FORGING AHEAD, TOGETHER

Annual Report 2025-26

LCI
LUCKY CORE INDUSTRIES

YBG

FORGING AHEAD, TOGETHER

Progress is the product of many forces coming together. At Lucky Core Industries Limited (LCI), diverse businesses, decades of operational excellence, and the trust of our partners align toward one direction. This alignment runs through every level of our organisation, where people, processes, and partnerships work in step to move the Company forward as one.

In 2025-26, this unity of purpose moved us forward, even as global and domestic headwinds tested our resolve. As Pakistan's economy builds momentum, LCI moves with it, positioned across essential sectors and driven by a collective resolve to improve lives and deliver enduring value. Across our diverse businesses, the year's achievements reflect the strength of this shared direction.

The pages that follow trace this momentum across our businesses, our people, and our performance, each reflecting what we build when we move as one. Guided always by our vision, mission and values, we forge ahead, together, with confidence.

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Dear Stakeholders,

On behalf of the Board of Directors, I am pleased to present the Consolidated Financial Statements of the Company for the financial year ended June 30, 2026.

The year unfolded against a backdrop of considerable global and regional volatility. Early signs of macroeconomic stabilisation, both in Pakistan and globally, were tested by the escalation of conflict in the Middle East, which disrupted energy markets, global supply chains, and trade flows, contributing to higher input costs across our operations. Separately, the domestic operating environment presented its own set of challenges, shaped by severe import competition, evolving tariff policies, and diminished purchasing power of consumers.

Against this backdrop, on a consolidated basis, the Company recorded Net Turnover of PKR 113,380 million, 5% lower than the same period last year (SPLY), while Operating Result and Profit After Tax stood at PKR 14,744 million and PKR 9,748 million, lower by 18% and 17% respectively. While these results reflect a challenging year, they also reflect the underlying resilience of our diversified portfolio. One of our key strengths lies in the balance across our businesses. While some faced external pressures this year, others advanced with real momentum, reflecting the calibre of the teams driving them forward and the soundness of our long-term strategy. This diversity remains one of our greatest assets, allowing the Company to absorb shocks in one area while capturing opportunity in another.

During the year, the Company held the triennial election of the Board of Directors, marking the beginning of a new term and reaffirming our shareholders' continued trust in the Company's stewardship. This year also saw an important leadership transition, as Mr. Asif Jooma retired from the Company as Chief Executive Officer, and Mr. Samar Hayat was appointed to lead the Company. On behalf of the Board, I would like to convey our sincere appreciation to Mr. Asif Jooma for his leadership and contribution to the Company's growth over the years, and to extend our full confidence and support to Mr. Samar Hayat in this new role.

Beyond financial performance, this was a year in which we continued to invest in the foundations of long-term value, strengthening our manufacturing capabilities, deepening our commitment to sustainability, and reaffirming our belief that our people are at the heart of everything we do.

Looking ahead, the external environment is likely to remain complex, shaped by ongoing geopolitical challenges and an evolving policy landscape. However, the Board remains confident in the Company's strategic direction, the strength of its balance sheet, and its ability to navigate change with discipline and foresight. I would like to thank my fellow Board members for their guidance and counsel, our management team for their steady leadership through a demanding year, and our shareholders, customers, and partners for the trust they continue to place in us.

Best Regards,

Muhammad Sohail Tabba
Chairman
Lucky Core Industries Limited

Message from the Chief Executive Officer

Dear Stakeholders,

It is my privilege to present my first message to you as Chief Executive Officer of Lucky Core Industries Limited (LCI). The performance and progress of our capable team deserve recognition in a very demanding year, and I am grateful to build on the strong foundation of the Company.

During the year, the Company's unconsolidated Net Turnover stood at PKR 113,214 million, 6% lower than the SPLY. The Operating Result stood at PKR 14,704 million, 18% lower than the SPLY, and Profit After Tax stood at PKR 9,692 million, down 17% from the SPLY, figures that reflect a year defined by weaker demand and challenging market conditions across parts of our portfolio.

The Pharmaceuticals Business delivered robust growth, supported by expansion of the product portfolio, cost optimisation, and enhanced operational efficiencies. The Animal Health Business also delivered steady growth, driven by its locally manufactured medicine portfolio and sustained demand across key livestock regions. During the year, the Company inaugurated its new veterinary medicine manufacturing facility in Sheikhupura, a milestone that will strengthen local capabilities for years to come.

The Polyester Business continued to navigate a persistently difficult external environment, shaped by persistent pressure from imports and the volatility that followed the escalation of the Middle East conflict; even so, the business held its strategic course, offsetting the impact through stronger portfolio management and cost discipline, while deepening its Terylene Retex recycled polyester offering. The Soda Ash Business operated in an equally constrained environment, contending with weak international prices, elevated freight costs, and increased import pressure from low priced imports coming into Pakistan from other markets. The Chemicals & Agri Sciences Business also faced combination of pressures, with widespread monsoon flooding severely disrupting agricultural activity and weighing on demand for the Agri Sciences segment, while its Chemicals segment still delivered volumetric growth, supported by operational excellence and an improved sales mix.

Beyond the numbers, the Company continued to invest in its people. This year saw the launch of 'We Are the Core,' a people-centric campaign celebrating the people who carry LCI forward, Our Catalyst 2030 - Climate Action Plan continued to drive the Company's decarbonisation goals forward, reflecting our continued commitment to a more sustainable future even amid a demanding year. The Company's Health, Safety, Environment and Security efforts were recognised with multiple national and international accolades, reflecting approximately 50.04 million safe man-hours logged across our businesses.

I want to thank every employee across LCI for the resolve and commitment that carried the Company through a difficult year, our Board for its trust and guidance, and our shareholders for their continued confidence in the Company. I look forward to working together to ensure the Company's continued long-term success.

Best Regards,

Samar Hayat
Chief Executive Officer
Lucky Core Industries Limited

About the Report

The Annual Report for the FY 2025-26 is prepared in accordance with the Integrated Reporting Framework, providing an extensive overview of Lucky Core Industries Limited (LCI) efforts throughout the year to create value for its internal and external stakeholders. By sharing relevant information about the Company's key milestones, financial and sustainability performance and accomplishments throughout the year, LCI aims to present an overview of its achievements and contributions. The information disclosed in this Report is in accordance with the Best Corporate Reporting criteria applicable for FY 2025-26.

Reporting Period

The reporting period for this publication aligns with LCI's FY 2025-26, spanning from July 1, 2025, to June 30, 2026.

Reporting Framework

This Report provides an in-depth and transparent disclosure of the Company's financial, environmental, and social performance. In preparing this Report, the Company was guided by the local statutory and regulatory requirements and is also in compliance with the following:

- International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board as notified under the Companies Act, 2017
- Companies Act, 2017, and other allied laws and regulations
- Listed Companies (Code of Corporate Governance) Regulations, 2019
- Rule Book of the Pakistan Stock Exchange
- Income Tax Ordinance, 2001
- Other Rules, Regulations, Circulars, Notifications, and Guidelines of the SECP
- Global Reporting Initiative Standards for Sustainability Reporting
- UN Sustainable Development Goals

Report Boundary

This Report contains eight sections, including the Company's Overview, Strategy, IT and Cybersecurity, Risks & Opportunities, Governance, Business Performance, Sustainability, and Financial Performance.

Materiality

The Company's process for the determination of materiality has been carried out in accordance with the applicable financial reporting framework.

Board Approval

The Directors' Report and the financial statements contained within have been approved by the Board of Directors at its meeting held on August 3, 2026.

Assurance

Independent external auditors A.F. Ferguson & Co. Chartered Accountants have assured the Company's financial statements. In line with the regulatory requirements, the appointment of auditors is approved by the Members based on the recommendation of the Board of Directors at the annual general meeting of the Company.

Forward Looking Statement

LCI is committed to creating a lasting impact by leveraging innovation and operational excellence to drive growth in a dynamic business environment. The Company's focus on responsibly delivering sustained growth enables shared value creation for all its stakeholders. As an equal opportunity employer, LCI prioritises its diverse and empowered talent pool, investing in their well-being, growth, development and fostering an inclusive and employee-centric culture.

Contact us

To share any feedback or comments related to this Report, please email:
investor.relations@luckycore.com or **ccpa.pakistan@luckycore.com**

Company Information

Board of Directors
Muhammad Sohail Tabba - Chairman (Non-Executive Director)
Muhammad Ali Tabba - Vice Chairman (Non-Executive Director)
Jawed Yunus Tabba - Non-Executive Director
Amina A. Aziz Bawany - Non-Executive Director
Samar Hayat - Chief Executive Officer (Executive Director)
Zaffar Ahmad Khan - Independent Director
Syed Muhammad Shabbar Zaidi - Independent Director
Ariful Islam - Independent Director

Audit Committee
Syed Muhammad Shabbar Zaidi - Chairman
Muhammad Ali Tabba - Member
Jawed Yunus Tabba - Member
Ariful Islam - Member

HR & Remuneration (HR&R) Committee
Zaffar Ahmad Khan - Chairman
Muhammad Sohail Tabba - Member
Muhammad Ali Tabba - Member
Jawed Yunus Tabba - Member
Samar Hayat - Member

Banking Committee
Samar Hayat - Chairman
Amina A. Aziz Bawany - Member
Syed Muhammad Shabbar Zaidi - Member
Ariful Islam - Member

Leadership Team (LT)
Samar Hayat
Chief Executive Officer
Atif Aboobukar
Chief Financial Officer*
Nauman Shahid Afzal
Head of Business Development & New Ventures**
Saboor Ahmad
Chief Operating Officer, Animal Health & Agri Sciences***
Laila Bhatia Bawany
Chief Legal Officer & Company Secretary
Rizwan Afzal Chaudhry
Chief Operating Officer, Polyester & Chemicals****
Himra Mursil
Chief People Officer
Muhammad Umar Mushtaq
Chief Operating Officer, Soda Ash
Atif Siddiqui
Chief Operating Officer, Pharmaceuticals

*Alphabetised as per the last name

Chief Financial Officer
Atif Aboobukar

Company Secretary
Laila Bhatia Bawany

Head of Internal Audit
Khalid Munif Khan

Bankers
Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Allied Bank Limited - Islamic Banking Group
Askari Bank Limited
Askari Ikhlas - Islamic Banking
Bank Al Habib Limited
Bank Al Habib - Islamic Banking
Bank Alfalah Limited
Bank Alfalah Limited - Islamic Banking Group
Bank Islami Pakistan Limited
Bank of Khyber
Bank of Punjab
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Bank Limited - Islamic Banking
Habib Metropolitan Bank Limited
Habib Metropolitan Bank - Sirat Islamic
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Standard Chartered Bank (Pakistan) Limited
Standard Chartered Bank (Pakistan) Limited - Saadiq
United Bank Limited
UBL Ameen

Registered Office
5 West Wharf, Karachi - 74000.
Tel: 111-100-200 / (021) 32313717-22 | Fax: (021) 32311739
Website: www.luckycore.com

Share Registrar
FAMCO Share Registration Services (Private) Limited
8 - F, Nursery, Block - 6, P.E.C.H.S
Shahrah-e-Faisal, Karachi.
Tel: (021) 34380101-5 | Fax: (021) 34380106
Website: www.famcosrs.com.pk

External Auditors
A.F. Ferguson & Co.
Chartered Accountants

Shariah Advisor
Alhamd Shariah Advisory Services (Private) Limited

Legal Advisor
Khalid Anwer & Co.
153-K Sufi Street, Block II, P.E.C.H.S., Karachi, 75400
Tel: (021) 111 212 223 | (021) 34557080

** Mr. Nauman Shahid Afzal was appointed Head of Business Development & New Ventures with effect from August 01, 2026. He previously served as the Chief Operating Officer, Chemicals & Agri Sciences.
*** Mr. Saboor Ahmad was appointed Chief Operating Officer, Animal Health & Agri Sciences with effect from August 01, 2026. He previously served as the Vice President, Animal Health.
**** Mr. Rizwan Afzal Chaudhry was appointed Chief Operating Officer, Polyester & Chemicals with effect from August 01, 2026. He previously served as the Chief Operating Officer, Polyester.

ORGANISATIONAL OVERVIEW

Grounded in Shared Direction

This section presents an overview of the organisational framework, leadership team, key highlights, guiding values, and an analysis of the broader macroeconomic environment.

Vision, Mission, Values, Culture, and Ethics

Our Vision

As a partner of choice, Lucky Core Industries Limited aspires to build a strong local and international footprint through sustainable growth and by creating value for all stakeholders.

Our Mission

Improving Lives across the socio-economic fabric, through best-in-class solutions.

Our Values

The Company lives by its values. In the expanding world of LCI, its core values remain an enduring constant. They are what define the Company.

Customer Centricity

Committed to the success of our customers, who remain at the centre of LCI's universe. The Company exists to serve their needs and create value for them.

Integrity and Responsibility

Ethical and responsible behaviour is LCI's licence to operate. Uncompromising integrity in all its dealings is the backbone of LCI.

Innovation

LCI is responsive to the challenges of change and to new and existing opportunities. It strives to develop better, smarter and simpler solutions.

Passion for People

LCI's success is based on the collective strength of its people. 'Passion for People' drives LCI to harness their energy, cultivate and nurture talent, support their well-being and, most importantly, create a learning environment conducive to development and growth.

Delivering Enduring Value

Delivering sustained growth and enduring value for the benefit of LCI's shareholders, employees, customers and the communities where it operates.

Culture

Our culture is anchored in our purpose of 'Enriching Lives', the spirit that brings LCI's values to life in the everyday workplace. We foster an environment built on trust, respect, and open collaboration, where diverse perspectives are welcomed, voices are heard, and individuals are encouraged to take ownership of their work. Employees are supported through open communication, continuous learning, and opportunities to grow, enabling them to perform at their best and contribute meaningfully to the organisation's progress. This collaborative, inclusive spirit unites our people across functions and geographies, forging ahead together as one team.

Ethics

LCI is committed to upholding the highest ethical standards across all aspects of its business operations, grounded in honesty, integrity, and transparency, and undertaken to meet the expectations of our stakeholders, including our employees, customers, business partners, and shareholders. This commitment is embodied in the Company's Code of Conduct, which sets out the core values, business principles, and ethical standards that govern the conduct of the Company and its people. The Code addresses key areas including integrity in business dealings, conflicts of interest, confidentiality, fair treatment, and compliance with applicable laws and regulations. Adherence to the Code is mandatory for all employees and the Company expects its suppliers and business partners to share its ethical values, reinforcing a culture of accountability and ethical conduct throughout the value chain.

The Company maintains robust oversight mechanisms, including periodic trainings, internal reviews, and clear reporting channels, to ensure the Code is consistently understood, observed, and enforced, with corrective measures taken as and when required. We remain committed to strengthening this culture of integrity and ethical behaviour as we move forward.

Code of Conduct

LCI has always adhered to the highest ethical standards in all its business operations. The Company's Code of Conduct captures its values and encompasses business principles and ethical standards that the Company is committed to upholding. It guides LCI every step of the way.

A detailed version of the Code of Conduct is available on the Company's website. As an integral part of the Company's onboarding process, all new employees are required to familiarise themselves with the Code of Conduct and submit a signed undertaking to comply with its principles.

Code of Conduct Principles includes:

Company's Responsibilities

Equal Opportunities

The Company recruits, hires and promotes employees solely on the basis of merit and suitability for the job, utilising objective and non-discriminatory criteria. The Company is committed to facilitating employees' individual and professional development through training/learning opportunities, as well as mentorship.

Conducive Work Environment

LCI is committed to providing a conducive working environment for its employees. The Company recognises that openness, integrity, and reliability are essential to fostering bilateral communication. LCI does not tolerate harassment, discrimination of any kind, or irregular conduct, and is committed to protecting the privacy of its employees.

Health, Safety and Environment (HSE)

The Company provides a safe and healthy work environment to promote the well-being of its employees. It is the responsibility of each employee to comply with HSE programmes, rules and regulations applicable on all sites.

Corporate Social Responsibility (CSR)

LCI is committed to supporting community development through initiatives that promotes social well-being and progress. The Company encourages employer participation in programmes that create a positive and lasting impact on society.

Employees’ Responsibilities

Compliance with Laws
Employees must adhere to all applicable laws.

Practising Business Ethics
Employees must act at all times with honesty and integrity, maintain confidentiality and conduct themselves in a manner which reflects the Company’s zero tolerance policy for bribery, money laundering and other forms of unethical business practices.

Acting in the Company’s Best Interest
LCI’s employees must, at all times, act in the Company’s best interest and avoid putting themselves in a position where their personal interests may conflict with that of the Company.

Supporting Fair Competition
LCI supports the principles of free enterprise and fair competition. The Company competes vigorously but fairly, and in compliance with all applicable competition laws. LCI expects its employees to compete lawfully and ethically.

Reporting Misconduct
Anyone who becomes aware of, or suspects, fraud, deception, or irregular conduct shall immediately report it through the Company's reporting mechanism.

Inside Information
LCI does not tolerate the improper use of non-public or inside information. Employees aware of inside information must treat it with confidentiality and avoid unauthorised disclosures.

Lucky Core Industries Limited: An Overview

Company Overview
Lucky Core Industries Limited (LCI) is a publicly listed Company incorporated in Pakistan and is one of the country's leading diversified manufacturing and trading organisations. Through its portfolio of essential products and solutions, the Company serves a broad range of sectors across the economy. Guided by its purpose of Enriching Lives, LCI remains committed to creating sustainable value for its stakeholders and contributing to the socio-economic development of Pakistan.

A Legacy of Progress
With a legacy spanning more than eight decades, the Company's origins predate the creation of Pakistan. What began as a small trading enterprise with a single manufacturing facility in Khewra has evolved into one of the country's largest industrial conglomerates. Over the years, LCI has consistently expanded its capabilities, diversified its business portfolio, and strengthened its position as a trusted partner to industries and communities alike.

About Yunus Brothers Group
LCI became part of the Yunus Brothers Group (YBG) in 2012 following the acquisition of a majority shareholding in the Company from ICI Omicron B.V. Established as a trading house in 1962, YBG has grown into one of Pakistan's largest and most diversified business groups, with interests spanning cement, textiles, chemicals, real estate, power generation, and automobiles.

Our Diversified Business Portfolio

LCI's operational strength lies in its diverse business segments, each playing a pivotal role in collectively driving economic growth and social advancement. LCI's businesses include:

Soda Ash Business
A key domestic producer of high-quality soda ash, the business serves as a critical raw material for industries such as glass, paper, detergents, and textiles.

Polyester Business
Engaged in the manufacturing of Polyester Staple Fibre (PSF), the Polyester Business supports the textile sector by providing an essential input for yarn and fabric production.

Pharmaceuticals Business
Focused on delivering trusted healthcare solutions, the business delivers high-quality products to meet diverse healthcare needs.

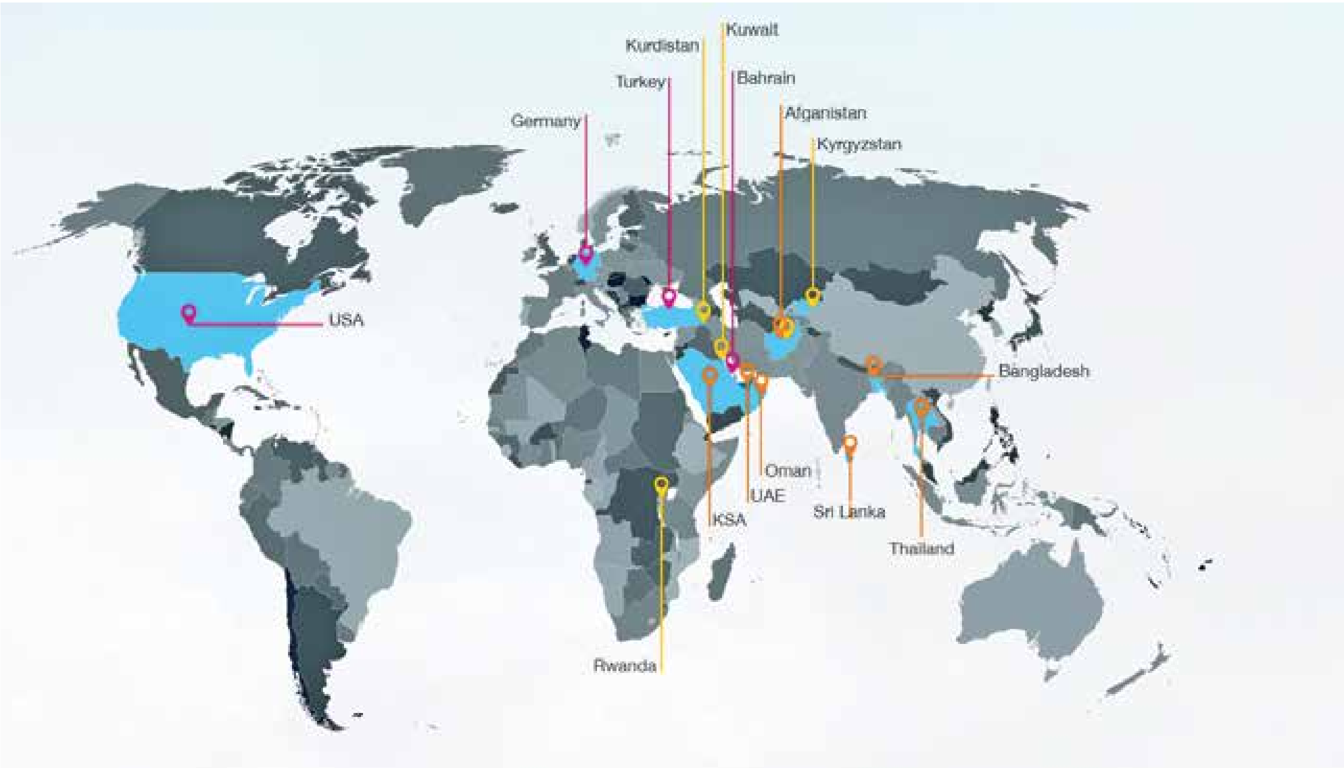
Animal Health Business
Committed to enhancing livestock and poultry health, the business offers veterinary solutions to support the country's poultry and livestock industries.

Chemicals & Agri Sciences Business
Supplying industrial chemicals alongside crop protection and plant nutrition solutions, this business addresses the evolving needs of both industrial clients and the agricultural sector.

Global Presence

In addition to its strong domestic presence, LCI maintains a growing international footprint through its export operations. The Company's commitment to quality, innovation, and reliability has enabled it to serve customers across diverse global markets, strengthening its position as a trusted partner beyond Pakistan's borders.

Export Footprint

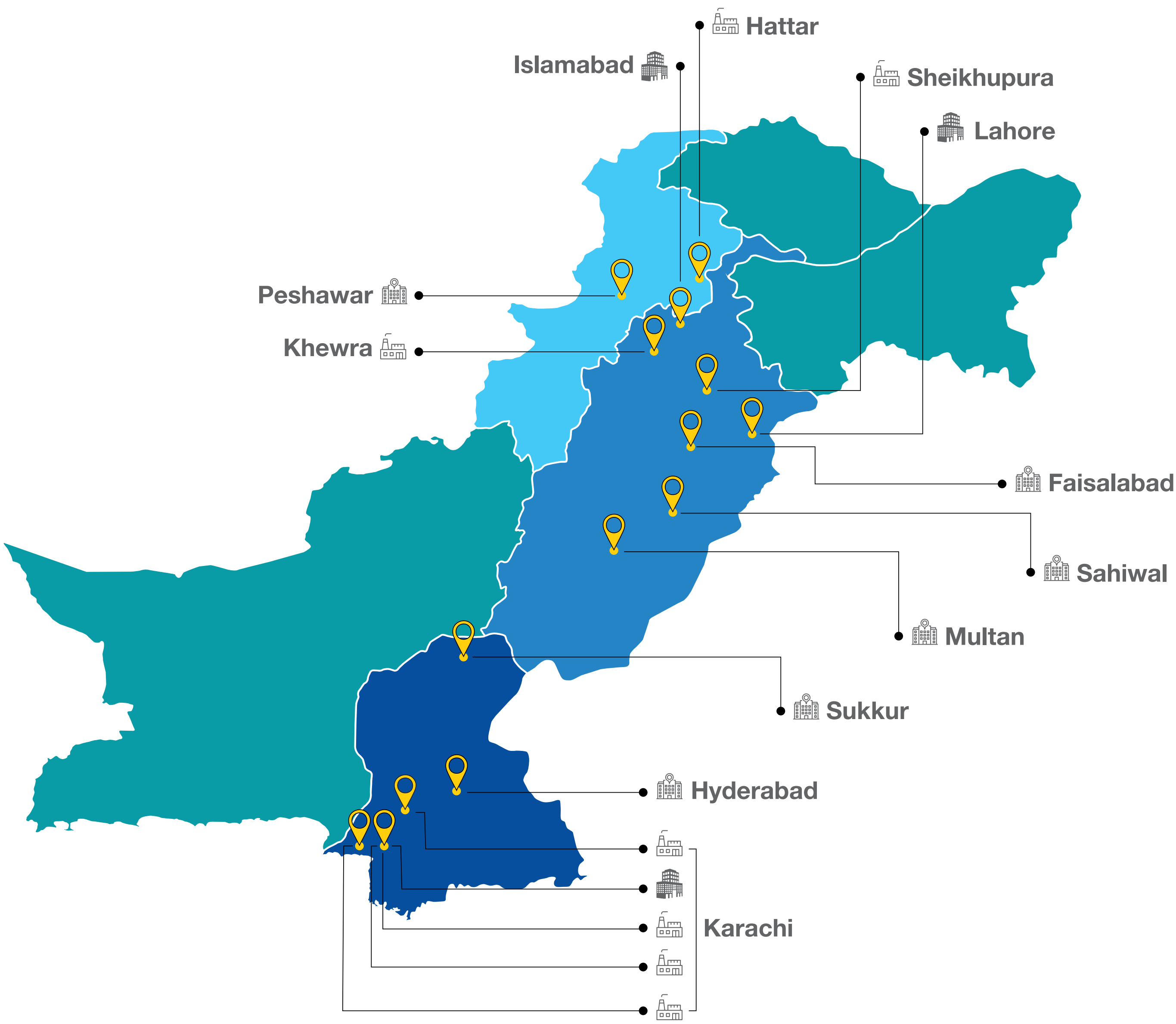


People and Location

LCI continues to strengthen its position as an employer of choice by fostering a diverse, inclusive, and high-performing workforce. The Company operates across Pakistan through its manufacturing facilities located in Sindh, Punjab, and Khyber Pakhtunkhwa, supported by extensive sales and distribution networks that enable it to serve customers nationwide.

5 Businesses	**2,400+** Workforce	**8** Manufacturing Locations Nationwide

Geographical Presence



Facility	Address	Phone
Head Office and Corporate Offices		
Head Office, Karachi	5 West Wharf, Karachi	021-31313717-22
Corporate Office, Lahore	63 Mozang Road, Lahore	042-36311271-3
Corporate Office, Islamabad	2nd Floor, Islamabad Corporate Centre, Golra Road, Islamabad	051-5495860-5
Manufacturing Plant Sites		
Soda Ash Plant	Soda Ash Works Khewra, District Jhelum	054-4231495-99
Hawke's Bay Pharmaceuticals Plant	S-33 Hawke's Bay Road, Karachi	021-32354651-6
B2 Pharmaceuticals Plant	B-2, S.I.T.E, Karachi-75700	021-32570621-5
Hattar Pharmaceuticals Plant	32, 2A, Phase 3, Hattar Industrial Estate, Hattar	0995-617098
Nutraceuticals Plant	5 West Wharf, Karachi	021-31313717-22
Chemicals Plant	5 West Wharf, Karachi	021-31313717-22
Polyester Plant	Polyester Works, 30km Lahore Sheikhupura Road, Sheikhupura	056-3406091-5
Animal Health Veterinary Medicine Plant	30 km Lahore Sheikhupura Road, Sheikhupura	
Regional and Business Offices		
Faisalabad Office	Faisalabad Serena Hotel, Club Road, Faisalabad	041-2617037
Sahiwal Office	Opp: RAK Marquee, Multan Road, Sahiwal	040-4505288
Multan Office	Siddiq Trade Centre (SHAPE), Abdali Road, Multan	061-4781343
Peshawar Office	State Life Building 2nd Floor 'A' Block The Mall, Peshawar	091-5276475
Sukkur Office	2nd Floor, EDFORT Building Queen's Road, Sukkur	071-5612814
Hyderabad Office	State Life Building, 7th Floor, 50 Thandi Sarak, Hyderabad	022-2781142

A Year in Highlights

Financial Highlights

on an Unconsolidated Basis

6%
with SPLY
Net Turnover

18%
vs SPLY
Operating Result

17%
vs SPLY
Profit after Tax

17%
vs SPLY
Earnings Per Share

PKR
4,241
million
Capital Expenditure

AA/A1+
Credit Rating

Non-Financial Highlights

2,400+
Number of Employees

75,000+
Total Training Man Hours

26,000+
tonnes
of CO_2 Emissions Neutralised Through Sustainability Initiatives

PKR
220.5
million
Invested in Community Uplift Programmes

Calendar of Major Events

July 2025

- Board of Directors Meeting.
- Soda Ash Business received the International Safety & Health Excellence Award 2026 presented by the British Safety Industry Federation (BSIF).

August 2025

- Corporate Briefing Session.
- Soda Ash, Animal Health and Pharmaceuticals Businesses received the 22nd Annual Environment Excellence Award by National Forum for Environment & Health (NFEH).

September 2025

- Annual General Meeting.

October 2025

- Board of Directors Meeting.

November 2025

- Polyester Business received the Best HSE Initiative Award, Excellence in CSR Award, and Environmental Excellence Award by Pakistan Safety Council.
- LCI received the Annual Best Corporate and Sustainability Report Awards 2024 by the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMA).
- Soda Ash and Animal Health Businesses received the 15th Annual Fire Safety Award by the National Forum for Environment & Health (NFEH).
- Pharmaceuticals Business received the Fire Safety Excellence Award presented by the Fire Protection Association of Pakistan (FPAP).

December 2025

- LCI received the 40th Corporate Excellence Award by the Management Association of Pakistan.
- LCI received the Best Presented Annual Reports (BPA) Awards 2024 by SAFA (South Asian Federation of Accountants).

January 2026

- Board of Directors Meeting.
- LCI received the Top Exporters Award in the 'Chemicals Category' by the Government of Pakistan at the Top Exporters Award Ceremony.

February 2026

- Corporate Briefing Session.
- Board of Directors Meeting.

March 2026

- Soda Ash, Animal Health and Polyester Businesses received the 18th Corporate Social Responsibility Award by National Forum for Environment & Health (NFEH).

April 2026

- Board of Directors Meeting.
- Soda Ash Business awarded merit at the International Safety Awards.
- Chemicals & Agri Sciences received the 15th Corporate Social Responsibility Award by The Professionals Network.

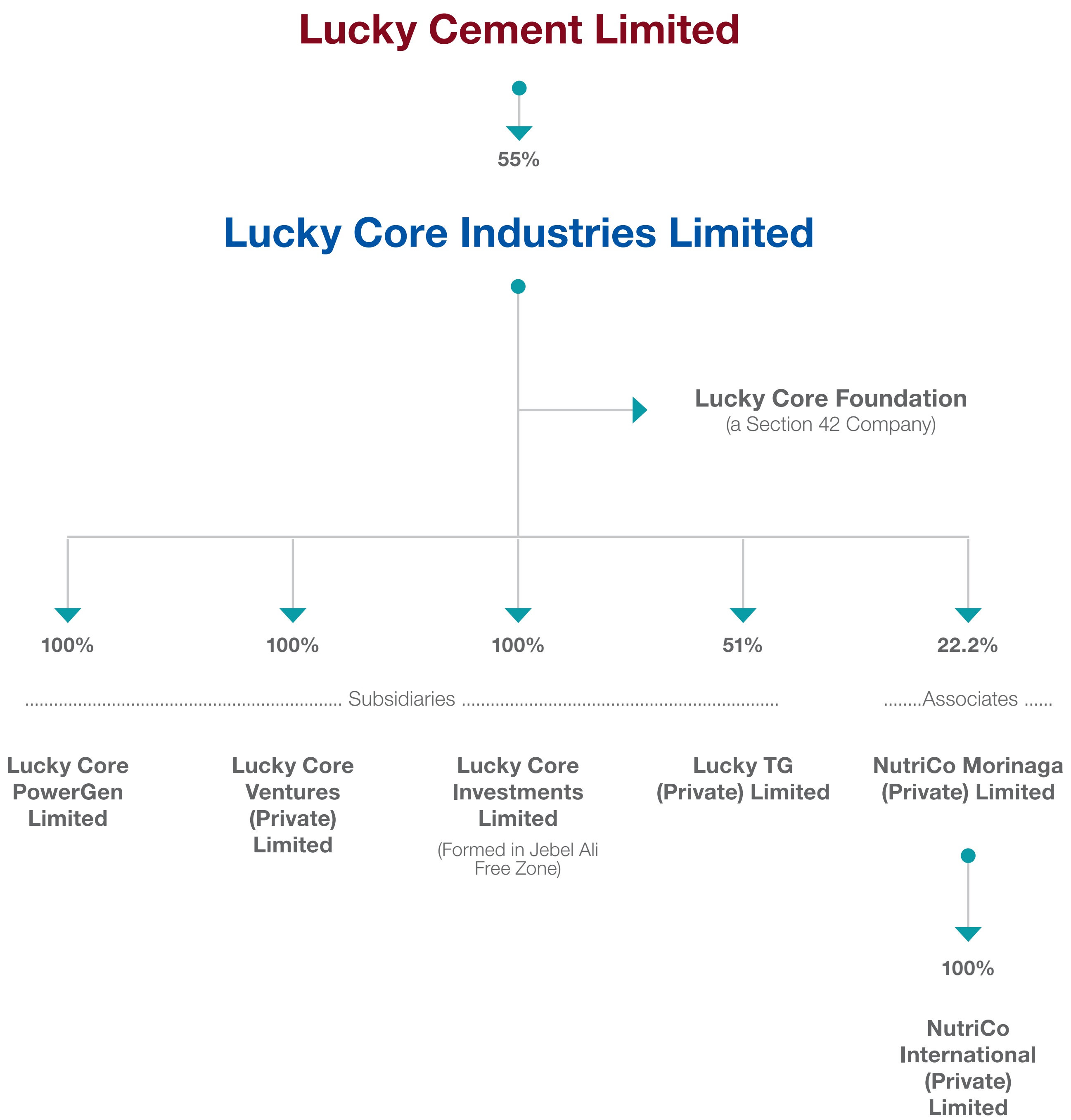
May 2026

- Extraordinary General Meeting.
- Soda Ash Business received the RoSPA Gold Award 2026 by Royal Society for the Prevention of Accidents (RoSPA), United Kingdom.

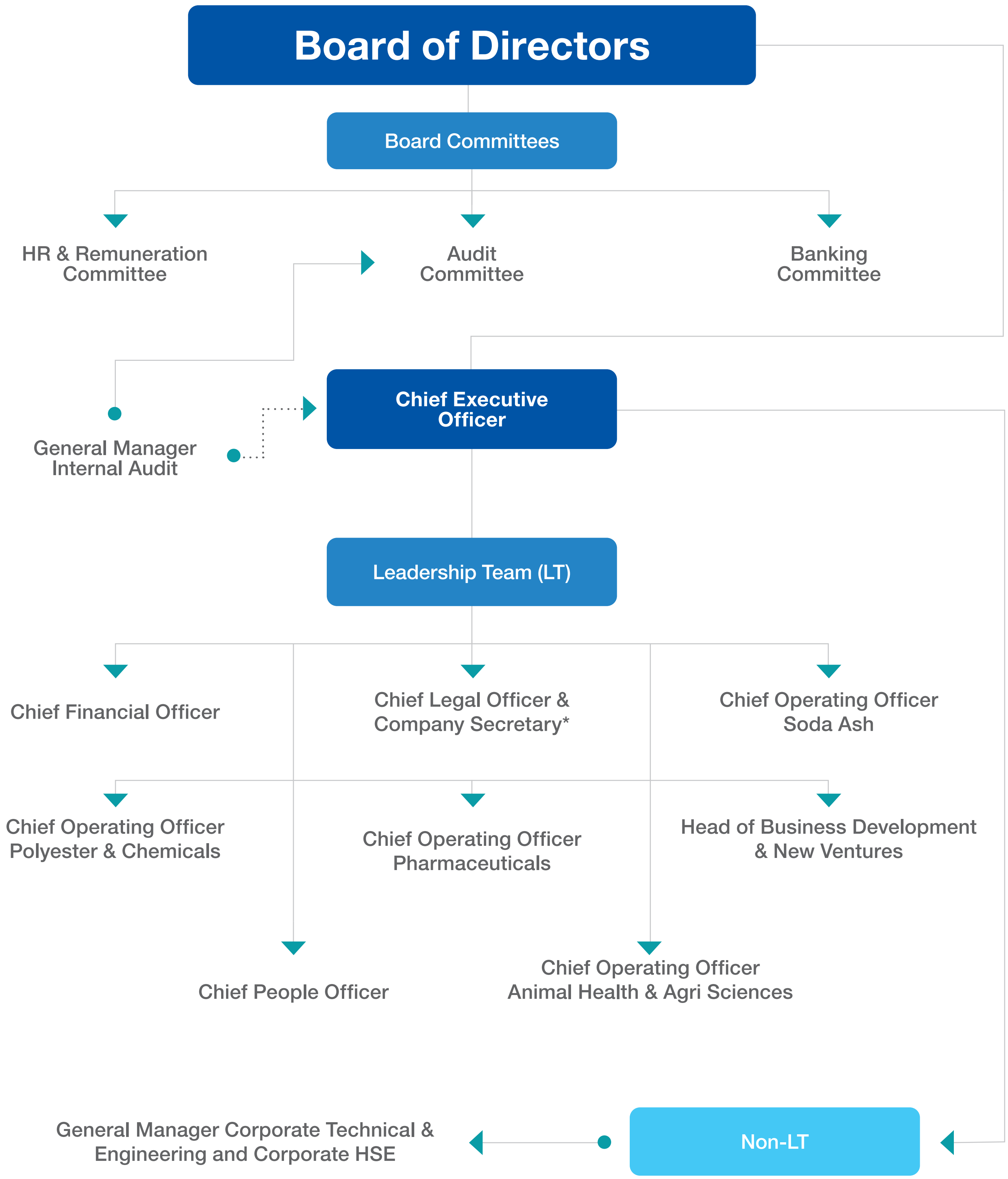
June 2026

- Board of Directors Meeting.

Group Structure



Organisational Structure



*As Company Secretary, this position reports to the Board.

Leadership Team

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

Laila Bhatia Bawany
Chief Legal Officer & Company Secretary

Muhammad Umar Mushtaq
Chief Operating Officer
Soda Ash

Rizwan Afzal Chaudhry
Chief Operating Officer
Polyester & Chemicals

Atif Siddiqui
Chief Operating Officer
Pharmaceuticals

Nauman Shahid Afzal
Head of Business Development & New Ventures

Saboor Ahmad
Chief Operating Officer
Animal Health & Agri Sciences

Himra Mursil
Chief People Officer

Our Journey Through Decades

Evolving from a small trading concern with a single manufacturing unit to its current standing as one of the most recognised industrial conglomerates in the country, LCI continues to grow to Improve Lives and build a stronger Pakistan.

1944

- Established its first manufacturing site for the production of soda ash in Khewra.

1952

- Incorporated as a Limited Company under the name The Khewra Soda Company Limited.

1966

- Changed its name from The Khewra Soda Company to ICI Pakistan Manufacturers Limited.

1982

- Set-up of the Polyester plant at Sheikhupura, with a capacity of 12,000 tonnes.

1987

- Changed its name to ICI Pakistan Limited.

1994

- Increased the capacity of the Soda Ash plant by 50,000 tonnes.

1998

- Commissioned PTA plant at Port Qasim, Karachi. The PTA business demerged to form a separate entity in 2000.

2002

- Increased the capacity of the Polyester plant by 44,000 tonnes.

2008

- AkzoNobel, one of the largest coatings and chemicals companies in the world, became the ultimate holding Company.

2012

- Yunus Brothers Group (YBG) acquired a 75.8% stake in the Company from AkzoNobel.

2013

- Launched the new Blue Pearl corporate identity, vision, and values.

