام میں منظور شدہ خصوصی قرارداد کی رُو سے، کمپنی 1,000 ملین روپے کی حد تک اس طرح کی سہولت توسیع کرنے کی مجاز تھی جو 31 اکتوبر 2025ء تک کارآمد ہے۔

مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹو آفیسر اور کمپنی سیکرٹری بذریعہ ہذا بالا قراردادوں کو مؤثر بنانے کیلئے ہولڈنگ کمپنی کو قرضوں/ پیشگیوں کے سلسلہ میں ٹرانزیکشن مکمل کرنے کیلئے تمام ضروری اقدامات اٹھانے، واقعاتی اور حادثاتی، کارپوریٹ اور قانونی لوازمات پورے کرنے لیکن محدود نہیں سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ہاں تمام مطلوبہ قانونی فارمز اور تمام دیگر دستاویزات جمع کرانے، تمام ایسے نوٹسز، رپورٹس، خطوط اور کوئی دیگر دستاویزات یا آلات مکمل کرنے کے واحد مجاز ہیں۔

قرارداد برائے ایجنڈا آئٹم نمبر 4

غور وخوض اور اگر بہتر خیال کیا گیا تو کمپنیز ایکٹ 2017 کی دفعہ 199 کے تحت ڈائریکٹرز کی سفارشات کے مطابق درج ذیل قرارداد کو مع یا بلا ترمیم بطور خصوصی قرارداد منظور کرنا۔

"خصوصی قرارداد کے ذریعے قرار پایا کہ میپل لیف سیمنٹ فیکٹری لمیٹڈ (کمپنی) کو رضامندی اور منظوری دی جاتی ہے اور بذریعہ ہذا تین ماہ کے KIBOR شرح سے ایک فیصد زیادہ یا کمپنی کے اوسط قرضہ کی لاگت سے ایک فیصد زیادہ، جو بھی زائد ہو، کے مارک اپ شرح پر یکم نومبر 2025ء تا 31 اکتوبر 2026ء (دونوں ایام سمیت) ایک سال کی مدت کیلئے 1,000 ملین روپے (ایک ہزار ملین روپے صرف) مجموعی رقم تک شریک کمپنی میپل لیف کیپٹل لمیٹڈ میں وقتاً فوقتاً قرضوں/ پیشگیوں کی شکل میں سرمایہ کاری کمپنیز ایکٹ 2017ء کی دفعہ 199 کے مطابق ہو۔ حصص داران کی طرف سے 28 اکتوبر 2024ء کو منعقدہ اجلاس عام میں منظور شدہ خصوصی قرارداد کی رُو سے، کمپنی 1,000 ملین روپے کی حد تک اس طرح کی سہولت توسیع کرنے کی مجاز تھی جو 31 اکتوبر 2025ء تک کارآمد ہے۔

مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹو آفیسر اور کمپنی سیکرٹری بذریعہ ہذا بالا قراردادوں کو مؤثر بنانے کیلئے شریک کمپنی کو قرضوں/ پیشگیوں کے سلسلہ میں ٹرانزیکشن مکمل کرنے کیلئے تمام ضروری اقدامات اٹھانے، واقعاتی اور حادثاتی، کارپوریٹ اور قانونی لوازمات پورے کرنے لیکن محدود نہیں سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ہاں تمام مطلوبہ قانونی فارمز اور تمام دیگر دستاویزات جمع کرانے، تمام ایسے نوٹسز، رپورٹس، خطوط اور کوئی دیگر دستاویزات یا آلات مکمل کرنے کے واحد مجاز ہیں۔

قرارداد برائے ایجنڈا آئٹم نمبر 5

درج ذیل خصوصی قرارداد کو مع یا بلا ترمیم پاس کر کے 30 جون 2025 مختتمہ سال کے لئے متعلقہ پارٹیوں کے ساتھ کی گئی ٹرانزیکشنز کی تصدیق اور منظوری دینا۔

قرار پایا کہ 30 جون 2025 مختتمہ سال کے لئے غیر اشتمال شدہ مالی گوشواروں کے نوٹ 46 میں انکشاف اور دفعہ (3) 134 کے تحت مادی معلومات کے بیان میں مخصوص ہے اور بذریعہ ہذا تصدیق، منظور اور توثیق کی جاتی ہے۔

MAPLE LEAF CEMENT FACTORY LIMITED
42-LAWRENCE ROAD, LAHORE

PROXY FORM

I/We ____

of ____

being a member of **MAPLE LEAF CEMENT FACTORY LIMITED** hereby appoint ____________________

____

Name (Folio / CDC A/c No., if Member)

____

of ________________________________ another member of the Company

as my/our proxy to attend, speak and vote for and on my/our behalf at the 65th Annual General Meeting of the Company to be held at its Registered Office, 42-Lawrence Road, Lahore, **Thursday, October 16, 2025 at 10:30 AM** and/or any adjournment thereof.

As witness given under my/our hand(s) on this ___________ day of ________, 2025.

1. Witness:

Signature : ____________________

Name : ____________________

CNIC : ____________________

Address : ____________________

: ____________________

2. Witness:

Signature : ____________________

Name : ____________________

CNIC : ____________________

Address : ____________________

: ____________________

Notes:

1. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed.
2. Attested copies of the CNIC or the passport of the Shareholders / CDC beneficial owners and the proxy shall be furnished with the proxy form.
3. The proxy shall produce his original CNIC or original passport at the time of the meeting.
4. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Affix
Revenue
Stamp of Rs. 50/-

____

Signature of Member / Attorney
(Please also affix company stamp, in case of corporate entity)

Shares Held: ____________________

Folio No.	**CDC Account No.**	
	Participant I.D.	**Account No.**

CNIC No. [| | | | | – | | | | | | | – |]

AFFIX
CORRECT
POSTAGE

The Company Secretary

MAPLE LEAF CEMENT FACTORY LIMITED
42-LAWRENCE ROAD, LAHORE
Tel: 042-36278904-05

میپل لیف سیمنٹ فیکٹری لمیٹڈ

42-لارنس روڈ، لاہور

تشکیلِ نیابت داری (پراکسی فارم)