2014

- Entered the nutrition distribution business through equity investment in Nutrico Pakistan (Private) Limited.

2016

- Completed the acquisition of Cirin Pharmaceuticals (Private) Limited.

2017

- Completed the acquisition of select assets of Wyeth Pakistan Limited and Pfizer Pakistan Limited.
- Entered into a joint venture to localise the manufacturing of nutritional products through Nutrico Morinaga (Private) Limited (NMPL).

2019

- Commissioned and commenced commercial operations of the Masterbatches manufacturing facility.

2020

- Commenced commercial operations of NMPL.
- Amalgamated Cirin Pharmaceuticals (Private) Limited into the Company.

2021

- Completed the commissioning of 14,000 TPA Refined Sodium Bicarbonate (RSB) expansion, which brought the total RSB capacity to 54,000 TPA.

2022

- Changed its name to Lucky Core Industries Limited.
- Commenced operations of the 100% recycled PET chip manufacturing facility at the Polyester plant, Sheikhupura.
- Commissioned and commenced operations of the 75,000 TPA Light Soda Ash (LSA) expansion at the Soda Ash plant. Total installed plant capacity upgraded to 500,000 TPA.

2023

- Completed the sale of 26.5% of its shareholding in NMPL to Morinaga Milk Industry Co. Ltd. Japan.
- Commissioned and commenced operations of 60,000 TPA LSA expansion at the Soda Ash plant, Khewra. Total installed plant capacity upgraded to 560,000 TPA.

2024

- Completed the asset acquisition with Pfizer Pakistan Limited and relevant Pfizer group entities for a manufacturing facility, certain products, and associated trademarks.

2025

- Completed stock split whereby face value of ordinary shares of the Company was reduced from PKR 10/- per share to PKR 2/- per share.

2026

- Inaugurated state-of-the-art veterinary medicine manufacturing facility at Sheikhupura for the Animal Health Business.

Powering Progress Together Through People and Purpose

People are at the heart of LCI's success. As the Company forges ahead, its people-first commitment shapes every investment in talent, leadership, inclusion, and well-being, fostering a workforce equipped to grow, adapt, and succeed together.

At LCI, fostering a high-performance culture that prioritises well-being, development, and engagement remains central to its people strategy. This year, the Company reinforced that commitment through initiatives like the L.E.A.D. (Learn. Empower. Aspire. Deliver) Leadership Development Programme and digital HR solutions, strengthening its focus on building a high-performing, inclusive, and future-ready workforce.

Building Tomorrow’s Talent

LCI’s growth is powered by its people. During FY 2025-26, the Company strengthened its talent pipeline through a combination of early-career hiring and experienced industry professionals, supporting future leadership development and evolving business needs. As part of these efforts, 50 interns, 7 graduate recruits, and 25 trainees joined the organisation across Commercial, Finance, HR, and Technical functions, while 565 experienced professionals joined the organisation in management and specialist roles.

Management trainees, batch of 2025-26 at Head Office, Karachi.

To support its long-term talent strategy and strengthen employer brand visibility, LCI participated in 9 career drives at leading educational institutions, such as IBA, IoBM, Habib University, NUST, and GIKI. These engagements generated significant interest among aspiring professionals, resulting in over 9,000 applications for the Management Trainee Programme, reflecting the Company’s growing appeal as an employer of choice.

As part of its recruitment and campus engagement efforts, the Company also conducted 55 mentorship sessions at leading institutions, including IBA, LUMS, and IoBM. These sessions enabled meaningful interactions between prospective candidates and LCI professionals while providing valuable career guidance and insights into professional growth opportunities.

In addition, LCI hosted 45 Executive MBA students from LUMS for corporate and plant visits, fostering knowledge exchange and offering first-hand exposure to the Company's operations, leadership practices, and business strategy.

Management trainees’ visit to LCI’s Office, Sheikhupura.

Campus recruitment drive at IBA, Karachi.

Career fair at IBA, Karachi.

Forging Future Leaders

L.E.A.D. Leadership Development Programme

This year, LCI launched L.E.A.D., a flagship Leadership Development Programme designed to build leadership capability across all levels of the organisation. Grounded in the globally recognised leadership frameworks and tailored to LCI's culture and strategic priorities, L.E.A.D. marks a significant milestone in the Company's commitment to developing future-ready leaders.

L.E.A.D. Programme inauguration at Head Office, Karachi.

The programme was formally introduced through a dedicated launch ceremony and is structured across four leadership levels, each tailored to the evolving responsibilities and developmental needs of participants as they progress through their leadership journey. By providing targeted learning experiences at every stage, L.E.A.D. aims to build the mindsets, skills, and behaviours required to lead effectively in an increasingly complex business environment.

In partnership with Franklin Covey Pakistan, LCI commenced learning interventions for emerging and first-line leaders, focusing on foundational leadership capabilities and team leadership effectiveness. To further elevate senior leadership capability, the Company collaborated with leading faculty from INSEAD to deliver a tailored development experience encompassing strategic leadership, organisational impact, and enterprise thinking. More than a learning initiative, L.E.A.D. is a testament to LCI's commitment to leadership capability as a critical driver of long-term organisational success. By creating structured opportunities for growth, reflection, and application, the programme is helping to build a strong pipeline of leaders equipped to guide the Company into the future.

L.E.A.D Programme training session, Karachi.

Talent Management Process

LCI continued to build a strong leadership pipeline through a structured talent development framework, one designed to identify, nurture, and retain the leaders who will drive the Company's future. The Company's talent strategy is supported by a robust succession planning process that ensures leadership continuity and a sustainable pipeline of talent across key roles.

During the year, the Company introduced a comprehensive Talent Philosophy built around three core dimensions: Performance, evaluated through Performance & Development Discussion; Potential, evaluated through Korn Ferry's Learning Agility framework; and Behaviours, evaluated through LCI's core values.

To embed this philosophy across the organisation, relevant leaders and stakeholders were trained on the framework, and succession planning discussions were conducted using the new talent assessment approach. This has enabled more informed talent decisions and strengthened the Company's ability to identify and develop high-potential individuals for future leadership roles.

Growing Together Across the Organisation

LCI's diverse businesses offer employees unique opportunities to broaden their experience, take on new challenges and build expertise across various industries and functions. During the year, internal talent movement reached 38%, reflecting the Company's commitment to fostering cross-functional exposure, career mobility, and supporting the professional growth of its people across the organisation.

Learning and Development

In FY 2025-26, the Company delivered over 75,549 training hours, covering 2,400+ employees and providing 3.72 training days per employee across the organisation. These tailored programmes are designed to strengthen employee capabilities and foster adaptability in a dynamic industry landscape, offering ongoing learning and on-the-job coaching to help employees sharpen their skills and excel in their roles.

The Learning Management System (LMS) was launched during the year to strengthen employee development through structured e-learning and self-paced learning modules. A total of 65 learning modules were introduced across different categories, including Finance, Leadership, Supply Chain, Marketing, People Management, Sales, Soft Skills such as Conflict Resolution, Coaching Conversations That Inspire Growth, and Relationship Management, Strategy, and Digital Development.

The initiative was received well across the organisation, with employees actively engaging in the available learning opportunities. The LMS has provided a flexible and accessible platform for continuous learning, enabling employees to build critical functional, leadership, and future-ready capabilities aligned with the Company's development priorities.

Learning & Development Rewards Programme

To promote active participation and engagement during training sessions, the L&D Rewards Programme was introduced.

Participants earned badges based on their participation throughout the session. At the end of the training, the top three performers were recognised as Champion Learners and awarded shields. Their achievements were further celebrated through organisational recognition communications.

The initiative was well received by participants and resulted in enhanced engagement, increased participation, and a more interactive learning experience.

Fostering a Culture of Inclusion

Diversity, Equity, and Inclusion (DE&I) remain integral to LCI's people strategy, shaping how the Company attracts, engages, and develops talent across the organisation. Throughout the year, LCI celebrated a range of cultural, national, and faith-based occasions, including Diwali, Christmas, Eid-ul-Fitr, Eid-ul-Adha, Nowruz, International Women's Day, Mother's Day, and Father's Day, reinforcing a workplace culture where employees feel valued, respected, and connected.

Mother's Day celebration at Head Office, Karachi.

The Company remained committed to creating opportunities for open dialogue and employee participation through leadership-led town halls, engagement initiatives, and action planning activities that encouraged employees to contribute towards building a more transparent, inclusive, and collaborative workplace.

Christmas Day celebration at Head Office, Karachi.

Diwali celebration at Mozang Office, Lahore.

Independence Day celebration at Head Office, Karachi.

Building on these efforts, LCI established two dedicated inclusion committees during the year - One Core: Women @ LCI and One Core: Conscious Inclusion. Women @ LCI is focused on creating a more supportive and enabling environment for women, driving initiatives that enhance their experience and broaden their participation across the organisation. One Core - Conscious Inclusion is dedicated to fostering an equitable workplace for individuals of all abilities, backgrounds, ethnicities, cultures, and belief systems, ensuring that every individual has the opportunity to thrive and build a meaningful career at LCI.

Through these collective efforts, LCI was able to maintain female representation at 10.7% of the total workforce, emphasising its commitment to building a workplace culture where inclusion is not only encouraged but embedded in the way the Company works, collaborates, and grows together.

Strengthening Engagement Through Meaningful Experiences

LCI is founded on the principle that organisational excellence begins with people. Guided by its core value of Passion for People, the Company remains committed to creating a workplace where employees feel heard, valued, and inspired to contribute their best. Following the successful implementation of the Core Connect engagement initiative powered by Gallup, the Company continued its focus on transforming employee feedback into meaningful action. During the year, engagement results were shared across the organisation through CPO-led town halls, providing employees with greater transparency into key strengths and areas of opportunity. Businesses and functions collaborated to develop targeted action plans aimed at addressing engagement priorities and enhancing the employee experience. This structured approach reinforced accountability, strengthened manager ownership, and enabled teams to drive sustainable improvements across the organisation.

Throughout the year, LCI delivered a broad range of engagement, wellness, and cultural initiatives that brought employees together across locations. Celebrations of international and cultural observances, wellness-focused experiences, sports tournaments, and family-oriented events provided employees with opportunities to connect beyond the workplace. Signature initiatives included Kids Day at Work, Women's Day celebrations, Mother's Day activities, sports competitions, wellness campaigns, mindfulness sessions, and awareness programmes such as the CoreRecharge Activity in which employees participated in an in-person desk-based session and a yoga session focused on workplace movement and physical well-being.

Details of employee engagement initiatives undertaken during the year are available on pages 189 of this Report.

Women's Day celebration at Mozang Office, Lahore.


Kids Day at Work at Head Office, Karachi.

Advancing Together Through Digital Transformation

As part of its ongoing digital transformation journey, LCI continued to leverage technology to enhance operational efficiency, strengthen governance, and improve the employee experience across key people processes. During FY 2025-26, the People Services team implemented multiple initiatives aimed at simplifying workflows, increasing transparency, and enabling data-driven decision-making.

A key milestone during the year was the successful implementation of SuccessFactors Onboarding 2.0. The newly integrated system transformed the employee onboarding experience through a fully digital and standardised process. The initiative streamlined pre-boarding and onboarding activities, enhanced engagement for new hires, and improved efficiency by reducing manual interventions and administrative turnaround times.

The Company also digitised certain employee lifecycle letters and HR correspondence through SuccessFactors, enabling the automated generation, approval, and secure distribution of official documents. The result was stronger process governance, an improved employee experience, and a meaningful reduction in manual documentation and paper-based workflows.

To support data-driven people management, a live People Analytics Dashboard was launched on Power BI, providing leadership with real-time access to workforce insights through integrated and automated reporting. The platform improved visibility of key human capital metrics, enabled informed decision-making, and reduced the effort associated with manual reporting processes.

Additionally, the Individual Development Plan (IDP) process was digitised within SuccessFactors, creating a structured and transparent platform for development planning. This initiative strengthened the alignment between individual growth aspirations and organisational capability requirements while enabling more effective tracking and management of development journeys across the workforce.

Through these initiatives, LCI continued to advance its digital HR ecosystem, creating more efficient, data-driven, and employee-centric processes across the organisation.

Awards and Achievements

South Asian Federation of Accountants Awards

LCI claimed the Gold Award in the 'Diversified Holdings' category at the Best Presented Annual Reports (BPA) Awards 2024, presented by the South Asian Federation of Accountants (SAFA).

This accolade further reaffirms the Company's commitment to excellence in corporate reporting, underscoring its dedication to the highest standards of financial disclosure, integrated reporting, and stakeholder transparency across the South Asian region.

Best Corporate and Sustainability Report Awards 2024

LCI was awarded 2nd position for the Best Sustainability Report 2024 and a Certificate of Merit for the Annual Report 2024 in the 'Chemical and Fertilizer' category, at the Annual Best Corporate and Sustainability Report Awards, jointly organised by the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMA). The awards recognise organisations that uphold exemplary standards of transparency, accountability, and quality in their reporting practices.

This acknowledgement reflects the Company's steadfast dedication to excellence in corporate disclosure, meaningful stakeholder communication, and robust sustainability reporting.

Top Exporters Award

LCI was recognised at the Top Exporters Awards in the 'Chemicals' category by the Government of Pakistan.

The recognition reflects the Company's strong export performance and its continued contribution to Pakistan's industrial growth and economic development.

Fire Safety Excellence Award

LCI's Pharmaceuticals Business received the Fire Safety Excellence Award from the Fire Protection Association of Pakistan (FPAP) in recognition of its exemplary fire safety practices and robust emergency preparedness.

This recognition reflects the Company's commitment to maintaining the highest standards of fire safety and emergency management.

Safety & Health Excellence Awards 2026

LCI's Soda Ash Business received the International Safety & Health Excellence Award 2026 in the 'International Health & Safety Team of the Year' category, presented by the British Safety Industry Federation (BSIF).

This recognition reflects the Company's commitment to maintaining the highest standards of health and safety through a strong culture of operational excellence and continuous improvement.

15th Annual Fire Safety Awards 2025

LCI's Soda Ash and Animal Health Businesses received the 15th Annual Fire Safety Award, presented by the National Forum for Environment & Health (NFEH) in collaboration with the Fire Protection Industry of Pakistan (FPIP) and the Institution of Fire Engineers (IFE).

The award recognises the businesses' commitment to maintaining the highest standards of fire safety, operational discipline, and emergency preparedness, reinforcing the Company's strong focus on creating a safe and secure workplace.

40th Corporate Excellence Awards

LCI received the Corporate Excellence Award in the Chemicals Sector at the 40th Corporate Excellence Awards, organised by the Management Association of Pakistan.

This prestigious recognition highlights the Company's continued pursuit of excellence in corporate governance, strategic leadership, and operational performance, while reinforcing its position as a leading organisation within Pakistan's chemical sector.

Corporate Social Responsibility Awards 2026

LCI's businesses received multiple recognitions for their contributions to sustainability and community development.

The Chemicals & Agri Sciences Business was honoured with the 15th Annual Corporate Social Responsibility Awards 2026 by The Professionals Network in the category of 'Sustainability Innovation'. The award recognises LCI's commitment to embedding sustainability into its operations and creating positive environmental and social impact.

Additionally, the Soda Ash, Polyester, and Animal Health Businesses were recognised at the 18th Corporate Social Responsibility Awards 2026, organised by the National Forum for Environment & Health (NFEH), for their contributions across the categories of 'Waste Management' and 'Recycling', 'Community Development and Services', and 'Green Initiatives'.

These recognitions underscore the Company's commitment to responsible business practices that create long-term value for communities and the environment.

International Safety Awards 2026

LCI's Soda Ash Business received the International Safety Award from the British Safety Council in recognition of its exemplary safety performance and responsible operational practices.

This achievement marks the 5th consecutive year that the business has been recognised by the British Safety Council, reflecting its unwavering commitment to maintaining the highest standards of occupational health, safety, and well-being.

RoSPA Gold Award 2026

LCI's Soda Ash Business was awarded the RoSPA Gold Award 2026 by the Royal Society for the Prevention of Accidents (RoSPA), United Kingdom.

The award recognises organisations that demonstrate exceptional commitment to health and safety management and reflects the business's continued efforts to strengthen its culture of safety and excellence across all its operations.

Annual Environment Excellence Award 2025

LCI's Soda Ash, Animal Health, and Pharmaceuticals Businesses received the 22nd Annual Environment Excellence Award 2025, presented by the National Forum for Environment & Health (NFEH).

The award was granted following a comprehensive evaluation of the Company's environmental practices and compliance standards, recognising their continued commitment to environmental stewardship and sustainable operations.

Environment, Health and Safety International Award 2025

The Pharmaceuticals and Chemicals & Agri Sciences Businesses received the Environment, Health and Safety (EHS) International Award 2025 in the 'Health, Safety and Environment Performance' category, presented by The Professionals Network.

Their recognition highlights the Company's strong commitment to maintaining safe workplaces, promoting employee well-being, and continuously enhancing environmental, health, and safety standards across their operations.

Pakistan Safety Council Awards 2025

LCI's Polyester Business received multiple recognitions at the Pakistan Safety Council Awards 2025, including the Best HSE Initiative Award, Excellence in CSR Award, and Environmental Excellence Award.

These achievements reflect the Company's commitment to advancing health, safety, and environmental performance, and to responsible corporate citizenship, while driving sustainable value creation for stakeholders.

Asia Corporate Excellence & Sustainability Award 2026

LCI received the Sustainability Rising Star Award at the Asia Corporate Excellence & Sustainability (ACES) Awards 2026, presented by the ACES Council.

This recognition reflects the Company's commitment to advancing its sustainability journey and continuously strengthening its sustainability practices.

SWOT Analysis

Strengths

- Strong corporate image built on a deeply embedded value system that drives ethical and responsible business practices.
- Part of one of Pakistan's largest and fastest-growing industrial groups.
- Diversified portfolio with a presence across multiple customer segments and geographies.
- Established manufacturing and supply chain infrastructure that supports reliability and growth.
- Strong financial position demonstrated by AA/A1+ credit ratings, consistent profitability, and reliable access to capital.

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Weaknesses

- High dependence on imported raw materials, exposing the business to supply chain and foreign exchange risks.
- Limited pricing flexibility in regulated/commoditised segments.
- Sensitivity to energy price fluctuations, affecting cost predictability and competitiveness.

Opportunities

- Well-positioned to capitalise on growth opportunities as the domestic economy recovers.
- Potential for mergers, acquisitions, or partnerships to strengthen existing businesses or enter new verticals.
- Export growth potential in certain business segments.
- Growing demand for sustainable and eco-friendly products offering opportunities for portfolio innovation.
- Strong financial position enabling strategic investments in capacity and growth initiatives.

Threats

- Reduction in import duties, challenging the competitiveness of local manufacturing.
- Volatile global commodity and freight prices.
- Continued high tax burden and evolving fiscal policies affecting cost structures and returns.
- Political and regulatory uncertainty impacting business confidence and investment planning.
- Global geopolitical tensions and supply chain disruptions affecting availability, lead times, and costs of critical materials.

Competitive Environment Analysis

By leveraging its collective expertise, LCI continues to forge ahead with a high-quality product portfolio that meets evolving customer needs, while maintaining a competitive edge and monitoring market dynamics to strengthen its industry position.

Porter's Five Forces

Threat of New Entrants

This varies across different businesses where LCI operates. It ranges from low-to-medium in the capital-intensive segments of Soda Ash and Polyester, while it is medium-to-high in the Pharmaceuticals, Chemicals & Agri Sciences, and Animal Health Business portfolios. The threat level depends on several key factors, including capital requirements, intellectual and proprietary capital, technical know-how, existing and future demand for the product, market competition, and regulatory requirements.

Competition in the Industry

In the soda ash segment, LCI holds a strong market position supported by long-established relationships with key customers and continuous investments in upgrading and expanding its manufacturing capabilities in line with evolving market demand. In the Polyester segment, LCI ranks among the top players in the local market, differentiating itself through a strong focus on product innovation to compete effectively. However, the influx of lower-cost imports, particularly from China and other international markets, has intensified competitive pressures in these segments. Across its other business segments, Pharmaceuticals, Chemicals & Agri Sciences, and Animal Health, the competitive landscape remains highly fragmented, with both local and global players actively competing. In response, LCI capitalises on its manufacturing expertise, operational efficiencies, well-established distribution network, and strong brand equity to effectively compete and drive growth in its market share.

Bargaining Power of Suppliers

Suppliers play a vital role in LCI's process value chain, given the Company's significant reliance on imported inputs, most notably for the Soda Ash and Polyester Businesses and the sourcing of APIs for Pharmaceutical products. Relationships are maintained at both business and corporate levels to ensure a timely supply of inputs. These long-standing relationships along with LCI's brand name enable the Company to conduct business on mutually beneficial terms.

Buying Power of Customers

The buying power of customers varies from low to high and is derived from market dynamics in specific sectors and the presence of competitors to supplying products at similar prices while meeting quality standards. In soda ash, customers have the option to purchase products from both local and international suppliers. In polyester, the buying power is considered low-to-medium. The availability of imports provides an alternate sourcing option for customers. The buying power of customers is considered high in the Pharmaceuticals, Chemicals & Agri Sciences, and Animal Health segment portfolios due to the presence of numerous competitors in the market providing similar products at competitive rates.

Threat of Substitutes

Soda ash and Polyester Staple Fibre are key inputs for major industries in Pakistan. Soda ash is a primary raw material for Glass, Detergents, and Silicate, amongst others, with no close substitutes. In other business segments, the threat of substitutes is mitigated through LCI's strong brand equity, strong distribution network, established customer trust, and the delivery of best-in-quality products.

The Effects of Seasonality

LCI effectively manages seasonal demand across its diverse businesses through proactive planning, demand forecasting, and inventory optimisation.

Pharmaceuticals Business

The Pharmaceuticals Business experiences seasonal demand driven by disease incidence. Anti-infective products typically experience higher demand during the winter Upper Respiratory Tract Infection (URTI) season, while summer months drive demand for gastrointestinal and vector-borne disease management products. Paediatric products also experience seasonal demand during weather transitions, while Ramadan remains an important period for the Vitamins, Minerals, and Supplements (VMS) portfolio. These patterns are managed through commercial planning and proactive inventory management.

Animal Health Business

The Animal Health Business is influenced by seasonal weather patterns that affect livestock and poultry health. Demand typically increases during the summer due to heat stress, while winter and humid conditions drive demand for respiratory and enteric disease management products. The business manages these seasonal fluctuations through demand planning and inventory optimisation.

Chemicals & Agri Sciences Business

The Chemicals Business is exposed to seasonal demand across key end-use sectors, including beverages, appliances, sports goods, automotive, and construction. Through proactive demand forecasting, inventory optimisation, and strong customer engagement, the business effectively manages seasonal fluctuations.

Within the Agri Sciences Business, the Seeds and Vegetable portfolio is inherently seasonal, with demand, sales, and inventory cycles aligned to crop sowing windows. These seasonal variations are effectively managed through production planning and inventory management.

Significant Factors Affecting the External Environment

	Factor	Organisational Response
Political	• Political uncertainty and evolving global geopolitical dynamics continue to influence the business environment, affecting investor confidence and operational continuity. • Evolving government fiscal and regulatory policies have a direct impact on the Company's performance, particularly with respect to taxation, duties, and compliance.	• LCI actively monitors developments and shifts in the political and regulatory landscape, incorporating macro and geopolitical assessments into its strategic planning and risk management frameworks.
Economic	• Sluggish economic growth, continued price volatility, and high taxation continue to suppress demand across multiple sectors, directly impacting profitability and investment appetite. • Volatility in global trade and cost structures affects export margins and overall competitiveness.	• LCI remains focused on margin improvement, operational efficiency, and disciplined capital allocation, balancing strategic investments with a cautious view of the macroeconomic landscape.
Social	• Economic challenges in the country create potential social and well-being concerns across communities. • Rising expectations around corporate responsibility and social impact require businesses to be more engaged and transparent.	• Through direct initiatives and the Lucky Core Foundation, the Company advances its Corporate Social Responsibility (CSR) agenda by collaborating with partner organisations to drive positive and sustainable change in communities. Its CSR efforts are focused on enhancing socioeconomic development among underserved populations, with programmes spanning education, healthcare, women's empowerment, community development, and environmental sustainability. During the year, the Company invested PKR 220.5 million in its CSR initiatives.

	Factor	Organisational Response
Technological	• The accelerating pace of digital transformation, including the widespread adoption of Industry 4.0 technologies such as advanced automation and AI/ML, industrial IoT, and data-driven analytics, is driving innovation and efficiency across manufacturing industries. This also heightens system integration complexity, intensifies reliance on secure digital infrastructure, and increases cybersecurity and data privacy risks, necessitating robust technological governance.	• LCI is actively adopting industry advancements to boost productivity and competitiveness. The Company is maximising its unified SAP S/4HANA digital core, expanding process automation (RPA) and advanced analytics capabilities, and enhancing digital engagement platforms for customers. In parallel, LCI continues to explore responsible AI adoption while reinforcing data integrity and system resilience through strengthened cybersecurity and governance frameworks, including workforce training and enhanced security controls, to ensure compliance amid rising digital risks.
Legal	• Compliance with applicable legal and regulatory requirements.	• LCI closely monitors regulatory developments and ensures adherence through well-established governance frameworks.
Environmental	• Climate change remains a significant threat to Humankind, as the rising frequency of climate-related disruptions is reducing productivity, fueling inflation, and causing broad social impacts. • Reliance on fossil fuels for power generation.	• As part of its ongoing Catalyst 2030 - Climate Action Plan, the Company successfully executed a series of impactful initiatives during the year. These efforts have led to the neutralisation of over 26,000 tonnes of CO_2 emissions and the planting of more than 23,000 trees, significantly reducing the Company's carbon footprint. Additionally, the Company advanced its solar energy generation projects. Moreover, waste recycling efforts have facilitated over the recycling of more than 247 million PET bottles into recycled polyester fibre thereby minimising the environmental impact.

STRATEGY

Aligned to Move Forward

This section outlines the Company's strategic objectives, resource allocation priorities, and the impact of external factors on our direction.

Value Creation Model

Inputs

Financial Capital

Equity Ratio: 83%

Debt: 17%

Credit Rating: AA (Long Term); A1+ (Short Term)

Intellectual Capital

Strategic Partnerships

Manufacturing Capital

Number of Suppliers: 100,000+

Number of Manufacturing Sites: 8

Efficient Production Processes

Capital Investments

Human Capital

Total Workforce: 2,400+

Women in Leadership Role: 22%

Robust Training Processes

Efficient Employee Wellness Programmes

Strong Culture of Corporate Governance, Ethics, Diversity and Inclusivity

Social and Responsibility Capital

Beneficiaries of CSR Initiatives: 42,000+

Holistic Employee Volunteer Programme

Natural Capital

Energy Consumption: 8,616 TJ

Water Consumption: 5.73 million m3

Catalyst 2030 - Climate Action Plan

Outputs

Net Turnover: PKR 113,214 million

EBIT: PKR 14,704 million

Earnings Per Share: PKR 20.99

Contribution to the National Exchequer in Taxes and Duties: PKR 23 billion

Payout Ratio to Shareholders: 50.03%

Profit-after-Tax: PKR 9,692 million

Intangible Assets: PKR 3,120 million

Sales Volume Expansion

Export Destinations: 15 countries

Number of Safe-man Hours: 50+ million

Training Hours: 75,000+

CSR Spend in FY 2025-26: PKR 220.5 million

Hours Dedicated to Employee Volunteerism in FY 2025-26: 1,500+ hours

CO_2 Emissions Reduction: 26,000+ Tonnes

Trees Planted: 23,000+

PET Bottles Recycled: 247+ million

Outcomes

Sustainable growth

Growing product pipeline with continuous development

Ability to cater to customers' bespoke needs

Delivering quality products

Investing towards growth and expansion

Diverse product portfolio serving multiple industries

Strong supplier relations

Product stewardship

Attracting and retaining talent

Safe, diverse and inclusive working environment

Engaged workforce

Ensuring responsible business through respect for stakeholders

Uplifting society through CSR

Promoting circularity

Reducing our environmental footprint

Business Model

Five Businesses

Soda Ash
Business

Polyester
Business

Pharmaceuticals
Business

Animal Health
Business

Chemicals & Agri Sciences
Business

Operational Excellence

Customer Centricity

Financial Management

Economic Management
Details are available on page 161 of this Report.

Social Management
Details are available on page 181 of this Report.

Environmental Management
Details are available on page 166 of this Report.

Material Changes

Across LCI's businesses, no material changes occurred during the reporting period that significantly affected operations, financial performance, or overall results.

Foundation for Sustainable Growth

Human Capital and Capacity Development
(Pages 28)

Strategy
(Page 40)

Technological Enhancement
(Pages 48)

Sustainability Strategy
(Page 151)

Corporate Governance
(Page 107)

UNSDGs

Vision

As a partner of choice, LCI aspires to build a strong local and international footprint through sustainable growth and by creating value for all stakeholders.

Mission

Improving Lives.

Values

- Customer Centricity
- Innovation
- Passion for People
- Integrity & Responsibility
- Delivering Enduring Value

Code of Conduct

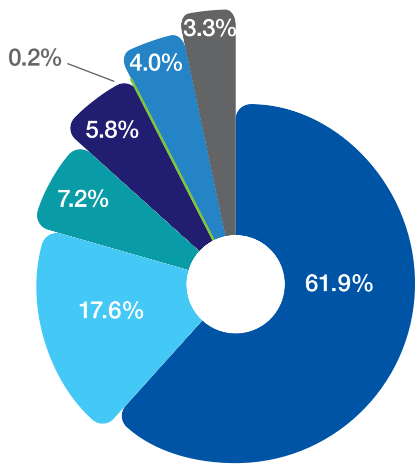
Serves as a guide for behaviour, decision-making and stakeholder engagement.

Value Addition and its Distribution

PKR '000

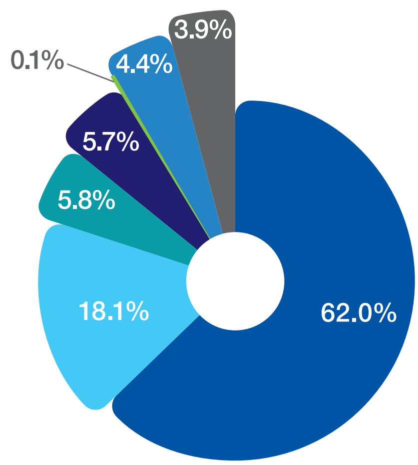
	June 30, 2026	%	June 30, 2025	%
Value Added:				
Net sales	113,214,445		120,013,160	
Sales tax	14,714,843		15,475,747	
Net sales including sales tax	127,929,288	97.0%	135,488,907	97.3%
Gain on bargain purchase	-	0.0%	292,555	0.2%
Other income	3,906,358	3.0%	3,440,472	2.5%
	131,835,646	**100.0%**	**139,221,934**	**100.0%**
Value allocated as follows:				
Raw material consumables and services	81,619,048	61.9%	86,346,733	62.0%
Government exchequer and duties	23,172,510	17.6%	25,246,245	18.1%
Employee remuneration & benefits	9,462,714	7.2%	8,137,563	5.8%
Operating and other expenses	7,668,988	5.8%	7,735,415	5.7%
Donations - to promote development and welfare of the society	220,380	0.2%	117,568	0.1%
Dividends	5,287,556	4.0%	6,188,057	4.4%
Profit retained	4,404,450	3.3%	5,450,353	3.9%
	131,835,646	**100.0%**	**139,221,934**	**100.0%**

June 30, 2026



- Raw material consumables and services
- Government exchequer and duties
- Employee remuneration and benefits
- Operating and other expenses
- Donations - to promote development and welfare of the society
- Dividends
- Profit retained

June 30, 2025



- Raw material consumables and services
- Government exchequer and duties
- Employee remuneration and benefits
- Operating and other expenses
- Donations - to promote development and welfare of the society
- Dividends
- Profit retained

Strategy and Resource Allocation

LCI's strategic approach is centred on delivering sustainable, profitable growth while creating long-term stakeholder value.

With a strong emphasis on customer centricity and market responsiveness, LCI aligns its strategy to deliver a broad portfolio of high-quality products designed to meet the evolving needs of its customers. It remains vigilant in continuously monitoring market developments, industry trends, and emerging opportunities, enabling it to respond proactively and capitalise on emerging opportunities while strengthening its competitive position and supporting long-term value creation. The Company places significant importance on innovation, digitalisation and technological advancement, consistently investing in modern infrastructure and systems to enhance efficiency and operational excellence, and to maintain high standards of performance. Guided by its vision, mission, and core values, LCI remains committed to delivering sustainable value for all stakeholders while contributing positively to future growth and development.

The Company adopts a disciplined capital allocation approach, prioritising investments that enhance operational efficiency, support sustainability objectives and deliver long-term value to stakeholders.

Resources	Resource Allocation Plans
Financial Capital	Portfolio management for the reallocation of funds for strategic investments and acquisitions to expand the business portfolio and drive growth.
	Allocate resources for research and development to foster innovation and develop new products and/or services.
	Allocate capital for infrastructure modernisation, capacity expansion and the implementation of advanced tenchnologies.
Human Capital	Invest in talent acquisition and development programmes to attract and retain skilled professionals in key positions.
	Provide training and development opportunities to enhance employee skills and capabilities.
	Implement performance-based incentives and recognition programmes to motivate and reward high-performing employees.
	Strengthen leadership capabilities and succession planning to build organisational resilience.
Manufacturing Capital	Expand and upgrade manufacturing facilities to enhance production capacity and efficiency.
	Allocate resources for the adoption of sustainable manufacturing practices, such as energy-efficient equipment and waste reduction initiatives.
	Invest in advanced manufacturing technologies to improve product quality, productivity and portfolio competitiveness.
Intellectual Capital	Invest in intellectual property protection to safeguard valuable innovations.
	Foster a culture of innovation, continuous learning, knowledge sharing, and cross-functional collaboration to leverage intellectual capital within the organisation.
Social and Relationship Capital	Allocate resources for Corporate Social Responsibility (CSR) initiatives that benefit local communities and enhance brand reputation.
	Develop and strenghthen strategic partnerships with suppliers, customers, industry associations, academia and other key stakeholders.
	Invest in customer relationship management systems and digital engagement initiatives to strengthen customer loyalty and satisfaction.
Natural Capital	Invest in resource-efficient and environmentally responsible technologies to conserve natural resources and support the Company's climate ambitions.
	Reduce carbon footprint through energy efficiency, renewable energy initiatives and operational improvements aligned with its sustainability objectives.
	Reduce wastage generation through process optimisation, digitisation and circular economy initiatives.

Strategic Objectives	Strategies to achieve objectives	Timeline	Priority	Resources Allocated	KPI Monitored	Future Relevance
Sustainability Embrace nature-based and science-driven solutions to reduce LCI's carbon footprint. Safe operations with zero Lost Workday Injury (LWI). Responsible corporate citizen caring for communities, society and the environment.	Continuation of Catalyst 2030 - Climate Action Plan to support the planet and combat climate change. Strict adherence to HSE&S procedures to maintain zero Lost Time Injury (LTI). Continued investment in community uplift initiatives and employee volunteer programmes to meet key performance indicators and targets.	Long Term Long Term Long Term	High	Human Capital, Financial Capital, Natural Capital	• Environmental impact indicators (e.g., carbon emissions, waste reduction). • LTI rate; • Number of safety incidents and accidents. • Community engagement metrics (e.g., participation, feedback).	Sustainability will remain a key long-term priority as environmental and social expectations continue to grow.
Shareholder Value Creation Deliver sustainable business results, improved Y-o-Y growth in shareholder value compared to the market.	Optimise capital allocation by conducting thorough portfolio analysis to pursue strategic growth initiatives	Long Term	High	Financial Capital, Human Capital, Manufacturing Capital.	• Total Shareholder Return (TSR) compared to industry. • Return on Investment (ROI) for strategic initiatives.	Capital allocation efficiency will remain critical to restoring and sustaining TSR and PAT growth in the periods ahead.
Strategy and Portfolio Management Steward performance against the approved corporate strategy and make relevant adjustments based on the market conditions. Focus resource allocation amongst current and new businesses to maximise returns.	Conduct a periodic comprehensive review of the corporate strategy, identifying areas for growth and diversification. Implement a portfolio management framework to allocate the resources effectively among current and new businesses based on the strategic fit for maximising returns.	Long Term Long Term	High	Manufacturing Capital, Financial Capital, Human Capital	• Revenue and profitability growth for each business and segment. • Business-wise profitability (EBITDA/ Operating Profit) and returned on invested capital (ROIC), measured against budget. • Portfolio performance based on market share and profitability.	As the Company's business mix continues to evolve, periodic strategy reviews and disciplined capital allocation will remain essential to sustaining long-term growth.
Innovation Build recognition as an innovative Company through the flagship programmes, while leveraging data and analytics to drive efficiency and business transformation.	Leverage the Explore programme to provide a platform to all employees for creativity and idea generation. Continue investment in data analytics and digital technologies to drive efficiencies and transform the business model.	Long Term Long Term	High	Human Capital, Financial Capital	• Number of new product launches or innovations; • Percentage of revenue from new products or services • Engagement in Innovation Programmes	The strategic driver will remain relevant in the future.
People Be an 'Employer of Choice' among industrial corporates in Pakistan, fostering a diverse and inclusive environment and a performance-oriented culture to deliver sustainable growth. Develop people capability and bench strength to drive business prosperity.	Implementing a comprehensive talent management programme to attract, develop, and retain top talent. Foster an inclusive and performance-oriented culture that promotes employee engagement and growth. Provide regular training and development opportunities to enhance talent.	Long Term Long Term	High	Human Capital	• Employee satisfaction and engagement scores through employee engagement surveys; • Employee retention rate • Diversity and inclusion metrics such as gender ratio and leadership representation.	Reviewed periodically to ensure standing among the best industrial corporates.
Operational Efficiencies & Cost Transformation Be well-positioned on operational efficiency through targeted initiatives.	Pursue process optimisation to reduce costs, improve productivity, and strengthen competitive positioning.	Long Term	High	Manufacturing Capital, Intellectual Capital, Human Captal	• Cost reduction percentage; • Process efficiency gains (e.g., cycle time, productivity improvements); • Inventory turnover rate; • Revenue and Profit generation per employee.	The strategic driver will remain relevant in the future.

Key Capabilities and Resources Providing Sustainable Competitive Advantage

Strong Brand Reputation: The Company's strong brand reputation is built on quality, reliability, and customer trust.

Partner of Choice: LCI is a trusted partner, recognised for its capability, experience, and ability to collaborate for success.

Portfolio Management: Strategic management of diversified businesses driving growth in each segment.

Manufacturing Excellence: Best-in-class facilities and manufacturing practices that adhere to the highest quality standards.

HSE&S Management: An unwavering commitment to HSE&S fosters a culture of safety, environmental responsibility, and sustainable practices.

Research and Development (R&D): Robust R&D enables the Company to innovate and develop new products, processes, and technologies, giving LCI a competitive edge in the markets it serves.

Talent Acquisition and Management: A highly skilled and motivated workforce of 2,400+ individuals contributes to operational excellence, product quality, and customer satisfaction.

Commercial Execution: Best practices that maximise profitability and execution.

Extensive Distribution Network: A well-established distribution network ensures adequate market coverage, timely delivery, and customer accessibility.

Efficient Supply Chain Management: Ensures timely availability of raw materials, efficient production, and seamless distribution, enabling cost savings, responsiveness, and competitive pricing.

Advanced Technological Infrastructure: Modern technologies, systems, and IT infrastructure enhance operational efficiency, streamline processes, and enable effective data management and analysis, supporting informed decision-making.

Financial Strength and Stability: Access to resources and liquidity supported by the financial profile of the sponsor and the balance sheet strength of the Company enables it to invest in growth opportunities, research and development, and strategic initiatives.

Sustainable and Responsible Practices: Embracing sustainability, environmental stewardship, and Corporate Social Responsibility (CSR) practices not only contribute to societal well-being but also enhance the Company's reputation, attracting mindful customers and investors.

Effects of External Factors on Strategy and Resource Allocation

Technological Factors

In FY 2025-26, LCI continued to navigate a rapidly evolving external technological landscape. Accelerating digital innovation across the industry, including the widespread adoption of Industry 4.0 solutions, created new opportunities for efficiency and growth in manufacturing and services. At the same time, this digital acceleration increased systems integration complexity, dependence on secure digital infrastructure, and exposure to sophisticated cybersecurity threats, raising the stakes for robust technological governance and data privacy compliance. These external forces underscore the need for agile and informed IT investments to sustain competitiveness, resilience, and stakeholder trust in a rapidly changing digital environment.

LCI prioritised strategic technology investments to strengthen business continuity, enterprise resilience, and scalable digital growth across its diversified operations. During FY 2025-26, the Company advanced digital transformation initiatives focused on process automation, integration of new operations into its unified digital ecosystem, and enhanced cybersecurity controls. These efforts improved efficiency, governance, and stakeholder experience while supporting responsible adoption of emerging technologies, including continued awareness of AI-related cyber risks. This proactive approach enabled LCI to remain resilient and competitive in an increasingly complex technological environment.

Further details of these initiatives can be found on pages 48 of this Report.

Societal Factors

The Company remained committed to fostering a diverse and inclusive workplace. In FY 2025-26, LCI established two dedicated inclusion committees: One Core - Women @ LCI and One Core - Conscious Inclusion. Women @ LCI is focused on advancing initiatives that create a more supportive and enabling environment for women, while actively identifying opportunities to enhance their experience and participation across the organisation. One Core - Conscious Inclusion is dedicated to fostering an equitable workplace for individuals of all abilities, backgrounds, ethnicities, cultures, and belief systems, ensuring that every individual has the opportunity to thrive and build a meaningful career at LCI.

In response to evolving societal expectations and the growing emphasis on sustainable and inclusive development, the Company continued to invest in Corporate Social Responsibility (CSR) initiatives, both directly and through the Lucky Core Foundation. Delivered through strategic partnerships, these initiatives supported underserved communities and contributed to long-term socioeconomic progress in areas aligned with the Company's sustainability priorities.

The Company also continued to allocate resources towards employee-led community engagement through its Pehchan Volunteer Programme, which enables employees to actively contribute to meaningful social impact.

Further details of these initiatives and their impact are provided on pages 198 of this Report.

Environmental Factors

As a manufacturing organisation committed to sustainability, LCI continued to take meaningful steps to minimise its environmental footprint.

In FY 2025-26, the Company continued to implement a range of impactful initiatives, leading to the neutralisation of over 26,000 tonnes of CO_2 emissions and the plantation of more than 23,000 trees. These efforts have played a vital role in reducing LCI's overall carbon footprint.

In addition, the Company made steady progress in expanding its solar energy generation capacity. Demonstrating its commitment to responsible production, the Polyester Business recycled over 247 million PET bottles to produce recycled polyester fibre, reinforcing LCI's role as a responsible environmental steward.

Details of these environmental initiatives undertaken during the year are available on pages 188 of this Report.

IT AND CYBERSECURITY

Enabled by Technology

This section outlines the Company's technology landscape, digital capabilities, cybersecurity framework, and initiatives supporting secure and efficient operations.

Advancing Secure Digital Infrastructure

LCI advances its technology landscape to drive efficiency, resilience, and data-driven decision-making, delivering sustainable stakeholder value through agile, reliable, and transparent digital initiatives.

IT Governance and Cybersecurity

Cyber Risk Management

To ensure robust protection against evolving cyber threats, LCI continued to strengthen its cybersecurity governance and risk management framework. In furtherance of this initiative, the Company engaged an independent third-party consultant to conduct a comprehensive cybersecurity risk assessment aligned with recognised international best practices.

Through regular reviews of the cyber risk management approach, the relevant governance forum evaluates the effectiveness of cybersecurity controls and risk mitigation strategies. These reviews include assessment of key vulnerabilities, effectiveness of mitigation measures, and incident response preparedness, ensuring alignment with industry best practices and regulatory requirements. Through this ongoing assessment, LCI remained committed to safeguarding its digital assets, operational resilience, and stakeholders' interests in an increasingly digital landscape.

Policies, Standards, and Compliance

To safeguard sensitive information and ensure operational integrity, LCI remained committed to maintaining robust Information Technology governance, policies, and procedures aligned with internationally recognised frameworks, including Information Security Management System (ISMS) and IT Service Management (ITSM) practices. During the year, the Company reviewed and updated its IT governance and cybersecurity policies to address evolving risks and strengthen its control environment.

Through ongoing internal audits and risk assessments, LCI regularly evaluates the effectiveness of key controls, updates its IT risk register, and identifies opportunities for continuous improvement. By maintaining this structured and proactive approach, LCI reinforces accountability, supports compliance with relevant requirements, and demonstrates its commitment to protecting information assets while maintaining the trust and confidence of its stakeholders.

Early Warning Systems and Proactive Defence

LCI employed robust controls and procedures governing an early warning system specifically designed for cybersecurity risk management. The system facilitates swift identification, thorough assessment, and timely mitigation of potential cybersecurity risks and incidents. It also ensures that the Board is apprised of any potential breaches, incidents, and countermeasures.

The Company also engaged independent security specialists to perform regular Vulnerability Assessments and Penetration Testing (VAPT) of critical systems and applications. These activities helped identify remediation opportunities and further strengthen the resilience of the Company's technology environment.

Security Awareness through Training

To mitigate cybersecurity risks, the Company continued to prioritise comprehensive education and training efforts for all LCI employees, strengthening cybersecurity awareness and training to complement its technical controls.

During the year, the Company conducted targeted phishing simulations and enterprise-wide awareness sessions to enhance employees' awareness of cyber risks and reinforce secure practices across the organisation. These initiatives have continued to foster a stronger security-conscious culture and improve the overall effectiveness of the Company's cybersecurity framework.

AI and Future Readiness

Enterprise AI Strategy and Governance: In response to the rapid evolution of artificial intelligence technologies, LCI continues to shape its approach around responsible innovation, business value, and risk management. The Company's AI roadmap supports the adoption of AI capabilities within an appropriate governance framework, including consideration of data privacy, control requirements, and evolving regulatory expectations.

During the year, the Chemicals & Agri Sciences Business leveraged AI-enabled solutions to unlock greater value from sales and customer relationship management (CRM) data. These capabilities provided timely insights into sales performance, customer behaviour, and market trends, enabling leadership and commercial teams to make more informed decisions and respond proactively to changing business needs. By improving access to data through an interactive AI-enabled solution, these initiatives enable more consistent, insight-led engagement with stakeholders.

Building Capabilities and Responsible Adoption: A key pillar of LCI's AI strategy is strengthening organisational capability and readiness to support the responsible adoption of emerging technologies. During the year, the Company conducted awareness sessions and practical training on emerging AI tools and productivity use cases, with participation from employees across multiple locations and businesses.

The Company also launched the Analytics Champion Programme to strengthen enterprise analytics capability and further embed data-driven decision-making across business teams. The programme is designed to support business-led capability development through hands-on training in governed data and analytics tools, while enabling collaboration with IT to develop meaningful dashboards and insights across commercial, supply chain, finance, and operations use cases. By encouraging greater ownership of data and insights at the business level, the initiative supports improved decision-making, enhances operational effectiveness, and promotes innovation within a structured governance framework.

Highlights of the Year

High Availability and Reliable Infrastructure

LCI continued to maintain a reliable and scalable technology infrastructure to support business operations across its sites and functions. Ongoing investment in standardised infrastructure, coupled with continuous monitoring and targeted upgrades, enhances system reliability, connectivity, and operational continuity. This infrastructure foundation supports the delivery of business-critical services while enabling the Company to respond more effectively to evolving operational requirements.

Operational Resilience and Disaster Recovery

During the year, the Company continued to enhance and test its IT service continuity and backup arrangements, supported by investments in robust infrastructure, real-time data replication, and advanced backup technologies. The Company's alternate disaster recovery site further strengthened preparedness for the recovery of critical systems, helping reduce potential disruption and support continuity of operations in the event of unforeseen incidents.

Digital Workflow Transformation:

In line with its digital transformation roadmap, LCI continued to introduce solutions aimed at enabling more streamlined and efficient digital processes. During the year, the Company launched an enterprise-wide Health, Safety, Environment & Sustainability (HSE&S) portal to support more efficient compliance reporting and enhance visibility across internal workflows.

In the Pharmaceuticals and Chemicals & Agri Sciences Businesses, key digitisation initiatives undertaken during the year included the implementation of Quality Management and Customer Feedback Solutions. These initiatives were designed to strengthen stakeholder engagement, capture insights more effectively, and enhance the efficiency and responsiveness of the support process.

Additionally, the Pharmaceuticals Business advanced the digitisation of Good Manufacturing Practice (GMP) processes and dispensing operations to further improve operational efficiency and regulatory compliance. These initiatives were supported by real-time integration with the digital core, enhancing process visibility, control, and data integrity across critical operations.

IT Team at the Padel Tournament in Lahore.

RISKS AND OPPORTUNITIES

Navigating Change with Foresight

This section presents the key risks and opportunities influencing the Company, along with the frameworks and measures in place to support informed decision-making.

Risks and Opportunities

For LCI, effective risk management and robust internal controls are key to delivering on its strategic objectives and achieving sustainable growth.

Risk Management Framework

LCI employs a robust Enterprise Risk Management (ERM) framework, which is integrated across the organisation to timely identify, evaluate, assess, map, manage and mitigate risks.

Subject to regular review, the Company's risk management system is designed to safeguard the Company's assets and shareholders' interest for business continuity. The identified risks that could potentially affect the achievement of the Company's objectives are promptly reported to the Board, allowing them to take timely actions where required. LCI has a well-defined organisational structure with a clear chain of authority. Its senior management teams are responsible for implementing procedures, monitoring risks and assessing the effectiveness of controls through internal controls self-assessment exercises.

Risk Management Framework

Risk Identification

Identifying factors having an adverse impact on the business.

Risk Assessment

Assessing the potential effect of risk on the achievement of strategic, operational, financial and/ or compliance objectives.

Risk Ownership

Mapping the risks to relevant business process owners.

Risk Mitigation Plans

Develop and implement policies and mitigation plans, which are executed based on prioritisation.

Risk Reporting

Annual presentations to the Board on the prevalent risks and their mitigation plans.

Risk Governance Structure and Assessment

The overall responsibility of overseeing the risk management process lies with the Board of Directors, supported by the Board Audit Committee. The effectiveness of this framework is managed and monitored by the Board and senior management through close coordination with internal audit and business teams.

LCI's well defined risk management framework outlines the clear ownership of risks, its significance and the adequacy of controls implemented for mitigating the risks. Through this framework, risks that could potentially affect the achievement of strategic, operational, financial and/or compliance objectives are prioritised according to their impact and likelihood and remedial actions are devised accordingly.

Business Process Owners	Internal Audit	Leadership Team	Board Audit Committee	Board of Directors
Identifies risks, maintains risk registers, and devises mitigation plans. Prioritises the implementation of action plans based on risk exposure.	Provides assurance on the exposure of risks, assesses the adequacy of internal controls and provides recommendations for enhancing the level of controls needed to mitigate the risks.	Reviews the Company wide risks, assesses the extent of its exposure and finalises the action plans for implementation.	Reviews the effectiveness of the ERM framework and assesses the significance of risks and their mitigation plans. Interim updates are provided to BAC on emerging/ new risks and the implementation status of mitigation plans.	Overall responsibility for overseeing the risk management process.

Broad Types of Risks

Strategic Risk	Compliance Risk	Operational / Commercial Risk	Financial Risk	Reputational Risk
This risk arises from potential failures in strategic planning that may lead to non-achievement of core objectives.	This risk includes the Company's potential exposure to legal penalties, resulting from its failure to act in accordance with laws and regulations.	This risk arises as a result of ineffective internal processes, people, systems, or external events which can disrupt the flow of business operations.	This risk includes credit risk, liquidity risk, foreign currency risk and interest rate risk.	This risk involves potential threats that could harm the Company's image, brand, and public perception.

Key Risks and Opportunities

Strategic Risks

Risk

Changing government policies, political uncertainties, and unstable economic conditions adversely affecting the business.

Objective

Sustainable growth

Risk Mitigation Plan

Continued commitment to customer-centricity, product quality, innovation, and supply chain efficiencies, along with a strong market footprint, helps the Company appropriately respond to challenges posed by economic and demand conditions.

The Board and management endeavour to define and implement a clear strategy to minimise costs. They continuously seek dialogue with policy makers through various business forums in the overall interest of domestic industries.

Opportunity

Maximisation of market share

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
External	Strategic	Medium	High	High	Medium to Long Term

Risk

Retention of employees in critical positions.

Objective

Commitment to high performance culture and conducive work environment

Risk Mitigation Plan

LCI's key focus remains on the training and development of its intellectual capital and to provide meaningful opportunities to foster a thriving work environment and a high-performance culture.

The Company has a formal succession planning process aided by market competitive compensation.

Opportunity

Creating a motivated and engaged workforce that personifies the Company's values and ensure continued excellence over the years

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal	Strategic	Medium	Medium	Medium	Short to Medium Term

Risk

Failure to keep pace with technological advancements.

Objective

Operational excellence

Risk Mitigation Plan

The Company's management values automation of operations and technological advancements. The Company has invested in modernisation of production facilities utilising latest technological developments for cost/output optimisation.

It also maintains close ties with customers and consults them regarding changes taking place in the industry.

Opportunity

Leverage latest technologies for efficient operations and customer satisfaction

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal	Strategic	Low	Low	Low	Long Term

Risk

Failures in Environmental, Social, and Governance (ESG) practices can result in operational disruptions, reputational damage, and legal or financial liabilities.

Objective

Build a resilient, sustainable, and ethically governed business aligned with stakeholder expectations and global ESG standards.

Risk Mitigation Plan

LCI is actively strengthening ESG practices by investing in cleaner technologies, improving resource efficiency, enhancing health and safety protocols, engaging with communities, and strengthening governance structures. The Company's detailed measures and initiatives are outlined in Sustainability Performance section of this Report.

Opportunity

Drive long-term value through operational efficiency, regulatory readiness, stakeholder trust, market differentiation, and alignment with sustainability-linked investment criteria.

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal & External	Strategic / Reputational	Low	High	Medium	Medium to Long Term

Compliance/Reputational Risks

Risk

Exposure to liabilities arising from non-compliance with laws and regulations.

Objective

Commitment to social, environmental, and corporate governance

Risk Mitigation Plan

LCI closely monitors changes in the regulatory environment and responds to applicable changes in a timely manner to mitigate risk of non-compliance and associated reputational impact. External experts are also engaged for consultations, if and when required.

The Company has a comprehensive compliance programme that includes trainings, monitoring and assessment of compliance status.

Opportunity

Promoting a compliance culture and enhancing the brand image

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal	Compliance / Reputational	Low	High	Medium	Short to Medium Term

Operational/Commercial/Reputational Risks

Risk

Information technology risk.

Objective

Protection of data and information from internal and external threats

Risk Mitigation Plan

State-of-the-art IT controls and firewalls are in place to safeguard confidential/proprietary information. Regular system updates, IT audits, vulnerability awareness campaigns are carried out alongside trainings to monitor and minimise possible breaches.

The Company also has a well-established IT Code of Conduct.

Opportunity

Building stakeholder confidence and trust

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal & External	Operational	Low	Medium	Medium	Short Term

Risk

Disruptions to critical business operations due to unforeseen events, disasters or climatic uncertainties.

Objective

Prevention of losses arising from unforeseen circumstances

Risk Mitigation Plan

LCI has Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) in place to ensure that any adverse or unforeseen events/disasters cause minimum disruption along with expeditious recovery of the normal operations.

The Company also has insurance coverage to safeguard against any monetary loss. Furthermore, the Company also undertakes regular emergency handling drills and maintenance / safety of critical equipments.

Opportunity

Business continuity and uninterrupted operations

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal & External	Operational	Low	High	Medium	Medium to Long Term

Risk

Customer dissatisfaction due to product quality issues.

Objective

Customer Satisfaction

Risk Mitigation Plan

The Company has a robust system of quality testing at the procurement and manufacturing/production stages.

It has established stringent quality control protocols and SOPs which are in line with the best practices and global/local quality standards.

Moreover, its customer complaint system aids in conducting a timely review of customer feedback. LCI also carries out regular gap analysis to improve testing methodologies to comply with its core value of Customer Centricity.

Opportunity

Maximisation of market share

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal	Operational / Commercial / Reputational	Low	High	Medium	Short to Medium term

Risk

Supply Chain disruptions and over-dependence on single source suppliers / principals

Objective

Sustainability of business operations

Risk Mitigation Plan

The Company maintains strategic inventory levels for critical raw materials and finished goods, and closely monitors global supply chain conditions, including freight and regulatory developments, to anticipate and absorb potential disruptions. It continuously engages with its foreign principals to emphasise the importance of maintaining their business presence in Pakistan while prioritising supplier satisfaction. The Company further safeguards its position through secured contracts, diversification into its own product range, and ongoing evaluation of alternate suppliers to address contingencies as they arise.

Opportunity

Development of strategic relationships and resilient supply chain practices, ultimately leading to competitive advantage, business continuity, and seizing opportunities for localisation.

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal & External	Operational / Commercial	Medium	Medium	Medium	Medium to Long Term

Risk

Risk of major accidents impacting employees, records, property and surrounding community.

Objective

Safety of employees, records, property and community

Risk Mitigation Plan

The Company has established robust Health and Safety protocols. Strict compliance to protocols is ensured at all levels. Safety awareness and training sessions are regularly conducted throughout the Company, alongside safety audits to continuously monitor and minimise exposure.

It has also taken adequate insurance coverage to minimise this risk. The Company has implemented state-of-the-art ERP solution SAP to digitise most of the records.

Moreover, the Company continues to focus on eco-friendly and carbon footprint reduction. Details on HSE&S performance is available in this report.

Opportunity

Business continuity and uninterrupted operations

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal	Operational / Compliance	Low	High	Medium	Medium to Long Term

Risk

Integration of new business ventures includes risk of compliance, financials, reputations, operations, etc.

Objective

Seamless integration of new business ventures with the current portfolio

Risk Mitigation Plan

The Company assigns subject matter expert to the newly acquired operations to seamlessly integrate operations of the newly acquired business with the existing operations.

The Company appoints consultants to guide the integration process ensuring best practices and risk management.

Opportunity

Enhance operational efficiency, market expansion and competitive positioning for sustainable growth

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
Internal	Operational	Low	Medium	Medium	Short to Medium term

Financial Risks

Risk

Interest rate risk, credit risk and liquidity risk adversely affecting financial performance.

Objective

Sustainable financial performance

Risk Mitigation Plan

The Company's treasury function closely monitors and manages interest rate risk through effective negotiations with lenders and effective fund utilisation.

Credit limits are established for key customers and credit reviews are conducted regularly to manage credit risk.

The Company has sufficient financial facilities to meet any funding requirements.

The stable outlook assigned by credit rating agencies reaffirms the Company's high credit quality.

Opportunity

Robust financial risk management

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
External	Financial	Low	Medium	Medium	Short to Medium term

Risk

Volatility in foreign currency exchange rates.

Objective

Mitigating the impact of devaluation of currency on the operating profits and margins

Risk Mitigation Plan

The Company's treasury function closely monitors and manages exposure to foreign currency risk and uses various mechanisms, such as locking in forward contracts, minimising foreign currency credit and resorting to natural hedging, wherever possible.

Moreover, the residual risk is passed on as part of the product pricing subject to market conditions and Government policies.

Opportunity

Provide import substitution opportunities to potential customers, thereby enhancing market share

Source	Type	Likelihood	Impact	Risk Exposure Rating	Timeline
External	Financial	Medium	Low	Low	Short to Medium Term

GOVERNANCE & COMPLIANCE

Anchored by Responsibility

This section includes governance and compliance updates, risk management insights and the Board of Directors' Report on the Company's performance.

Board of Directors

Muhammad Sohail Tabba
Chairman

Mr. Muhammad Sohail Tabba joined the Board in December 2012 and was first appointed Chairman in 2014.

Mr. Tabba, a prominent businessman and philanthropist, has played a pivotal role in the continued growth and diversification of the Yunus Brothers Group (YBG), one of Pakistan's leading and most diversified business groups. His leadership spans several industries, including textiles, cement, chemicals, energy, automobiles, and real estate, contributing to YBG's growth and bringing recognition to Pakistan on the global stage.

Mr. Tabba presently serves as the Chief Executive Officer of Gadoon Textile Mills Limited and Lucky Knits (Private) Limited. He also serves on the Boards of Yunus Textile Mills Limited, Lucky Textile Mills Limited, Lucky Motor Corporation Limited, and several other notable companies. In the power sector, Mr. Tabba serves as Chairman of Yunus Energy Limited and Lucky Renewables (Private) Limited.

Since assuming the Chairmanship of Lucky Core Industries Limited in 2014, Mr. Tabba has spearheaded the Company's strategic expansion and diversification into new frontiers. He is also the Chairman of Lucky Cement Limited, an industry leader that has set benchmarks in Pakistan's cement manufacturing. Previously, he chaired the Board of Nutrico Morinaga (Private) Limited, a joint venture with Morinaga Milk Industry Co., Ltd., Japan.

Mr. Tabba has also been instrumental in expanding YBG's presence in the retail and leisure sectors, leading the development of LuckyOne Mall, one of Pakistan's premier retail and entertainment destinations.

A steadfast advocate for education and institutional growth, Mr. Tabba serves on the Board of Governors of the Textile Institute of Pakistan. He is also the founding Vice President of the Italian Development Council, where he has actively fostered global business linkages and cross-border collaborations.

His commitment to philanthropy is further reflected in his role as a Director of the Aziz Tabba Foundation, which operates leading healthcare institutions, including the Tabba Heart Institute and Tabba Kidney Institute, alongside numerous other welfare projects. As the Founding Trustee of ChildLife Foundation, established in 2012 to transform paediatric emergency care in public hospitals, he has overseen its expansion into a nationwide network, treating millions of children through advanced paediatric emergency rooms and telemedicine centres. In recognition of these efforts, ChildLife Foundation was honoured with the prestigious Skoll Award for Social Innovation in 2026, for its transformative work in paediatric emergency healthcare.

Muhammad Ali Tabba
Vice Chairman

Mr. Muhammad Ali Tabba joined the Board as Director and Vice Chairman in December 2012. He began his professional journey with the prestigious Yunus Brothers Group (YBG) in 1991 and has significantly contributed to its growth and transformation, solidifying the group's position as a global player in multiple industries.

Mr. Tabba assumed the role of Chief Executive Officer at Lucky Cement Limited in 2005, succeeding his late father. He holds prominent positions as the Chairman of Yunus Textile Mills Limited, Lucky Motors Corporation Limited, Lucky Electric Power Company Limited, and Gadoon Textile Mills Limited.

He also chairs National Resource Limited, a mining company with exploration leases in Chagai, Balochistan, exploring the area through modern mining methods with world-class consultants, and Lucky Investments Limited, a Shariah-compliant asset management company providing innovative and accessible investment solutions to individuals and corporate institutions.

Beyond the corporate sphere, his presence extends to various industry and community organisations. Mr. Tabba chairs the All Pakistan Cement Manufacturing Association and has led the Pakistan Textile Council and Pakistan Business Council. He also serves on the boards of various universities, institutions, and foundations, contributing to their respective missions.

Mr. Tabba's commitment to philanthropy is exemplified through his role as Chairman of the Aziz Tabba Foundation (ATF), a non-profit organisation dedicated to improving society through initiatives in social welfare, self-employment through microfinance, education, healthcare and housing. The two state-of-the-art hospitals in Karachi, namely the Tabba Heart Institute and Tabba Kidney Institute, are prominent examples of ATF's significant contribution to the community.

In recognition of his exceptional contribution to Pakistan's social development sector, Mr. Tabba was honoured with the title of Young Global Leader by the World Economic Forum in 2010. He also received the prestigious Karachi Chamber of Commerce and Industry 'Businessman of the Year' Gold Medal Award for 2012-2013. In 2018, the Government of Pakistan awarded him the Sitara-E-Imtiaz, one of the nation's highest civilian honours.

Mr. Muhammad Ali Tabba's wide-ranging leadership, combining business excellence with a strong commitment to social welfare, reflects the vision of a forward-thinking leader whose contributions have created a lasting impact in Pakistan and beyond.

Amina Abdul Aziz Bawany
Non-Executive Director

Ms. Amina Abdul Aziz Bawany joined the Board as a Non-Executive Director in December 2012.

A postgraduate in Early Years Education, she brings over a decade of experience in the education sector. Ms. Bawany plays a pivotal role within the Yunus Brothers Group (YBG), where she leverages her versatile skill set, particularly in customer relations and sales.

She currently serves on the boards of various charities dedicated to raising funds for the medical and educational needs of marginalised communities.

Jawed Yunus Tabba
Non-Executive Director

Mr. Jawed Yunus Tabba joined the Board as a Non-Executive Director in April 2014.

Mr. Tabba has extensive experience in the textile industry and is currently the Chief Executive Officer of Lucky Textile Mills Limited. His untiring efforts helped him acquire deep insight and expertise in export and manufacturing activities. He has been instrumental in managing the textile concerns of the Yunus Brothers Group (YBG) and has transformed Lucky Textile Mills Limited into one of the premier textile companies and among the top five home textile exporters of Pakistan.

Mr. Tabba is on the Board and related sub-committees of Lucky Cement Limited, Gadoon Textile Mills Limited, Lucky Motor Corporation Limited, Lucky Energy (Pvt) Limited, Lucky Investments Limited. He is actively involved in the formulation of the vision, strategies and governance structures of these companies.

Mr. Tabba is also managing the real estate project, Luckyone Mall and Apartments, the largest mall in Pakistan, and a multi-faceted, first-of-its-kind regional shopping mall which has revolutionised the shopping experience in Pakistan.

Mr. Tabba is the Director of Aziz Tabba Foundation, where he is engaged in community welfare projects. He is working extensively in the field of social welfare, education, healthcare, and housing. He is also a member of the Young Presidents' Organisation (YPO).

Samar Hayat
Chief Executive Officer

Mr. Samar Hayat was appointed as the Chief Executive Officer of the Company following his induction as a member of the Board in 2026.

Previously, he served as the Chief Executive Officer of Tapal Tea (Pvt.) Ltd, for over 7 years. Under his leadership, Tapal Tea delivered remarkable revenue and profit growth leapfrogging ahead of local and international competition and solidifying its position as Pakistan's largest tea company. Samar steered the Company to these strong results despite the most challenging external conditions by exhibiting transformative strategic leadership, relentless focus on operational excellence, and capability-building across commercial execution, supply chain resilience, and organisational development.

Samar also brings with him over two decades of diversified global experience gained during his career with Procter & Gamble (P&G) across multiple geographies including Saudi Arabia, Switzerland, Gulf markets and Africa. Throughout his P&G tenure, Samar developed deep expertise in cross-functional leadership, contributing to brand growth and market share expansion across competitive markets. He has also served on the Board of Gillette Pakistan Limited as a Non-Executive Director, a listed affiliate of P&G's local operations.

Zaffar Ahmad Khan
Independent Director

Mr. Zaffar A. Khan joined the board in January 2026 as an Independent Director. He is a Mechanical Engineer, having graduated in 1967. He joined Esso Pakistan Fertilizer Company shortly thereafter, which was later renamed Exxon and, following an employee-led buyout, became Engro Corporation. He served the organisation for 35 years, including six years as Chief Executive Officer.

Following his retirement, Mr. Khan held several prominent leadership positions, serving as Chairman of Pakistan Telecommunication Company Limited (PTCL), Karachi Stock Exchange, and Pakistan International Airlines (PIA). He has also been associated with academia as an Adjunct Professor at the Institute of Business Administration (IBA), where he taught Human Resource Management for over 12 years, and continues to conduct sessions at the Pakistan Institute of Corporate Governance (PICG).

Mr. Khan has extensive international experience, having worked for over a decade with Exxon in Hong Kong, the United States, and Singapore in the petrochemicals sector. He has completed the Advanced Management Programme at the University of Hawaii and has attended executive education programmes at Harvard Business School and INSEAD.

He has served on the boards of several private sector, public sector, and civil society organisations. His current board affiliations include Pakistan Centre for Philanthropy, Wafi Energy Pakistan Limited, Y.B. Holdings (Private) Limited, Pakistan Security Printing Corporation (Private) Limited (PSPC), DataCheck Limited (DCL), and HBL Zarai Services Limited (HZSL).

Mr. Khan has also served as President of the Overseas Investors Chamber of Commerce and Industry (OICCI) and as Chairman of the Pay and Pension Commission of Pakistan. He is a recipient of the Sitara-e-Imtiaz awarded by the Government of Pakistan.

Syed Muhammad Shabbar Zaidi
Independent Director

Syed Muhammad Shabbar Zaidi joined the Board in May 2020 as an Independent Director. A chartered accountant by profession, he served as the 26th Chairman of the Federal Board of Revenue from May 2019 to April 2020 and as a Provincial Minister for Finance, Board of Revenue, and Excise and Taxation for the Government of Sindh during the 2013 caretaker setup.

Mr. Zaidi was a member of the Federal Government Task Force for Reform of Tax Administration 2002 and authored the report. A retired senior partner at A. F. Ferguson & Co., he also served as Chairman of the Securities and Exchange Commission Committee formed for Corporate Industrial Rehabilitation Reform and the Economic Advisory Council. He is a fellow member of the Institute of Chartered Accountants of Pakistan and has served as President of the Institute from 2005-2006. Mr. Zaidi was a member of the Developing Nations Committee of the International Federation of Accountants, the President South Asian Federation of Accountants, the Founder Director of the Pakistan Institute of Corporate Governance, a member of the Central Audit Committee of the State Bank of Pakistan, and a Director of the Karachi Stock Exchange Limited from 2012-2015.

Among his non-profit work, Mr. Zaidi is a trustee of the Sindh Institute of Urology and Transplantation and a member of the Board of Governors at Liaquat National Hospital and Karachi School of Business and Leadership. He has also authored books, including: 1) 'A Journey for Clarity', 2) 'Pakistan: Not a Failed State', 3) 'Panama Leaks: A Blessing in Disguise', 4) 'Pakistan: Rich People: Poor Country', 5) 'The Serene Self', 6) 'OECD's Multilateral Instruments & Pakistan's Bilateral Double Tax Avoidance Agreements', 7) 'Faith and Intellect', 8) 'Foreign Exchange Regulations of Pakistan: Acquisition & Disposal of Shares & Securities', 9) 'Commentary on Pakistan's Tax Laws for Non-Resident Persons and Offshore Assets of Residents' and 10) '32 Onkar Road'.

Ariful Islam
Independent Director

Mr. Ariful Islam joined the Board in April 2024 as an Independent Director. He is a senior banker with over 37 years of experience with various banks in Bahrain and Pakistan. Mr. Islam qualified as a Chartered Accountant from the Institute of Chartered Accountants in England & Wales in 1983 and worked with KPMG (formerly Peat Marwick Mitchell & Co.) in their London office prior to the start of his banking career. He is also a Fellow Member of the Institute of Chartered Accountants of Pakistan.

Previously, Mr. Islam was the Deputy CEO of Meezan Bank, a position that he held for 25 years, before retiring from the Bank in 2024. During his tenure, his contribution has developed and transformed Meezan Bank into the country's premier Islamic bank. He served as a Director on the Board of Directors of Meezan Bank for 19 years from November 2000 to March 2019 and he has also served as the Chairman of the Board of Al Meezan Investment Management Limited, Pakistan's leading Asset Management Company, for 17 years.

Mr. Islam is currently also on the Board of Honda Atlas Cars (Pakistan) Ltd., Cherat Cement Limited and Lucky Landmark Pvt Ltd. He is also an active contributor and supporter of the country's various educational, health and community building programmes.

Enterprise Resource Planning (ERP) and Value Realisation

LCI continues to advance its enterprise-wide digital transformation by expanding and optimising its SAP S/4HANA landscape. Following the completion of its SAP transformation journey last year, all five businesses, Soda Ash, Pharmaceuticals, Polyester, Animal Health, and Chemicals & Agri Sciences, now operate on a single, unified digital platform. This consolidation supports greater process consistency, real-time visibility into financial and operational data, and more informed decision-making across the enterprise. During the year, the Company also onboarded additional manufacturing facilities onto the platform, including an expansion in the Animal Health Business.

Further extending integration across operations, the ERP environment was upgraded to the latest version of SAP S/4HANA to ensure continued support, system stability, and access to enhanced capabilities for future business needs. During the year, the Company also maintained a strong focus on post-implementation optimisation, user enablement, and control effectiveness within the SAP environment through ongoing training, onboarding support for new employees, and reinforcement of consistent system usage across functions.

Through these efforts, LCI's digital core platform continues to enhance operational efficiency, reporting transparency, and business control, reinforcing its role as a key enabler of the Company's ongoing digital transformation.

Board and Management Committees

Committees of the Board with Brief Terms of Reference

Audit Committee

The Audit Committee oversees LCI's strong internal controls and risk management framework. It functions as the eyes and ears of the Board to help fulfil its fiduciary responsibilities. The Audit Committee comprises four members, of which two are Non-Executive Directors and two, including the Chairman of the Committee, are Independent Directors. The Head of Internal Audit acts as Secretary to the Audit Committee. The Committee meets at least four times a year, with at least one of those meetings held with the external auditors and internal auditors, without the presence of the management team.

The Audit Committee reviews and facilitates the Board's determination of appropriate measures to safeguard the Company's assets. It reviews the interim and annual financial statements prior to their approval by the Board of Directors, with a focus on internal and external audit reports, key judgment areas, related party transactions, changes in accounting policies, compliance with accounting standards and regulatory requirements, significant audit adjustments, assumptions (including the going concern assumption in the preparation of financial statements), significant legal matters, compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, and other relevant laws and regulations. The Committee discusses matters arising from the interim review and annual audit with the external auditors and other matters that the external auditors highlight (in the absence of the management, if required), including the management letter and the management's response thereto.

The scope, plan, and reporting framework of the internal audit function are evaluated by the Audit Committee to ensure it is well resourced and appropriately positioned within the Company. It also ensures that there is coordination between the internal and external auditors. The Committee recommends to the Board of Directors the appointment, removal, and audit fees of the external auditors, as well as permissible additional services rendered by them.

The Committee is responsible for monitoring the effectiveness of internal controls, including financial, operational, compliance and accounting systems. In this regard, the Committee also reviews major findings of the internal audit reports and monitors the implementation of recommendations and action plans for improving the overall control environment. It also evaluates the robustness of risk mitigation measures and the integrity of financial information. The Audit Committee has also been given the responsibility to monitor and oversee sustainability-related risks and opportunities, including environmental, social and governance considerations within the Company.

The Audit Committee considers major findings from internal investigations on matters such as fraud, corruption, or abuse of power, along with management's response thereto. Ensuring the adequacy of corrective actions also falls within the responsibilities of the Audit Committee. Speak Up (the Company's whistleblowing programme) complaints raised during the year are reported to the Audit Committee along with the findings of the investigations conducted by the internal audit and the corrective actions taken by the management.

Human Resource and Remuneration Committee (HR&R)

The Human Resources and Remuneration Committee (HR&R) is a sub-committee of the Board and is responsible for providing overall guidance on HR policies and fundamental principles related to culture, performance management, compensation, and talent management.

It is also responsible for reviewing and recommending the selection, evaluation, and compensation of the Chief Executive Officer, the Leadership Team, and the Head of Internal Audit. Additionally, it reviews and recommends major HR management policies and the succession planning process for key management positions. Additionally, the HR&R Committee is also responsible for reviewing and monitoring the Diversity, Equity & Inclusion strategies and targets of the Company.

The Committee meets at least once a year. It comprises five members, of which three are Non-Executive Directors, one is an Executive Director, and one is an Independent Director, who is also the Chairman of the Committee. The Chief People Officer acts as Secretary to the Committee.

Banking Committee

The Banking Committee oversees the Company's banking, financing, and treasury activities in line with its Terms of Reference. It is responsible for approving financing facilities within the limits approved by the Board, banking and investment account operations, authorisation limits, and related financing documentation.

The Committee comprises four members: the Chief Executive Officer, who serves as Chairman of the Committee, one Non-Executive Director, and two Independent Directors. Resolutions passed by the Banking Committee are subsequently ratified by the Board.

Management Committees

Leadership Team (LT)

The LT comprises all the COOs and CXOs and is headed by the Chief Executive Officer. It is responsible for overseeing operations and driving the Company's objectives. The Extended Leadership Team (ELT) comprises of the direct reports of the LT.

HSE&S Management Committee

The Health, Safety, Environment and Security (HSE&S) Management Committee is chaired by the Chief Executive Officer. The Committee oversees Company-wide compliance with the six pillars of the HSE&S Management System and relevant regulatory requirements, while promoting best practices and driving continuous improvement in the Company's health, safety, environment and security performance.

Succession Planning Forum

This Succession Planning Forum is chaired by the Chief Executive Officer and meets periodically to review the Company's succession planning and talent pipeline at all levels. It is supported by inputs coming from the following capability groups, which are also responsible for managing functional capability development:

- Commercial
- Technical
- HR, Legal, Corporate Communication and Public Affairs Department
- Finance and IT

Report of the Directors

For the year ended June 30, 2026

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

This Directors' Report has been prepared in accordance with Section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019.

Overview of Economy and Financial Performance

Net Turnover for the year at PKR 113,214 million was 6% lower as compared to the same period last year (SPLY). Net Turnover of the Animal Health and Pharmaceuticals Businesses increased by 17% and 5% respectively as compared to the SPLY, conversely a slowdown in demand across the Polyester, Soda Ash and Chemicals & Agri Sciences Businesses resulted in a decline of 13%, 9% and 1% respectively as compared to the SPLY.

Due to persistent pressure on demand, the Operating Result for the year at PKR 14,704 million was 18% lower than the SPLY. The Animal Health and Pharmaceuticals Businesses delivered strong performances, recording growth in Operating Results by 20% and 16% respectively as compared to the SPLY. However, the Polyester, Soda Ash and Chemicals & Agri Sciences Businesses posted a decline in Operating Results by 74%, 33% and 5% respectively as compared to the SPLY.

Growth in the Pharmaceuticals Business was supported by expansion of the product portfolio, cost optimisation, and enhanced operational efficiencies. The Animal Health Business delivered steady growth owing to a strategic focus on its locally manufactured medicine portfolio. Higher disease incidence across key livestock regions drove increased demand for veterinary medicines, while the poultry segment remained resilient despite industry challenges.

The Polyester Business's performance remained subdued due to lower sales volumes and persistent pressure on margins, primarily driven by rising low-priced imports and higher energy costs. The Soda Ash Business was impacted by weak industry demand and a significant surge in import volumes following the reduction in import tariffs in the Federal Budget 2025-26, coupled with regional supply glut. The Chemicals & Agri Sciences Business was adversely affected by the impact of extensive flooding and subdued demand for agricultural inputs.

During the first half of the year under review, easing inflation, relative exchange rate stability, and reductions in policy rates supported an improvement in broader macroeconomic indicators. However, the escalation of the Middle East conflict in the second half of the year led to a sharp increase in crude oil and related raw material prices, placing renewed pressure on the economy. The Company's business operations continued to face challenges arising from cheaper imports, duty reductions, elevated energy costs and muted market demand. Despite these challenges, the Company remains focused on navigating these conditions through sustained portfolio diversification, effective margin management, and continued operational efficiencies.

Profit After Tax (PAT) for the year stood at PKR 9,692 million, down 17% from SPLY, mainly due to weaker Operating Results amid challenging market conditions.

Finance cost increased by 13% compared to the SPLY primarily due to higher borrowings to fund working capital requirement and capital expenditures undertaken to support business growth.

Accordingly, Earnings per Share (EPS) at PKR 20.99 for the year under review was 17% lower than the SPLY.

Dividend

In view of the Company's earnings, the Board of Directors has recommended the Final Cash Dividend in respect of the financial year ended June 30, 2026, at the rate of 262.5% i.e. PKR 5.25/- per share having face value of PKR 02/- each, subject to approval of Members at the forthcoming Annual General Meeting. Together with the interim dividend of PKR 5.25/- per share already paid, this amounts to a total dividend of PKR 10.50/- per share for the entire year ended June 30, 2026.

Updates during the Year

The Company inaugurated its veterinary medicine manufacturing facility in Sheikhupura on March 30, 2026. The facility is expected to support future demand, strengthen local product development, reduce reliance on imports, and contribute to long-term value creation through improved operational efficiencies and increased product availability.

During the year, the Company also incorporated a wholly owned offshore subsidiary, Lucky Core Investments Limited, in the Jebel Ali Free Zone, to facilitate potential future investments. Appropriate disclosures will be made as applicable, as and when the Company proceeds with any investment through this structure.