میں / ہم --

ساکن --

بحیثیت حصہ دار میپل لیف سیمنٹ فیکٹری لمیٹڈ --

نام (فولیو/سی ڈی سی اکاؤنٹ نمبر اگر ممبر ہو)

ساکن -- کمپنی کے دوسرے ممبر

کو اپنی جگہ بروز جمعرات 16 اکتوبر 2025ء کو دن 10:30 بجے رجسٹرڈ آفس 42-لارنس روڈ، لاہور میں منعقدہ یا ملتوی ہونے والے 65ویں سالانہ عام اجلاس میں شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

بطور گواہ میرے / ہمارے دستخط سے مورخہ ________ 2025ء کو دی گئی۔

۵۰ روپے کا رسیدی ٹکٹ
چسپاں کر کے دستخط کریں

ا۔ گواہ

دستخط : ________

نام : ________

شناختی کارڈ نمبر : ________

پتہ : ________

____

دستخط ________

(ممبر/مجاز افسر)

(کارپوریٹ ادارے کی صورت میں کمپنی کی مہر بھی لگائیں)

۲۔ گواہ

دستخط : ________

نام : ________

شناختی کارڈ نمبر : ________

پتہ : ________

____

____

حامل عام حصص

فولیو نمبر	سی ڈی سی اکاؤنٹ نمبر	
	شراکتی آئی ڈی	اکاؤنٹ نمبر

کمپیوٹرائزڈ شناختی کارڈ نمبر | | | | | | - | | | | | | | | - | |

نوٹس:

(ا) پراکسیز مؤثر ہونے کے لیے لازم ہے کہ وہ اجلاس سے کم از کم 48 گھنٹے قبل بمعہ دستخط، گواہان اور رسیدی ٹکٹ کمپنی کو موصول ہو جانی چاہئیں۔

(۲) حصص داران / سی ڈی سی بینیفیشل اونرز اور پراکسی کے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم کے ساتھ مہیا کی جائیں گی۔

(۳) پراکسی کو اجلاس کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

(۴) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بمعہ نمونہ دستخط (اگر پہلے مہیا نہیں کی گئیں) کمپنی کو پراکسی فارم ساتھ لف کرنے ہونگے۔

AFFIX
CORRECT
POSTAGE

The Company Secretary

MAPLE LEAF CEMENT FACTORY LIMITED
42-LAWRENCE ROAD, LAHORE
Tel: 042-36278904-05

ڈائریکٹرز کا مشاہرہ

بورڈ آف ڈائریکٹرز نے ایک "ڈائریکٹرز ریمنریشن پالیسی" منظور کی ہے، جس کی خصوصیات درج ذیل ہیں:

☆ کوئی ڈائریکٹر خود اپنا مشاہرہ متعین نہیں کرے گا۔

☆ ریگولر پیڈ چیف ایگزیکٹو، سپانسرز اور/یا فیملی ڈائریکٹرز اور کل وقتی کام کرنے والے ڈائریکٹرز کے علاوہ ایک ڈائریکٹر کی اجلاس فیس بغیر ٹیکس خالص رقم -/100,000 روپے (ایک سو ہزار روپے صرف) فی اجلاس بورڈ کے اجلاس اور اسکی کمیٹی کے اجلاس میں شرکت کے لئے -/10,000 روپے (دس ہزار روپے صرف) یا بورڈ کی طرف سے وقتاً فوقتاً متعین کردہ کے مطابق ہوگی۔

☆ موجودہ وقت کے لئے اور/یا بعد میں ترمیم شدہ لاگو ایسی ادائیگی پر اگر کوئی ٹیکس کی ذمہ داری ہوئی تو کمپنی برداشت کرے گی۔

☆ کمپنی کے لئے اور کی جانب سے منعقدہ اجلاسوں میں شرکت اور دیگر امور کے لئے ڈائریکٹرز کی طرف سے خرچ کئے جانے والے تمام اخراجات، بشمول سفری، ہوٹل چارجز اور دیگر اخراجات کمپنی سے وصول کرنے کے اہل ہونگے۔

کمپنی کے چیئرمین اور چیف ایگزیکٹو سمیت ڈائریکٹرز کو ادا کئے جانے والے مشاہرہ کی تفصیلات کا انکشاف واحد مالی حسابات کے نوٹ 47 میں کیا گیا ہے۔

شیئر ہولڈنگ کا نمونہ

30 جون 2025 کے مطابق کمپنیز ایکٹ 2017 کے تحت کمپنی کے شیئر ہولڈنگ کا نمونہ منسلک کیا گیا ہے۔

اظہار تشکر

بورڈ اس موقع پر حصص دار، ملازمین، گاہکوں، بینکوں اور دیگر اسٹیک ہولڈرز کے اعتماد اور یقین جو انھوں نے ہمیشہ ہم پر کیا، کے لئے دل کی گہرائیوں سے شکریہ ادا کرتا ہے۔

منجانب بورڈ

سعید طارق سہگل چیف ایگزیکٹو آفیسر	سید محسن رضا نقوی ڈائریکٹر	لاہور 06 اگست 2025

کیٹیگری	نام	اجلاسوں میں حاضری کی تعداد
آزادڈائریکٹرز	جناب شفیق احمد خان	3
	جناب ذوالفقار منو	4
دیگر نان ایگزیکٹوڈائریکٹرز	جناب طارق سعید سہگل (چیئرمین)	4
	جناب توفیق سعید سہگل	4
	جناب ولید طارق سہگل	4
	جناب دانیال توفیق سہگل	4
ایگزیکٹوڈائریکٹر	جناب سید طارق سہگل (چیف ایگزیکٹوآفیسر)	4
	سید محسن رضا نقوی	4
خاتون ڈائریکٹر (نان ایگزیکٹوڈائریکٹر)	محترمہ جہاں آراء سہگل	2

ڈائریکٹرز جو بورڈ کے اجلاس میں شرکت نہیں کر سکتے تھے کو غیر حاضری کی رخصت دی گئی۔