During the year, the Company entered into a settlement agreement with the Government of Sindh under the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026. Pursuant to the settlement, the related litigation was withdrawn and the liability is payable in accordance with the agreed payment schedule.

The subdivision (stock split) of the Company's ordinary shares from a face value of PKR 10 to PKR 2 per share, announced during the year ended June 30, 2025, was completed during the first quarter of the current fiscal year. The regulatory and procedural formalities were finalised on July 19, 2025, and trading in the post-split shares commenced on the Pakistan Stock Exchange on July 21, 2025.

Financial Performance

PKR million	Year Ended June 2026	Year Ended June 2025	Increase/ (Decrease) %
Net Turnover	113,214	120,013	(6%)
Gross Profit	24,548	27,340	(10%)
Operating Result	14,704	17,920	(18%)
Profit Before Tax	15,223	18,505	(18%)
Profit After Tax	9,692	11,638	(17%)
*Earnings Per Share (PKR)	20.99	25.20	(17%)

Net Turnover (PKR m)

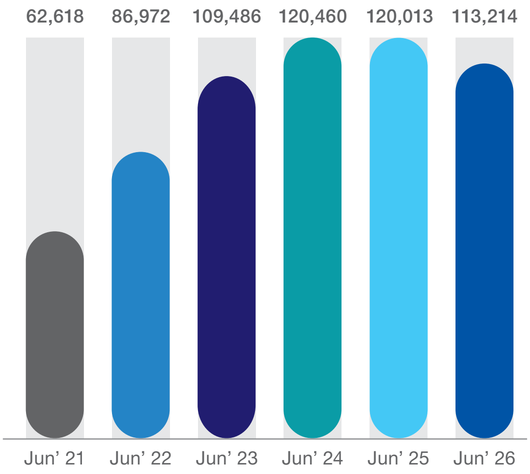
Profit before Tax (PKR m)

Profit after Tax (PKR m)

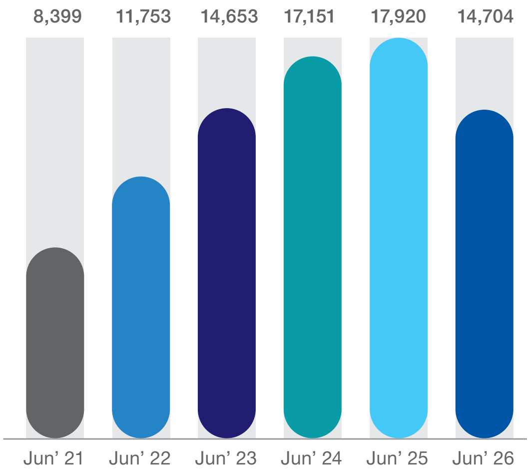
Earnings per Share (PKR)*

*Historical EPS figures have been restated to reflect the impact of the stock split which was completed on July 19, 2025.

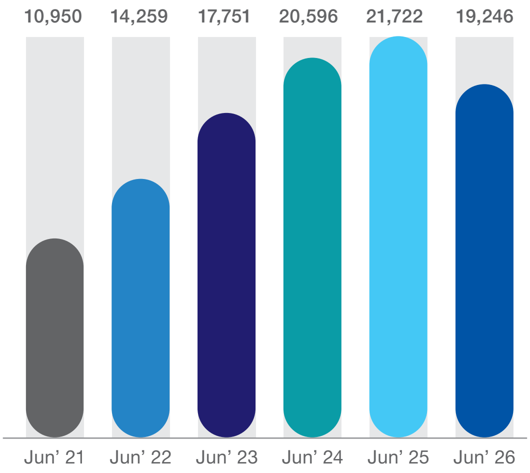
Six Year Performance



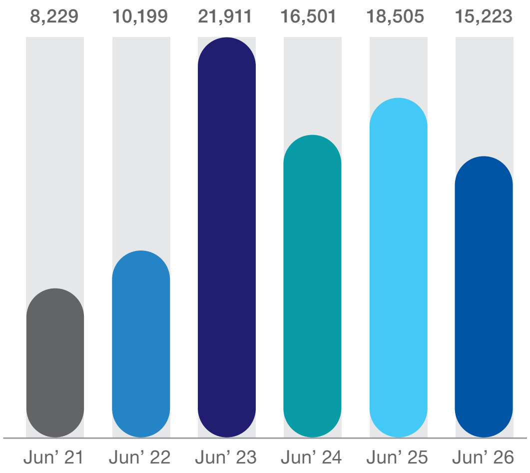
Net Turnover (PKR m)



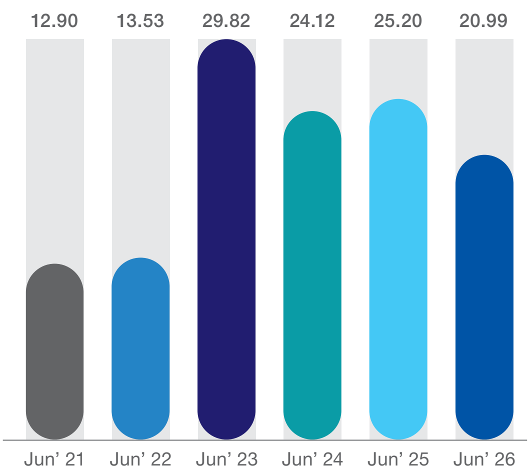
Operating Result (PKR m)



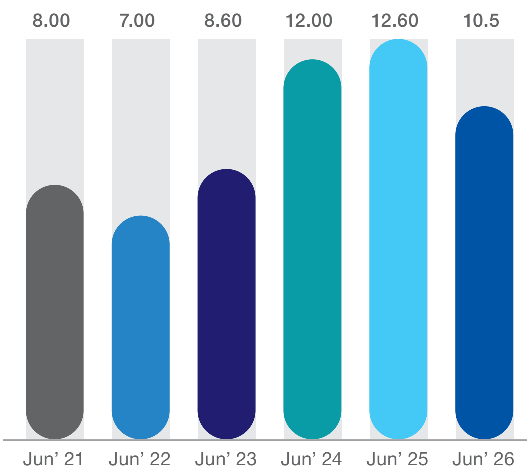
EBITDA (PKR m)



Profit Before Taxation (PKR m)



***Earnings Per Share (PKR)**



***Dividend (PKR per Share)**

*Historical EPS & Dividend figures have been restated to reflect the impact of the stock split which was completed on July 19,2025.

Sustainability

As a leading manufacturing entity, Lucky Core Industries Limited (LCI) remains committed to responsible business practices, integrating ESG (Environment, Social and Governance) values into every aspect of its operations.

To support this commitment, the Company continued to identify and assess material topics that could influence its long-term performance as well as its impact on the economy, environment, communities, and other key stakeholders. This process was guided by the principle of materiality, addressing both financial and non-financial impacts.

The Sustainability Council serves as the central body responsible for steering LCI's sustainability strategy and governance. It oversees the identification and assessment of material ESG topics, ensuring that the Company's priorities align with both stakeholder expectations and emerging sustainability risks and opportunities. The Council monitors progress against defined targets, facilitates cross-functional coordination, and ensures integration of sustainability considerations into business decisions.

Working in close coordination with the Council, the Leadership Team (LT) plays a pivotal role in steering the Company's sustainability journey. It receives regular updates on performance, assesses key focus areas, and provides direction to ensure alignment with LCI's overall business strategy. The LT also oversees the implementation of critical Health, Safety, Environment & Security (HSE&S) procedures, ensuring these are kept in step with international best practices.

The Company's flagship Sustainability framework - 'STEP', an acronym for Sustain. Transform, Evolve and Preserve, continued to gain traction during the year. Through STEP, the Company fosters a culture of environmental and social responsibility, encouraging all employees to contribute to long-term sustainable value creation. These efforts are part of its broader climate action plan, 'Catalyst 2030', which aims to bring together all LCI's businesses and functions to collectively support the planet and combat climate change.

To ensure compliance and understanding, employees are guided by four key documents: LCI HSE&S Management System, Occupational Health Manual, Corporate Engineering Procedures, and Information Notes for Managers. These tools help ensure compliance, build accountability, and reinforce the Company's commitment to continuous improvement in sustainability performance.

In recognition of these ongoing efforts, LCI was awarded 2nd position for the 'Best Sustainability Report 2024' by ICAP & ICMA Pakistan, reflecting the Company's dedication to clear reporting and effective sustainability actions.

Please refer to the Sustainability Report for further details.

Health, Safety, Environment and Security (HSE&S)

LCI continues to uphold its strong commitment to Health, Safety, Environment and Security, maintaining rigorous standards to safeguard its employees, customers, stakeholders and those on its premises. A continued and focused effort was made to review the effectiveness of existing regulatory frameworks and to strengthen the Company's approach to hazard identification and risk management across its businesses. This remains key in ensuring the protection of the Company's workers and the public from accidents and ill health, and it reaffirms LCI's resolve to maintain HSE&S at the heart of its operations.

The Company has maintained its strong safety record, with approximately 50.04 million safe man-hours logged across all businesses, as of June 30, 2026. The Soda Ash, Pharmaceuticals, Animal Health, Chemicals & Agri Sciences and Polyester Businesses achieved 39.71, 1.89, 0.05, 3.84, 4.11 million man-hours respectively without reportable injury, while the Corporate Offices stood at 0.43 million safe man-hours.

There were three reportable injuries to employees during the year 2025-26. Each incident was thoroughly investigated, and an action plan was formulated and implemented against each finding to avoid recurrence. The total reportable injury rate of employees stood at 0.26.

During the year, the Company received several prestigious national and international recognitions for its Health, Safety, Environment, and Sustainability performance. The Soda Ash Business earned the RoSPA Gold Award by the Royal Society for the Prevention of Accidents (RoSPA), UK, a Merit at the British Safety Council International Safety Awards. It also received recognition in the International Health & Safety Team of the Year category at the Safety & Health Excellence Awards organised by the British Safety Industry Federation (BSIF), UK. The Chemicals & Agri Sciences and Pharmaceuticals Businesses received Environment, Health & Safety Awards from The Professionals Network and the Pakistan Safety Council, while the Pharmaceuticals and Animal Health Businesses were recognised with Environment Excellence Awards by the National Forum for Environment and Health (NFEH). The Animal Health Business also received the Fire Safety Award from the National Forum for Environment and Health (NFEH). The Chemicals & Agri Sciences and Animal Health Businesses were honored with Corporate Social Responsibility (CSR) Awards by The Professionals Network, for their sustainability innovation and green initiatives. These achievements reflect LCI's continued commitment to excellence in health, safety, environmental stewardship, corporate social responsibility and sustainable business practices.

During the year, Corporate HSE conducted a comprehensive HSE&S Management Audit of the newly constructed Animal Health veterinary medicine manufacturing facility at Sheikhupura to assess compliance with corporate standards and identify opportunities for continual improvement. This audit was carried out by a team of trained and certified auditors from CTED, the Corporate HSE Function, and the Pharmaceuticals Business. A detailed audit report, highlighting key findings, improvement opportunities, and recommendations, was shared with the business' leadership for implementation.

The Health Assessment Performance Index (HAPI) and Hygiene Performance Index (HYPI), implemented across all sites, support the health assessment and monitoring of employees' exposure to workplace hazards. These tools are designed to help reduce the risk of occupational diseases. Data collected is monitored till the employees' retirement. Annual/biannual assessment of employees' health continued, including audiometry and spirometry tests. No occupational illness was reported in FY 2025-26.

Training at all levels on HSE&S remained a key priority for employee development. During this year, Corporate HSE organised the "Achieving Goal Zero Accidents at Workplace" training for Line Managers to strengthen safety leadership and reinforce a zero-harm culture. Additionally, an awareness training on IFRS S1 & S2 was conducted through an external consultant, and an Enterprise Risk Management (ERM) Register was developed to facilitate sustainability and climate-related risk assessments across all businesses in line with IFRS requirements.

Corporate HSE successfully implemented a centralised HSE KPI Module to standardise Health & Safety performance reporting across all businesses through a digital platform. The module enables monthly and quarterly monitoring of key HSE performance indicators, strengthening governance and supporting timely, data-driven decision-making. Any deviations from targets were promptly identified, analysed and discussed with each business. The Company also continued its efforts on energy conservation, waste and water reduction, and compliance with National Environmental Quality Standards (NEQS) through the implementation of targeted sustainability plans.

Human Resources

Cultivating a Dynamic and Inclusive Workplace

At LCI, we believe that a high-performance culture built on employee well-being, development, and engagement is fundamental to long-term success. People remain at the heart of LCI's purpose and sustained growth, and by aligning its workforce with the Company's vision and values, LCI is committed to fostering an environment where every employee feels valued, supported, and empowered to perform at their best. Guided by its commitment to Enriching Lives, the Company continues to invest in talent development, leadership capability, diversity and inclusion, and employee well-being, creating opportunities for employees to grow, thrive, and contribute meaningfully to sustainable business success.

Organisational Culture and Values

LCI's culture, deeply rooted in its core values, continues to be the driving force behind its growth and innovation. This year, LCI reaffirmed its commitment to a value-driven culture through initiatives that promoted accountability and ownership. By aligning its people with its long-term vision, LCI continues to create a workplace where every individual feels valued, supported, and empowered to contribute meaningfully to the organisation's collective success.

Diversity and Inclusion

Diversity, Equity, and Inclusion (DE&I) remain integral to LCI's people strategy, shaping how the Company attracts, engages, and develops talent across the organisation. Throughout the year, LCI celebrated a range of cultural, national, and faith-based occasions, including Diwali, Christmas, Eid-ul-Fitr, Eid-ul-Adha, Nowruz, International Women's Day, Mother's Day, and Father's Day, reinforcing a workplace culture where employees feel valued, respected, and connected.

The Company remained committed to creating opportunities for open dialogue and employee participation through leadership-led town halls, engagement initiatives, and action planning activities that encouraged employees to contribute towards building a more transparent, inclusive, and collaborative workplace.

Building on these efforts, LCI took a significant step forward by establishing two dedicated inclusion committees: One Core - Women@LCI and One Core - Conscious Inclusion. Women@LCI is focused on advancing initiatives that create a more supportive and enabling environment for women, while actively identifying opportunities to enhance their experience and participation across the organisation. One Core - Conscious Inclusion is dedicated to fostering an equitable workplace for individuals of all abilities, backgrounds, ethnicities, cultures, and belief systems, ensuring that every individual has the opportunity to thrive and build a meaningful career at LCI.

Through these collective efforts, LCI was able to maintain female representation at 10.7% of the total workforce emphasising on its commitment to building a workplace culture where inclusion is not only encouraged but embedded in the way the Company works, collaborates, and grows together.

Employee Well-Being and Engagement

LCI believes that a thriving organisation is built on engaged, empowered, and connected employees. Guided by its core value of Passion for People, the Company remains committed to creating a workplace where employees feel heard, valued, and inspired to contribute their best.

Building on the successful implementation of the Core Connect engagement initiative (powered by Gallup), the Company continued its focus on transforming employee feedback into meaningful action. During the year, engagement results were shared across the organisation through CPO-led town halls, providing employees with greater transparency into key strengths and areas of opportunity. Businesses and functions collaborated to develop targeted action plans aimed at addressing engagement priorities and enhancing the employee experience. This structured approach reinforced accountability, strengthened manager ownership, and enabled teams to drive sustainable improvements across the organisation.

Throughout the year, LCI delivered a broad range of engagement, wellness, and cultural initiatives that brought employees together across locations. Celebrations of international and cultural observances, wellness-focused experiences, sports tournaments, and family-oriented events provided employees with opportunities to connect beyond the workplace.

Key initiatives included Kids Day at Work, Women's Day celebrations, Mother's Day activities, sports competitions, wellness campaigns, mindfulness sessions, and awareness programmes focused on physical, emotional, and financial well-being. The HR & Workplace Services Beach Getaway at The Escape Resort offered employees an opportunity to unwind, reconnect, and strengthen team connections through a variety of recreational activities, further enhancing employee engagement and team spirit.

Training & Development

In FY 2025-26, the Company delivered over 7,921 training days organisation-wide, which translates to an average of 3.72 training days per employee across the organisation. These tailored programmes are designed to strengthen employee capabilities and foster adaptability in a dynamic industry landscape, offering ongoing learning and on-the-job coaching to help employees sharpen their skills and excel in their roles.

The Learning Management System (LMS) was launched during the year to strengthen employee development through structured e-learning and self-paced learning modules. A total of 65 learning modules were introduced across different categories, including Finance, Leadership, Supply Chain, Marketing, People Management, Sales, Soft Skills, Strategy, and Digital Development.

The initiative was received very positively across the organisation, with employees actively engaging in the available learning opportunities. The LMS has provided a flexible and accessible platform for continuous learning, enabling employees to build critical functional leadership, and future-ready capabilities aligned with the Company's development priorities.

To promote active participation and engagement during training sessions, the L&D Rewards Programme was introduced. Participants earned stickers based on their participation throughout the session. At the end of the training, the top three performers were recognised as Champion Learners and awarded shields. Their achievements were further celebrated through organisational recognition communications.

The initiative was well received by participants and resulted in enhanced engagement, increased participation, and a more interactive learning experience.

This year, LCI launched the L.E.A.D. (Learn. Empower. Aspire. Deliver.) Leadership Development Programme, a flagship initiative designed to strengthen leadership capability across all levels of the organisation. Built on the globally recognised Korn Ferry Leadership Architect framework and thoughtfully adapted to reflect LCI's unique context, culture, and strategic priorities, the programme represents a significant step forward in the Company's commitment to developing future-ready leaders.

The programme was formally introduced through a dedicated launch ceremony and is structured across four leadership levels, each tailored to the evolving responsibilities and developmental needs of participants as they progress through their leadership journey. By providing targeted learning experiences at every stage, L.E.A.D. aims to build the mindsets, skills, and behaviours required to lead effectively in an increasingly complex business environment.

In partnership with Franklin Covey Pakistan, LCI commenced learning interventions for emerging and first-line leaders, focusing on foundational leadership capabilities and team leadership effectiveness. For more senior leaders, the Company partnered with leading faculty from INSEAD to deliver a bespoke development experience centred on strategic leadership, organisational impact, and enterprise thinking.

More than a learning initiative, L.E.A.D. reflects LCI's belief that leadership capability is a critical driver of long-term organisational success. By creating structured opportunities for growth, reflection, and application, the programme is helping build a strong pipeline of leaders equipped to guide the Company into the future.

Talent Development and Management

LCI continued to strengthen its leadership pipeline through a structured talent development framework designed to identify, develop, and retain future leaders. The Company's talent strategy is supported by a robust succession planning process that ensures leadership continuity and a sustainable pipeline of talent across key roles.

During the year, LCI introduced a comprehensive Talent Philosophy built around three core dimensions: Performance, Potential, and Behaviours. The philosophy is underpinned by globally recognised research and assessment methodologies from Korn Ferry, providing a consistent and objective approach to talent evaluation and development.

To embed this philosophy across the organisation, relevant leaders and stakeholders were trained on the framework, and succession planning discussions were conducted using the new talent assessment approach. This has enabled more informed talent decisions and strengthened the Company's ability to identify and develop high-potential individuals for future leadership roles.

LCI's diverse range of businesses offers employees unique opportunities to broaden their experience, take on new challenges and build expertise across various industries and functions. During the year, internal talent movement reached 38%, reflecting the Company's commitment to fostering cross-functional exposure, career mobility, and supporting the professional growth of its people across the organisation.

Embracing Technology and Digitalisation

As part of its ongoing digital transformation journey, LCI continued to leverage technology to enhance operational efficiency, strengthen governance, and improve employee experience across key people processes. During FY 2025-26, the People Services team implemented several initiatives aimed at simplifying workflows, and enabling data-driven decision-making.

A key milestone during the year was the successful implementation of SuccessFactors Onboarding 2.0, which transformed the employee onboarding experience through a fully digital and standardised process. The initiative streamlined pre-boarding and onboarding activities, enhanced engagement for new hires, and improved efficiency by reducing manual interventions and administrative turnaround times.

The Company is also on its journey to digitise employee lifecycle letters as part of the employee experience. This will strengthen process governance, enhance employee experience, and reduce reliance on manual documentation and paper-based workflows.

To support data-driven people management, a live People Analytics Dashboard was launched on Power BI, providing leadership with real-time access to workforce insights through integrated and automated reporting. The platform improved visibility of key human capital metrics, enabled informed decision-making, and reduced the effort associated with manual reporting processes.

In addition, the Individual Development Plan (IDP) process was digitised within SuccessFactors, creating a structured and transparent platform for development planning. This initiative strengthened the alignment between individual growth aspirations and organisational capability requirements while enabling more effective tracking and management of development journeys across the workforce.

Through these initiatives, LCI continued to advance its digital HR ecosystem, creating more efficient, data-driven, and employee-centric processes across the organisation.

Risk Management

Managing risk is one of the fundamentals of sustainable growth and development. At LCI, the Board of Directors has the overall responsibility of overseeing risk management processes and internal control procedures. These processes are documented and reviewed periodically by the Board Audit Committee. Identified risks that could potentially affect the achievement of the Company's strategic, operational, financial, reputational and/or compliance objectives are promptly reported to the Board and senior management takes timely action to safeguard assets, address possible risks to the Company and ensure business continuity.

At LCI, a clear organisational structure with a well-defined chain of authority is in place. Senior management is responsible for implementing procedures, monitoring risks and assessing the effectiveness of various controls.

The Company employs a robust Enterprise Risk Management (ERM) framework to ensure that risks are proactively identified, assessed and addressed. All highlighted risks are prioritised according to their impact, likelihood and timescale, with remedial actions devised accordingly.

Risk management remains an ongoing exercise and therefore, this process includes timely updates on both the risks and remedial and/or corrective actions taken.

A detailed report on the Company's risk management philosophy, governance and key risks and opportunities is available in the Annual Report.

Adequacy of Internal Financial Controls

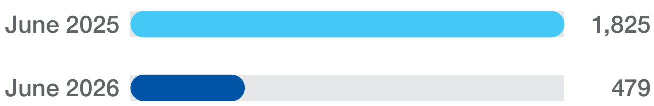
The Board of Directors oversees the system of internal financial controls for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations, and reliable financial reporting. The independent Internal Audit function of Lucky Core Industries regularly appraises and monitors the implementation of financial controls, while the Audit Committee reviews the effectiveness of the internal control framework and financial statements quarterly.

Business Updates

Polyester Staple Fibre Business (PSF)

Net Turnover (PKR m)

Operating Result (PKR m)



During the fiscal year under review, global economic growth remained subdued amid trade restrictions and a changing geopolitical landscape.

The Net Turnover of the Polyester Business, at PKR 34,478 million for the year under review, was 13% lower than the SPLY. Volumes were heavily impacted during the year as the business continued to operate in a challenging environment marred by persistent import of PSF at below-cost levels, which exerted significant pressure on domestic demand and margins. The business was further impacted by global market volatility, as the first half of the year was dominated by oversupply, followed by the Middle East conflict in the second half, which triggered sharp volatility across the crude and petrochemical value chain. Supply constraints for both PTA and MEG intensified following the Middle East conflict, with suppliers charging significant premiums, further adding to cost pressures. Despite these headwinds, the business was able to partially offset the impact through better portfolio management across regular and specialised variants and strong focus on operating cost optimisation.

The Operating Result at PKR 479 million for the year under review was 74% lower than the SPLY, which was mainly due to the loss of volumes to low priced imports.

Average price of crude oil increased by 4% compared to the SPLY, primarily due to the onset of the Middle East conflict in the latter part of the year, which contributed to heightened volatility across the crude oil and petrochemical value chain. Average PX and PTA prices were 4% lower than the SPLY during the eight months (up to February 2026). Following the Middle East conflict and the consequent movement in crude prices, PX and PTA subsequently rose by 12% and 11% respectively over the SPLY. Average MEG prices, by contrast, declined by 1%, reflecting ample supply for much of the year despite a strong year-end recovery. Average domestic PSF prices remained in line with the SPLY.

International and domestic cotton prices declined by 1% and 3% respectively compared to the SPLY. However, prices recovered significantly in the second half of the year, driven by tightening supply and geopolitical disruptions affecting global trade flows. Persistent shortfalls in domestic cotton production continued to increase the industry's reliance on imported cotton. The downstream yarn market remained largely under pressure on pricing and margins owing to escalating domestic operating costs and low-cost import pressure, leading to a decline in capacity utilisation across the spinning sector. The PV segment, however, showed resilience for most part of the year before facing liquidity pressures and falling prices in the later part of Q4.

Looking ahead, the global polyester industry is expected to remain influenced by geopolitical developments, evolving trade policies, and continued volatility in feedstock markets. While any easing of tensions in the Middle East may support supply chain normalisation, uncertainty surrounding global trade flows and freight costs is likely to persist, keeping raw material prices volatile.

Soda Ash Business

Net Turnover (PKR m)

Operating Result (PKR m)

During the year under review, the Soda Ash Business reported Net Turnover of PKR 36,213 million and Operating Results of PKR 5,668 million, reflecting a decline of 9% and 33% respectively compared to the SPLY. The decline was primarily attributable to weaker domestic demand and a surge in low-priced imports following a regional supply glut and the downward adjustment of duties in the Federal Budget 2025-26.

Following an application by the Company, the National Tariff Commission initiated an anti-dumping investigation into imports of soda ash originating from Turkey and Kenya. After imposing provisional anti-dumping duties in January 2026, the Commission made an affirmative final determination on July 10, 2026. The Commission concluded that soda ash was being imported at dumped prices from Turkey and Kenya during the period of investigation and imposed definitive anti-dumping duties in the range of 4.49-6.58% for exporters from Turkey and 13.54% for exporters from Kenya for a period of five (5) years effective from January 15, 2026. The Company has also during the year filed an application for the initiation of an anti-dumping investigation into imports of soda ash from China.

The domestic market remained under pressure throughout the period under review. The float glass sector operated at nearly 50% capacity, indicating weak construction activity nationwide, with little sign of a short-term recovery. Similarly, pulp-based paper and board manufacturers continued to face challenges due to the influx of lower-priced imports. Furthermore, the combined impact of declining prices, reduced regulatory duties, and the elimination of the Additional Custom Duty (ACD) in the Federal Budget 2025-26 adversely affected the Operating Result.

Export sales remained under pressure due to declining international prices, high freight rates, and significant escalation in energy costs. Competitive pressure remained elevated in the Business's export markets where prevailing prices fell to unsustainable margins, constraining the Company's ability to compete.

The near-term outlook remains cautious as global soda ash supply continues to outpace demand, keeping pressure on international prices. Export performance is expected to continue to be impacted due to aggressive pricing by regional producers. Freight-related uncertainty may also persist until marine traffic through the Strait of Hormuz normalises.

Pharmaceuticals Business

Net Turnover (PKR m)

Operating Result (PKR m)

During the year under review, Pakistan's economic environment remained challenging despite a gradual recovery in business confidence. Consumer purchasing power remained under pressure due to the persistent impact of inflation and higher taxation. In addition, the closure of the Pakistan-Afghanistan border adversely affected pharmaceutical exports, while regional geopolitical tensions and supply chain uncertainties created intermittent disruptions across industries.

Against this backdrop, the Pharmaceuticals Business delivered a Net Turnover of PKR 22,198 million, representing a growth of 5% compared to the SPLY. The Business remained focused on strong commercial execution, portfolio optimisation, continued investments in manufacturing productivity and supply chain capabilities, while maintaining disciplined cost management.

These efforts supported a 16% increase in Operating Profit compared to the SPLY. A continued focus on local manufacturing, supply reliability and operational efficiencies enabled the business to strengthen profitability while maintaining its competitive position and ensuring uninterrupted access to medicines for patients across Pakistan.

Going forward, the Pharmaceuticals Business remains focused on strengthening its presence across key therapeutic segments, expanding export opportunities, and pursuing sustainable growth through innovation and operational excellence. However, the industry's long-term growth and its ability to ensure consistent patient access to medicines will continue to depend on a predictable regulatory environment, uninterrupted availability of raw materials, and policies that support the economic viability of pharmaceutical manufacturing in Pakistan.

Chemicals & Agri Sciences Business

Net Turnover (PKR m)

Operating Result (PKR m)

The Net Turnover and Operating Results for the year under review, at PKR 13,175 million and PKR 1,910 million, were lower by 1% and 5% respectively compared to the SPLY.

The year under review was characterised by two distinct operating environments. During the initial part of the year, commodity prices remained under pressure amid subdued global demand, excess supply and a relatively stable PKR, resulting in significant pricing pressure across key product categories. However, the escalation of the Middle East conflict towards the latter part of the year led to a sharp increase in crude oil and feedstock prices, reversing the commodity price trend and creating heightened volatility across global markets. The geopolitical situation also disrupted supply chains, resulting in material availability challenges both for the Company and its customers. Delays in the availability of raw materials and finished goods across the value chain weighed on customer demand and constrained sales volumes, particularly in Q4, despite the underlying improvement in market activity.

During the period under review, the Chemicals and Masterbatches segments saw an improvement in demand compared to the SPLY, registering a combined growth of 10% in volume. Operating Results grew owing to operational excellence, cost optimisation, and an improved sales mix, despite pressure on commodity prices. Margins received some support, particularly in Q4, due to the abrupt increase in feed stock prices following the Middle East conflict; however, volumes remained under pressure due to supply chain constraints across the customer base.

The Agri Sciences Business faced significant market challenges during the period owing to widespread monsoon flooding and prolonged torrential rains, particularly in Punjab and adjoining regions, which caused significant damage to agricultural areas, adversely affecting crop cycles and overall rural economic activity. This directly impacted demand for agri inputs such as seeds and pesticides. Low pest attack, market liquidity constraints, a shift in farmers' cropping preferences, and the financial strain on farmers were also major contributing factors. Amidst low produce prices and high input costs, farmers were less inclined to spend their limited resources on high-end crop solutions, putting further pressure on sales. Although provincial governments have taken some steps to improve liquidity among farmers through access to subsidised loans, the impact of these measures has so far been limited.

While the macroeconomic environment has shown initial signs of stabilisation, ongoing geopolitical tensions and related disruptions in global supply chains continue to pose challenges in terms of sourcing, input costs, and price volatility. These factors, coupled with still-subdued demand in certain segments, are likely to keep pressure on margins in the near term. Accordingly, the Business may continue to face constraints on both demand and profitability in the short term. However, the Company remains focused on driving operational efficiencies, optimising its cost base, and ensuring supply chain resilience to navigate the prevailing uncertainties and sustain long-term value creation.

Animal Health Business

Net Turnover (PKR m)

Operating Result (PKR m)

The Net Turnover of the Animal Health Business, at PKR 7,191 million for the year under review, was 17% higher compared to the SPLY, driven by strong performance across both the Livestock and Poultry segments. This performance was supported by improved product mix, portfolio optimisation, and sustained customer demand. The Operating Result, at PKR 1,298 million, was 20% higher compared to the SPLY, reflecting improved profitability through effective margin management, operational efficiencies, and continued focus on value-added products.

The Animal Health industry in Pakistan continued to operate in a challenging environment, characterised by persistent inflationary pressures, elevated feed, energy, fuel, and raw material costs, climatic extremes, and supply chain disruptions arising from geopolitical developments. Prolonged summer heat stress adversely affected livestock productivity, while higher production costs constrained farmer profitability and purchasing power. Additionally, seasonal silage-making activities absorbed significant farm resources and working capital, temporarily limiting investment in animal health and nutrition products.

During the year, the Animal Health Business remained focused on strengthening product availability, enhancing customer engagement, and improving operational efficiencies. Continued emphasis on portfolio optimisation, locally manufactured products, and efficient supply chain management enabled the business to maintain healthy margins despite external cost pressures.

Demand for therapeutic antibiotics, intramammary products, nutritional supplements, and antiprotozoals remained resilient, supported by seasonal disease patterns, heat stress-related disorders, and increasing awareness of preventive animal healthcare. While breeding activity moderated during the latter part of the year due to climatic conditions, continued adoption of reproductive technologies and the commercialisation of dairy farming sustained demand for bovine genetics and reproductive solutions.

The poultry industry demonstrated resilience despite fluctuating seasonal demand, elevated feed costs, and persistent disease challenges. Outbreaks of Newcastle Disease, Infectious Bursal Disease (IBD), and seasonal respiratory and intestinal diseases supported continued demand for vaccines, biologicals, antibiotics, and therapeutic products. Nevertheless, stronger biosecurity practices, continued investment in integrated poultry production, and stable demand for animal health solutions supported overall Business performance.

Going forward, the Business will continue to focus on expanding its locally manufactured medicine portfolio, strengthening supply chain capabilities, enhancing product availability, and delivering innovative animal health solutions to support sustainable growth and long-term value creation.

Finance

The Company's financial position remained strong as at June 30, 2026, with total assets increasing to PKR 102.3 billion (2025: PKR 95.1 billion). The Company maintained a healthy liquidity position, with the current ratio improving to 1.59 (2025: 1.54) and the quick ratio improving to 0.92 (2025: 0.90), providing adequate financial flexibility to support its operations and growth initiatives.

Despite a challenging operating environment, the Company continued to maintain a robust financial foundation while supporting its ongoing capital investments and business operations. Net Turnover at PKR 113,214 million for the year under review declined by 6% due to economic challenges. The Operating Result for the year under review stood at PKR 14,704 million, reflecting a decline of 18% compared to SPLY, primarily due to weaker market conditions across key business segments.

The Profit After Tax (PAT) and Earnings Per Share (EPS) for the year stood at PKR 9,692 million and PKR 20.99 respectively, representing a decrease of 17% compared to the SPLY, mainly reflecting the lower Operating Result during the year.

EPS for the SPLY has been restated to reflect the subdivision of the face value of the ordinary shares of the Company from PKR 10/- to PKR 02/- per share. The regulatory formalities to give effect to the stock split were completed on July 19, 2025.

Future Outlook

In 2025, major global economies moved toward stabilisation, supported by easing inflation and improvements in supply-chain conditions across the US and the EU. Elevated energy costs, geopolitical tensions, trade restrictions, and tariffs continued to weigh on manufacturing margins and investment decisions. Fiscal measures remained targeted, making 2025 a transition year with early signs of operational normalisation.

However, the outbreak of the Middle East conflict in February 2026 materially altered the global operating landscape. Disruptions to regional energy infrastructure and periodic interruptions to shipping routes through the Strait of Hormuz resulted in heightened volatility in crude oil prices, freight costs, and global supply chains. Although market conditions briefly stabilised following the ceasefire, renewed tensions have increased uncertainty over energy supplies and logistics, with the risk of further disruptions remaining elevated. Against this backdrop, global growth is expected to remain moderate in 2026, while inflationary pressures likely to persist as energy markets continue to respond to geopolitical developments. The pace of global economic recovery will continue to depend on the evolution of the conflict and the restoration of stability across the region.

Pakistan's real GDP recorded a growth of 3.7% supported by easing inflation and relative exchange rate stability, though inflationary pressures re-emerged later in the year amid renewed geopolitical tension. The Government has set FY 2026-27 targets of 4.0% GDP growth and 8.2% average inflation, contingent on continued macroeconomic discipline, IMF programme progress, and the evolution of global energy prices and geopolitical developments. While the policy environment is expected to remain supportive, reliance on imported energy and regional security challenges will continue to pose downside risks to the economic outlook.

The outlook for domestic demand remains subdued, with weak consumption and a slow industrial recovery continuing to constrain volume growth. These challenges have been further intensified following the implementation of tariff rationalisation measures, which has led to a significant increase in low-cost imports, materially raising competitive pressure on local manufacturers and depressing domestic capacity utilisation. At the same time, structural challenges, including high energy costs, tax rates, interest rates, and locational disadvantages, continue to weigh on pricing, capacity utilisation, and margins across value-added segments. While tariff reductions under the National Tariff Policy 2025-2030 were intended to lower input costs and enhance export competitiveness, the absence of complementary trade protection measures, coupled with elevated energy, tax and logistics costs, and limited targeted policy support, has increased pressure on the sustainability of domestic manufacturing and investment sentiment. These underlying structural and demand-side challenges are expected to persist and continue weighing on overall industrial performance in the year ahead.

Despite these challenges, the Company remains focused on navigating this difficult operating environment, supported by a strong balance sheet, a diversified product portfolio, operational efficiencies, and disciplined capital allocation.

Acknowledgement

The results of the Company reflect the relentless commitment and contribution of its strong pool of talented employees and the trust placed in the Company by its stakeholders.

Auditors

M/s A.F. Ferguson & Co., Chartered Accountants, have audited the financial statements of the Company for the year ended June 30, 2026.

Upon recommendation of the Board Audit Committee, the Board recommends appointing M/s A.F. Ferguson & Co., Chartered Accountants as the statutory auditors of the Company for the year ending June 30, 2027, subject to the approval of the members at the forthcoming Annual General Meeting of the Company.

Related Party Transactions

During the year, the Company carried out transactions with its related parties. Details of these transactions are disclosed in the notes to the unconsolidated financial statements.

Compliance with the Code of Corporate Governance

The Company has taken all necessary steps to ensure Good Corporate Governance in all its practices, in compliance with the Code of Corporate Governance (CCG) Regulations, and as such, the Directors are pleased to state as follows:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any deviation from these has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts about the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance.
- Key operating and financial data for the last 10 years is provided in the Annual Report.
- Outstanding taxes and levies are given in the Notes to the Financial Statements.
- The management of the Company is committed to good corporate governance, and appropriate steps are taken to comply with best practices.
- The related party transactions of the Company are approved and / or ratified by the Audit Committee and the Board of Directors.

Investment In Retirement Benefits

		30-Jun-26 Un-Audited	30-Jun-25 Audited
	Fund Name	Value (PKR million)	Value (PKR million)
1	Lucky Core Management Staff Provident Fund	2,332.18	1,887.02
2	Lucky Core Management Staff Pension Fund	828.02	798.31
3	Lucky Core Management Staff Gratuity Fund	1,199.95	1,143.15
4	Lucky Core Management Staff Defined Contribution Fund	2,724.72	2,505.00
5	Lucky Core Non-Management Staff Provident Fund	503.48	571.00
	Total	**7,588.35**	**6,904.47**

Composition of the Board

In line with the requirements of the CCG, the Company encourages the representation of Independent and Non - Executive Directors, as well as gender diversity on its Board. The current composition of the Board is as follows:

Total number of Directors:

(a) Male: 7
(b) Female: 1

Composition:

(i) Independent Directors: 3

Mr. Zaffar Ahmad Khan
Syed Muhammad Shabbar Zaidi
Mr. Ariful Islam

(ii) Non - Executive Directors: 4

Mr. Muhammad Sohail Tabba
Mr. Muhammad Ali Tabba
Mr. Jawed Yunus Tabba
Ms. Amina A. Aziz Bawany

(iii) Executive Directors: 1

Mr. Samar Hayat

Committees of the Board

Audit Committee

Syed Muhammad Shabbar Zaidi - Chairman
Mr. Muhammad Ali Tabba - Member
Mr. Jawed Yunus Tabba - Member
Mr. Ariful Islam - Member

HR and Remuneration Committee

Mr. Zaffar Ahmad Khan - Chairman
Mr. Muhammad Sohail Tabba - Member
Mr. Muhammad Ali Tabba - Member
Mr. Jawed Yunus Tabba - Member
Mr. Samar Hayat - Member

Banking Committee

Mr. Samar Hayat - Chairman
Ms. Amina Abdul Aziz Bawany - Member
Syed Muhammad Shabbar Zaidi - Member
Mr. Ariful Islam - Member

Directors' Attendance

During FY 2025-26, six (6) Board meetings, four (04) Audit Committee meetings, and three (03) Human Resources and Remuneration Committee (HR&R) meetings were held. Attendance by each Director of the respective Board / Sub - Committees meetings was as follows:

Name of Director	Board of Directors Meetings	Audit Committee Meetings	HR & Remuneration Committee Meetings
Muhammad Sohail Tabba	6	-	2
Muhammad Ali Tabba	4	2	3
Jawed Yunus Tabba	6	4	2
Amina A Aziz Bawany	5	-	-
Adnan Afridi*	2	2	2
Ariful Islam**	6	1	-
Syed Muhammad Shabbar Zaidi	6	4	-
Asif Jooma***	5	-	2
Zaffar Ahmad Khan****	3	-	1
Samar Hayat*****	1	-	1

* Mr. Adnan Afridi resigned from the Board w.e.f. November 10, 2025.

** Mr. Ariful Islam joined the Audit Committee w.e.f. January 26, 2026, following which, only 1 audit committee meeting was held during the year.

*** Mr. Asif Jooma retired from the Board w.e.f. May 11, 2026.

**** Mr. Zaffar Ahmad Khan was appointed as Independent Director in place of Mr. Adnan Afridi w.e.f. January 30, 2026 and was subsequently elected at the election of directors held on May 11, 2026. During this time, only 3 board meetings were held during the year.

***** Mr. Samar Hayat was elected Director at the elections held on May 11, 2026. Subsequent to the elections, only 1 meeting was held during the year.

Directors' Remuneration

The Board of Directors has approved a formal Directors' Remuneration Policy which includes a transparent procedure for the remuneration of Directors, in accordance with the Companies Act, 2017 and CCG. In line with the said policy, the remuneration for Non-Executive and Independent Directors is set at PKR 150,000 (gross) for attending each meeting of the Board or its Sub-Committee.

Appropriate disclosure for remuneration paid during the year to Directors and the Chief Executive Officer has been provided in the notes to the financial statements.

Board Evaluation

As required under the CCG, the Board undergoes an annual evaluation of its performance. The Board of Directors recognises the importance of continuous assessment in determining how effectively the Board has performed against its established objectives and goals. Following the evaluation, areas of improvement are identified, and corrective action plans are devised and implemented accordingly. The Company did not use an external consultant for its annual evaluation for FY 2025-26.

Directors' Training

The Company is compliant with the requirements of Regulation 19 of the Regulations. The Executive Director who joined the Board following the election of Directors held on May 11, 2026, will complete the Directors' Training Program within the prescribed regulatory timeframe. All other Directors, along with the Company Secretary, have either completed the Directors' Certification from authorised institutions or possess the prescribed qualification and experience for exemption. All Directors are highly qualified and possess the requisite experience and knowledge required to perform their duties.

Risk Assessment Framework

Appropriate disclosures of the Company's risk framework and internal control system have been made in the Annual Report.

Pattern of Shareholding

The pattern of shareholding of the Company under Section 227(2)(f) of the Companies Act, 2017 as of June 30, 2026, is annexed to the Annual Report.

Muhammad Sohail Tabba
Chairman

Samar Hayat
Chief Executive Officer

Date: August 3, 2026
Karachi

Gender Pay Gap Statement

Under SECP Circular 10 of 2024

LCI's commitment to Diversity, Equity, and Inclusion (DE&I) has been central to its talent acquisition and engagement strategies. The Company follows a rigorous, merit-based process for recruitment, annual salary reviews, and career advancement, ensuring there is no discrimination based on gender, race, or ethnicity - thereby compensating employees fairly and equitably.

The gender pay gap on an overall basis* for the year ended June 30, 2026, is as under:

• Mean Gender Pay Gap is 24.0%

• Median Gender Pay Gap is 6.9%

*This is based on a 10.7% - 89.3% employee representation ratio for women and men, respectively.

However, the remuneration philosophy at LCI does not differentiate based on gender. Employee remuneration is determined based on an employee's professional experience, tenure, education, job role, performance, market dynamics, and geographical location, among others.

LCI's approach to promoting a fair and inclusive workplace includes:

- **Equal Employment Opportunity:** Upholding equal opportunity by maintaining a discrimination-free workplace, applying non-discriminatory hiring practices, and offering equal chances for advancement to all employees regardless of gender.

- **Merit-based Evaluations and Growth:** Following fair and transparent evaluation processes for promotions and salary adjustments, conducting annual reviews based on equitable, merit-driven, and market-aligned criteria free from gender bias. Employees are recognised based on roles, performance, and responsibilities.

- **Inclusive Workplace Policies:** Implementing various policies embedded within the organisation, including sabbaticals, maternity and paternity leave policies, and an anti-harassment policy, to foster an inclusive workplace environment.

Samar Hayat
Chief Executive Officer

Dated: August 3, 2026

Lucky Core Industries Limited

Sustainability-Related Financial Disclosures

Prepared in accordance with IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2)

For the financial year ended June 30, 2026

Contents

1. The Reporting Entity

The Sustainability-related Financial Disclosures ("the disclosures") are prepared for the year ended June 30, 2026, on a standalone basis for Lucky Core Industries Limited ("LCI"). The sustainability-related financial disclosures relate to LCI's Unconsolidated Financial Statements.

The Company's Annual Report 2026 includes separate financial statements of Lucky Core Industries Limited as well as the consolidated financial statements of the Group (comprising LCI and its subsidiaries).

1.1 Overview of Businesses

Lucky Core Industries Limited (LCI) is a publicly listed company incorporated in Pakistan and one of the country's leading diversified manufacturing and trading organisations. Through a portfolio of essential products and solutions, the Company serves a broad range of sectors across the economy.

LCI's business portfolio comprises Soda Ash, Polyester, Pharmaceuticals, Animal Health, and Chemicals & Agri Sciences. The Soda Ash Business produces a critical raw material used by industries including glass, paper, detergents and textiles. The Polyester Business manufactures polyester staple fibre, an essential input for yarn and fabric production. The Pharmaceuticals Business provides quality products across diverse healthcare needs, while the Animal Health Business offers veterinary solutions for the livestock and poultry sectors. The Chemicals & Agri Sciences Business supplies industrial chemicals, crop protection products and plant nutrition solutions for industrial and agricultural applications.

The Company's value chain extends from the sourcing of raw materials, energy and other production inputs to manufacturing, storage, distribution and delivery to customers. Key dependencies across this value chain include reliable energy and water supplies, responsible sourcing practices, supplier networks, efficient manufacturing processes, logistics infrastructure and access to end markets served. Their relevance varies according to the operating model and resource profile of each business.

The scale and nature of manufacturing within the Soda Ash and Polyester Businesses result in a comparatively higher energy consumption and greenhouse gas emissions across the Company. Collectively, LCI's businesses are associated with a range of sustainability-related considerations, including responsible sourcing, resource efficiency, waste management, product quality, supply continuity, and evolving industrial, agricultural and healthcare requirements. Shifts in energy systems, environmental expectations, transition pathways and physical climate conditions may also shape the broader context in which the Company operates over time.

LCI considers these factors within business planning and operational decision-making. The Company focuses on responsible sourcing, process optimisation, efficient resource use and the adoption of cleaner technologies, including renewable energy solutions where operationally feasible. These measures contribute to environmental performance, operational continuity and long-term resilience across the portfolio.

2. GHG Reporting Boundary

The Company's boundary for greenhouse gas (GHG) emissions consists of its organisational and operational boundaries, as described below.

2.1 Greenhouse gas emissions organisational boundary (reporting approach)

The Company has established its reporting boundary using the Operational Control Approach in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004). Under this approach, Lucky Core Industries Ltd accounts for the GHG emissions from operations over which the Company or its subsidiaries have full authority to introduce and implement operating policies regardless of their legal ownership. This boundary encompasses all manufacturing facilities, managed by:

- Soda Ash, Khewra, Punjab
- Polyester, Sheikhupura, Punjab
- Pharmaceuticals, B2 & Hawke's Bay, Karachi, Sindh
- Pharmaceuticals, Hattar, KPK
- Chemicals & Agri Sciences, Karachi
- Animal Health, Sheikhupura, Punjab

By adopting the operational control approach, LCI ensures that the reported data reflects the areas where it has direct influence to implement emission reduction strategies and climate-mitigation initiatives.

2.2 Operational boundary for GHG Emissions

Within the organisational boundary (defined using the operational control approach), the operational boundary defines the scope of GHG emissions. The Company applies the definitions of Scope 1, Scope 2, and Scope 3 emissions as set out in the GHG Protocol Corporate Accounting and Reporting Standard 2004.

- Scope 1 (Direct Emissions): These include all direct GHG emissions from sources owned or controlled by the reporting entities, primarily resulting from:
    - The combustion of coal, biomass, diesel, natural gas / RLNG, LPG for Soda Ash, Polyester Staple Fibre, Chemicals & Pharmaceuticals manufacturing sites.
    - Process emissions within Soda Ash, Polyester, Chemicals & Pharmaceuticals manufacturing sites.
    - Fuel consumption for on-site power generation.
    - Fugitive GHG emissions from intentional and unintentional venting and leakages, etc.

- Scope 2 (Indirect Emissions): These include indirect GHG emissions from the generation of purchased electricity, consumed by LCI's facilities. These are calculated based on the grid emission factors applicable for the national grid.

- Scope 3 (Indirect Value Chain Emissions): Scope 3 emissions comprise indirect emissions occurring in the upstream and downstream of the value chain.

For this reporting period, the Company has reported its Scope 1 and Scope 2 greenhouse gas (GHG) emissions. Scope 3 emissions will be measured in line with the GHG Protocol Corporate Value Chain Standard and will be included in future reporting periods.

3. Sustainability Governance

Oversight by the Board

The Board of Directors of the Company provides strategic oversight to the Company, endorsing the Company's vision, mission, and values. Environmental, Social & Governance (ESG) is reviewed and discussed on a biannual basis at Board meetings, ensuring continued alignment with long-term objectives and stakeholder expectations.

Role of the Board's Audit Committee

The Board Audit Committee is responsible for monitoring and reviewing sustainability-related risks and opportunities, including environmental, social and governance considerations within the Company by recommending the Company's sustainability strategies, priorities and targets. It is also tasked with recommending to the Board appropriate measures to proactively understand and address both principal and emerging sustainability risks and opportunities relevant to the Company and its businesses, and to monitor and review them, assess their potential financial and operational impacts and recommend strategies for their management and mitigation.

During the year, the Board Audit Committee met on a quarterly basis and submitted a report/presentation to the Board on the Company's targets, operations, and performance. Sustainability-related responsibilities were added to the Board Audit Committee's Terms of Reference (TORs), which were approved by the Board of Directors at their meeting held on June 12, 2025. To further strengthen the Board's oversight of sustainability-related matters, LCI will continue to enhance Board-level awareness of evolving sustainability standards, climate-related risks and opportunities, and stakeholder expectations. This will be supported through briefings and sessions, where appropriate. These measures will enable Board members to remain informed of emerging developments and support effective challenge, guidance and decision-making on sustainability-related matters. Brief TORs of the Audit Committee and their meeting frequency are provided on pages 75 of the Annual Report.

Management's role in sustainability oversight

At the management level, the Company has established a dedicated sustainability council with a lead role nominated by the CEO. In addition to this, the Corporate Health, Safety and Environment (HSE) function looks after sustainability across businesses with their existing responsibilities.

This forum supports the implementation of sustainability initiatives & drives, coordination of relevant operational data, and monitoring of environmental performance data through the Environmental Performance Management (EPM) database across the business's operations. Management oversight is exercised through quarterly internal reporting and coordination among manufacturing, technical and corporate functions.

The Company has established formal management roles and coordination mechanisms to support the identification, monitoring, and management of sustainability & climate-related risks and opportunities in line with emerging reporting expectations and evolving requirements. The Company is progressively looking to enhance its capability, systems, and cross-functional coordination to align its governance practices with the objectives of the IFRS (S1/S2) standards.

To further strengthen the Board's oversight of sustainability-related matters, LCI will continue to enhance Board-level awareness of evolving sustainability standards, climate-related risks and opportunities, and stakeholder expectations. This will be supported through briefings and sessions, where appropriate. These measures will enable Board members to remain informed of emerging developments and support effective guidance and decision-making on sustainability-related matters.

4. Risk Management

The Company maintains an established Enterprise Risk Management (ERM) framework designed to support the systematic identification, assessment, monitoring, and management of risks that may affect its operations and strategic objectives. This framework forms an integral part of the Company's governance structure and supports informed decision-making across operational and strategic levels.

As the Company continues to align its internal processes with emerging sustainability disclosure expectations, the integration of sustainability and climate-related risks into the existing Enterprise Risk Management (ERM) framework has been developed and will continue to evolve in line with the future reporting requirements.

For the year ended 30 June 2026, the identification and assessment of climate and sustainability-related risks have primarily been undertaken through a qualitative evaluation process. At this stage, the assessment has focused on identifying key areas of potential exposure rather than conducting detailed quantitative modelling or granular risk analysis. The preliminary risk identification process has been carried out with the involvement of relevant internal stakeholders from all businesses together with an external subject-matter expert to support the preparation of the Company's sustainability-related disclosures in line with SECP requirements.

As the sustainability-related disclosure standards introduced a more structured approach, the Company's prioritisation of climate-related risks during the current reporting period is primarily based on qualitative judgement and management experience. Even before the adoption of sustainability-related financial disclosures, certain climate-related considerations, particularly those associated with energy use, environmental compliance, and operational efficiency, were already monitored within existing operational and environmental management practices. Accordingly, the initial prioritisation process has focused on climate-related matters that are most relevant to the Company's operations, including energy consumption, greenhouse gas emissions, renewable energy initiatives, resource efficiency and potential regulatory developments affecting energy-intensive manufacturing activities across businesses.

Climate Risk and Opportunity Assessment Methodology

The Company conducted a structured climate-related risk and opportunity assessment across all business segments in accordance with the principles of IFRS S1 and IFRS S2. Each business identified climate-related risks and opportunities relevant to its operations and value chain. These assessments were subsequently reviewed and consolidated at the corporate level to eliminate duplication and group similar issues into four principal climate themes: Policy & Legal, Technology, Reputational, and Physical Risks. This process enabled the development of an enterprise-wide climate risk and opportunity profile.

Each identified risk and opportunity was assessed using two parameters:

- **Likelihood (1-9):** Assesses the probability of the climate-related event occurring within the applicable time horizon, ranging from 1 (very unlikely) to 9 (highly likely).
- **Impact (1-9):** Assesses the potential financial, operational, strategic, regulatory, environmental, or reputational consequence of the event, considering impacts on EBITDA, business continuity, assets, compliance, customers, and long-term business resilience.

The Exposure Score was calculated by multiplying the likelihood and impact scores:

Exposure Score = Likelihood × Impact

The resulting Exposure Score was used to prioritise climate-related risks and opportunities according to the following criteria:

Exposure Score	Exposure Level
≥ 42	High
$12 \leq x < 42$	Medium
< 12	Low

Only risks with Medium and High exposure levels (Exposure Score ≥12) were considered material and progressed for further evaluation. These material risks were consolidated into the four principal climate themes: Transition Risk (Policy & Legal, Technology, Reputation, Market) and Physical Risks (Acute & Chronic), which form the basis of the Company's climate-related strategy, risk management approach, and IFRS S2 disclosures.

As internal capabilities, data systems, and reporting processes continue to evolve, the Company intends to progressively refine its approach to sustainability risk management. The Company continues to enhance its sustainability-related risk assessment processes and integrate these considerations more formally within the existing Enterprise Risk Management (ERM) framework; climate-related factors are expected to be progressively incorporated into longer-term business planning, investment evaluation, and operational performance monitoring. This gradual integration is intended to support a more structured evaluation of potential financial implications arising from climate-related risks and opportunities in future reporting periods.

Prioritisation of Sustainability Risks

Climate-related sustainability risks are assessed alongside the Company's broader enterprise risk portfolio to ensure an integrated approach to risk management. Following the exposure assessment, sustainability risks are compared with other principal business risks based on their potential financial, operational, regulatory, strategic, and reputational impacts. Risks classified as Medium or High are considered material and are prioritised for management attention, mitigation planning, and executive oversight. The prioritisation process also considers the potential impact on long-term enterprise value, regulatory developments, stakeholder expectations, and the Company's strategic objectives. Material climate-related risks are incorporated into the corporate risk register, assigned to designated risk owners, and monitored through periodic management reviews to support informed decision-making and capital allocation.

Risk Identification Inputs

Climate-related risks and opportunities were identified using a combination of internal and external information sources. Internal inputs included business risk registers, enterprise risk management (ERM) assessments, operational and HSE data, sustainability performance data, energy, water and greenhouse gas (GHG) emissions data, strategic business plans, capital investment plans, historical incident records, business continuity assessments, and inputs from business and functional representatives through management workshops and consultations. External inputs included the IFRS S2 Climate-related Disclosures (June 2023), Volume 47 (Chemicals), together with industry guidance, national and international climate policies and regulations, climate science and scenario information, stakeholder expectations, market trends, investor requirements, peer benchmarking, and relevant sector-specific publications and frameworks. These sources were collectively used to identify current and emerging climate-related risks and opportunities across the Company's value chain before assessing their likelihood, impact, exposure, and materiality.

Compared to the previous year, the Company's Enterprise Risk Management (ERM) framework was enhanced by incorporating climate-specific considerations, including the assessment of risks across the value chain (upstream, own operations, and downstream) and the evaluation of short-, medium-, and long-term time horizons. These additions enabled a more comprehensive and structured assessment of climate-related risks and opportunities in line with IFRS S2 requirements.

Climate scenario analysis was not performed and was not used as an input to the Company's climate risk assessment during the current reporting period. The integration of climate-related risks into business decision-making is progressive and continues to be enhanced as the Company's climate risk management capabilities mature. Historically, physical climate risks have been considered in key investment and operational decisions, with the design of assets and infrastructure aligned with applicable global engineering and safety standards to improve resilience to potential climate hazards. Going forward, the Company intends to further strengthen the integration of transition-related climate risks alongside physical climate risks within its Enterprise Risk Management framework and strategic decision-making processes.

As internal capabilities, data systems, and reporting processes continue to evolve, the Company intends to progressively refine its approach to sustainability risk management. The Company continues to enhance its sustainability-related risk assessment processes and integrate these considerations more formally within the existing Enterprise Risk Management (ERM) framework. Climate-related factors are expected to be progressively incorporated into longer-term business planning, investment evaluation, and operational performance monitoring. This gradual integration is intended to support a more structured evaluation of the potential financial implications arising from climate-related risks and opportunities in future reporting periods.

5. Strategy

Pakistan's high vulnerability to climate change exposes businesses and communities to significant physical risks, including severe flooding, extreme temperatures, prolonged droughts, and increasing water stress, which can disrupt operations, supply chains, and economic stability. According to assessments by the World Bank and reports issued by Pakistan's National Disaster Management Authority (NDMA), climate change is expected to intensify the frequency and severity of these hazards over the coming decades, creating significant challenges for communities, infrastructure, agriculture, and large-scale manufacturing sectors. Flooding remains one of the most significant acute physical climate risks in the country, while rising temperatures and increasing water stress represent persistent chronic climate-related pressures.

For large-scale industrial sectors such as soda ash, polyester fibre, chemicals, and pharmaceuticals, these evolving climate conditions present material risks and opportunities across operations and the broader value chain. In line with the requirements of IFRS S2 Climate-related Disclosures, the Company has undertaken an initial assessment of both acute and chronic physical climate risks that may affect business continuity, asset integrity, supply chain resilience, workforce productivity, and access to critical resources. Acute physical risks may arise from extreme weather events, including floods, intense rainfall, storms, and heatwaves, which could disrupt manufacturing facilities, logistics networks, supplier operations, agricultural raw material production, and downstream customer industries. Chronic physical risks, including rising average temperatures, increasing water scarcity, changing rainfall patterns, and long-term shifts in climatic conditions, may influence operational efficiency, resource availability, maintenance requirements, and workforce well-being over time.

In addition to physical climate risks, the Company recognises the growing importance of transition risks associated with the global and national shift toward a lower-carbon economy. Evolving climate-related regulations, emissions reduction commitments, stakeholder expectations, technological advancements, energy transition pathways, and the potential introduction of carbon pricing or other market-based mechanisms may influence future operating costs, capital investment decisions, product demand, and competitive positioning. These developments may also create opportunities related to resource efficiency, low-carbon technologies, renewable energy adoption, circular economy initiatives, and sustainable product innovation.

Recognising the increasing significance of climate-related matters within the financial reporting and governance framework, the Company acknowledges the disclosure requirements of IFRS S2 as an important component of its sustainability and risk management journey. During the current reporting cycle, the Company conducted an initial qualitative assessment of climate-related risks and opportunities across its operations and value chain. The assessment considered Pakistan's climate vulnerability profile, sector-specific exposure factors, and the Company's operational footprint to evaluate potential impacts over the short, medium, and long-term time horizons defined in Section 8.2.

Below is the Company's assessment of climate-related risks and opportunities across its operations and value chain, together with the relevant time horizon and IFRS S2 risk categories.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics / Category
Policy and Legal Risks	Medium Term	Production operations	6.1 & 6.5

Description of risk

Governments worldwide are strengthening climate policies to reduce greenhouse gas (GHG) emissions and accelerate the transition to a low-carbon economy. As an energy-intensive manufacturer, LCI is increasingly exposed to emerging climate-related policy and legal requirements, including carbon pricing mechanisms, emissions regulations, and carbon border adjustment measures in both domestic and international markets. International commitments under the Paris Agreement, evolving Nationally Determined Contributions (NDCs), and Pakistan's climate and environmental policies are expected to drive stricter regulatory requirements for emissions management, climate-related reporting, and sustainability disclosures under IFRS S2 and SECP guidelines. These regulatory developments may increase manufacturing, energy, logistics, and compliance costs while requiring additional investment in energy efficiency, renewable energy, greenhouse gas monitoring, and decarbonisation initiatives. Failure to adapt to these evolving policy requirements could reduce operational competitiveness, particularly in export markets where customers and regulators increasingly expect low-carbon products and transparent climate disclosures.

Effects on business model and value chain

The Company's exposure primarily arises from its energy-intensive manufacturing operations, which continue to depend on conventional energy sources, including coal, natural gas / RLNG, furnace oil, LPG, diesel and grid electricity. As climate-related policies and legal requirements continue to evolve, the introduction of carbon pricing mechanisms, greenhouse gas emission regulations, carbon border adjustment measures, and enhanced climate disclosure requirements may increase compliance obligations, energy and production costs, and require additional investment in emissions monitoring, greenhouse gas inventories, renewable energy, energy efficiency improvements, and decarbonisation initiatives. These regulatory and financial impacts are expected to materialise over the medium term, with increasing significance as climate policies become more stringent in both domestic and international markets.

Anticipated financial implications

Medium Term (4-7 years):

Increased operating costs, compliance requirements, and capital investment in energy-efficient projects, emissions regulation changes, and decarbonisation initiatives due to evolving climate policies and carbon pricing mechanisms.

Our Strategic Response

Company is responding to this risk by improving energy efficiency, expanding renewable energy across its sites, and implementing operational efficiency projects to reduce energy consumption and greenhouse gas emissions. The Company is investing in initiatives such as solar PV installations, steam and heat recovery systems, equipment modernisation & green engineering, and process optimisation while evaluating low-carbon technologies to support long-term decarbonisation. In parallel, LCI continues to strengthen its greenhouse gas inventory, climate-related reporting, and regulatory monitoring processes to ensure compliance with evolving climate regulations and maintain long-term business competitiveness.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics / Category
Technology Risk	Medium to Long term	Production operations	6.1& 6.5 Operational Efficiency and Decarbonisation

Description of risk

Technological innovation is accelerating the transition towards lower-emission, energy-efficient and more automated manufacturing processes across industrial sectors. Increasing adoption of renewable energy, electrification, digital technologies, process automation and low-carbon manufacturing solutions is reshaping industry expectations for operational efficiency and emissions performance. While many of these technologies are still evolving, they are becoming increasingly commercially viable and are expected to influence future manufacturing practices. As technology advances, companies may face growing pressure to modernise existing assets and adopt cleaner, more efficient production processes to remain competitive, comply with evolving regulatory requirements, and meet stakeholder expectations.

Effects on business model and value chain and financial implications

This transition risk is primarily associated with its manufacturing operations, where existing production assets may require periodic upgrades to remain efficient, competitive and aligned with emerging low-carbon technologies. As cleaner, more energy-efficient and automated manufacturing solutions become commercially viable, the Company may need to invest in equipment modernisation, process optimisation and digital technologies to maintain operational efficiency and meet evolving market and regulatory expectations. The financial implications may include increased capital expenditure, technology upgrade costs and investment in operational improvements.

Anticipated financial implications

Medium Term (4-7 years):

Increased capital expenditure for energy-efficient equipment, process modernisation, automation, digital technologies, renewable energy projects, and low-carbon manufacturing solutions to improve operational efficiency and reduce emissions.

Long Term (8-15 years):

Continued investment in next-generation low-carbon manufacturing technologies, replacement of legacy production assets, and technology upgrades to maintain competitiveness, improve energy performance, and comply with evolving regulatory and market expectations.

Our Strategic response

The Company is mitigating this risk by modernising its manufacturing operations through targeted investments in energy-efficient and low-carbon technologies. Key initiatives include the phased expansion of solar power projects across manufacturing sites & offices, replacement of conventional equipment with energy-efficient systems, process optimisation projects, HVAC and utility efficiency improvements, waste heat and flash steam recovery initiatives, automation and digitalisation of operations, expanding use of biomass and equipment upgrades to improve energy performance. The Company will continue to evaluate emerging low-carbon manufacturing technologies, integrate climate considerations into capital investment decisions, and strengthen operational excellence programmes to improve energy efficiency, reduce greenhouse gas emissions, and maintain long-term competitiveness.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics / Category
Reputational risk	Short to Medium Term	Cross-Value Chain	Responsible Sourcing Assessment

Description of risk

Stakeholder expectations regarding responsible sourcing, environmental stewardship, corporate transparency, and ethical business practices continue to increase across global markets. Investors, customers, lenders, regulators, employees, and other stakeholders increasingly expect companies to demonstrate effective climate action, transparent sustainability reporting, and responsible environmental and social performance across their value chains. Failure to effectively manage climate-related performance, environmental and social impacts, and sustainability disclosures may adversely affect the Company's reputation, reduce stakeholder confidence, expose the business to regulatory scrutiny, weaken investor confidence, limit access to environmentally conscious customers and markets, disrupt supply chain relationships, and affect the Company's ability to attract and retain skilled talent.

Effects on business model and value chain

This transition risk affects multiple stages of the Company's value chain, including upstream suppliers, manufacturing operations, downstream markets, and corporate functions. Failure to effectively manage climate-related performance, responsible sourcing, and sustainability disclosures may weaken supplier and customer relationships, increase regulatory scrutiny, reduce investor and stakeholder confidence, limit access to environmentally conscious markets, and affect the Company's ability to attract and retain skilled talent. Maintaining strong environmental performance, transparent climate reporting, and effective stakeholder engagement is therefore essential to sustaining long-term business resilience and competitiveness.

Anticipated financial implications

Short Term (1-3 years):

Increased costs associated with responsible sourcing, supplier due diligence, sustainability reporting, regulatory compliance, and stakeholder engagement.

Medium Term (4-7 years):

Potential revenue loss, reduced market access, higher financing costs, and additional investment to strengthen ESG performance, maintain stakeholder confidence, and meet evolving sustainability expectations.

Our Strategic Response

The Company is strengthening its sustainability governance, responsible sourcing practices, environmental management systems, and climate-related disclosures to enhance transparency and stakeholder confidence. Strategic initiatives include responsible sourcing and ethical buying practices, supplier environmental and social assessments, product stewardship programmes, plantation and community environmental initiatives, regulatory compliance, and enhanced stakeholder engagement. The Company will continue to integrate sustainability considerations into business operations and reporting to strengthen its reputation, maintain market confidence, and support long-term business resilience for responsible sourcing.

Climate-related transition risks	Time horizon	Value chain Concentration	Relevant Metrics / Category
Chronic Physical Risks (Rising temperatures, water scarcity and water stress)	Medium Term	Own Operations (Manufacturing Facilities, Power Services, Cold Chain, Warehousing and Production Operations)	Climate Resilience

Description of risk

Long-term climate change is increasing the frequency and intensity of chronic physical hazards, including rising temperatures, prolonged heat conditions, changing precipitation patterns, and increasing water scarcity. These climate-related changes may affect the availability of water resources, increase cooling and energy requirements, reduce operational efficiency, place greater pressure on manufacturing facilities, warehousing, and cold-chain infrastructure, and require additional investment to maintain operational resilience and business continuity.

Effects on business model and value chain

This chronic physical risk primarily affects the Company's manufacturing operations, power services, warehousing, cold-chain facilities, production operations, and downstream customers. Rising temperatures, increasing water scarcity, and changing precipitation patterns may reduce the availability of critical water resources, increase cooling and energy requirements, affect equipment performance, and disrupt operational efficiency. These impacts may increase operating costs, require additional investment in climate-resilient infrastructure and resource-efficient technologies, and affect production continuity, product quality, supply reliability, and the Company's ability to meet customer demand and maintain long-term operational resilience.

Anticipated financial implications

Medium Term (4-7 years):

Increased operating and capital expenditure associated with energy and water management, climate-resilient infrastructure, process optimisation, cooling and water efficiency improvements, and operational resilience initiatives to maintain production continuity and reduce the impacts of rising temperatures and water scarcity.

Our Strategic Response

The Company is strengthening its resilience to chronic physical climate risks by implementing initiatives that improve water security, energy efficiency, and operational reliability. Strategic actions include water conservation, recovery & recycling to enhance long-term water availability for manufacturing operations. To address rising temperatures and increased cooling demand, the Company continues to invest in energy-efficient equipment, process optimisation, thermal insulation, renewable energy, and modern cooling systems. Business continuity is further supported through climate-resilient manufacturing and utility infrastructure, continuous monitoring of energy and water performance, preventive maintenance of critical equipment, and resource efficiency programmes. These initiatives are designed to safeguard production continuity, maintain product quality and cold-chain integrity, strengthen supply reliability, and enhance the Company's long-term operational resilience under changing climate conditions.

Climate-related Opportunities	Time horizon	Value chain Concentration	Relevant Category
Resource efficiency	Medium term	Own Operations (Production Operations, Water Management, Utilities)	Climate Transition Opportunities

Opportunity: Resource Efficiency and Water Stewardship

The Company has identified a significant opportunity to improve resource efficiency by increasing water recycling, wastewater treatment, and water conservation across its operations. Major contributions are expected from the Soda Ash business through the installation of a 100 m^3/hr. Effluent Treatment Plant (ETP) to recycle wastewater, reduce freshwater extraction, strengthen regulatory compliance, and improve water security. Additional contributions are expected from the Polyester, Pharmaceuticals, Animal Health, Chemicals & Agri Sciences Businesses through treated water reuse, water recycling, cooling water optimisation, wastewater reuse, and other water conservation initiatives. These initiatives are expected to reduce freshwater consumption, lower operating costs, improve operational resilience to water scarcity, strengthen environmental compliance, and enhance long-term resource efficiency while supporting the Company's sustainable water management strategy.

Climate-related Opportunities	Time horizon	Value chain Concentration	Relevant Category
Low Carbon Energy Source	Short Term	Own Operations (Production Operations & Utilities)	Climate Transition Opportunities

Opportunity: Use of low carbon energy sources

The Company has identified a significant opportunity to accelerate the transition to low-carbon energy sources by expanding on-site renewable energy generation and energy-efficient technologies across its manufacturing and warehouse operations. Major contributions are expected from the Polyester, Soda Ash, Pharmaceuticals, Animal Health, and Chemicals & Agri Sciences businesses through investments in solar photovoltaic (PV) systems along with other renewable energy resources and energy efficiency initiatives. These investments are expected to reduce dependence on grid electricity and fossil fuels, lower Scope 1 and Scope 2 greenhouse gas emissions, improve energy security and operational resilience, and mitigate exposure to rising electricity tariffs and potential carbon pricing mechanisms. The transition is also expected to reduce operating costs, improve resource efficiency, enhance access to green financing, and support the Company's long-term decarbonisation strategy while strengthening competitiveness in both domestic and international markets.

Cumulative Financial Effect of Climate-related Risks and Opportunities

During the reporting year, the Company did not identify any material current financial effects arising from climate-related risks or opportunities. Based on management's assessment, no assets were written off, impaired, stranded, decommissioned earlier than planned, or subjected to a reduction in their estimated useful lives as a result of climate-related factors. The Company also did not identify any climate-related circumstances that required a material restatement of asset values, provisions, liabilities, operating expenditure, capital expenditure, revenue or cash flows during the reporting period.

The Company has assessed the potential anticipated financial effects of the identified climate-related risks and opportunities. At this stage, the assessment has been performed primarily on a qualitative basis, considering the nature of the relevant risks and opportunities, their possible transmission channels, the parts of the business that may be affected, and the time horizons over which such effects could arise.

The Company was not able to reliably quantify these anticipated financial effects because the underlying data, forecasting methodologies, scenario-analysis capabilities and financial modelling systems are still being developed. Accordingly, no specific monetary amounts or ranges have been disclosed for anticipated financial effects.

Based on management's current qualitative assessment and the information available at the reporting date, the Company has not identified any indication that climate-related factors are reasonably expected to result in the write-off, impairment, stranding, material revaluation or reduction in the useful life of its assets during the next annual reporting period. This assessment is subject to uncertainty and may change if there are significant developments in regulation, market conditions, technology, physical climate hazards, operating circumstances or the availability of more reliable information.

The qualitative assessment of anticipated financial effects will support the Company's future strategic planning and the allocation of financial, capital and human resources. Over time, the Company intends to strengthen its data-collection processes, internal controls, scenario-analysis capabilities and financial-planning systems to improve the identification, measurement and disclosure of the current and anticipated financial effects of climate-related risks and opportunities, to the extent that such effects can be determined using reasonable and supportable information available without undue cost or effort.

Climate Resilience and Scenario Analysis

Currently, the Company has not yet undertaken formal climate resilience testing or scenario analysis. However, based on the detailed qualitative assessment conducted by the management team, the existing enterprise risk management register has been updated keeping in view the IFRS S1 & S2 risk & opportunities with time horizon & value chain.

The assessment was conducted based on several operational and structural factors. Soda ash, polyester, pharmaceutical & specialty chemical production remain essential components of the detergent, glass, food, livestock, health, household & textile value chain and continue to play a critical role in supporting the country's economy & food security. Demand for these products is therefore expected to remain stable with certain challenges due to economic pressure in the near term.

Established systems for energy management, water management, preventive maintenance, and operational monitoring across manufacturing facilities & warehousing further support operational resilience. LCI also continues to pursue efficiency improvements within its manufacturing processes, which contribute to maintaining operational reliability and cost competitiveness. The Company has implemented a range of operational initiatives aimed at improving energy efficiency, introducing renewable energy resources that are reducing greenhouse gas emissions, and strengthening the resilience of its manufacturing operations for the long term. These initiatives address both transition risks associated with emissions management and physical risks linked to changing environmental conditions.

Based on these considerations and the qualitative assessment of both physical and transition-related climate risks, management considers the Company's operations to be resilient in the short term and medium term.

The Company recognises that climate-related risks are evolving in nature. Accordingly, it intends to progressively strengthen its climate risk assessment processes, including the potential introduction of climate scenario analysis and resilience testing in line with the expectations of IFRS S2 as internal capabilities and data systems continue to develop.

6. Metrics

The following cross-industry and industry-based metrics are disclosed for the current year.

Cross-industry metrics (IFRS-S2)

6.1 GHG Emission

Gross GHG Emission	Unit	FY 2025-26	FY 2024-25	% Change
Scope 1	Tonnes CO_2e	924,291	1,007,574	-8.2
Scope 2		3,614	4,089	-11.6
Total Scope 1 and 2		**927,905**	**1,011,663**	**-8.3**
Emissions intensity (Scope 1 and 2)	Kg CO_2e / Tonnes of production	1,696	1,727	-2.2

Measurement approach:

In line with the GHG Protocol Corporate Standard 2004, the Company applies the operational control approach for consolidating GHG emissions under which the Scope 1 and Scope 2 emissions are reported for own operations, assets and facilities where the Company has operational control (authority to introduce and implement policies) regardless of ownership share. (See section 2 for details). Presently, emissions data of the subsidiaries is not available, and their data will be included next year. The Company believes that this approach aligns with the Company's ability to manage the GHG emissions in its boundary of influence.

Emission sources:

Scope 1 emissions primarily arise from combustion, arising from the burning of Natural gas / RLNG/ LPG / Coal / HFO/ Diesel in boilers, gas turbines, and engines to generate steam and electricity for plant operations. Process emissions are another source at manufacturing plants. Emissions are also generated due to the use of vehicles (mobile combustion) and office heating/air conditioning systems.

Scope 2 emissions arise from consumption of purchased electricity for use at manufacturing facilities.

Scope 3 emissions related to the value chain (upstream and downstream) which are not reported for the current year.

Calculation and estimation methodologies: GHG emissions are measured using tiered calculations consistent with the GHG Protocol. Metered fuel data is used for mobile combustion sources (vehicles owned or controlled by the Company). Fugitive emissions (leaks) will be calculated in the next reporting cycle.

Emission factors: Emission factors were determined using a tiered approach: (1) In-house facility-specific factors for fuel combustion at manufacturing plants; (2) recognised default factors such as the US EPA GHG Emission Factors Hub (January 2025), 2006 IPCC Guidelines -2019 Refinement for other emissions (such as vehicle combustion, air conditioning, etc.). Scope 2 emissions factors are drawn from CPPA-G/IGES CDM Database (Combined Margin for NTDC) and Harmonised IFI Default Grid Factors (Version 3.1-2021)-UNFCCC.

Gases included: The GHG emissions reported comprise emissions of carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O). Emissions of fluorinated gases (HFC_s, PFC_s, SF_6, or NF_3) have been identified and will be measured for the upcoming reporting period.

Source of GWP: Global warming potentials (GWPs) have been applied using values from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).

Estimates and assumptions, and uncertainties: Preparation of GHG emissions data involves the use of estimates and assumptions, particularly process emissions and fugitive sources. The estimation of process emissions is based on best available information and industry practices. For the current year, emissions from use of fleet vehicles and fugitive emissions, including leaks from air-conditioning, are not fully disclosed due to data limitations. The Company is working to improve the data quality during the next reporting cycle.

Carbon credits and offsets: GHG emissions presented in the report are absolute gross values measured as per stated methodology without any offset.

Internal carbon price: The Company does not use internal carbon prices for analysis or decision-making.

Emission Limits: The scope 1 and 2 emissions are not subject to any mandatory or voluntary limiting regulations.

Discussion and Analysis

Abatement Strategies:

Co-firing coal with biomass reduces carbon emissions by substituting fossil fuel with renewable organic matter. Key actions include preprocessing biomass for uniform feeding and optimising coal-fired boiler combustion ratios to prevent ash fouling.

Strategy Steps

- **Fuel preparation:** Blend treated biomass with coal at optimal ratios (5% to 20%) to match existing burner requirements.
- **System control:** Adjust coal-fired boiler air ratio and monitor ash chemistry to prevent slagging and corrosion.

The Company continues to implement operational initiatives aimed at reducing greenhouse gas emissions and improving the energy efficiency of its manufacturing processes. These initiatives include the optimisation of plant operations, recovery and utilisation of waste gases, deployment of energy-efficient cooling systems, and gradual integration of renewable energy sources such as biomass and solar power at manufacturing facilities and offices.

Continued - Cross industry metrics (IFRS-S2)

<table>
<tr><th>S No</th><th>Metric category</th><th>Measuring Unit</th><th>FY 2026- 2027</th></tr>
<tr><td rowspan="2">6.2</td><td>Assets vulnerable to Physical risk</td><td>% of manufacturing assets</td><td>Being assessed</td></tr>
<tr><td colspan="3">Comments
The Company has qualitatively assessed the exposure of its manufacturing assets to acute physical climate risks, considering factors such as geographic location, plant design, historical operating performance, and existing mitigation measures across the operations. The Company considers the vulnerability of its manufacturing plants to acute physical climate risks to be limited in the short term. The manufacturing facilities are designed to operate under high-temperature industrial conditions and are supported by established systems for water management, energy reliability, and preventive maintenance. These operational controls contribute to the overall resilience of plant operations.