آڈٹ کمیٹی

مالی سال کے دوران، آڈٹ کمیٹی کے چار (04) اجلاس منعقد ہوئے ہیں۔ ہر ایک ڈائریکٹرز کی حاضری حسب ذیل کے مطابق ہے:

نام	عہدہ	اجلاسوں میں حاضری کی تعداد
جناب شفیق احمد خان	چیئرمین (آزادڈائریکٹر)	3
جناب ذوالفقار منو	رکن (آزادڈائریکٹر)	4
جناب ولید طارق سہگل	رکن (نان ایگزیکٹوڈائریکٹر)	3
جناب دانیال توفیق سہگل	رکن (نان ایگزیکٹوڈائریکٹر)	4

ان ارکان کو غیر حاضری کی رخصت دی گئی جو آڈٹ کمیٹی کے اجلاسوں میں شرکت نہیں کر سکتے تھے۔
جناب شفیق احمد خان، چیئرمین آڈٹ کمیٹی نے 28 اکتوبر 2024 کو منعقدہ گزشتہ AGM میں شرکت کی۔
بورڈ آڈٹ کمیٹی سمیت بورڈ کمیٹیوں کی کارکردگی کی سالانہ تشخیص کرتا ہے۔

ہیومن ریسورس اور ریمنریشن (HR & R) کمیٹی

نام	عہدہ
جناب شفیق احمد خان	چیئرمین (آزادڈائریکٹر)
جناب ذوالفقار منو	رکن (آزادڈائریکٹر)
جناب دانیال توفیق سہگل	رکن (نان ایگزیکٹوڈائریکٹر)

ہیومن ریسورس اینڈ ریمنریشن کمیٹی کا ایک اجلاس 20 ستمبر 2024 کو منعقد ہوا۔
بورڈ نامزدگی کمیٹی اور رسک منیجمنٹ کمیٹی کی تشکیل پر غور کرے گا اور مناسب وقت پر تعمیل کرے گا۔

v۔ آپریشنل اخراجات میں مجموعی طور پر افراط زر کا اضافہ۔

vi۔ سیمنٹ مینوفیکچررز کے درمیان صلاحیت میں زبردست اضافہ کی وجہ سے قیمت اور فروخت کے حوالے سے مسابقت۔

vii۔ تباہ کن سیلاب کے اثرات جس نے ملک کے بڑے علاقوں کو متاثر کیا ہے۔

آرگنائزیشن پیش آنے والے ممکنہ چیلنجوں اور غیر یقینی صورتحال جو کہ بڑھنے کا امکان ہے کا مقابلہ کرنے کے لئے مؤثر طریقے سے لیس ہے۔ مشترکہ تجربے، مہارت اور مؤثر کاروباری رپورٹنگ کے ذریعے، انتظامیہ ہمیشہ داخلی اور خارجی پیشرفتوں سے آگاہ رہتی ہے۔ کمپنی نے منفرد خصوصی کراس فنکشنل ٹیمیں تشکیل دی ہیں جو آگے کے نقطہ نظر کو اُجاگر کرنے کے لئے مستقل طور پر اہم امور اور خطرات کے بارے میں تبادلہ خیال کرتی ہیں۔ PSDP ایلوکیشن میں کمی اور برآمدی منڈیوں میں کم مارجن کے باعث، منیجمنٹ کی قیادت میں مارکیٹنگ ٹیم نے غیر استعمال شدہ مقامی مارکیٹوں میں اپنی موجودگی بڑھانے کے لئے مؤثر انداز سے مارکیٹ میں داخل ہونے اور ڈویلپرز، ڈیلرز اور ہاؤس کنزیومرز کے درمیان میپل لیف سیمنٹ فیکٹری لمیٹڈ کو ایک مشہور قابل اعتماد برانڈ بنانے کی حکمت عملی کا آغاز کیا ہے۔ مجموعی افراط زر کو پورا کرنے کے لئے، پورے سال میں لاگت بچانے کے اقدامات کیے گئے۔ مالی لاگت کو کم کرنے کے لئے، آپریٹنگ نقد بہاؤ کو مؤثر طور پر استعمال اور آپریٹنگ سائیکل میں کمی کرتے ہوئے مختصر مدتی قرضوں کو کم کیا گیا۔ سخت مسابقت کا سامنا کرنے کے لئے، منیجمنٹ اس بات کو یقینی بناتی ہے کہ پیداوار اور فروخت کی اپنی مستعمل صلاحیت کو بھرپور بروئے کار لایا گیا ہے۔

مصرفات

سال کے لئے کمپنی (واحد) کے ٹیکس کے بعد منافع کی تقسیم حسبِ ذیل ہے:

تفصیل	2025	2024
	روپے ہزاروں میں۔	
بعد از ٹیکس منافع	17,036,374	5,272,527
منافع منقسمہ	-	-
برقرار رکھی گئی آمدنی میں منتقلہ بیلنس	17,036,374	5,272,527

لیڈرشپ سٹرکچر

بورڈ آف ڈائریکٹرز اور کمیٹیوں کی تشکیل

ڈائریکٹرز کی کل تعداد:

a)۔ مرد	8
b)۔ خاتون	1

ترتیب:

آزاد ڈائریکٹرز	02
دیگر نان ایگزیکٹو ڈائریکٹرز	04
ایگزیکٹو ڈائریکٹرز (بشمول سی ای او)	02
خاتون ڈائریکٹر (نان ایگزیکٹو)	01

ڈائریکٹرز اور بورڈ کے اجلاس

زیر جائزہ سال کے دوران، بورڈ آف ڈائریکٹرز کے چار (04) اجلاس پاکستان میں منعقد ہوئے ہیں اور پاکستان سے باہر کوئی اجلاس منعقد نہیں ہوا۔ سال کے دوران کسی بھی ڈائریکٹر کا کوئی عہدہ خالی نہیں ہوا ہے۔ ہر ایک ڈائریکٹرز کی حاضری حسبِ ذیل کے مطابق ہے:

غیر مالی کارکردگی

معیار، صارف کا اطمینان، ملازمین کی ترقی اور پیشہ ورانہ معیارات کمپنی کے کلیدی شعبے ہیں جہاں انتظامیہ نے ان کو بہتر بنانے کے لئے ضروری اقدامات اٹھائے ہیں۔ کمپنی اس وقت اعلیٰ معیار کی مصنوعات تیار اور فراہم کر رہی ہے جو گاہکوں کے زیادہ سے زیادہ اطمینان کو یقینی بناتی ہیں۔ سال کے دوران، کمپنی نے موجودہ انسانی سرمائے کی ترقی کے لئے مختلف کارکردگی کی تشخیص کی ہے۔ کمپنی تمام اسٹیک ہولڈرز کے ساتھ انتہائی اطمینان بخش تعلقات کو برقرار رکھے ہوئے ہے۔ کمپنی نے مختلف کمیٹیاں تشکیل دی ہیں جو کلیدی شعبوں کی مؤثر نگرانی کی ذمہ دار ہیں۔

کارپوریٹ سماجی ذمہ داری

کمپنی معاشرے کی طرف اپنی ذمہ داری کو تسلیم کرتی ہے اور مستقل بنیادوں پر مختلف رفاہی اداروں کے ذریعہ معاشرے کی فلاح کے منصوبوں کو مالی اعانت فراہم کر کے اپنا فرض ادا کرتی ہے۔ کمپنی کو پاکستان سنٹر برائے انسان دوستی نے معاشرتی اور رفاعی شراکت میں قائد کی حیثیت سے تسلیم کیا ہے اور کمپنی ان کمیونٹیز کا تعمیری ممبر بننے کی کوشش کرتی ہے جہاں وہ موجود ہے۔

کمپنی نے میڈیکل سوشل سائنسز پراجیکٹ میں بھی حصہ لیا ہے اور اس سلسلے میں، کمپنی کے بورڈ آف ڈائریکٹرز اور ہولڈنگ کمپنی کے بورڈ نے مشترکہ طور پر گلاب دیوی چیسٹ ہسپتال (جی ڈی سی ایچ) لاہور میں العلیم میڈیکل کالج میں ایڈمن بلاک کی تعمیر کے لئے عطیہ کیا ہے۔

کمپنی نے ماضی میں بھی میڈیکل سوشل سائنسز پروجیکٹ میں حصہ لیا اور اس سلسلے میں، کمپنی نے گلاب دیوی چیسٹ ہاسپٹل (GDCH) لاہور میں سعید سہگل کارڈیک کمپلیکس تعمیر کر کے ایک جدید کارڈیک سہولت عطیہ کی تھی۔

کوہ نور میپل لیف گروپ نے متعدد سماجی ذمہ داریوں کی اپنی کارکردگی کی مد میں "تیرہواں 13th کارپوریٹ سماجی ذمہ داری نیشنل ایکسیلنس ایوارڈ" حاصل کیا ہے۔

ماحول پر اثرات اور صنعتی اثرات کو کنٹرول کرنے کے لئے مفاہمتی اقدامات

روایتی طور پر، سیمنٹ پلانٹس کو ماحول دوستی کا فقدان ہوتا ہے لیکن کمپنی نے صنعتی اثرات کو کنٹرول کرنے کے لئے جدید ترین آلات نصب کیے ہیں۔ اردگرد کے ماحول پر صنعتی اثرات کو کم کرنے کے لئے، کمپنی ملازمین اور مقامیوں کو صحت مند ماحول فراہم کرنے کے لئے تمام تر کوششیں کر رہی ہے۔ اس سلسلے میں کمپنی کی طرف سے ماحول دوستی کی اہم کوششیں مندرجہ ذیل ہیں:

i) قدرتی ماحولیاتی معیار کے مطابق اسٹیک کے اخراج اور اثرات کے لئے باقاعدگی سے ماہانہ ماحولیاتی نگرانی کرنا۔

ii) کمپنی ماحول کی حفاظت کے لئے سب سے بہترین ڈسٹ کولیکشن electrostatic precipitators اور بیگ فلٹر کے ساتھ لیس، جدید FLSmidth اے/ایس سیمنٹ مینوفیکچرنگ ٹیکنالوجی رکھتی ہے۔

iii) ضلعی آفیسر (ماحولیات) میانوالی کے تعاون سے کارپوریٹ سماجی ذمہ داری کے ایک حصے کے طور پر صحت مند اور خوشگوار ماحول کو برقرار رکھنے کے لئے وسیع پیمانے پر درخت لگانے کا پروگرام جاری رکھا ہوا ہے۔

iv) کمپنی اپنی پلانٹ سائٹ پر اپنا ہسپتال اور ٹراما سنٹر رکھتی ہے۔ کارکنوں کی محفوظ صحت کو یقینی بنانے کے لئے ملازمین کی پیشہ ورانہ صحت، باقاعدہ ابتدائی طبی امداد اور سی پی آر تربیتی پروگرام منعقد کیے جاتے ہیں۔

اصل خطرات، مشکلات اور غیر یقینی

کمپنی کو مندرجہ ذیل اہم خطرات اور مشکلات درپیش ہیں:

i۔ روپیہ کی قدر میں کمی اور بین الاقوامی مارکیٹ میں کوئلہ کی قیمتوں میں اضافہ منافع مارجن کی کمی۔

ii۔ برآمدی فروخت پر کم مارجن، سیمنٹ درآمد کرنے والے ممالک کی طرف سے کھڑی کی گئی رکاوٹیں اور جنوبی افریقہ کی طرف سے عائد کی گئی اینٹی ڈمپنگ ڈیوٹی۔

iii۔ سود کی زیادہ شرح۔

iv۔ اسدھم، کے زیادہ شرح۔

آڈیٹرز

کمپنی کے موجودہ آڈیٹرز میسرز اے ایف فرگوسن اینڈ کو، چارٹرڈ اکاؤنٹنٹس ، نے سال کے لئے کمپنی کے مالی گوشواروں پر اپنی آزاد آڈیٹر رپورٹ میں کمپنی کے امور پر ایک غیر کوالیفائیڈ رائے کا اظہار کیا ہے۔

میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ،موجودہ آڈیٹرز، کمپنی کے آئندہ سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے۔نظر ثانی شدہ ICAP کوڈ آف ایتھکس 2024 کی ضروریات کے پیش نظر، وہ دوبارہ تقرری کے اہل نہیں ہیں کیونکہ وہ کمپنی کے ٹیکس ایڈوائزر ہیں۔آڈٹ کمیٹی نے میسرز KPMG تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ، کی 30 جون 2026 اختتام پذیر ہونے والے مالی سال کے لیے بطور آڈیٹر تقرری کی سفارش کی ہے۔ آڈٹ کمیٹی کی سفارش کی بنیاد پر، بورڈ آف ڈائریکٹرز نے میسرز KPMG تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی بطور آڈیٹر تقرری کی تجویز پیش کی ہے جو آئندہ سالانہ اجلاس عام میں شیئر ہولڈر کی منظوری کے لیے پیش کی جائے گی۔

ادائیگیوں، ڈیبٹ/قرضہ، ٹیکسز اور لیویز کی نادہندگی

بہترین کاروباری طریقوں پر عملدرآمد کرتے ہوئے، کمپنی واجب رقوم کی بروقت واپس ادائیگی کی اپنی ذمہ داری کو تسلیم کرتی ہے۔زیرِ جائزہ سال کے دوران قرضہ/ڈیبٹ کی ادائیگی پر کوئی نادہندگی درج نہیں کرائی گئی۔مزید برآں، مالی سال کے اختتام پر ٹیکسز، ڈیوٹیز اور لیویز کی مد میں کوئی ادائیگی زائد المیعاد یا بقایا نہیں ہے۔

مستقبل کا نقطہ نظر

کمپنی مقامی سیمنٹ مارکیٹ کے لیے ایک سازگار نقطہ نظر پیش کرتی ہے، جو کہ حکومت کے بنیادی ڈھانچے کے اقدامات کی متوقع توسیع اور رئیل اسٹیٹ کی طلب میں بحالی کے ذریعے کارفرما ہے۔ان عوامل سے توقع کی جاتی ہے کہ وہ فروخت کے بہتر مواقع پیدا کریں گے اور پائیدار نمو میں معاون ہوں گے۔تاہم، کمپنی مستقبل میں مارجن کو بہتر بنانے کے لیے اپنی لاگت کو کم کرنے پر توجہ مرکوز رکھے گی۔کمپنی نے کامیابی کے ساتھ متبادل ایندھن کے لیے ایک پائیدار سپلائی چین تیار کی ہے، جو عملی طور پر آپریشنل کارکردگی اور ماحولیاتی ذمہ داری کے لیے اپنی وابستگی ظاہر کرتی ہے۔توقع کی جاتی ہے کہ ان ایندھن کے انضمام سے کاربن کے اخراج میں کمی میں مدد ملے گی جبکہ لاگت میں بھی نمایاں بچت ہوگی، اس طرح مجموعی منافع اور پائیداری میں اضافہ ہوگا۔

کمپنی صحت کی دیکھ بھال کے شعبے میں سٹریٹجک سرمایہ کاری کے لیے پُرعزم ہے تاکہ پاکستان میں جدید ترین طبی سہولیات تک رسائی کو بڑھایا اور عوامی ضرورت کو پورا کیا جا سکے۔اس وژن کے مطابق، کمپنی نے اپنے ذیلی ادارہ، نووا کیئر ہاسپٹلز (پرائیویٹ) لمیٹڈ (NHPL) میں سرمایہ کاری کی ہے۔NHPL فی الحال اسلام آباد میں اپنا پہلا ہسپتال تیار کر رہا ہے، زمین حاصل کر لی گئی ہے اور منصوبہ بندی کے مطابق تعمیراتی کام جاری ہے۔

کمپنی حکمت عملی کے ساتھ اپنے قیمتی سرمایہ کاری کے پورٹ فولیو کو فرٹیلائزر سیکٹر میں بڑھا رہی ہے، اپنی مستقبل کی نمو کی صلاحیت سے مستفید ہو رہی ہے۔اس اقدام کے حصے کے طور پر، کمپنی نے 30-جون-2025 تک اگریٹیک لمیٹڈ میں 33.66 فیصد حصص حاصل کر لئے ہیں اور گروپ کی مجموعی ہولڈنگ 40.12 فیصد ہے۔

کمپنی کے سرمایہ کاری اخراجات/جاری توسیع کی کاروباری شرح

کمپنی اپنے پلانٹ سائٹ پر شمسی توانائی کے منصوبوں کی تنصیب کے ساتھ پائیدار اور قابل تجدید توانائی میں سرمایہ کاری کر رہی ہے۔

بعد کے واقعات

مالی سال 25-2024 کے اختتام کے بعد کوئی قابل ذکر واقعات رُونما نہیں ہوئے ہیں۔

کاروبار کی نوعیت میں تبدیلی

کمپنی یا اسکی ذیلی کمپنیوں، یا کسی دیگر کمپنی جس میں کمپنی دلچسپی رکھتی ہو کے کاروبار کی نوعیت سے متعلقہ مالی سال کے دوران کوئی تبدیلی وقوع پذیر نہیں ہوئی ہے۔

کمپنی نے مالی سال 25-2024 کے لیے 16,369 ملین روپے کا مجموعی قبل از ٹیکس منافع درج کیا جو کہ گزشتہ سال میں 10,806 ملین روپے سے 51.48 فیصد زیادہ ہے۔ گزشتہ سال میں 3,886 ملین روپے کے مجموعی ٹیکس چارج کے مقابلے میں رپورٹنگ سال کے لیے مجموعی ٹیکس کی رقم 4,865 ملین روپے رہی ہے۔

درآمد شدہ کوئلہ سے چلنے والے 40 میگاواٹ کے ذاتی پاور پلانٹ کو انسٹال اور چلانے کے لئے قائم کردہ کمپنی کی مکمل ملکیتی ذیلی کمپنی میپل لیف پاور لمیٹڈ (ایم ایل پی ایل MLPL) سے حاصل کردہ منافع کو انکم ٹیکس کے عائد سے استثنیٰ حاصل ہے۔ تاہم، جزوی ٹیکس چارج دیگر آمدنی سے متعلق ہے۔ MLPL نے مالی سال 25-2024 کے دوران 2,132 ملین روپے کا خالص منافع کمایا ہے۔ سال کے دوران، MLPL کے آپریشنز نے بجلی کی لاگت میں خاطرخواہ بچت کر کے مجموعی نتائج کو موزوں بنایا ہے۔ مزید برآں، کمپنی نے اس مدت کے دوران اپنی مکمل ملکیتی ذیلی کمپنی MLPL سے 6,401 ملین روپے کا منافع منقسمہ وصول کیا ہے۔

مذکورہ بالا تمام عوامل نے رپورٹنگ سال کے لئے گزشتہ سال کی اسی مدت کے لئے زیریں لائن میں 6,920 ملین روپے مجموعی منافع کے مقابلے 11,503 ملین روپے منافع پر 66.24 فیصد اضافہ کے ساتھ ٹیکس کے بعد کی زیریں لائن کو متاثر کیا ہے۔

اسٹیٹ بینک آف پاکستان نے سود کی شرحوں میں نمایاں کمی کی، جس نے مالیاتی اخراجات کو کم کیا ہے۔ اس اقدام سے لیکویڈیٹی میں اضافہ ہوا، پیداواری اخراجات میں کمی اور منافع میں بہتری آئی ہے۔ مزید برآں، اقتصادی سرگرمیوں اور تعمیراتی طلب میں اضافہ سے سیمنٹ کی صنعت میں ترقی کی توقع ہے۔

ڈیویڈینڈ

30 جون 2025 مختتمہ سال کے لیے ڈیویڈینڈ پاس اوور کرنے کا فیصلہ کیا گیا کیونکہ کمپنی نے اپنے قرضوں کو کم کرنے، نووا کیئر ہاسپٹلز (پرائیویٹ) لمیٹڈ (NHPL) کے ایک نئے منصوبہ کا آغاز کرکے ہیلتھ کیئر سہولیات میں سرمایہ کاری اور ایگریٹیک لمیٹڈ (AGL) میں سرمایہ کاری کرنے کے لیے آپریشنز سے پیدا شدہ اپنی نقد رقوم کو استعمال کیا ہے۔ مجموعی طور پر بہتر معیشت اور سیمنٹ کے ترسیلی حالات مستقبل میں ڈیویڈنڈ کی ادائیگیوں کے امکانات کو سازگار بنائیں گے۔

موزوں داخلی کنٹرول

بورڈ آف ڈائریکٹرز داخلی کنٹرول کے ماحول کے حوالے سے اپنی ذمہ داری سے آگاہ ہیں اور اس کے مطابق آپریشنز کے اثرات اور موثر عمل کو یقینی بنانے، کمپنی کے اثاثوں کی حفاظت، قابل اطلاق قوانین اور قواعد وضوابط کی تعمیل اور قابل اعتماد مالیاتی رپورٹنگ کو یقینی بنانے کے لئے داخلی مالیاتی کنٹرول کا ایک موثر نظام قائم کیا گیا ہے۔ کمپنی کا آزاد داخلی آڈٹ باقاعدگی سے مالیاتی کنٹرول کے عملدرآمد کا جائزہ اور نگرانی کرتا ہے، جبکہ آڈٹ کمیٹی داخلی کنٹرول فریم ورک کی موثرگی اور مالیاتی گوشواروں کا سہ ماہی بنیاد پر جائزہ لیتی ہے۔

مالی گوشواروں کی تیاری اور پیش کرنے کی انتظامیہ کی ذمہ داری

پاکستان میں قابل اطلاق کمپنیز ایکٹ، 2017 (XIX of 2017) کی ضروریات کے مطابق مینجمنٹ اکاؤنٹنگ اور رپورٹنگ کے معیارات کے تحت مالی گوشواروں کی تیاری اور منصفانہ طور پر پیش کرنے کی اپنی ذمہ داری سے بخوبی آگاہ ہے اور انتظامیہ اس طرح کے داخلی کنٹرول کا تعین کرتی ہے جو مالی گوشواروں کی تیاری کے لئے ضروری ہے تاکہ وہ مادی غلط تشہیر سے پاک ہوں، چاہے دھوکہ دہی یا غلطی کی وجہ سے ہو۔

پائیداری کے خطرات اور مواقعوں سے نمٹنے میں بورڈ اور اس کے ممبران کا کردار

بورڈ طویل مدتی کارپوریٹ قدر پیدا کرنے کے لئے کمپنی کی پائیداری کی حکمت عملی، ترجیحات اور اہداف کا تعین کر کے کمپنی کے اندر پائیداری کے خطرات اور مواقعوں کی گورننس اور نگرانی کا ذمہ دار ہے، جس میں ماحولیاتی، معاشرتی اور گورننس کے معاملات شامل ہیں۔

بورڈ اس بات کو یقینی بناتا ہے کہ تنوع، مساوات اور شمولیت (ڈی ای اینڈ آئی) کو فروغ دینے کی پالیسیوں میں صنفی مرکزی دھارے میں لانے، صنفی مساوات اور کمپنی کے بورڈ، انتظامیہ اور افرادی قوت میں خواتین کی شرکت کی حوصلہ افزائی کی گئی ہے۔

مالی سال25-2024 کے دوران، پیداوار اور ترسیلات گزشتہ سال کی کارکردگی کے موازنہ میں کم ہوئیں، جیسا کہ درج ذیل اعداد و شمار سے ثابت ہوتا ہے:

	جولائی تا جون			
	2025	2024	تغیرات	فیصد
	----------------	میٹرک ٹن	----------------	
پیداوار				
کلنکر کی پیداوار	3,681,406	3,625,857	55,549	1.53%
سیمنٹ کی پیداوار	4,019,935	4,051,726	(31,791)	-0.78%
سیمنٹ کی فروخت				
مقامی	3,746,775	3,890,955	(144,180)	-3.71%
برآمدات	268,081	177,263	90,818	51.23%
	4,014,856	**4,068,218**	**(53,362)**	**-1.31%**