The Company continues to monitor climate trends to assess potential impacts and will improve its assessment of both acute and chronic climate risks in the coming reporting cycles.</td></tr>
<tr><td rowspan="2">6.3</td><td>Assets vulnerable to Transition risk</td><td>% of Manufacturing assets</td><td>Being assessed</td></tr>
<tr><td colspan="3">Comments
The Company has assessed its exposure to climate-related transition risks, including potential developments in policy and regulation, technological change, and evolving market expectations using qualitative information. As a natural and imported raw material intensive manufacturer operating in a strategically important salt range of Pakistan and other geographical locations, the Company may over time be exposed to changes in energy pricing, environmental regulations, and broader decarbonisation policies. Based on the current assessment, transition-related exposure is considered limited in the short to medium term. This reflects that soda ash, polyester, pharmaceutical and specialty chemical production remains an essential component of the detergent, glass, food, livestock, health, household and textile value chain and continues to play a critical role in supporting the country's economy and food security. The absence of explicit carbon pricing mechanisms affecting industrial sectors in Pakistan, and the Company's ongoing efforts to improve operational energy efficiency and product performance. The Company will further refine its assessment during the next reporting cycle.</td></tr>
<tr><td rowspan="2">6.4</td><td>Capital deployed towards climate-related risks and opportunities</td><td>PKR (million) expenditure</td><td>Tracking system will be developed</td></tr>
<tr><td colspan="3">Comments
The Company has been traditionally spending on climate mitigation and adaptation initiatives; however, this spending has been part of combined plans aimed at addressing various risks. The Company is developing processes to track this metric separately online with requirements of IFRS S2.</td></tr>
</table>

Industry-Based Metrics

The Company has considered the industry-based Guidance on Implementing IFRS S2 (Volume 47-Chemicals) to disclose relevant climate-specific metrics, while other industry-based metrics will be reported in the next reporting cycle. The Company is establishing data systems to report the other relevant metrics, which may be necessary metrics to monitor performance.

<table>
<tr><th>S No</th><th>Metric category</th><th>Metric description</th><th>Unit</th><th>FY 2025-26</th><th>FY 2024-25</th><th>Comments</th></tr>
<tr><td rowspan="4">6.5</td><td rowspan="4">Energy Management</td><td>Total energy consumed (Excluding energy consumed outside organisation)</td><td>1000TJ</td><td>8.61</td><td>9.27</td><td rowspan="4">Renewable energy resources are integrated to replace Fossil fuels over time to meet energy requirements.</td></tr>
<tr><td>Energy Intensity</td><td>(Gigajoules per tonne)</td><td>15.75</td><td>15.90</td></tr>
<tr><td>Renewable sources</td><td>TJ</td><td>84.31</td><td>15</td></tr>
<tr><td>% Use from National grid</td><td>%</td><td>1.59</td><td>1.66</td></tr>
<tr><td rowspan="3">6.6</td><td rowspan="3">Water Management</td><td>Total water withdrawn</td><td>Million m3</td><td>5.73</td><td>6.44</td><td rowspan="3">Water conservation measures taken across sites</td></tr>
<tr><td>% Withdrawn from high water stress</td><td></td><td>0</td><td>0</td></tr>
<tr><td>Number of incidents of non-compliance of water-related regulations</td><td>%</td><td>0</td><td>0</td></tr>
</table>

7. Targets

The Company has already established the Environmental Performance Management (EPM) database and will consider setting targets in the future reporting cycles. The current management remuneration policies do not include performance evaluation linked to sustainability-related performance.

8. General Disclosures

8.1 Basis of preparation

a) **Compliance with IFRS Sustainability Disclosure Standards**

The Sustainability-related Financial Disclosures ("the disclosures") have been prepared by Lucky Core Industries for the year ended 30 June 2026. These disclosures have been prepared in accordance with the IFRS Sustainability Disclosure Standards (SDS) issued by the International Sustainability Standards Board (ISSB), comprising:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information; and
- IFRS S2 Climate-related Disclosures.

The disclosures comply with the adoption requirements prescribed by the Securities and Exchange Commission of Pakistan (SECP) through its adoption order dated 31 December 2024, applicable to annual reporting periods beginning on or after 01 July 2025.

b) **Reporting period**

The sustainability-related disclosures cover 12 months ending June 30, 2026, aligning with the Company's financial reporting period.

c) **Presentation currency**

The sustainability-related financial disclosures are presented in Pakistani Rupees (PKR), consistent with the currency used for reporting of financial statements, with amounts rounded to the nearest thousand unless stated otherwise.

d) **Use of transition reliefs**

As the first reporting period under IFRS Sustainability Disclosure Standards, Lucky Core Industries has applied the transitional reliefs available under IFRS S1, IFRS S2 and the SECP adoption order, including:

- Disclosure of climate-related risks and opportunities only, without disclosure of other sustainability-related risks and opportunities.
- Omission of comparative sustainability information for the preceding reporting period.
- Scope 3 greenhouse gas emissions have not been disclosed.

The Company intends to progressively enhance its scope, granularity and maturity of sustainability-related financial disclosures in future reporting periods as data availability, governance processes and reporting systems continue to develop.

e) **Forward-looking Information**

These disclosures include forward-looking statements concerning anticipated climate-related risks and opportunities, strategic initiatives, expected financial effects, resource allocation and future performance. Such statements are based on management's current expectations, assumptions, and judgements, using information considered reasonable and supportable as at the reporting date.

Forward-looking statements are inherently subject to uncertainty and may be affected by changes in climate-related regulation and policy, market and economic conditions, technology, customer and investor expectations, physical climate events, operating conditions and other factors beyond the Company's control. Accordingly, actual outcomes, financial effects and performance may differ materially from those expressed or implied in these statements. The Company will continue to review and update its assessments as relevant information, methodologies and capabilities develop.

8.2 Time Horizons

In assessing climate-related risks and opportunities, the Company has considered different time horizons to evaluate how climate-related developments may influence its operations, strategy, and financial planning over time. For these disclosures, the following are the time horizons:

Short term (up to 3 years)

This horizon aligns with the Company's operational planning cycles and reflects the period over which immediate operational and regulatory developments may influence business performance. Climate-related considerations within this timeframe may include evolving environmental regulations, climate-related disruptions, and near-term efficiency initiatives at production facilities.

Medium term (4-7 years)

The medium-term horizon reflects the period over which strategic investment decisions, operational optimisation projects, and technology upgrades typically materialise within the manufacturing and pharmaceutical industry. Within this timeframe, the Company may experience evolving regulatory frameworks related to climate policy, changes in energy markets, advancements in industrial process efficiency, and increasing expectations regarding emissions management and environmental performance.

Long-term (beyond 8 years)

The long-term horizon reflects the extended operating life of manufacturing assets and the structural transformation that may occur in energy systems and industrial production pathways as part of the global transition. Over this timeframe, developments such as large-scale technological shifts in manufacturing, potential carbon pricing mechanisms, and broader policy measures may influence industry competitiveness, investment decisions, and long-term business strategy.

8.3 Judgements and uncertainties

The preparation of sustainability-related financial disclosures involves the application of management's judgment in several key areas. Significant judgment has been applied in determining the scope of disclosures and identifying sustainability-related risks and opportunities.

Estimates have been applied where information is not directly measurable, is subject to data limitations, or involves forward-looking assumptions. These judgements and estimates reflect management's assessment of the relevance and potential financial impact of sustainability-related factors on the Company's strategy, business model, and cash flows over the short, medium, and long term.

Use of significant judgements

Significant areas of judgement and estimation uncertainty are highlighted below, with further details provided in the referenced note disclosures.

Nature	Description	Section
Risk Assessment	Management exercised judgement in identifying sustainability-related risks and opportunities relevant at Corporate and business level and in determining the risk to be disclosed in relation to those matters. This assessment considered which issues could reasonably be expected to affect the Company's prospects or influence the decisions of primary users. Judgement is also applied in evaluating the applicability of metrics including Industry-based Guidance on Implementing IFRS S2 (Volume 47-Chemicals, Volume 20- Agricultural Products), considering the context of our business.	5 Strategy 6.1 to 6.6
Emissions Measurement Approach	The Company has adopted the operational control approach for consolidating GHG emissions in accordance with the GHG Protocol Corporate Standard. This approach includes emissions from operations under the Company's operational control and is considered the most appropriate for GHG reporting.	6.1

Key area of measurement uncertainty

The following metrics are subject to measurement uncertainty.

Nature	Description	Section
GHG Emissions Metrics	The Company measures its greenhouse gas (GHG) emissions in accordance with the GHG Protocol. The reported emissions metrics are subject to inherent estimation uncertainty due to the reliance on activity data, emission factors and assumptions regarding combustion efficiency. Where activity data is incomplete or unavailable, management applies estimation techniques, which may introduce a degree of measurement uncertainty into the disclosures. Fugitive and process-related emissions have more elements of measurement uncertainty than other sources of emissions in Scope 1. The Company intends to adopt all feasible means to improve measurement techniques in the future reporting cycles. The Company has not yet reported Scope 3 emissions; however, estimation involved in measuring Scope 3 emissions also involves uncertainty due to data limitations.	6.1

8.4 Restatement and errors

There are no changes due to estimates or restatement required due to material errors.

8.5 Events after the reporting period

No transactions, events, or conditions that require further disclosure have occurred after the reporting period and up to the date of presentation of the disclosure.

8.6 Approval

These disclosures have been approved by the Board of Directors in the manner prescribed under Section 232 of the Companies Act, 2017 as mandated by the Securities and Exchange Commission of Pakistan (SECP).

Muhammad Sohail Tabba
Chairman

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

Statement of Compliance

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

Lucky Core Industries Limited
Year Ended June 30, 2026

Lucky Core Industries Limited ('the Company') has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (CCG / Regulations) in the following manner:

1. The total number of directors are eight (8) as per the following:

   a. Male: 07
   b. Female: 01

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

Category	Names
Independent Directors	Mr. Zaffar Ahmad Khan Syed Muhammad Shabbar Zaidi Mr. Ariful Islam
Non-Executive Directors	Mr. Muhammad Sohail Tabba Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba
Female Director (Non-Executive Director)	Ms. Amina Abdul Aziz Bawany
Executive Directors	Mr. Samar Hayat

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

4. The Company has in place 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, besides being placed on the official website of the Company.

5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that a 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 Companies Act, 2017 (the Act), and the Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of 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 the Regulations.

9. The Company is compliant with the requirements of Regulation 19 of the Regulations. The Executive Director who joined the Board following the election of Directors held on May 11, 2026 will complete the Directors' Training Programme within the prescribed regulatory timeframe. All other Directors, along with the Company Secretary, have either completed the Directors' Certification from authorised institutions or possess the prescribed qualification and experience. All Directors are highly qualified and possess the requisite experience and knowledge required to perform their duties. During the year, the Company's Chief People Officer, Ms. Himra Mursil, completed the Directors' Training Programme.

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

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

12. The Board has formed committees comprising of following members as at June 30, 2026:

Audit Committee

Syed Muhammad Shabbar Zaidi	Chairman
Mr. Ariful Islam	Member
Mr. Muhammad Ali Tabba	Member
Mr. Jawed Yunus Tabba	Member

HR & Remuneration Committee

Mr. Zaffar Ahmad Khan	Chairman
Mr. Muhammad Sohail Tabba	Member
Mr. Muhammad Ali Tabba	Member
Mr. Jawed Yunus Tabba	Member
Mr. Samar Hayat	Member

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

    The functions of the Nomination Committee and Risk Management Committee are being performed by the Board itself, the HR & Remuneration Committee, and the Board Audit Committee (as applicable). Therefore, separate committees for Nomination and Risk Management are not required.

    The Company has in place a multi-level sustainability oversight framework. The Board, directly and through the Board Audit Committee, regularly reviews and monitors environmental, social and governance matters. The Leadership Team regularly reviews HSE performance, while a dedicated Sustainability Council, comprising senior members of the Company has the mandate to set sustainability objectives, define measurable KPIs and establish measuring and reporting frameworks. To further strengthen the framework, the Board Audit Committee's terms of reference include oversight of sustainability-related risks and opportunities, and those of the HR & Remuneration Committee include review of Diversity, Equity and Inclusion (DE&I) strategies and targets.

    Performance against the established targets is monitored on an ongoing basis.

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

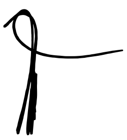
    a) Audit Committee: 04 during the year
    b) HR and Remuneration Committee: 03 during the year

15. The Board has set up an effective internal audit function consisting of a suitably qualified and experienced team which is 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 programme of the Institute of Chartered Accountants of Pakistan (ICAP) and are registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics, as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non- dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.

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

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



Muhammad Sohail Tabba
Chairman

Samar Hayat
Chief Executive Officer

Dated: August 3, 2026
Karachi

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Independent Auditor's Review Report

To the members of Lucky Core Industries 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 Lucky Core Industries Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: August 31, 2026
UDIN: CR202610069QCZJI0EWH

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
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Corporate Governance and Compliance

At LCI, we believe that strong corporate governance practices are the foundation of sustainable growth. We are committed to upholding the highest standards of integrity across all our operations and decision-making processes, ensuring transparency, accountability, and responsible business conduct in everything we do.

The Company's governance structure is based on its core values, constitutional documents, Code of Conduct, and applicable laws and regulations. The management ensures that robust internal controls and risk management systems are adopted and implemented throughout the organisation to create short-term and long-term value for all stakeholders of the Company.

Corporate Governance Statement

In line with its core value of Integrity and Responsibility, the Company remains committed to compliance with all applicable laws and regulations. The Statement of Compliance, as required under the CCG, signed by the Chairman of the Board and Chief Executive Officer, along with the Auditor's Review Report thereon, also form part of this Report.

Major Applicable Regulations

External

- Companies Act, 2017, and other allied laws
- Rule Book of the Pakistan Stock Exchange Limited
- Listed Companies (Code of Corporate Governance) Regulations, 2019
- Companies Regulations, 2024
- Securities Act, 2015
- CDC Regulations
- Other Rules, Regulations, Circulars, Notifications, and Guidelines of the Securities and Exchange Commission of Pakistan (SECP).
- Income Tax Ordinance, 2001

Internal

- The Articles of Association of the Company
- Code of Conduct
- Company Policies
- Financial Limits of Authority

Ownership and Control Structure

Lucky Cement Limited, the parent Company of LCI, holds 55% of the Company's share capital. The Yunus Brothers Group (YBG), together with its group companies including Lucky Cement Limited, holds a combined equity stake of 81.20% in the Company's capital.

Capital Structure

The share capital of the Company comprises of 461,795,250 ordinary shares. No other class of shares is issued by the Company.

LCI primarily fulfils its long-term investment and working capital requirements through its own cash generation and financing arrangements from various banks. The Company's diversified and strong business portfolio supports stable cash generation, resulting in available unutilised banking facilities.

The Company's EBITDA generation capacity, along with prudent liquidity management, is reflected in its current and quick ratios, which were 1.59 and 0.92 respectively, as of June 30, 2026.

The share capital structure of the Company is as follows:

Authorised Share Capital
PKR 15,000,000,000 - divided into 7,500,000,000 ordinary shares of PKR 2/- each.

Issued, Subscribed and Paid-up Capital
PKR 923,590,500 - divided into 461,795,250 ordinary shares of PKR 2/- each.

Shares Held by Directors/Executives

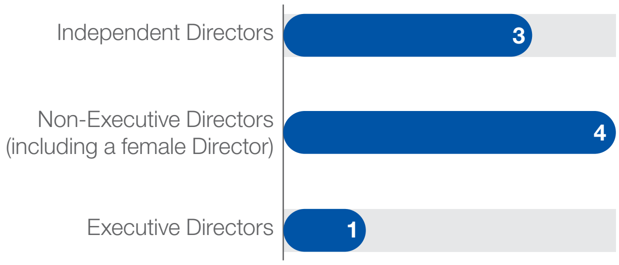
Details of the shareholding of Directors and Executives of the Company are provided in the pattern of shareholding. Refer to pages F 135 - F 139.

Board of Directors

Board Composition

The Board of LCI comprises a balanced mix of Executive, Non-Executive, and Independent Directors, ensuring an appropriate diversity of skills, perspectives, and experience, to discharge its responsibilities effectively. This diverse composition enables the Board to provide effective strategic guidance and oversight, driving the Company towards its goals and objectives while upholding high governance standards. Each Director brings a unique skill set and experience to the Board's collective decision-making and supports long-term value creation.

The Company has a total of eight (8) Directors on its Board:



Independent Directors

The Board comprises the following Independent Directors:

- Mr. Zaffar Ahmad Khan
- Syed Muhammad Shabbar Zaidi
- Mr. Ariful Islam

The Independent Directors were selected from the databank of independent directors maintained by the Pakistan Institute of Corporate Governance (PICG) in accordance with the Companies Act, 2017, the Companies (Manner and Selection of Independent Directors) Regulations, 2018, and the CCG.

Each Independent Director has submitted a declaration confirming compliance with the applicable independence criteria prescribed under the law.

A detailed composition of the Board is provided on page 86 of this Report.

Election of Directors

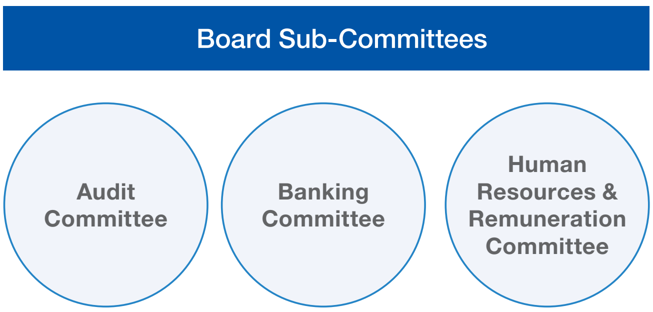
At the Extraordinary General Meeting held on May 11, 2026, eight (8) Directors were elected unopposed for a term of three (3) years commencing on the same date. The following directors were elected:

- Mr. Muhammad Sohail Tabba
- Mr. Muhammad Ali Tabba
- Mr. Jawed Yunus Tabba
- Ms. Amina Abdul Aziz Bawany
- Mr. Samar Hayat
- Mr. Zaffar Ahmad Khan
- Syed Muhammad Shabbar Zaidi
- Mr. Ariful Islam

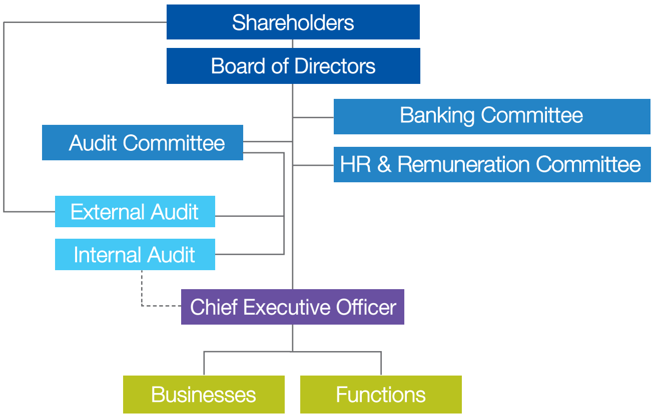
The Board subsequently re-appointed Mr. Muhammad Sohail Tabba as Chairman. Mr. Asif Jooma retired as Executive Director and Chief Executive of the Company. Mr. Samar Hayat was appointed as Chief Executive Officer of the Company with effect from May 11, 2026.

Committees of the Board

The Board has the following three (3) Sub-Committees, details of which are available on pages 75 and 86 of this Report.



Governance Structure



Casual Vacancy

During the year, Mr. Adnan Afridi, an Independent Director, resigned from the Board on November 10, 2025. Mr. Zaffar Ahmad Khan was appointed as an Independent Director to fill the casual vacancy with effect from January 30, 2026.

Roles and Responsibilities of the Board of Directors

The Board of Directors is responsible for the overall management and strategic direction of the Company. The Board's key responsibilities include:

- Setting the vision and mission, and strategic objectives of the Company
- Overseeing the financial performance of the Company
- Managing and overseeing the Company's risks
- Reviewing environmental, social and governance (ESG) matters and overseeing sustainability risks and opportunities
- Establishing and overseeing internal control and risk management frameworks
- Ensuring good corporate governance practices and legal and regulatory compliance
- Protecting the interests of shareholders and other stakeholders
- Appointing key management personnel and overseeing their succession planning
- Evaluating the performance of the Board

Board Performance Evaluation

In line with regulatory requirements, the Board conducts an annual formal evaluation of its performance. The evaluation encompasses various criteria including board composition, communication and information, risk management and internal controls, strategic planning and financial oversight, implementation of policies, and relationship with stakeholders. Additionally, the Board sets its performance objectives at the start of each financial year.

Material Interests of Board Members

In compliance with Section 205 of the Companies Act, 2017, Directors are required to disclose any directorships or memberships they hold in other corporate bodies at the time of their appointment and annually thereafter, to the Company Secretary. This information is updated on a quarterly basis, and is used to compile and maintain an updated list of all related parties. Furthermore, in accordance with the CCG, no Director of the Company holds office as a director on the boards of more than seven (7) listed companies.

Offices of the Chairman and Chief Executive Officer

In accordance with the CCG, the position of the Chairman of the Board of Directors and the office of the Chief Executive Officer are held by separate individuals with a clear segregation in the roles and responsibilities of each.

Chairman

Mr. Muhammad Sohail Tabba, a Non-Executive Director, holds the position of Chairman of the Board. In this capacity, he presides over Board proceedings, ensuring that meetings are conducted efficiently and in compliance with relevant laws and regulations. The Chairman plays a pivotal role in promoting good governance practices and guides the Board in fulfilling its responsibilities.

Chairman's Significant Commitments

Mr. Muhammad Sohail Tabba was first appointed as a Non-Executive Director on the Board of Directors in 2012. He was subsequently appointed the Chairman of the Board for the first time in 2014 and has continued to serve as the Chairman since then. For details of his other significant commitments as Chairman, Director and/or Trustee, refer to page 66 of this Report.

Chief Executive Officer

The Chief Executive Officer, Mr. Samar Hayat, is an Executive Director on the Board. He was appointed Chief Executive Officer of the Company on May 11, 2026. Prior to that Mr. Asif Jooma served as the Chief Executive Officer of the Company and retired from the Company with effect from May 11, 2026. The Chief Executive Officer is the senior-most full-time executive of the Company, reporting directly to the Board of Directors and all business units and functional heads report to him.

The key responsibilities of the Chief Executive Officer include:

- Strategic planning and execution
- Management of the Company's financial and operational performance
- Communicating and implementing the Company's vision and mission
- Implementing and overseeing risk management and internal control frameworks
- Ensuring operations are conducted in compliance with applicable laws, regulations, and the Company's policies
- Overseeing the Leadership Team (LT) and supporting its development
- Providing effective leadership and team management
- Engaging with the Board of Directors and keeping it informed of all significant developments
- Representing the Company effectively and managing relationships with key stakeholders.

Evaluation of the Chief Executive's Performance

The Chief Executive Officer's performance is evaluated based on quantitative and qualitative objectives focused on value creation. The former relates to the growth and financial performance of the Company, while the latter assesses performance on parameters including sustainability, adherence to best corporate governance practices, risk management, employee development, and growth in line with the Company's vision. Underpinning these objectives is the 'how' component, which measures the processes and policies that have been implemented and complied with.

Matters Delegated to the Leadership Team

The Leadership Team (LT) comprises the Chief Executive Officer, the Chief Financial Officer, the Company Secretary, and other heads of businesses and functions. The Board of Directors establishes strategic objectives and goals for the Company, which the LT implements in line with the Company's policies and procedures.

The Board has entrusted the Chief Executive Officer with the necessary powers and responsibilities to facilitate the smooth execution of the day-to-day affairs of the Company. The LT supports the Chief Executive Officer in this role, to effectively implement and execute the strategic plans, decisions and budgets approved by the Board. The Chief Executive Officer is responsible for keeping the Board informed on all relevant matters, including key risks and changes in the operating environment. The management seeks Board approval for significant business activities and operations as needed and appropriate.

Companies Where Executive Directors are Serving as Non-Executive Directors

The Company currently has one Executive Director, Mr Samar Hayat, who is the Chief Executive Officer of the Company. Please refer to his profile available on page 70 for more details.

Directors' Orientation

In accordance with the CCG, a comprehensive Directors' orientation package is provided to all Directors on their appointment/election on the Board of the Company. The orientation pack includes detailed information about the Company, key roles and responsibilities of directors as defined under applicable statutes, relevant disclosure and reporting requirements, and relevant policies of the Company.

Directors' Training Programme (DTP)

The Company remains compliant with the requirements of Regulation 19 of CCG. Mr. Samar Hayat joined the Board following the election of Directors held on May 11, 2026 and will complete the Directors' Training Programme within the prescribed regulatory timeframe. All other Directors have either completed the Directors' Training Programme from authorised institutions or possess the prescribed qualifications and experience for exemption from the training requirement. All Directors on the Board are fully conversant with their duties and responsibilities.

Directors' Remuneration Policy

The Company has a formal policy for the remuneration of its Non-Executive and Independent Directors, in accordance with the provisions of the Companies Act, 2017, and the CCG. The policy provides that the remuneration to be paid to the Directors for attending Board and Sub-Committee meetings shall be appropriate and commensurate with the level of responsibility and expertise required of them and shall not be at a level which could be perceived to compromise the independence of the relevant Directors. The policy is designed to attract and retain appropriate professionals needed to successfully add value to the Company. As per the policy, a Non-Executive or Independent Director is entitled to claim reasonable travelling, hoteling and other ancillary expenses incurred on account of attending the Board and Sub-Committee meetings of the Company and/or for tending to any other business for the Company.

Executive and Non-Executive Directors, that are also on the boards of subsidiaries and/or associated companies of the Company, are not given any additional remuneration for attending board meetings of these companies.

For details of remuneration paid to the Executive and Non-Executive Directors during the year, refer to note 41 of the Unconsolidated Financial Statements.

Security Clearance of Foreign Directors

The Company does not currently have any foreign directors on its Board.

Board Meetings Held Abroad

During the year ended June 30, 2026, all Board meetings were held at the registered office of the Company - 5 West Wharf, Karachi. Video link facilities were also provided for each meeting, enabling Directors to attend virtually. No meeting of the Board was held outside of Pakistan during the year.

Code of Conduct

The Company remains steadfast in its commitment to maintaining the highest ethical standards across all operations. The Code of Conduct serves as a comprehensive guide, outlining the business principles and ethical standards to which the Company adheres. These ethical standards are communicated to employees, as well as to suppliers and other business partners with whom the Company conducts business.

To ensure awareness and adherence to the Code of Conduct, all new hires are required to read, understand, and acknowledge the Code of Conduct, and sign a declaration expressing their understanding and commitment to compliance with the Code of Conduct. This ensures that the Company's ethical standards are ingrained in the corporate culture and consistently guide actions at every level of the organisation. The core values and Code of Conduct are also emphasised through published e-modules, training, and communication campaigns.

Internal Controls

The Company has a sound system of internal controls and risk management to safeguard its assets and appropriately address and/or mitigate emerging risks. The Board assumes the overall responsibility of overseeing the internal control process, including its effectiveness. The Company maintains a clear organisational structure with a well-defined chain of authority and has clear limits of authority prescribed by the Board. Internal Audits are also conducted by the Head of Internal Audit, who reports directly to the Board Audit Committee. Comprehensive details regarding the Risk Management System are separately disclosed in this Report. Refer to pages 54-62.

Conflict of Interest

A formal declaration of interests is obtained from each Director annually and updated on a quarterly basis.

In accordance with the Company's Related Party Transactions Policy, Directors are required to disclose any interest in transactions involving individuals or entities that qualify as related parties. Where an actual or perceived conflict of interest arises, the concerned Director abstains from participating in the related discussions.

To promote ongoing compliance with these requirements, Directors are provided with a comprehensive orientation pack upon their appointment/ election, which includes detailed guidance on their disclosure obligations relating to vested interests and conflicts of interest.

Related Party Transactions

The Company maintains and regularly updates a list of related parties. Transactions with related parties are carried out on an arm's length basis and in the ordinary course of business, in accordance with the related party transactions policy approved by the Board. Related party transactions are presented to the Board Audit Committee every quarter for their review. Based on their recommendation, related party transactions are subsequently approved by the Board. Transactions with related parties are also referred to the shareholders at the general meeting for ratification/ approval as applicable. Details of the related party transactions during the year are disclosed in note 42 to the Unconsolidated Financial Statements.

Insider Trading

The Company has a policy on insider information and securities transactions in line with applicable legislation and regulations. As per directives issued by the Pakistan Stock Exchange (PSX), the Company maintains and regularly updates a list of Executives (which includes the CEO, CFO, Company Secretary, Head of Internal Audit, and any employee drawing an annual basic salary of PKR 7.5 million or more).

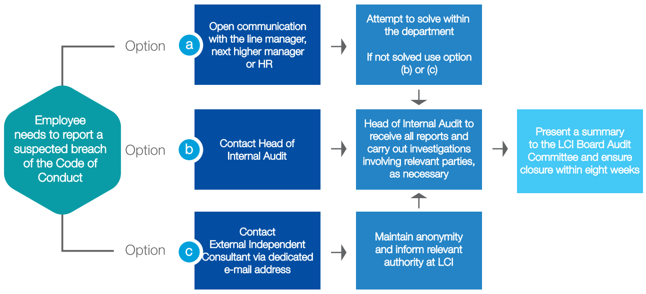
Any transaction carried out by a Director or an Executive of the Company, their spouse and/or minor children in the shares of the Company must be reported to the Company Secretary immediately, along with details of the sale/purchase of shares. The Company Secretary accordingly discloses such transactions to the PSX. Directors and Executives are not permitted to transact in shares of the Company during a closed period announced by the Company.

Competition Law

LCI upholds the principles of free enterprise and fair competition. The Company competes vigorously but fairly with its competitors, within the framework of all applicable laws. Regular training sessions are conducted at various levels of the Company to ensure employees maintain an understanding of competition laws and remain compliant.

Whistleblowing Policy

To ensure transparency and create an environment that promotes integrity and responsibility, employees have access to a robust whistleblowing programme - Speakup. The programme is overseen by the Board Audit Committee. Through this, an employee can confidentially report any Code of Conduct violation, including suspected unethical dealings, fraud, bribery, conflict of interest, discrimination, and harassment, to the relevant Head of HR or to the Head of Internal Audit. In addition, to enhance anonymity, an independent third party (a renowned firm of Chartered Accountants) has also been engaged and can be approached, either via email or by post, to file a complaint. This gives employees the confidence to report without any fear.



Speak Up Reports During the Year

Number of Speak Ups reported to the Audit Committee during the year ended June 30, 2026	2
Number of Speak Up investigations completed and cases closed by the Audit Committee	2

All complaints are thoroughly investigated within a timeline of eight weeks from the date of the Speak Up. The results of the investigation are communicated to the complainant (if the contact is available) following which appropriate remedial action is taken by the senior management. The process is overseen by the Board Audit Committee.

Internal and External Audits

Internal Audit

The Internal Audit function of the Company plays a pivotal role in providing the Board with the required objectivity in evaluating and improving the effectiveness of risk management and related control systems. The Head of Internal Audit independently reports to the Board Audit Committee, and administratively to the Chief Executive Officer. A risk-based annual internal audit plan is approved by the Board Audit Committee and the Head of Internal Audit ensures that the plan is effectively implemented.

Internal audits are executed across all businesses by suitably qualified and experienced employees of the internal audit department who are conversant with the policies and procedures of the Company. The internal audit findings are reported to the senior management and the Board Audit Committee and action plans against audit findings are rigorously followed up to ensure timely implementation of corrective measures. The Board, through the Board Audit Committee, reviews the assessment of risks, internal controls, and disclosure procedures, and suggests remedial actions where applicable.

External Audit

External auditors are appointed by the shareholders of the Company at the Annual General Meeting (AGM). The partner in charge of the Company's audit is rotated every five years, as per legal requirements. The Board Audit Committee also assesses the performance, qualifications and independence of the external auditors.

Governance Practices Exceeding Legal Requirements

The Company is dedicated to creating long-term sustainable value, and has voluntarily adopted and implemented the following best governance practices, in addition to compliance with the regulatory requirements:

- Adoption of best reporting practices as prescribed by ICAP/ ICMAP, with a view to making Company financials more transparent.
- Adoption of Global Reporting Initiatives (GRI) Standards.
- Implementation of a robust Health, Safety and Environment (HSE) policy at its plants and offices.
- Adoption of the framework for UN Global Compact "Ten Principles" as part of its strategy, culture and day-to-day operations. This is a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.
- Adoption of the International Integrated Reporting Council (IIRC)'s Integrated Reporting Framework.
- Adoption of Sustainability Reporting.

Diversity, Equity and Inclusion (DE&I) Governance

At LCI, we are committed to fostering a diverse, equitable, and inclusive workplace where every employee has the opportunity to thrive. By embracing diverse perspectives, promoting an inclusive culture, and ensuring equitable practices, the Company aims to build a high-performing workforce that enables individuals to reach their full potential. This commitment is guided by a structured DE&I framework centred on four strategic pillars: Leadership Commitment and Accountability, Building and Sustaining a Diverse Workforce, Fostering an Inclusive Culture, and Driving Positive Change Beyond the Workplace.

Throughout the year, the Company celebrated a range of cultural, national, and faith-based occasions, including Diwali, Christmas, Eid ul-Fitr, Eid ul-Adha, Nowruz, International Women's Day, Mother's Day, and Father's Day, reinforcing a workplace where employees feel valued, respected, and connected.

A key milestone during the year was the establishment of two dedicated employee-led inclusion committees: One Core - Women @ LCI and One Core - Conscious Inclusion. Women @ LCI is focused on creating a more supportive and enabling environment for women representation across the organisation. One Core - Conscious Inclusion is committed to fostering an equitable workplace for individuals of all abilities, backgrounds, ethnicities, cultures, and belief systems, ensuring every employee has the opportunity to thrive and build a meaningful career at LCI. The Company also advanced its commitment to accessibility and equal opportunity through sensitisation initiatives, participation in career fairs for Persons with Disabilities (PWDs), and partnerships designed to broaden workforce representation.

The Company further strengthened workforce diversity through strategic talent acquisition initiatives, collaborations with leading academic institutions, and the continued sponsorship of underprivileged female students under the Impact Scholarship Programme. Together, these initiatives reflect LCI's belief that diverse perspectives drive innovation, strengthen business performance, and contribute to long-term sustainable growth.

The Company remains committed to continuously strengthening its DE&I framework by enhancing workforce representation, improving accessibility, promoting inclusive leadership and fostering an environment where all employees can contribute, develop and realise their full potential. Progress against key DE&I initiatives continues to be monitored by Management as part of the Company's broader sustainability agenda.

Female representation across the organisation during the year was maintained at 10.7% of the total workforce, reinforcing LCI's commitment to building a workplace where diversity is valued, inclusion is embedded in everyday practices, and every individual is empowered to contribute, succeed, and grow.

Corporate Social Responsibility

The Company is committed to supporting the community in which it operates through its Corporate Social Responsibility (CSR) programmes. The broad areas of CSR work include healthcare, sustainability, education, environment, and women's empowerment. Further details of the Company's CSR work are available in this Report.

Details of Taxes, Duties, Levies

Details of contingencies related to taxes and duties are available in note 29 of the financial statements.

Investor Relations

The Company is dedicated to fostering strong and transparent relationships with all its stakeholders. To this end, the Board has approved an Investor Relations Policy to facilitate effective management of investor relations. A dedicated Investor Relations Section on the Company's website (http://www.luckycore.com) offers stakeholders access to comprehensive information about the Company including its financials, important notices and announcements. The website maintains regulatory standards, provides content in both English and Urdu, and is updated on a regular basis.

Investor Grievance Policy

Shareholder and investor grievances or complaints can be submitted to the Head of Corporate Compliance whose contact details, including an email address and postal details, are available in the Investor Relations section of the website. The Company Secretariat department regularly monitors any complaints received and aims to resolve them in a timely manner.

Grievances requiring the attention of senior management or the Board of Directors are escalated to the relevant forum where warranted, for appropriate review and consideration.

Stakeholder Engagement Process

The Company is committed to maintaining transparent, timely and meaningful engagement with its stakeholders, including shareholders, investors, analysts, customers, employees, suppliers, regulators, and local communities.

The Company maintains regular engagement with its shareholders, institutional investors, analysts and the investment community through corporate briefings, quarterly and annual financial reports, notices to shareholders, press releases, and timely disclosures made through the PSX portal and the Company's website.

In line with the Company's core value of Customer Centricity, the businesses engage with customers through regular meetings, customer visits, participation in trade fairs, and distributor and customer conferences. These engagements enable the Company to better understand customer requirements, strengthen relationships and continuously improve its products and services. The Pharmaceuticals Business engages with its stakeholders strictly in accordance with applicable laws and regulations.

Regular engagement with local communities is maintained through corporate social responsibility and sustainability initiatives, with a focus on creating positive social and environmental impact. This engagement enables the Company to better understand local needs and contribute towards the sustainable development of the communities in which it operates.

Feedback received through these engagement channels is reviewed by the relevant management teams and, where appropriate, incorporated into business planning, operational improvements, customer service initiatives, sustainability programmes and corporate communications.

Corporate Briefing Sessions

The Company holds regular Corporate Briefing Sessions to provide investors and analysts with an opportunity to engage with senior management on its operational and financial performance, business outlook and strategic priorities. During the year, two such sessions were conducted.

The first session was held on August 21, 2025, at the Pakistan Stock Exchange Limited Auditorium in Karachi, following the announcement of the Company's FY2024-25 financial results. Management discussed the performance of the Company's principal businesses, the successful integration of the acquired pharmaceuticals portfolio, ongoing initiatives to enhance operational efficiency, and the outlook across the business portfolio.

The second session was conducted on February 10, 2026, through a video link facility following the announcement of the half-year financial results for FY2025-26. The discussion focused on the factors influencing the Company's performance during the period, prevailing market conditions across its businesses, progress on key strategic initiatives, and the outlook for the remainder of the financial year.

To encourage meaningful dialogue, participants are invited to submit questions in advance of each Corporate Briefing Session and may also raise queries during the interactive question-and-answer session. The feedback and views shared through these interactions provide management with valuable insights into investor expectations and are considered in enhancing stakeholder communications and supporting informed decision-making.

Dividend Policy

The Company declares dividends in line with the dividend policy approved by the Board.

General Meetings

The Company holds its general meetings in accordance with the requirements under the Companies Act, 2017, Rule Book of the PSX, the CCG, and its Articles of Association.

Presence of the Chairman at General Meetings

The Annual General Meeting of the Company was held on September 26, 2025. The Company also convened an Extraordinary General Meeting on May 11, 2026 for the election of directors. The Chairman of the Board presided over both meetings, and the Chairman of the Board Audit Committee remained in attendance at each meeting to address shareholder queries regarding the Committee's activities and other matters which fall within the scope of its responsibilities.

Issues Raised in the Last Annual General Meeting

Queries raised during general meetings were adequately addressed.

Steps Taken by Management to Encourage Minority Shareholders

The Company is committed to protecting the rights of all shareholders and encouraging the active participation of minority shareholders in the affairs of the Company. It endeavours to provide timely, transparent and equitable access to information to enable shareholders to make informed decisions and exercise their rights effectively.

The Company complies with all applicable regulatory requirements to facilitate shareholder participation in general meetings. Shareholders are provided the facility to attend meetings through video conferencing and, where applicable, to vote electronically and/or through postal ballot in accordance with the Companies Act, 2017 and the Postal Ballot Regulations, 2018.

Notices of general meetings are dispatched to all shareholders within the prescribed regulatory timeframe by post and, where email addresses are available, by email. The notices, together with the annual report and other relevant meeting materials, are also made available through the PSX portal and the Company's website, and are published in English and Urdu newspapers having nationwide circulation.

Shareholders attending general meetings are provided an opportunity to raise questions on the business of the meeting and the Company's performance, which are addressed by the Board and the Management.

Business Continuity Plan/ Disaster Recovery Plan

The Company has established business continuity plans for each of its businesses, in addition to an IT Disaster Recovery Plan. These plans set out the strategies and procedures to be followed to minimise the impact of a disaster or other disruptive event on business operations and ensure that critical business functions can continue to operate safely without disruption until normal operations are restored.

Record Keeping

In compliance with regulatory requirements, the Company maintains all relevant records in both physical and electronic form.

Significant Events During the Year

July 31, 2025	Board of Directors Meeting
August 21, 2025	Corporate Briefing Session
September 26, 2025	Annual General Meeting
October 23, 2025	Board of Directors Meeting
January 26, 2026	Board of Directors Meeting
February 10, 2026	Corporate Briefing Session
February 17, 2026	Board of Directors Meeting
April 27, 2026	Board of Directors Meeting
May 11, 2026	Extraordinary General Meeting
June 11, 2026	Board of Directors Meeting

Authorisation of Financial Statements

The Annual financial statements for the year ended June 30, 2026 were authorised by the Board of Directors in its meeting held on August 03, 2026.