4,014,856 ٹن سیمنٹ کا کل فروخت حجم گزشتہ مالی سال کے دوران فروخت شدہ 4,068,218 ٹن سے 1.31 فیصد کی کمی کو ظاہر کرتا ہے۔ مقامی فروخت حجم گزشتہ مالی سال سے 3.71 فیصد کم ہو کر 3,746,775 ٹن تک ہوا لیکن برآمدی فروخت حجم گزشتہ مالی سال کے 177,263 ٹن سے بڑھ کر 268,081 ٹن ہو گیا، یعنی 51.23 فیصد کا اضافہ ہوا ہے۔

سال 25-2024 کے دوران، کمپنی نے گزشتہ سال میں 66,452 ملین روپے کے مقابلے 68,654 ملین روپے مجموعی خالص فروخت درج کی۔ کمپنی کے منافع میں 3.31 فیصد اضافہ ہوا جس کی بنیادی وجہ مقامی مارکیٹ میں فروخت کی قیمتوں میں بہتری ہے۔ فروخت قیمتوں میں اضافہ بنیادی طور پر ان پٹ اخراجات، خاص طور ایندھن، توانائی، خام مال، پیکنگ میٹریل پر زیادہ مہنگائی کے اثرات کی وجہ سے ہوا ہے۔ تعمیراتی شعبہ میں نمو بڑے پیمانے کے منصوبوں کے اطلاق کی کمی اور زیادہ ٹیکسوں کے باعث ہاؤسنگ سیکٹر میں متوقع طلب کم ہونے کی وجہ سے توقعات سے کم ہے۔

کمپنی کی برآمدات کا حجم بہتر طلب کی وجہ سے گزشتہ سال کی اسی مدت کے 177,263 میٹرک ٹن سے 51.23 فیصد بڑھ کر 268,081 میٹرک ٹن تک پہنچ گیا۔ عالمی منڈیوں کے مقابلے پاکستان میں پیداواری لاگت زیادہ ہونے اور علاقائی منڈیوں میں مسابقت کو متاثر کرنے والی شپنگ کی قیمتوں میں اضافے کی وجہ سے باقی دنیا میں سیمنٹ کی ترسیل ممکن نہیں تھی۔

رواں مالی سال کے دوران، عالمی کساد بازاری کے باعث طلب کی کمی کی وجہ سے عالمی کوئلے اور پیٹ کوک کی قیمتیں کم ہو گئیں اور اس وقت مقامی دستیاب افغانی اور درہ کوئلہ کے مقابلے موزوں ہیں۔ زیرِ جائزہ پوری مدت کے دوران، کمپنی نے توانائی کی لاگت کو کم سے کم کرنے کے لیے دیگر کوئلوں کے مقابلے میں کم قیمت پٹ کاک کے استعمال کو ترجیح دی۔ متبادل ایندھن کا استعمال ایک ترجیح بنی ہوئی ہے۔ متبادل ایندھن دیگر دستیاب کلن ایندھن کے مقابلے نسبتاً سستا اور ماحول دوست ہے۔

کمپنی بڑی حد تک بجلی پیدا کرنے کے اپنے ذرائع پر انحصار کرتے ہوئے بیرا کے زیادہ نرخوں کے ممکنہ منفی اثرات کو روکنے میں کامیاب رہی ہے جو کہ کل استعمال کے 96 فیصد کی نمائندگی کرتے ہیں جس میں کوئلے سے چلنے والے پاور پلانٹ (CFPP)، سولر پاور اور ویسٹ ہیٹ ریکوری پلانٹس شامل ہیں جو کمپنی کے لیے بجلی کا سب سے سستا ذریعہ ہیں۔ پیداوار کی لاگت کو متاثر کرنے والے مذکورہ بالا عوامل کی بدولت، کمپنی نے سال کے دوران 25,442 ملین روپے کا مجموعی منافع حاصل کیا، جو کہ گزشتہ سال میں بیان کردہ 22,430 ملین روپے سے 13.43 فیصد کا اضافہ ہے۔

حصص داران کے لئے ڈائریکٹرز رپورٹ

کمپنیز ایکٹ، 2017 کی دفعہ 227 کی تعمیل میں، آپ کی کمپنی کے ڈائریکٹرز 30 جون، 2025 مختتمہ سال کے لئے واحد اور مجموعی نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

میپل لیف سیمنٹ فیکٹری لمیٹڈ (کمپنی) پبلک مندرجہ کمپنی اور کوہ نور ٹیکسٹائل ملز لمیٹڈ کی ایک ذیلی کمپنی ہے۔ کمپنی کا اصل کاروبار سیمنٹ کی پیداوار اور فروخت کرنا ہے۔

کمپنی اور اسکی مکمل ملکیتی ذیلی کمپنیوں یعنی میپل لیف پاور لمیٹڈ (MLPL) معہ اسکی ذیلی کمپنی نووا کیئر ہاسپٹلز (پرائیویٹ) لمیٹڈ (NHPL) اور اس کی شریک کمپنی ایگریٹیک لمیٹڈ (AGL) کی مجموعی مالی جھلکیاں مندرجہ ذیل ہیں:-

میپل لیف سیمنٹ فیکٹری لمیٹڈ۔ مجموعی

	مختتمہ سال (جولائی تا جون)			
	2025	2024	تغیرات	فیصد
	---------------------(روپے ہزاروں میں)	---------------------		
خالص فروخت آمدنی	68,653,999	66,452,348	2,201,651	3.31%
مجموعی منافع	25,441,916	22,430,465	3,011,451	13.43%
آپریٹنگ منافع	19,107,711	14,218,570	4,889,141	34.39%
مالی لاگت۔ خالص	1,977,933	3,412,463	(1,434,530)	-42.04%
ٹیکس سے پہلے منافع	16,368,707	10,806,107	5,562,600	51.48%
ٹیکسیشن	4,865,429	3,886,330	979,099	25.19%
ٹیکس کے بعد منافع	11,503,278	6,919,777	4,583,501	66.24%
فی شیئر آمدنی (روپے)	10.98	6.51	4.47	68.66%

کمپنی کی غیر مجموعی مالی جھلکیاں مندرجہ ذیل ہیں:

میپل لیف سیمنٹ فیکٹری لمیٹڈ۔ غیر مجموعی

	مختتمہ سال (جولائی تا جون)			
	2025	2024	تغیرات	فیصد
	---------------------(روپے ہزاروں میں)	---------------------		
خالص فروخت آمدنی	68,942,446	66,452,348	2,490,098	3.75%
مجموعی منافع	23,746,816	20,964,284	2,782,532	13.27%
آپریٹنگ منافع	24,187,950	12,952,043	11,235,907	86.75%
مالی لاگت۔ خالص	2,523,713	4,020,595	(1,496,882)	-37.23%
ٹیکس سے پہلے منافع	21,664,237	8,931,448	12,732,789	142.56%
ٹیکسیشن	4,627,863	3,658,921	968,942	26.48%
ٹیکس کے بعد منافع	17,036,374	5,272,527	11,763,847	223.12%
فی شیئر آمدنی (روپے)	16.26	4.98	11.28	226.51%

نظرثانی اشتمال شدہ مالیاتی گوشواروں پر ڈائریکٹرز رپورٹ

ڈائریکٹرز 30 جون 2025 مختتمہ سال کے لیے میپل لیف سیمنٹ فیکٹری لمیٹڈ (دی ہولڈنگ کمپنی) اور اس کی مکمل ملکیتی ذیلی کمپنیوں میپل لیف پاور لمیٹڈ، نووا کیئر ہاسپٹلز (پرائیویٹ) لمیٹڈ اور اس کی شریک کمپنی ایگریٹیک لمیٹڈ (AGL) (مجموعی طور پر ایک گروپ) کے نظرثانی شدہ مجموعی مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

گروپ کے نتائج

گروپ نے گزشتہ اسی سال کے 22,430 ملین روپے کے مقابلے میں 25,442 ملین روپے کا مجموعی منافع کمایا ہے۔ گروپ نے اس سال قبل از ٹیکس منافع 11,503 ملین روپے کمایا ہے جبکہ پچھلے سال کے دوران 6,920 ملین روپے کمایا تھا۔ گروپ کے مجموعی مالیاتی نتائج درج ذیل ہیں:

	30 جون 2025	30 جون 2024
	----------(روپے ملین میں)----------	
فروخت	68,654	66,452
مجموعی منافع	25,442	22,430
آپریشنز سے منافع	19,108	14,219
مالیاتی چارجز- خالص	1,978	3,412
ٹیکس کے بعد خالص منافع	11,503	6,920
	----------(روپے)----------	
فی حصص آمدنی- بنیادی اور معتدل	10.98	6.51

ذیلی کمپنیاں

میپل لیف پاور لمیٹڈ (MLPL)

میپل لیف سیمنٹ فیکٹری لمیٹڈ نے میپل لیف پاور لمیٹڈ ("MLPL") کے نام سے ایک ذیلی کمپنی بنائی ہے۔ MLPL ("ذیلی ادارہ") کو پاکستان میں 15 اکتوبر 2015 کو کمپنیز آرڈیننس، 1984 (اب کمپنیز ایکٹ، 2017) کے تحت پبلک لمیٹڈ کمپنی کے طور پر شامل کیا گیا تھا۔ MLPL کا بنیادی مقصد الیکٹرک پاور جنریشن پلانٹ تیار، ڈیزائن کرنا، چلانا اور دیکھ بھال کرنا اور اس کے ساتھ ہولڈنگ کمپنی کو بجلی پیدا کرنے، فروخت اور فراہمی کے کاروبار میں مشغول کرنا ہے۔

نووا کیئر ہاسپٹلز (پرائیویٹ) لمیٹڈ

نووا کیئر ہاسپٹلز (پرائیویٹ) لمیٹڈ ("NHPL") کو 21 مارچ 2023 کو انڈس ہولڈنگز (ADGM) لمیٹڈ ("انڈس") نے پاکستان میں شامل کیا، جس کی نمائندگی ڈائریکٹرز جناب فراز مینائی اور جناب غالب حفیظ کرتے ہیں، جن میں ہر ایک 2,500 شیئرز رکھتے ہیں۔ NHPL کے کاروبار کی اصل لائن صحت کی دیکھ بھال کی سہولیات بشمول ہسپتال، فارمیسی، نرسنگ ہومز، کلینک، لیبارٹریز، ڈینٹل کلینکس، اور صحت کی دیکھ بھال کے مراکز کا قیام، ان کا انتظام کرنا اور چلانا ہے۔ NHPL کا مقصد مختلف بیماریوں کے علاج سمیت صحت کی دیکھ بھال اور جراحی کی خدمات فراہم کرنا ہے۔ NHPL فی الحال ابتدائی مرحلہ میں ہے اور اس نے ہسپتال کے لیے زمین خرید لی ہے جس پر اس نے تعمیراتی کام شروع کر دیا ہے۔ NHPL کا رجسٹرڈ دفتر پلاٹ نمبر 12-11 سینٹرل کمرشل- DHA-5،C، اسلام آباد پر واقع ہے۔

کمپنیز ایکٹ، 2017 کی تعمیل میں، سیکشن 227 کے تمام متعلقہ معاملات کو شیئر ہولڈرز کو ہماری واحد ڈائریکٹرز رپورٹ میں رکھا گیا ہے۔

اظہار تشکر

ڈائریکٹرز گروپ کے اراکین، مالیاتی اداروں، صارفین اور ملازمین کے تعاون اور حمایت کے شکر گزار ہیں۔ وہ مختلف کردار میں کام کرنے والے ملازمین کی سخت محنت اور لگن کو بھی سراہتے ہیں۔

برائے اور منجانب بورڈ

سعید طارق سہگل	سید محسن رضا نقوی	
چیف ایگزیکٹو آفیسر	ڈائریکٹر	لاہور 06 اگست 2025

میپل لیف

ایکدم SOLID

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