Report of the Board Audit Committee

on Compliance with the Regulatory Requirements

Composition of the Board Audit Committee

The Board Audit Committee comprises of four (4) directors. Two members of the Committee, including the Chairman are Independent non-executive directors, whereas the remaining two members are non-executive directors.

All the Committee members are qualified professionals with immense experience in the fields of finance, taxation, governance and business management. The details of the Board Audit Committee members are given on page 86 of this Report.

The Head of Internal Audit serves as the Secretary to the Committee and convenes all its meetings. The Chief Financial Officer of the Company attends the meetings by invitation and the external auditor attends the meetings when required, usually where half-yearly financial statements (reviewed by the external auditors) and yearly financial statements (audited by the external auditors) are reviewed by the Committee.

Financial Statements

The Committee has concluded its annual review of the Company's performance, financial position and cash flows during 2026, and reports that:

- The standalone and consolidated financial statements of LCI for the year ended June 30, 2026 have been prepared on a going concern basis under the requirements of the Companies Act, 2017, incorporating the requirements of the Code of Corporate Governance, International Financial Reporting Standards and other applicable regulations.
- These financial statements present a true and fair view of the Company's state of affairs, results of operations, profits, cash flows and changes in equity of the Company and its subsidiary for the year under review.
- The auditors have issued unmodified audit report on the financial statements. The Committee had detailed interactions with the external auditors before the start of the audit to get an insight on the approach and scope of the external audit and key risk areas. Furthermore, post completion of the external audit, the Committee also got an understanding of the significant issues in relation to the financial statements, the treatment suggested by the external auditors and actions taken by the management against those issues.
- Appropriate accounting policies have been consistently applied except for the changes, if any, which have been appropriately disclosed in the financial statements.
- The Chairman of the Board, the Chief Executive Officer and the Chief Financial Officer have endorsed the standalone and consolidated financial statements of the Company, while the Directors' Report is signed by the Chairman and the Chief Executive Officer. They acknowledge their responsibility towards the true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.
- Accounting estimates are based on reasonable and prudent judgement. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017. The financial statements comply with the requirements of the fourth schedule to the Companies Act, 2017, and the external reporting is consistent with management processes and adequate for shareholder needs.
- All related party transactions have been reviewed by the Committee prior to approval by the Board.
- The Company has issued a Statement of Compliance with the Code of Corporate Governance which has also been reviewed and certified by the external auditors of the Company.
- Understanding and compliance with the codes and policies of the Company have been affirmed by the members of the Board, the management and employees of the Company. Equitable treatment of shareholders has also been ensured.

Risk Management and Internal Control

The Board of Directors have established a robust framework of Enterprise Risk Management (ERM) with a clearly documented policy and detailed procedures defining therein the roles and responsibilities of the Board, senior management as well as individual managers of the Company. The framework defines a formal and uniform process for risk identification, capturing relevant details, categorisation, assessment of likelihood and impact, prioritisation based on risk exposure, appropriate assignment of ownership and the pertinent action plans. The ERM process is diligently implemented in the organisation and is reviewed and monitored periodically by the Board Audit Committee for further recommendations to the Board. The Board Audit Committee also maintains oversight on sustainability risks and opportunities to ensure compliance with relevant laws.

The Company has devised and implemented an efficient internal control framework including state-of-the-art ERP system with built-in controls and a governance framework supported by well defined policies and procedures as well as an independent Internal Audit function.

The Internal Audit function is responsible for providing assurance on the effectiveness and adequacy of internal controls and risk management framework in managing risks within acceptable levels throughout the Company. The Company's approach towards risk management has been detailed in the risk assessment portion of the Directors' Report. The types and details of risks along with mitigation measures are disclosed in the relevant section of the Annual Report.

Internal Audit

The Company's system of internal controls is sound in design and is continually evaluated for effectiveness and adequacy through a comprehensive internal audit process. The Board Audit Committee has ensured the achievement of operational, compliance, risk management and control objectives along with safeguarding the assets of the Company and shareholders' wealth through assurances provided by the Internal Audit function.

Internal audits are executed across all businesses by suitably qualified and experienced employees of the Internal Audit function who are well conversant with the Company policies and procedures and have sufficient internal audit acumen. The Internal Audit function has carried out its assignments in accordance with the annual audit plan approved by the Board Audit Committee during the year. Moreover, special audits are carried out as and when required. The Committee has reviewed significant Internal Audit findings, taken appropriate actions where necessary and brought the matters to the Board's attention where required.

The Board Audit Committee has provided proper means for staff and management to report to it, concerns, if any, about actual or potential improprieties in financial and other matters like Code of Conduct breaches. This is ensured by a robust whistleblowing programme called 'Speakup' which is overseen by the Board Audit Committee through the Head of Internal Audit. Adequate remedial and mitigating measures are applied where necessary. The number of Speakup investigations completed and reported to the Board Audit Committee are disclosed on page 111 of this Report.

The Head of Internal Audit has direct access to the Chairman of the Board Audit Committee and the Committee has ensured that the function has the necessary access to the management and the right to seek information and explanations. The necessary governance in this regard is formally documented in the form of the Internal Audit Charter which complies with the regulatory requirements, global best practices and outlines other rights and duties of the Internal Audit function. The performance of the Head of Internal Audit is assessed jointly by the Chairman Board Audit Committee and the Chief Executive Officer.

Coordination between the external and internal auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system.

External Auditors

The external auditors of the Company, M/s A.F. Ferguson & Co. Chartered Accountants, have completed their audit of the Company's Financial Statements, the Consolidated Financial Statements and the Statement of Compliance with the Code of Corporate Governance for the financial year ended June 30, 2026. The Board Audit Committee has discussed the audit process and the key audit matters considered by the external auditors pertaining to the financial statements, including compliance with the applicable regulations or any other issues.

The external auditors attended the Board Audit Committee meetings where required. The Committee also met the external auditors in the absence of the Chief Financial Officer and the Head of Internal Audit in accordance with the requirements of the Code of Corporate Governance.

The Board Audit Committee is satisfied with the performance of the external auditors. Being eligible for reappointment, the Board Audit Committee has recommended the appointment of M/s A.F. Ferguson & Co, Chartered Accountants, as external auditors of the Company for the financial year ending June 30, 2027.

Annual Report 2026

The Annual Report issued by the Company is detailed and in line with the regulatory requirements. It includes the financial statements and the Directors' Report, as well as other relevant information, to offer a comprehensive view of the Company and its operations, as well as the policies set in place by the Company, its performance and future prospects.

The information has been disclosed in the form of ratios, trends, graphs, analysis, explanatory notes and statements etc., and the Board Audit Committee believes that the Annual Report 2026 gives a detailed view of the Company's historical trends, the current state of affairs and future prospects.

Self-Assessment of the Board Audit Committee

The Board Audit Committee believes that it has carried out its responsibilities to the full, in accordance with the Terms of Reference approved by the Board. The self-evaluation of the Board Audit Committee's performance was carried out in which the overall performance of the Committee remained satisfactory.

Syed Muhammad Shabbar Zaidi
Chairman Board Audit Committee

Dated: August 03, 2026
Karachi

BUSINESS PERFORMANCE

Progress Through Collective Strength

This section highlights the performance and key milestones of LCI's businesses, reflecting the strength in our collective effort.

There were no changes in activities, the value chain, or other business relationships during the year.

SODA ASH BUSINESS

Grounded in Resilience

LCI's Soda Ash Business has remained a cornerstone of industrial growth since 1944. Backed by indigenous resources and disciplined execution, it serves as a reliable supplier to the country's essential industries. Amid a challenging operating environment, the business remains committed to supporting industrial development, both domestically and in export markets.

Business Overview

Solutions Offered

Light Soda Ash

Used to manufacture Paper, Chemicals, Detergent, Silicate and Textile.

Dense Soda Ash

Used to manufacture Glass, Detergent and Silicate.

Sodium Bicarbonate

Also known as Baking Soda, and used to manufacture food products (bakery items), and by the leather, textile, and animal feed industries.

Industries Served

Glass

Paper

Silicate

Detergent

Textile

Chemicals

Animal Feed

Tanneries

Business Value Chain

	Inputs	LCI's Position	Output	Outcome
Manufacturing of Soda Ash and Derivatives	Raw Materials	Testing of Raw Materials Manufacturing Packaging Warehousing	Light Soda Ash Dense Soda Ash Sodium Bicarbonate	Powering Essentials

Market Overview

During FY 2025-26, the global soda ash market remained adequately supplied across most regions, with significant capacity additions in China contributing to a persistent oversupply situation. Weak demand growth across key downstream industries, coupled with elevated inventory levels, continued to exert downward pressure on prices. As a result, regional and international markets remained highly competitive throughout the year.

The global market was further impacted by the ongoing conflict in the Middle East, which disrupted logistics networks, increased energy and freight costs, and created uncertainty across supply chains. Shipping constraints in the Arabian Gulf and the closure of key ports added further pressure to freight rates, while prolonged geopolitical instability continued to weigh on business sentiment.

Domestically, market conditions remained mixed across end-use segments. The paper industry continued to face pressure from recycled paper and lower-cost imports, while the silicate and glass sectors remained dependent on imported soda ash. Demand from the detergent segment remained relatively resilient, although higher sulphonic acid prices and supply constraints affected smaller manufacturers. Meanwhile, the glass segment showed improvement during the latter part of the year.

Business Performance and Key Developments

During the year under review, the Soda Ash Business continued to operate in a challenging environment characterised by global oversupply, weak international prices, elevated freight costs, geopolitical uncertainty, and increased pressure from low-priced imports following the duty adjustments announced in the Federal Budget 2025-26. These market conditions continued to weigh on performance, resulting in Net Turnover of PKR 36,213 million and Operating Results of PKR 5,668 million, reflecting a decline of 9% and 33% respectively compared to the SPLY. Despite these market pressures, the business remained focused on strengthening its market position and pursuing growth opportunities across key segments.

On the exports front, Soda Ash Light in 25 kg packaging was introduced in response to evolving market requirements, opening access to new customer segments and expanding the business's footprint in export markets. These initiatives underscore the business's commitment to product innovation, market development, and long-term value creation despite a challenging operating environment.

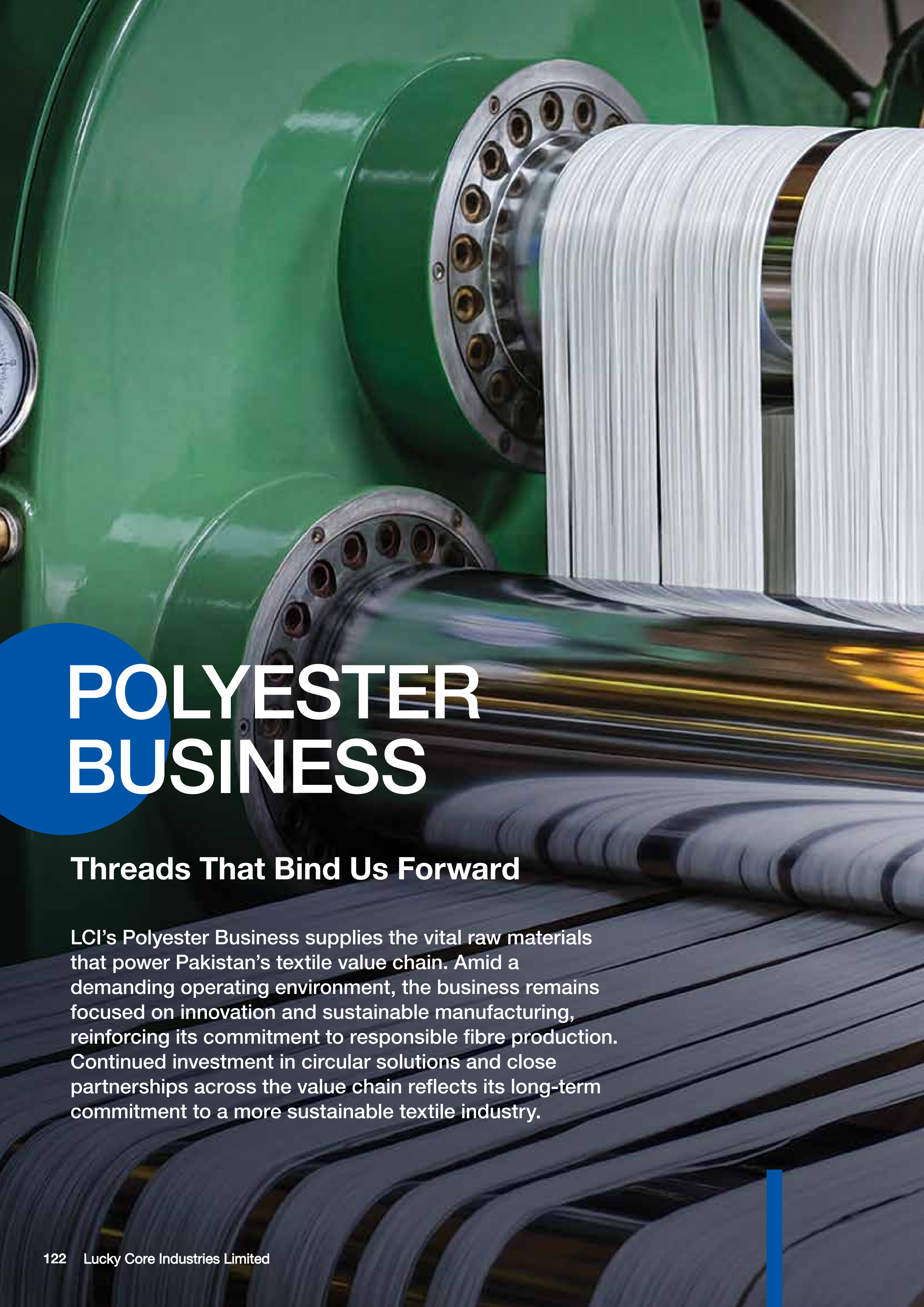
Future Outlook

The year ahead presents a demanding operating environment. Persistent geopolitical tensions in the region, alongside the government's phased reduction of import duties will weigh on the industrial segment.

The performance of the glass and detergent segment will remain key determinants of domestic growth. Major glass producers are expected to operate at low levels amid an unfavourable economic climate, while demand growth in the detergent segment will continue to depend on the availability and price of sulphonic acid, a key input for detergent powder manufacturing.

On the export front, low-priced imported soda ash will continue to exert pressure on the business across its key export markets, while rising production and freight costs, due to the ongoing Middle East conflict, have limited export avenues for the business. Prospects for these exports will remain contingent on evolving regional conditions.

Soda Ash Business team with the Supply Chain team of Unilever Bangladesh.



POLYESTER BUSINESS

Threads That Bind Us Forward

LCI's Polyester Business supplies the vital raw materials that power Pakistan's textile value chain. Amid a demanding operating environment, the business remains focused on innovation and sustainable manufacturing, reinforcing its commitment to responsible fibre production. Continued investment in circular solutions and close partnerships across the value chain reflects its long-term commitment to a more sustainable textile industry.

Business Overview

Solutions Offered

TERYLENE POLYESTER FIBRE
Standard Virgin Polyester Fibre

TERYLENE BLACK
Dope Dyed Polyester Fibre

TERYLENE CLEAN
The efficent green
100% Recycled and Traceable Polyester Fibre

TERYLENE POLYESTER FIBRE Powered By CiCLO
Behaves like Natural Fibres and Fights Microfibre Pollution

TERYLENE POLYESTER FIBRE Powered By SILVERbac
Inherently Antimicrobial and Odour-reducing

TERYLENE RETEX
Textile-to-Textile Recycled Polyester Fibre

Industries Served

Textile

Four Tier Strategy

Health and Hygiene

Sustainability

Versatility

Traceability

Business Value Chain

Input	LCI's Position	Output	Outcome
PTA MEG Pre and Post-Consumer Textile Waste Post Consumer PET Waste	Manufacturing of PSF Manufacturing of Polyester Chips	Yarn	Staple for Textile

Market Overview

During FY 2025-26, global economic growth remained subdued amid trade restrictions and heightened geopolitical uncertainty. During the first half of the year, energy and petrochemical markets remained under pressure due to oversupply fundamentals. The escalation of the Middle East conflict in the latter part of the year disrupted market dynamics and triggered sharp volatility across the value chain.

Despite significant volatility during this period, average crude prices increased by 4% compared to the SPLY. Average PX and PTA prices remained lower by 4% during the eight-month period ended February 2026; however, following the escalation of the Middle East conflict, average PX and PTA prices increased by 12% and 11%, respectively, compared to the SPLY, due to rising crude prices and supply disruptions during the second half of the year. In contrast, average MEG prices declined by 1% compared to the SPLY, reflecting persistent oversupply for most of the year despite a strong recovery towards year-end.

Domestic PSF prices remained on the same levels as the SPLY, as the polyester industry continued to face significant import pressure from China, Bangladesh, and Indonesia. PSF import volumes have surged considerably, displacing domestic production and capturing a significantly larger share of the local market.

International and domestic cotton prices each witnessed a decline of 1% and 3%, respectively, compared to the SPLY. However, a substantial price recovery was recorded in the second half of the year, driven by tightening supply and geopolitical disruptions affecting global trade flows. Persistent shortfalls in domestic cotton production continued to increase the industry's reliance on imported cotton.

Business Performance and Key Developments

During the year under review, the Net Turnover of the Polyester Business stood at PKR 34,478 million. Persistent inflow of low-priced Polyester Staple Fibre continued to define the operating environment, exerting considerable pressure on domestic demand and compressing margins. Despite these headwinds, the business partially mitigated these pressures through effective portfolio management between regular and specialised variants and a strong focus on costs.

The business continued to strengthen its market position through a sustained focus on sustainability, innovation, and stakeholder relations, reinforcing its position as a responsible and forward-looking polyester fibre producer. Its textile-to-textile recycled polyester fibre brand, Terylene Retex, gained further traction through strategic partnerships with recycling technology partners across China, Europe, and Turkey, positioning the business at the forefront of textile-to-textile recycled polyester fibre innovation. The sustainable portfolio was further strengthened through Terylene Powered by CiCLO (biodegradable fibre) and Terylene Silverbac (antimicrobial fibre), in line with the global shift toward more sustainable synthetic textiles.

The business also deepened its relationships with stakeholders through participation in key industry forums, including the Textile Exchange Conference 2025 in Portugal and its own 8th Customer Conference in Budapest, Hungary. These platforms enabled the business to showcase its innovative and sustainable product portfolio to a wide audience of global brands, industry leaders, and customers, while facilitating dialogue on key sustainability themes such as circularity, traceability, and evolving regulatory frameworks. The engagements reinforced long-standing relationships, strengthened the business's standing as an industry thought leader, and fostered greater alignment with partners across the value chain on shared innovation and sustainability priorities.

Future Outlook

Looking ahead, the global polyester industry is expected to navigate a landscape defined by geopolitical uncertainty, shifting trade policies, and persistent feedstock market volatility. While de-escalation of tensions in the Middle East may support supply chain normalisation, uncertainty surrounding global trade flows and freight costs is likely to persist, keeping raw material prices susceptible to fluctuations.

The Polyester Business remains focused on strengthening its portfolio through product innovation, strategic partnerships, operational excellence, and sustainability-led initiatives. Strong capabilities in recycled and speciality fibres, combined with rigorous cost discipline, position the business well to navigate market headwinds and drive sustainable long-term growth.

Polyester Business Team at the 8th Annual Customer Conference.

PHARMACEUTICALS BUSINESS

United in Care and Progress

LCI's Pharmaceuticals Business is driven by the Company's mission of Improving Lives through accessible, high-quality healthcare solutions. A diverse and growing product portfolio keeps the business responsive to the evolving needs of patients across the country. New therapies and expanding reach, together, strengthen healthcare outcomes and contribute to building healthier, more resilient communities across Pakistan.

Business Overview

Therapeutic Areas Covered

- Gynecology
- Pediatrics
- Vitamins, Minerals and Supplements
- Cardio Metabolic
- Oncology
- Central Nervous System
- Respiratory/ Pulmonology
- Gastroenterology
- Pain Management
- Urology
- Infectious Diseases

Key Brands

- Lysovit
- Ponstan
- Mucaine
- Citralka
- Ansaid
- Tenormin
- Merpen
- Inderal
- Deltacortril
- Hy-cortisone
- Lederplex
- Zestril
- Mycitracin
- Zoladex
- Trihemic
- Etipro
- Regnum
- Xenecor
- Gempaz-M
- Nebormin
- Napeso

Industries Served

- Lifestyle and Well Being
- Health Care

Customer Engagement Strategy

- Advocacy Mobilisation
- Scientific Cascades
- Disease Awareness
- Digital Advocacy
- Trade Marketing

Business Value Chain

Input		LCI's Position	Output	Outcome
Locally Manufactured Pharmaceuticals	Pharmaceutical Ingredients	Formulation Development Testing Market Authorisation Manufacturing and Quality Control Compliance with cGMP Packaging and Warehousing Sales and Marketing Distribution	Range of Quality Medicines	Keeping Pakistan Healthy
Imported Pharmaceuticals	Finished Goods of Imported Pharmaceuticals	Warehousing Sales and Marketing Distribution		

Market Overview

During FY 2025-26, Pakistan's pharmaceutical industry recorded sales worth PKR 1.16 trillion (IQVIA MAT May 2026). The industry currently comprises 650+ companies, with the top 10 companies holding approximately 45.30% of market share. The industry continued to grow by approximately 13.70% compared to the SPLY.

Domestically, healthcare demand remained steady, driven by Pakistan's growing population, rising chronic disease burden, and sustained investment in primary care. Anti-infective and pain management segments experienced seasonal demand variability relative to the SPLY. The Vitamins, Minerals, and Supplements (VMS) segment saw seasonal demand during Ramadan.

On the global front, pharmaceutical supply chains continued to normalise, supporting improved API availability.

Business Performance and Key Developments

During the year under review, the Pharmaceuticals Business achieved a Net Turnover of PKR 22,198 million, representing a 5% increase compared to the SPLY. This strong performance was underpinned by sustained execution across a diversified and growing product portfolio, and the successful launch of multiple new products throughout the year. The local business, however, grew by 11%, while exports business declined by 62% amid ongoing disruptions in key regional export market.

The business maintained strong momentum through a series of product launches, spanning key therapeutic areas including Pain, Cardiology, Diabetes, Vitamins, Minerals and Supplements. Highlights include the relaunch of Ponstan Suspension, and the launches of Nebormin, Gempaz LT, and Trihemic IV, Napeso, Geivipaz LM XR, and Rezkew. Further strengthening its portfolio and future growth pipeline, the business entered into a strategic collaboration with Baxter International Inc. to in-license key healthcare offerings for the local market.

The manufacturing and supply chain functions continued to drive efficiencies through alternate material sourcing, disciplined cost management, and rationalisation of the fixed cost base. During the year, the B2 manufacturing facility also received Good Manufacturing Practice (GMP) certification from Ukraine's State Service on Medicines and Drugs Control (SMDC), a PIC/S participating authority, further reinforcing the business's focus on quality, responsible manufacturing, and operational excellence.

On the exports front, the business navigated a challenging year. The closure of the Pakistan-Afghanistan border proved disruptive, impacting cross-border trade flows. Despite these pressures, the business further broadened its international footprint, onboarding new distributors in Kuwait, Iraq, Sudan, Rwanda, and Kyrgyzstan.

Throughout the year, the business maintained its rigorous Environmental, Health and Safety standards, building further on its EHS International Award 2024 recognition.

Future Outlook

Looking ahead, the business is well-positioned to sustain its growth momentum. Building on its strong legacy portfolio, it is expected to further enhance scale and capabilities, accelerating growth and profitability. Key priorities include continued expansion of the specialty portfolio through targeted new product launches and lifecycle management initiatives, alongside a strategic focus on innovation and geographic expansion. Through these efforts, the business aims to deepen penetration in high-growth therapeutic areas and sustain international growth, building on the export momentum established during the year.

The business remains committed to delivering reliable solutions for patients and stakeholders. Macroeconomic pressures and API cost volatility will continue to present challenges. However, the business is well-equipped to navigate these challenges through agile commercial planning and a steadfast commitment to operational efficiency.

Pharmaceuticals Business Team at the Exclusive Recognition Ceremony in Baku.

ANIMAL HEALTH BUSINESS

Rooted Together in Growth

LCI's Animal Health Business works alongside farming partners to strengthen the health and productivity of Pakistan's livestock and poultry sectors. Through continued investment in disease control and breeding solutions, and preventive animal healthcare, the business supports healthier herds and flocks nationwide. By expanding its portfolio and introducing new products, the business enhances productivity, supports animal welfare, and contributes to a more resilient and sustainable food system.

Business Overview

Solutions Offered

Veterinary pharmaceuticals and nutraceuticals for the well-being of livestock and poultry.

Antibiotics
- Injectables
- Oral

Anthelmintic
- Injectables
- Drenches

Biologicals
- Live and Killed Vaccines

Antiprotozoal
- Injectables

Nutritional Supplements
- Multi-vitamins
- Calf Milk Replacer

Farm Solutions
- Feed Additives
- Disinfectants

Bovine Genetics
- Conventional Semen
- Sexed Semen

Industries Served

Livestock Industry
Dairy, Beef, Sheep, Goat, and Companion Animals

Poultry Industry
Grand Parent, Breeder, Broiler & Layers, and Poultry Feed Mills

Business Value Chain

Input		LCI's Position	Output	Outcome
Imported Veterinary Pharmaceuticals	Finished Goods Imported from Principals/ Suppliers	Warehousing Distribution	Range of Quality Medicines, Biologicals, Feed Additives, Bovine Genetics and Disinfectants for Poultry and Livestock.	Nurturing Livestock & Poultry
Locally Manufactured Veterinary Pharmaceuticals	Active Pharmaceutical Ingredients	Formulation and R&D Compliance with cGMP Testing Manufacturing and Quality Control Packaging and Warehousing Distribution		

Market Overview

Pakistan's animal health industry is a cornerstone of the rural economy, sustaining over 8 million households. In FY 2025-26, it accounted for 62.4% of agricultural value addition, 14.6% of national GDP, and exceeded US$500 million in total exports. The sector's gross value addition increased by 3.75% compared to the prior year, driven by rising demand, enhanced animal health services, and improved market connectivity. Total meat production reached 6.31 million tonnes in FY 2025-26, growing 5.8% over the SPLY, with poultry accounting for the largest share of output. Poultry meat output expanded by 9.4% to 2.83 million tonnes, while beef production remained relatively stable at 2.63 million tonnes.

Within the livestock sector, a notable shift emerged this year as commercial and corporate dairy farms embraced precision feeding as a tool for operational optimisation and efficiency. Moreover, government initiatives such as the launch of the Punjab Livestock Card enabled interest-free, short-term financing for small farmers, enhancing productivity across the sector.

The livestock sector continued to face disease outbreaks that impacted farm profitability. Weather-induced disruptions further elevated reliance on antibiotic treatments and reproductive support products. Additionally, rising export demand catalysed a strategic shift among mid-sized dairy operations towards meat-focused fattening enterprises.

Similarly, the poultry sector continued to demonstrate strong momentum. The commercial poultry sector accounted for 44.7% of total meat production, with growth primarily attributable to broiler production expansion. Day-Old Chick (DOC) output rose by 10% to 2.4 billion, while egg production increased by 10% to 2.83 billion, reflecting sustained improvements in farm-level productivity. The sector's gross value addition was estimated at PKR 999 billion, demonstrating sustained growth at an average annual rate of 8.1% over the past decade.

Against this backdrop of expanding poultry production, the widespread prevalence of respiratory and gastrointestinal diseases sustained robust demand for antibiotics, disinfectants, and vaccines throughout the poultry value chain.

While the animal health industry benefited from these growth trends, it was also marked by considerable macroeconomic and geopolitical headwinds that weighed on both the poultry and livestock sectors. The closure of the Pakistan-Afghanistan border reduced export avenues and placed additional pressure on domestic supply chains. Adding to these headwinds, the geopolitical conflict strained product availability, while surging freight and production costs disrupted margins throughout the value chain. Nevertheless, the industry continued to demonstrate resilience. Farm-level productivity improved across both segments, while expanding dairy projects reflected renewed investor confidence.

Despite these ongoing challenges, the outlook for Pakistan's animal health industry remains positive. While input cost pressures and disease challenges persist, strengthening demand and supportive policies are expected to sustain recovery. Advances in disease control, supply chain resilience, input affordability, and continued innovation are anticipated to drive momentum in the period ahead.

Business Performance and Key Developments

During the year under review, the Animal Health Business delivered meaningful progress across both the poultry and livestock segments. In poultry biologicals, enhanced product efficacy and targeted technical outreach drove measurable improvements in survival rates and disease control across commercial farming operations. In the Livestock segment, growing adoption of sexed semen and embryo transfer technologies under the Bovine Genetics portfolio supported continued demand for bovine genetics and reproductive solutions, contributing to the country's dairy self-sufficiency agenda.

These efforts were underpinned by a broader focus on improved product accessibility and targeted portfolio expansion to address gaps across key segments. Together, they translated into tangible results, with the business recording a Net Turnover of PKR 7,191 million. The Poultry segment contributed 48% to the top line, while the Livestock segment accounted for the remaining 52%.

A key milestone during the year was the successful completion of the new veterinary medicine manufacturing facility in Sheikhupura. The investment expanded production capacity, equipping the business to meet current demand and scale for the future. Strategically, the business also realigned its portfolio toward locally manufactured veterinary medicines, deepening its commitment to the Farmer's Choice range.

Moreover, six new products, including enzyme-based nutritional solutions, were launched, strengthening the Company's value proposition and business portfolio.

The products related to respiratory health delivered a standout performance this year, reflecting strong market standing and focused commercial execution.

Future Outlook

Looking ahead, the business holds a confident outlook anchored by market expansion, portfolio diversification and strategic collaborations. A key priority going forward will be to identify global partners in the bilogical vaccines portfolio, aligning with broader growth and diversification goals. Furthermore, efforts will be directed towards expanding genomic testing capabilities to strengthen market presence, leveraging advanced technologies across the business.

Inauguration of the New Veterinary Medicine Manufacturing Plant, Sheikhupura.

CHEMICALS & AGRI SCIENCES BUSINESS

Growing Stronger Together

LCI's Chemicals & Agri Sciences Business brings together specialty chemicals and agricultural solutions to serve Pakistan's industrial and farming communities. A customer-centric approach and continued innovation drive smarter, simpler solutions across diverse sectors.

Business Overview

Solutions Offered

Chemicals

Industrial Chemicals

A range of solutions for pharmaceuticals, steel, paints and coatings and other industries.

Polyurethanes

A range of solutions to manufacture appliances, automotive parts, thermoware, sporting goods and sandwich panels.

Masterbatches

Range of colourants and additive solutions for packaging, consumer goods, textile, construction, electronics and agriculture industries.

Textile Chemicals and Auxiliaries

Solutions to improve the operational efficiency of textiles such as pretreatment, dyeing, printing, and finishing.

Adhesives

Solutions with specialties in wood working and packaging adhesives.

Hygiene Chemicals

Portfolio of cleaning and disinfection solutions for diverse industries.

Agri Sciences

Seeds

A range of field crop seeds and vegetable seeds, for the agriculture industry.

Agrochemicals

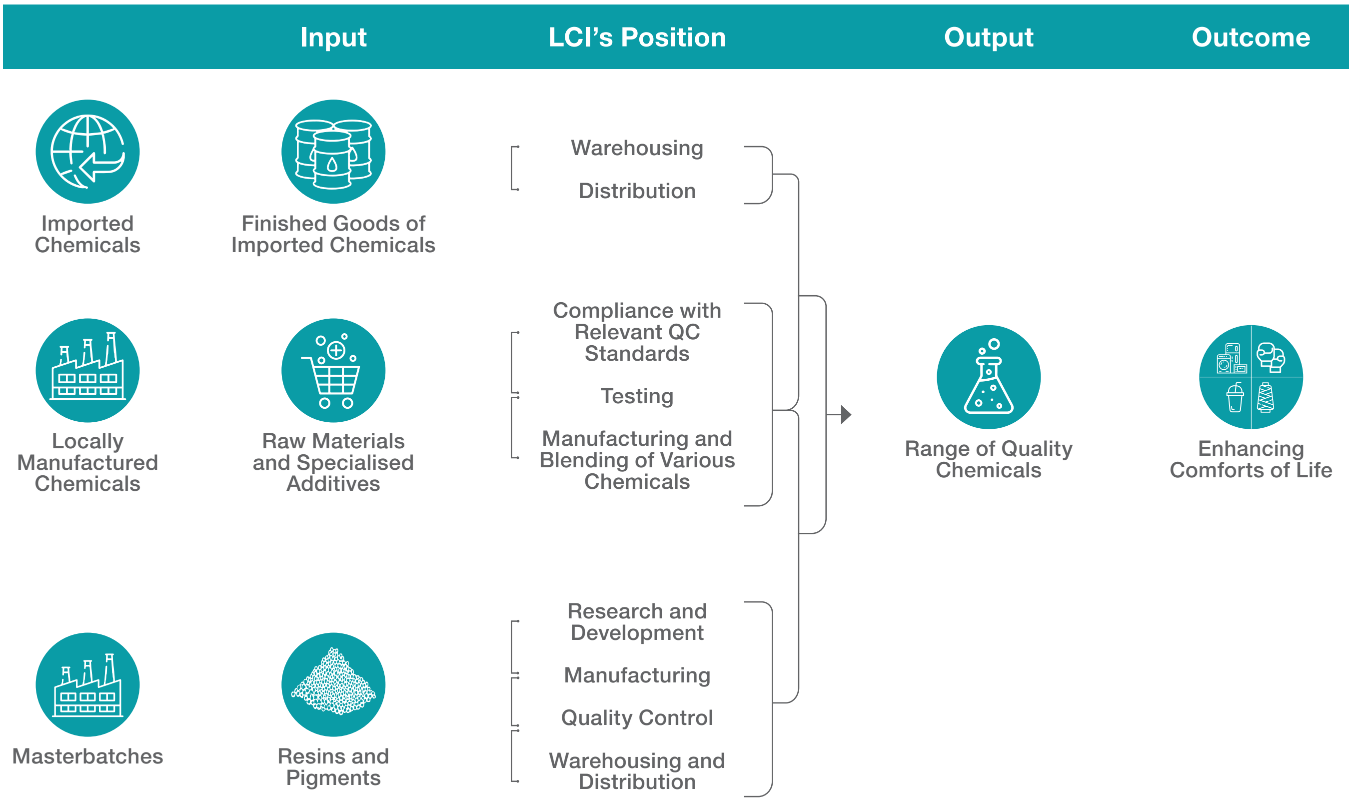
A range of insecticides, herbicides, fungicides and micronutrients for the agriculture industry.

Industries Served

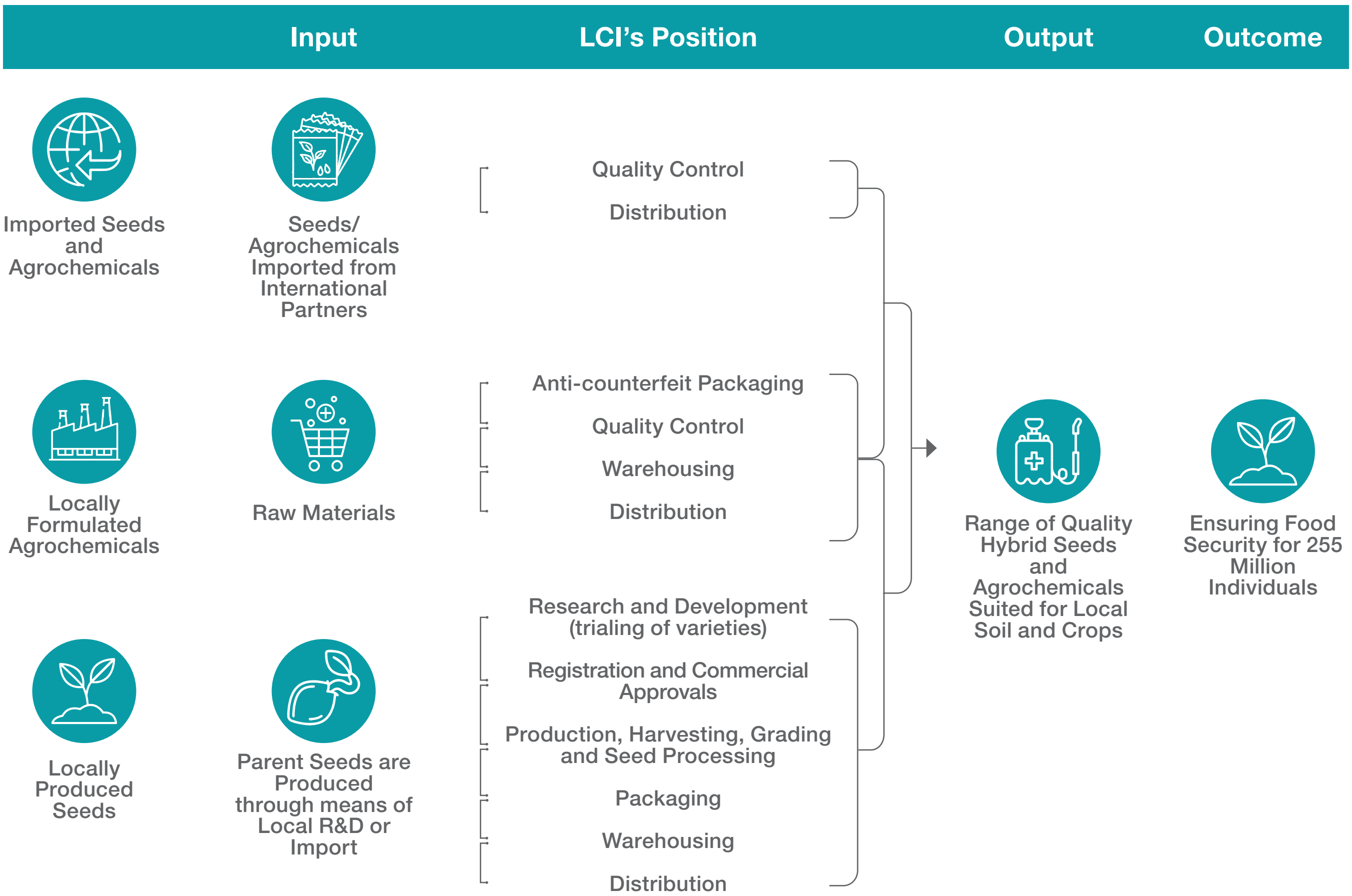
- Sports Goods
- Appliances
- Agriculture
- Textiles
- Fibre & Yarn
- Beverages & Liquids
- Flexible Packaging
- Agro Chemicals
- Paints & Coatings
- Food, Dairy and Meat
- Consumer Products
- Industrial Packaging
- HoReCa
- Health Care
- Construction
- Thermoware
- Automotive
- Tents and Tarpaulins

Business Value Chain

Chemicals and Masterbatches



Agri Sciences



Market Overview

During FY 2025-26, Pakistan's economy showed signs of macroeconomic stabilisation, supported by contained inflation and a relatively stable exchange rate. Despite these improvements, broader recovery remained subdued, as elevated living costs continued to weigh on consumer purchasing power.

Key commodity prices during the first half of the year remained depressed amid subdued global demand. This reversed in the second half, as heightened geopolitical tensions in the Middle East placed significant upward pressure on global energy markets, driving crude oil and feedstock commodity prices higher. These disruptions translated into higher fuel and logistics costs, renewed inflation, and slower economic growth domestically.

Against this backdrop, uncertainty in energy and petrochemical markets disrupted feedstock availability and supply chains. Businesses dependent on imported raw materials faced higher costs, supply constraints, and weak domestic demand. While easing geopolitical tensions towards the end of the fiscal year helped stabilise oil and commodity prices, the outlook remains dependent on global developments.

Pakistan's agriculture sector contributed 23.4% to the national GDP and 33.1% of total employment, recording a growth of 2.89% during FY 2025-26. Although the agriculture sector recorded a growth of 2.89% in FY 2025-26, the crop sector grew by only 1.44%. The overall agricultural growth was primarily driven by the livestock sector, which expanded by 3.75% and accounts for 62.4% of agriculture value addition. This indicates that the contribution of crops to overall agricultural growth remained relatively modest, despite improvements in wheat, rice, and sugarcane production.

The crop sector demonstrated resilience despite climatic and market challenges, with major crops collectively growing by 0.65%, supported by improved performance in wheat, rice, and sugarcane, which offset declines in cotton and maize production.

Additionally, the edible oil sector continued to represent a major challenge for Pakistan's agricultural economy. During FY 2025-26, the country imported 3.65 million tonnes of edible oil, including oil extracted from imported oilseeds, with a combined import value exceeding US$ 4.5 billion, with the total edible oil import bill projected to reach approximately US$ 6.0 billion. Domestic edible oil production stood at only 0.55 million tonnes, meeting around 10% of national requirements, highlighting Pakistan's heavy dependence on imports and the critical need to accelerate local oilseed production to reduce the growing import burden.

Business Performance and Key Developments

Chemicals

Despite volatile market conditions, the business maintained its customer-centric approach and achieved 10% volumetric growth compared to the previous year. This performance was supported by robust supply chain management, customer retention initiatives, and continued innovation to meet evolving industry needs amid a challenging geopolitical environment. Reflecting the Company’s commitment, the business also successfully transitioned to Cyclopentane (CP) technology in its Polyurethanes portfolio, a more environmentally responsible solution that supports ozone protection.

Additionally, the business strengthened its market presence during the year. It participated as a Platinum Sponsor at the Pakistan Coatings Show and Polyurethane Expo 2026, engaging with customers and key stakeholders, and expanded its portfolio through a collaboration to distribute Dunlop Adhesives in Pakistan, introducing new adhesive categories to meet growing demand from the construction sector. The Industrial Chemicals portfolio was further expanded through the addition of Evonik's specialised pigments, catering to the evolving needs of the paint and coatings industry. Complementing these initiatives, the business invested in strengthening its Textile Chemicals manufacturing capabilities to better serve the evolving requirements of the local textile industry.

Masterbatches

Despite economic headwinds and plastic resin shortages caused by geopolitical tensions in the Middle East, the Shades Masterbatch segment strengthened its market position through optimised production, effective pricing strategies, and disciplined inventory management. Backed by advanced R&D capabilities and a strong reputation for delivering premium, customised solutions, the segment remained resilient amid supply chain disruptions and achieved its highest-ever production volume during the year.

Chemicals Business team at the Launching Ceremony of Cyclopentane (CP) Technology.

Agri Sciences

The Agri Sciences Business operated in a challenging market environment, resulting in a decline in performance compared to the previous year. Continued unfavourable market conditions, limited policy support for oilseed crops, and increasing reliance on imported edible oils further impacted seed sales. Despite these challenges, the business remained focused on delivering value to farmers through innovative products, strategic partnerships, and its 360-degree Agri Solutions platform.

Portfolio enhancement remained a key strategic priority during the year. A significant milestone was the successful return to the corn market with the launch of the autumn hybrid, Hycorn 555. The business also conducted a soft launch of the sweet corn hybrid HiBrix 71 and strengthened its oilseed pipeline to support future growth. Another notable achievement was the successful initiation of local production of an F1 hybrid rice seed, laying the foundation for enhanced competitiveness and supply security. Within the agrochemical portfolio, 3 new products were introduced to broaden the offering and explore new growth opportunities across key segments.

Future Outlook

Looking ahead, the Chemicals Business will continue to focus on innovation and portfolio diversification to drive sustainable growth. Supported by a strengthened market presence and strategic partnerships, the business has enhanced its resilience against external pressures, reinforcing its position as a preferred partner across diverse industries.

In the Agri Sciences Business, the Seeds segment will focus on strengthening its oilseed portfolio while reducing reliance on sunflower seeds through greater diversification across key crop categories. Strategic priorities include expanding the corn portfolio through Hycorn 555 and short-duration hybrids, alongside strengthening the rice and vegetable seed portfolios. Continued investments in portfolio development will also support the planned introduction of new sunflower hybrids, GMO canola varieties, and a spring corn hybrid in the coming years. Meanwhile, the Agrochemicals segment will focus on optimising its insecticide portfolio and expanding its presence in the micronutrient category.

Overall, the Chemicals & Agri Sciences Business remains well positioned to build on its strengths through innovation, strategic partnerships, and portfolio diversification, continuing to adapt to evolving market needs and create sustainable value for its customers and stakeholders.

Agri Sciences Business team, at the Business Partner's Conference.

SUSTAINABILITY PERFORMANCE

Impact Through Ownership

This section outlines our commitment to sustainable performance, highlighting initiatives, achievements, and progress towards a more sustainable future.

Contents

About the Report

Lucky Core Industries Limited FY 2025-26 Sustainability Report marks its 18th year of annual sustainability reporting, covering the topics identified as material to the Company and its stakeholders. The Report complies with the Global Reporting Initiative (GRI) Standards and adheres to the GRI 01 Foundation Reporting Principles. Moreover, the Report references the UN Sustainable Development Goals (SDGs).

Reporting Period

The reporting period for this Report aligns with the Company's FY 2025-26, spanning from July 1, 2025, to June 30, 2026. This Report has been published in September 2026.

Report Boundary and Content

The Report showcases LCI's commitment to sustainability, transparency, and environmental excellence. It covers:

The Company's core areas of business, corporate functions, and employee data. It excludes subsidiaries and associated companies.

Detailed performance on material sustainability topics.

Progress towards achieving LCI's long-term sustainability pledges and goals in the economic, environmental, and social areas, highlighting their significance for stakeholder decision-making.

Management Approach to Sustainability

Details of the management approach for each material topic are available on page 148 of this Report.

Data Collection

Data presented in the Report was collected from the Company's Financial Management Reporting Systems, the Environmental Performance Management (EPM) database, and the Corporate HR Information Management System. Details of the Company's sustainability reporting governance are available on page 154 of this Report. No restatements have been made to previously reported data.

Assurance

The Report also undergoes an independent review conducted by the Corporate Social Responsibility Centre Pakistan (CSRCP) to ensure compliance with GRI Standards, the ISAE 3000 (Revised) standard and principles of inclusivity, materiality, responsiveness, and impact. The Sustainability Council oversees external assurance processes, with coordination delegated to the Head of Corporate HSE. The assurance letter from CSRCP is available on page 210 of this Report.

Contact Us

To share any feedback or comments related to this Sustainability Report, please email: corporate.hse@luckycore.com, or contact:

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The Report, along with additional information about the Company's business units and products, can be accessed on LCI's website: **www.luckycore.com**

Message from the Chief Executive Officer

Dear Stakeholders,

I am pleased to present LCI's Sustainability Report for FY 2025-26 as Chief Executive Officer, and to share my first message with you in this capacity. This year's report marks the Company's eighteenth consecutive year of transparent and responsible sustainability reporting.

This year's report continues to be prepared in accordance with the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals, with select disclosures also aligned to the IFRS Sustainability Disclosure Standards, reflecting our commitment to comprehensive, stakeholder-inclusive reporting. Anchored in our purpose of Improving Lives, we remain focused on responsible business, disciplined execution, and enduring value for our stakeholders.

For LCI, sustainability is not a standalone programme, it is embedded in how we govern and operate. Our Sustainability Council remains central to this effort, translating sustainability priorities into action and enabling alignment across businesses, functions, and operational sites, so that sustainability-related risks and opportunities are identified and closely integrated with business planning, resource allocation, and performance management. This governance enables practical action across resource efficiency, people development, and community investment, strengthening long-term value creation.

This same discipline shapes our environmental agenda, which remained guided by LCI's Catalyst 2030 - Climate Action Plan and STEP sustainability platform. During FY 2025-26, LCI neutralised 26,000+ tonnes of CO_2 emissions, planted 23,000+ trees, and recycled 247+ million PET bottles into polyester fibre. The Company also generated 1,700,000+ kWh of clean energy, helping reduce 1,000+ tonnes of CO_2 emissions. Wastewater recovery, process optimisation, and improved waste management further enhanced resource efficiency across our operations.

Health & Safety is central to this agenda. During the year, LCI recorded approximately 50.04 million safe man-hours, with 3 reportable incidents, each investigated and addressed through corrective and preventive action, resulting in a Total Reportable Injury Rate (TRIR) of 0.26 per million man-hours worked. We continue to strengthen process safety, site controls, and preventive practices to protect our people, safeguard our assets, and support long-term operational resilience.

This same investment in our people extends to how we build a future-ready organisation. We strengthened our commitment to diversity and inclusion through the launch of One Core-Women@ LCI and One Core-Conscious Inclusion, while increasing female representation across the workforce to 10.7% during FY 2025-26. LCI recorded over 7,900 training days during the year, reinforcing our investment in capability-building, leadership development, and a workforce prepared for the needs of tomorrow.

Beyond our own workforce, this responsibility extends to the communities with whom we share long-term relationships. Guided by our social responsibility pillars of Health, Education, Women's Empowerment, Environment, and Community Development, PKR 220.5 million was invested during FY 2025-26 to support initiatives that improve quality of life and enable meaningful progress. This impact was further strengthened through Pehchan, our employee volunteer programme, under which 440+ volunteers contributed 1,500+ hours to meaningful causes.

As LCI moves forward, our progress will continue to be measured by how effectively we manage material risks and opportunities to strengthen resilience, build a future-ready organisation, and create long-term value with purpose, staying true to our promise of Improving Lives. This year’s results reflect the collective efforts of our people, partners, and stakeholders, and I thank them for their continued commitment and trust.

I invite you to read this year's Sustainability Report and learn more about the progress achieved during FY 2025-26, and the priorities shaping our future.

Best Regards,

Samar Hayat
Chief Executive Officer
Lucky Core Industries Limited

Sustainability Highlights

26,000+
tonnes
of CO_2 Emissions Neutralised

247+
million
PET Bottles Recycled into Polyester Fibre

23,000+
Trees Planted

50+
million
Safe Man Hours

Zero
Occupational Illnesses

7,900+
Training Days

PKR
220.5
million
Invested in Community Uplift Programmes

440+
Employees Participated in Volunteer Programme

Awards

Corporate Function

Best Sustainability Report Award 2024
The Institute of Chartered Accountants of Pakistan
Institute of Cost and Management Accountants of Pakistan

Sustainability Rising Star Award 2026
Asia Corporate Excellence & Sustainability (ACES)

Pharmaceuticals Business

22nd Annual Environmental Excellence Award 2025
National Forum for Environment & Health

EHS International Award 2025
The Professionals Network
Pakistan Safety Council

Fire Safety Excellence Award 2025
Fire Protection Association of Pakistan

Soda Ash Business

RoSPA Gold Award 2026
The Royal Society for the Prevention of Accidents

International Safety Award 2026
British Safety Council

Safety & Health Excellence Awards 2026
British Safety Industry Federation

Corporate Social Responsibility Award 2026
National Forum for Environment & Health (NFEH)

22nd Annual Environmental Excellence Award 2025
National Forum for Environment and Health

15th Annual Fire Safety Awards 2025
National Forum for Environment and Health
Fire Protection Industry of Pakistan
Institution of Fire Engineers

Polyester Business

Best HSE Initiative Award, Environmental Excellence, and Excellence in CSR Award
Pakistan Safety Council

Corporate Social Responsibility Award 2026
National Forum for Environment & Health (NFEH)

Animal Health Business

Corporate Social Responsibility Award 2026
National Forum for Environment & Health (NFEH)

22nd Annual Environment Excellence Award 2025
National Forum for Environment and Health

15th Annual Fire Safety Award 2025
National Forum for Environment and Health and Fire Protection Industry of Pakistan

Chemicals & Agri Sciences Business

Environment, Health and Safety International Award 2025 and 15th Annual Corporate Social Responsibility Award
The Professionals Network

LCI secured 2nd place for the Best Sustainability Report and a Certificate of Merit for the Best Corporate Report in the Chemical and Fertilizer sector at the ICAP - ICMA International Best Corporate Report 2024 Awards.

Materiality Assessment

The Company recognises the importance of identifying and managing the topics that are most material to its business and stakeholders. As LCI continues forging ahead together, this section outlines the methodology used to determine their significance to the Company's long-term sustainability, value creation, and operational resilience.

LCI recognises the actual and potential environmental, social, and economic impacts associated with its operations. These include outcomes such as greenhouse gas emissions from manufacturing processes and the consumption of natural resources, as well as positive contributions including job creation, sustainable innovation, and long-term community development. These impacts occur both directly through core operations and indirectly across the value chain.

Aligned with international sustainability frameworks, the Company has adopted policies and initiatives focused on reducing emissions, upholding human rights, promoting responsible sourcing, and supporting the wellbeing of employees and communities. In line with these commitments, key actions during the period included transitioning to cleaner energy sources, strengthening supplier engagement, and expanding employee development programmes, particularly management training initiatives designed to build leadership capabilities and foster a culture of continuous learning.

Performance against these priorities was rigorously monitored using well-defined Key Performance Indicators, supported by regular internal and external audits and comprehensive stakeholder feedback. The insights derived from these monitoring activities informed progress towards key targets, including emissions reduction and energy efficiency, with findings systematically integrated into strategic planning and operational decision-making to drive continuous improvement.

In 2023, a comprehensive materiality assessment was conducted in accordance with the Global Reporting Initiative (GRI) Standards (2021), with the support of an independent consultant. Anchored in the principles of double materiality, the process incorporated insights from the Sustainability Council, key stakeholder groups, including employees, suppliers, customers, and community representatives, and a review of sector-specific ESG developments. The findings of this assessment continue to guide our sustainability priorities to date.

The aforementioned methodology enabled the Company to collaboratively identify and finalise its material topics in line with LCI's sustainability objectives and strategic priorities. The comprehensive nature of the assessment ensures that the Sustainability Report accurately reflects LCI's commitment to sustainable practices and transparent reporting.

List of Material Topics*

Area	Material Topic	Impacts
Economic	Economic Performance	Affects economic conditions of all stakeholders.
	Indirect Economic Impacts	Affects economic conditions of all stakeholders.
	Market Presence	Affects development in markets where the Company operates.
	Procurement practices	Affects capacity enhancement of local suppliers.
	Anti-Competitive Behaviour	Affects ethical and responsible operations.
Environmental	Energy	Affects the organisation's environmental footprint, the ecosystem and climate.
	Water and Effluents	
	Emissions	
	Waste	
Social	Employment and Labour Relations	Affects social capital development and working conditions.
	Training and Education	Affects social capital development, in particular the organisation's human capital.
	Occupational Health and Safety	Affects stakeholders and their human rights.
	Diversity and Equal Opportunity	Affects social capital development, in particular the organisation's human capital.
	Non-Discrimination	Affects social capital development, in particular the organisation's human capital.
	Freedom of Association	Affects stakeholders and their human rights.
	Child Labour	Affects stakeholders and their human rights.
	Community Investment	Affects social capital development and community uplift.

*The list of material topics is the same as last year, reflecting no changes.

Relevance of Material Topics to Lucky Core Industries

As LCI continues forging ahead, these material topics guide our approach to creating sustainable value while addressing the environmental, social, and economic priorities most relevant to our businesses and stakeholders.

Pillar	Material Topic	Why it Matters or Relevance	How LCI Responds or Reporting Focus
Economic	Economic Performance	Drives LCI's long-term value creation and commitment to Cultivating Growth.	Delivers sustainable financial performance through responsible business practices and transparent reporting.
	Indirect Economic Impacts	Extends LCI's contribution to socio-economic development beyond its direct operations.	Measures and reports its broader economic impact across stakeholders, communities, and the value chain.
	Market Presence	Creates employment opportunities and supports regional economic development.	Invests in talent through competitive employment, remuneration, and benefits.
	Compliance	Safeguards LCI's licence to operate, financial performance, and corporate reputation.	Maintains robust governance and compliance with applicable laws and regulations.
	Anti-Competitive Behaviour	Reinforces ethical conduct and fair competition while protecting stakeholder trust.	Promotes ethical business practices and compliance with competition laws.
	Procurement Practices	Strengthens supply chain resilience and creates shared value with business partners.	Fosters responsible sourcing and long-term supplier relationships.
Environmental	Water & Effluents	Responsible water stewardship is critical in a water-scarce country.	Improves water efficiency and manages effluents responsibly across operations.
	Energy	Efficient energy use reduces environmental impact and enhances operational competitiveness.	Improves energy efficiency and increases the adoption of cleaner energy sources.
	Emissions	Effective emissions management supports climate action and regulatory compliance.	Monitors greenhouse gas emissions, implements reduction initiatives, and complies with environmental regulations, including NEQS.
	Waste	Responsible waste management protects the environment, biodiversity, and surrounding communities.	Minimises waste generation and promotes responsible reuse, recycling, and disposal practices.

Pillar	Material Topic	Why it Matters or Relevance	How LCI Responds or Reporting Focus
Social	Employment and Labour Relations	Reflects LCI's commitment to Passion for People by attracting, developing, and retaining talent.	Provides growth opportunities, competitive rewards, and an inclusive workplace that supports employee wellbeing.
	Training and Education	Builds future-ready capabilities and strengthens organisational performance.	Invests in continuous learning, leadership development, and career progression.
	Occupational Health and Safety	Protecting people is fundamental to responsible operations.	Maintains the highest HSE&S standards to safeguard employees, contractors, business partners, and communities.
	Diversity and Equal Opportunity	An inclusive workplace enables people and the business to thrive.	Advances diversity, equity, and inclusion through equitable employment practices and an inclusive culture.
	Non-Discrimination	Fair and respectful treatment strengthens an inclusive workplace.	Upholds equal opportunity and a workplace free from discrimination and bias.
	Freedom of Association & Child Labour	Respect for human rights is fundamental to responsible business conduct.	Upholds internationally recognised human rights, ILO Conventions, and applicable local regulations.
	Community Investment	Creates shared value by supporting sustainable community development.	Invests in community partnerships and programmes that deliver measurable social impact.

Sustainability Strategy

LCI's sustainability strategy brings its businesses together around a unified direction, translating shared responsibility into coordinated environmental and social action. By progressing collectively, the Company aims to deepen impact, strengthen communities, and advance responsible practices across its operations.

Approach to Sustainability

As a leading manufacturing Company, LCI integrates sustainability into its business strategy to create long-term value for its stakeholders. Guided by six fundamental principles, the Company's businesses move forward together, united in their approach to deliver a lasting positive impact for future generations.

Guiding Framework	
Operational Pillars	**Creating Socioeconomic Value:** Strengthening communities through sustained investment in education, healthcare, and skills development to build resilience, promote inclusion and extend the benefits of growth.
	Environmental Stewardship: Committed to minimising its environmental footprint by investing in cleaner technologies and sustainable practices.
	Respecting Human Rights: Ensuring internationally recognised human rights are implemented across the value chain through fair, dignified, and inclusive practices.
	Transparency: Building trust through accountable operations, clear reporting, and open stakeholder dialogue.
	Operating Responsibly: Embedding ethical conduct, responsible sourcing, and inclusive practices across operations.
	Fostering a Culture of Excellence: Nurturing talent, encouraging innovation and enabling continuous learning to build a high-performing, purpose-driven culture as one team.
Transversal Pillars	**Stakeholder Engagement:** Partnering with employees, communities, partners, and regulators to shape responsive, accountable and lasting sustainability outcomes.
	Governance: Integrating sustainability into business practices through clear oversight, accountability, and performance monitoring.

Forging a Sustainable Future

Catalyst 2030 - Climate Action Plan

As climate-related pressures continue to shape operating environments, LCI is responding through coordinated action across the Company's businesses and functions. More than 42 projects are driving improvements in energy efficiency, emissions reduction, and ecosystem restoration.

This work is delivered through the Catalyst 2030 - Climate Action Plan, launched in FY 2022-23 as a Company-wide platform for shared climate priorities. By combining technology adoption, efficiency, and nature-based solutions, the Plan supports practical action across decarbonisation, resource efficiency, and environmental resilience.

Catalyst 2030 also provides a framework for monitoring outcomes and informing future environmental priorities, enabling LCI to translate climate ambition into measurable progress and long-term value creation.

Approach to Climate Change

- Decarbonising through efficiency and technological improvements
- Advancing nature-based solutions through green initiatives
- Collaborating for wider community impact

Catalyst Commitments

Through its Catalyst roadmap, LCI has established medium- to long-term targets to advance meaningful climate action:

Neutralise

175,000*

tonnes of CO_2 emissions through technology adoption, efficiency, and nature-based solutions by 2030

Recycle

360

million PET bottles annually for polyester fibre production by 2030

*This target has been revised.

Recycle

220

million gallons of water annually by 2030

Eliminate the use of

single-use

plastic bottles across Corporate Offices (achieved in 2022)

Plant

215,000

trees by 2030

Across Company sites, more than 42 active projects are translating these targets into action. Each project has been prioritised for its scalability and impact.

Impact Overview FY 2025-26

Catalyst 2030 - Impact Areas	Units	FY 2025-26	Total (since July 2022)
Neutralise Carbon Emissions	Tonnes	26,825	109,053
Recycle PET bottles to produce polyester	Million Bottles	247	1,007
Trees Planted	Number	23,670	130,816

During FY 2025-26, LCI further advanced its Catalyst 2030 - Climate Action Plan by neutralising 26,825 tonnes of CO_2, taking the cumulative total to 109,053 tonnes since July 2022.

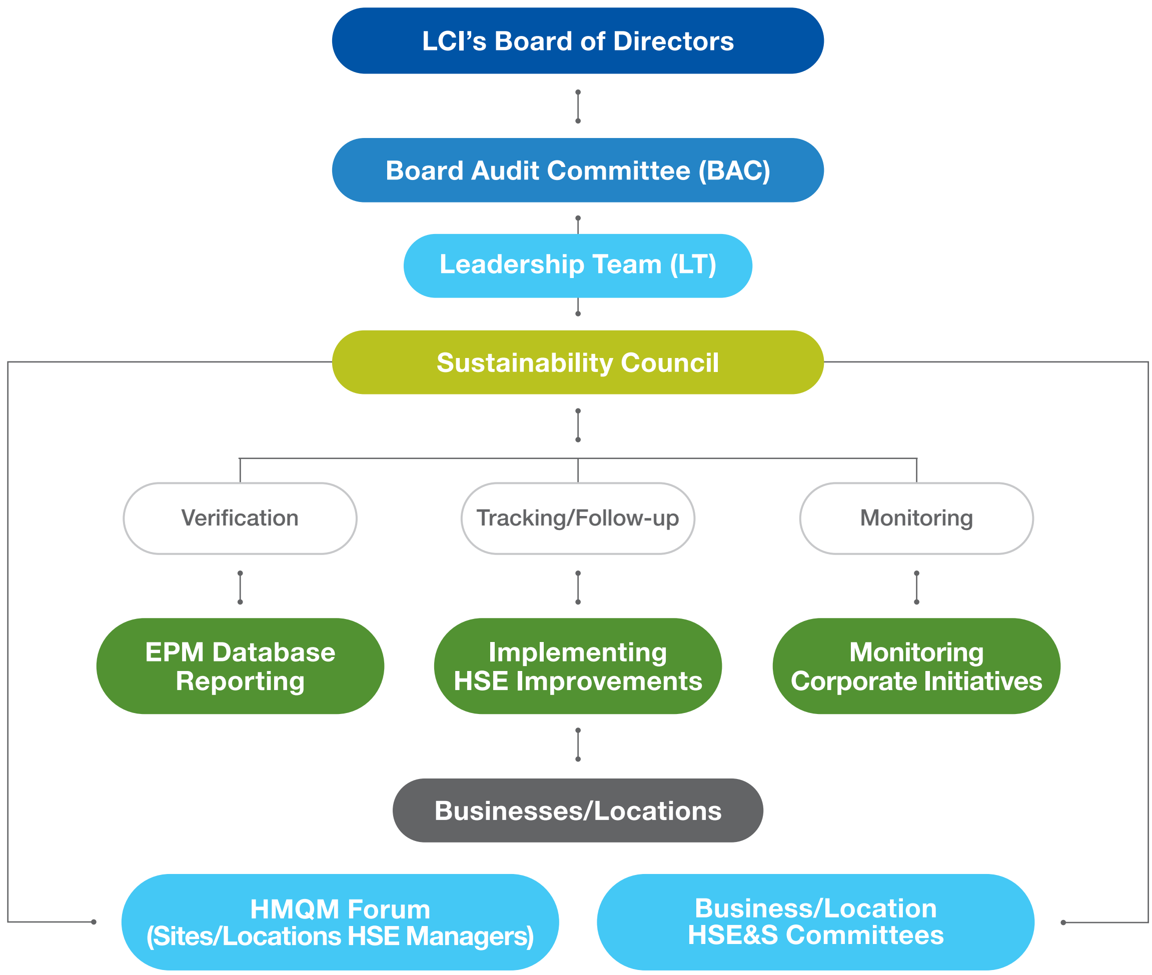
The Company also recycled 247 million PET bottles for the production of recycled polyester, increasing the cumulative total to more than 1 billion bottles. This supports circularity by reducing plastic waste and extending the productive use of materials.

Nature-based initiatives continued to deliver positive outcomes, with 23,670 trees planted during the year. Since the launch of Catalyst 2030, the cumulative number of trees planted has reached 130,816, further contributing to biodiversity and ecosystem restoration.

Together, these achievements demonstrate measurable progress towards the Company's climate, circularity, and environmental priorities.

Sustainability Governance

Catalyst 2030 - Climate Action Plan



LCI's sustainability governance framework establishes clear oversight, accountability and decision-making responsibilities across the organisation. The Board of Directors conduct biannual reviews of ESG performance in relation to the Company's long-term objectives.

The Leadership Team oversees progress across environmental, social and governance matters, including related risks, opportunities, metrics and targets.

The organisational approach is informed by the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Sustainable Development Goals (SDGs) and the United Nations Global Compact (UNGC).

The Company continually reviews its sustainability agenda through regular evaluations, risk assessments and stakeholder feedback.

It also communicates its commitments and performance publicly, reinforcing transparency and accountability while informing strategic decisions, strengthening risk management, supporting resilient, and responsible growth.

LCI has also incorporated its commitment to ethical business practices into its supplier codes, which suppliers must sign and abide by during their relationship with LCI.

Cultivating Organisational Integrity

LCI's policy commitments are anchored in its Board-approved Code of Conduct, a foundational pillar of ethical practice. Available on the official website, the Code is communicated to all directors and employees during onboarding. It aligns with applicable laws and upholds human rights. Regular training, leadership communication, and internal awareness initiatives reinforce integrity, and shared accountability across the organisation.

Sustainability Council

The Sustainability Council comprises representatives from across the Company's businesses and functions. The Council also oversees the development, implementation, and monitoring of HSE&S policies and practices across LCI.

Responsibilities of the Council

The Council acts to:

- Define sustainability KPIs, measurement matrices, and targets.
- Review the Company's environmental footprint and develop effective strategies for mitigation of adverse impacts.
- Assess stakeholder relationships for alignment with sustainability objectives.
- Design and execute communication strategies for internal and external stakeholders to promote sustainable growth.
- Establish guidelines for managing sustainable change and fostering adaptability within the organisation.
- Introduce and implement initiatives for cutting-edge technologies in alignment with LCI's sustainability agenda.
- Define broad parameters for enhancing product responsibility to ensure that the Company's products align with sustainable principles throughout their lifecycles.
- Prioritise sustainability goals and direct efforts towards areas that can yield significant and tangible results.

Monitoring and Reporting on Sustainability Efforts

Corporate HSE&S independently oversees sustainability performance reporting and maintains the Environmental Performance Management (EPM) database. Businesses and sites report data related to LCI's Operational Eco-Efficiency (OEE) footprint, which is reviewed by the Sustainability Council and the Leadership Team to support oversight and informed decision-making.

Grievance Mechanisms

LCI is committed to addressing and remediating any adverse impacts resulting from its operations or business relationships. To support this commitment, the Company maintains a robust grievance mechanism designed to identify issues, engage relevant stakeholders, and execute swift corrective actions. All grievances are investigated thoroughly, and remedial actions are taken to prevent recurrence. Details of the grievance mechanisms are available on page 112 of this Report.

Stakeholder Engagement

LCI recognises that its enduring success is built on the strength of open and transparent relationships established with its stakeholders. By valuing every perspective, the Company continues to move forward through shared understanding and collective trust.

Stakeholder Group	Providers of Financial Capital	Employees	Customers	Suppliers and International Partners
Engagement Frequency	• Regular	• Regular	• Regular	• Regular
Concerned LCI Teams	• Corporate Finance • Company Secretariat • Corporate Communications and Public Affairs	• Leadership Team • Human Resource • Corporate Communications and Public Affairs	• Business sales, technical support and quality assurance	• Procurement • Relevant business team
Key Stakeholder Concerns	• Ongoing economic viability • LCI's financial and operational performance • LCI's growth prospects	• Employment security • Fair treatment and compensation • Safe workplace • Training and education • Career development • Participation and empowerment	• Product cost, quality and availability	• Long term supply contracts • Efficient payment cycles
LCI's Strategic Response	• Commitment to ongoing growth and value creation • Corporate briefings • Shareholders meetings • Timely public disclosures to PSX • Investor relations policy	• Leadership connect sessions • Internal events and communications • Annual engagement survey • Launch of Employee Central • Benchmarking studies • Capacity-building trainings • Wellness Programme • Innovation Challenge • Code of Conduct	• Technical support and capacity building initiatives • Surveys and field visits • New product launches • Communication and engagement initiatives	• Code of conduct compliance • Procurement policy manual • Supplier audits • Open negotiation discussions

Communities	Government and Regulatory bodies	Media	Academic and Research Institutions	NGOs and NPOs
• Regular	• Regular/Case Basis	• Occasional	• Occasional	• Regular
• Business on-site CSR teams • Lucky Core Foundation	• Relevant business/ functional representatives	• Corporate Communications & Public Affairs • Leadership Team	• Human Resource • Relevant business teams • Lucky Core Foundation • Business on-site CSR teams	• Lucky Core Foundation • Business on-site CSR teams
• Impact of LCI's manufacturing sites • Employment opportunities • Sustainability initiatives, both environmental and social	• LCI's compliance with regulations and laws • LCI's investment in the economy • LCI's contribution to sustainability	• Information on LCI's operations, growth prospects and sustainability practices • LCI's economic contribution	• Career placements and development • Leadership and workplace insights	• Funding for CSR programmes • Logistical and technical support for CSR programmes
• Community and environmental investments • Robust HSE programme • Local procurement and employment	• Bilateral engagement • Timely and transparent submission of data for review and compliance	• Digital presence • Timely release of information and responses to media queries • One-on-one media engagement	• Research partnerships • Training programmes and guest speaker sessions • Recruitment and internship drives	• Community and environmental investments

Stakeholder Engagement

Key Initiatives FY 2025-26

At LCI, stakeholder engagement remains central to the way the Company builds trust, creates shared value and strengthens long-term relationships. During the year, businesses across LCI continued to engage with communities, customers, partners, healthcare professionals, farmers, industry bodies, and other key stakeholders through focused initiatives that supported environmental responsibility, capability building, customer centricity, and sustainable business practices.

Soda Ash Business

- The business inaugurated a Khewra municipal committee Ladies and Children park, spanning 63,000 square feet. The park features play areas and biodiversity-friendly greenery, supporting community wellbeing and inclusive public spaces.
- To strengthen engagement with key customers, the business hosted relationship-building initiatives during the year, including a Chinese New Year celebration for the senior management of Deli JW Glass, and an Iftar dinner in Faisalabad.
- In line with its focus on customer centricity and export market development, a delegation from the business visited Unilever Bangladesh to engage with existing and potential customers. The visit helped address customer priorities, explore collaboration opportunities, and reinforce long-term partnerships in the region.
- As part of Project Green Storm, the business planted 21,000 trees during the year, bringing the cumulative total to 118,000 trees.

The Soda Ash Business hosted an Iftar dinner in Faisalabad.

Polyester Business

- Through its 8th Customer Conference in Budapest, Hungary, the business brought together key customers and partners to discuss market developments, growth opportunities, innovation, and sustainability initiatives.
- Reinforcing its focus on circularity and responsible production, the Polyester Business participated as the leading exhibitor at the Textile Exchange Conference 2025 in Portugal. The conference enabled engagement with global brands and industry leaders on circularity, biodegradability, textile-to-textile recycling, traceability, and evolving sustainability regulations.
- Extending its contribution to community development, the business installed a solar power system at the Basic Health Unit in Ghang, Sheikhupura. The project supports improved healthcare delivery, vaccine preservation, and maternal healthcare services for the local community.
- Continuing its advocacy for a more circular plastics value chain, the business participated in CoRe Alliance's 4th Annual Convening, engaging with stakeholders on the development of a unified Extended Producer Responsibility framework and advancing circularity across Pakistan.
- The business organised a Ramadan ration drive through employee contributions, raising PKR 918,000 against a target of PKR 600,000. The funds supported the distribution of 183 ration bags to families in need, reflecting employees' collective commitment to supporting surrounding communities.
- The business organised a Sports Festival for students of Government Boys and Girls Primary School Tibbi Harya, Sheikhupura, engaging 150+ students in a range of fun activities.
- Initiated in 2022 by the Lahore Biennale Foundation, LCI and LUMS, the pilot project has now been adopted by the Government of Punjab. The programme promotes responsible waste disposal and requires participating schools to adopt sustainable practices to qualify as "Green Schools".

- The business completed the renovation of Tibbi Hariya Primary School and launched a birthday celebration initiative to enhance student morale and create a more positive learning experience.

The Polyester Business organised a Sports Festival for students of Government Boys and Girls Primary School Tibbi Harya, Sheikhupura.

Animal Health Business

- Demonstrating its commitment to environmental stewardship, the Animal Health Business organised a cleanup drive at Changa Manga, removing 70 kg of recyclable and non-recyclable waste from one of Pakistan's largest forest ecosystems. The initiative supported ecosystem preservation and encouraged responsible waste management practices.

- During Eid-ul-Azha, the business supported animal welfare at livestock mandis in collaboration with veterinary societies from leading universities. Essential veterinary support was provided free of cost, facilitating timely treatment for 1,500 animals during peak trading activity.

- Furthering its sustainability commitments, the business planted 1,700+ trees at the Sheikhupura plant during the year, taking the total number of trees planted to 6,410. The initiative supports biodiversity enhancement, ecosystem restoration, and the Company's long-term sustainability objectives.

- To strengthen field-level knowledge, the business conducted 80 seminars across Pakistan for veterinarians, farmers and other professionals. The seminars addressed real-time operational challenges and supported responsible animal healthcare practices.

- In collaboration with the Fatimid Foundation, the business organised a blood donation drive, with employees donating 56 pints of blood, reflecting collective participation in supporting community health and emergency care needs.

The Animal Health Business team organised a cleanup drive at Changa Manga.

Chemicals & Agri Sciences Business

- In recognition of International Rural Women's Day, the business conducted safety awareness sessions for women engaged in cotton-picking activities in Multan and Bahawalpur.

- The Chemicals Business reinforced its industry presence through Platinum Sponsorship of the Pakistan Coating Show and Polyurethane Expo 2026, strengthening engagement with customers, industry stakeholders, and business partners.

- To promote a culture of health and safety, HSE&S training sessions were conducted at the Chemicals Technical Centre and customer sites during the year. The sessions included practical demonstrations and risk assessments to support safer operating practices.

- Strategic engagement with Evonik's Business Director in Pakistan strengthened relationships with key stakeholders, deepened market understanding, and identified growth opportunities in specialised chemicals.

- The Agri Sciences Business continued to engage stakeholders on environmental and agricultural sustainability through an environmental conservation and waste collection activity at Lalazar Park, Nathia Gali.

- The Agri Sciences Business organised educational visits for children from SOS Children's Village and students from the Kiran Foundation DCTO Campus, Lyari, to biscuit manufacturing facilities. The visits provided first-hand exposure to modern production processes and quality standards.

- The Chemicals & Agri Sciences Business launched a large-scale cotton revival initiative spanning more than 12,000 acres across key cotton-growing regions. The programme was aimed to help farmers protect their crops from damaging pest infestations, improving crop health and safeguarding yields.

The Chemicals & Agri Sciences Business team organised a safety awareness session for women involved in cotton picking activities on International Rural Women's Day 2025.

Pharmaceuticals Business

- The Pharmaceuticals Business entered into a strategic collaboration with Baxter International Inc. to in-license key healthcare offerings for the local market, strengthening its portfolio, and expanding access to high-quality, innovative healthcare solutions.

- As part of public health awareness efforts, the business supported initiatives linked to key health observance days, including cardiovascular health, diabetes, breast cancer awareness, mental health, osteoporosis, iron deficiency, and antimicrobial resistance. These initiatives reinforced the business's commitment to disease awareness, education, and responsible healthcare engagement.

- The business organised a plantation drive at the Connect Logistics in collaboration with the Finished Goods Warehouse and Connect teams. The initiative expanded green cover across the warehousing premises and encouraged cross-functional employee participation.

The Pharmaceuticals Business strengthened its healthcare portfolio through a strategic collaboration with Baxter International Inc. to bring high-quality healthcare solutions for patients.

Membership of Associations

Membership of associations include:

- Chamber of Commerce
- Pakistan Business Council (PBC)
- Pakistan Institute of Corporate Governance (PICG)
- Pakistan Agriculture Coalition (PAC)
- Overseas Investors Chamber of Commerce and Industry (OICCI)
- CropLife
- Pakistan Pharmaceutical Manufacturers' Association (PPMA)
- Pakistan Society for Training and Development (PSTD)
- Management Association of Pakistan (MAP)

Economic Performance

Aligned with its vision, values, and brand promise, LCI is committed to driving long-term economic value creation for its stakeholders through resilient performance, strategic collaboration, and shared progress.

This section outlines LCI's approach to the material topics associated with the Company's economic performance. Additional disclosures are available in the GRI Content Index or through relevant cross-references in the Annual and Sustainability Reports.

Material Topics Covered

- Indirect Economic Impacts
- Market Presence
- Procurement Practices
- Anti-Competitive Behaviour

Management Approach

Economic Performance

Economic performance is one of the key drivers of the Company's aspirations, goals, strategy, and operations, and is proactively managed by relevant stakeholders across LCI.

The Board of Directors holds overall responsibility for governance and oversight of the Company's economic performance. Details on the functioning of the Board of Directors are available on page 107 of this Report.

Comprehensive information on the Company's commercial performance and the distribution of economic value for the year is available in the respective Business Performance, Directors' Report, and Financial Statements sections of the Annual Report 2025-26.

Integrity remains fundamental to the Company's economic performance and business conduct. LCI's principles and expectations are set out in its Code of Conduct. As part of the onboarding process, all new employees receive an electronic copy of the Code and formally acknowledge that they have read and understood its requirements.

Indirect Economic Impacts

LCI's indirect economic contribution extends beyond its operations, supporting national development and strengthening the resilience of communities in the areas where it operates. The Company contributes through local supply chains, workforce capability building, and infrastructure development, while its preference for local sourcing supports regional economic activity and encourages enterprise development.

The Company also invests in vocational training and capacity-building initiatives that equip individuals with relevant technical and professional skills. By improving access to industry-aligned learning, these initiatives contribute to long-term employability and wider economic participation, while remaining aligned with national policy priorities, the United Nations Sustainable Development Goals (SDGs), and recognised human rights standards.

LCI's community development initiatives span education, healthcare access, and improvements to local infrastructure, contributing to the socio-economic progress of underserved communities.

Ongoing stakeholder engagement helps shape these efforts, enabling the Company to create shared value, strengthen community capacity, and support more inclusive and sustainable economic growth.

Sourcing and Procurement

Building shared value requires LCI to maintain strong relationships with its business partners to achieve sustained growth. Its extensive supply chain network is managed by the supply chain managers of each of its businesses and their respective teams. To streamline procurement and handling practices, the Company's supply chain teams actively seek and apply best practices to capitalise on opportunities for synergy.

Following the cradle-to-grave approach, the Company ensures the procurement of high-quality raw materials through a stringent supplier evaluation process and ensures the compliance of finished products with the HSE&S Management System at all stages of the product life cycle. All suppliers are screened against social, environmental, and safety aspects before being included in the approved supplier list, based on the corporate guidelines for the selection of suppliers. The most critical suppliers are also evaluated based on 'CEFIC' Protocol.

The Company continues to onboard new suppliers and requires that they comply with all applicable laws, regulations, and the internal value system. The vendor policy complies with human rights, labour and social standards, and anti-discrimination and anti-corruption policies, in addition to protecting the environment. Continuous reviews of the policy for suppliers are conducted.

Regular HSE&S audits of suppliers are conducted to ensure compliance with the vendor policy. Relevant Areas for Improvement are shared with suppliers as part of the process. Frequent probono training sessions on HSE&S best practices in warehousing, transportation, and logistics are conducted to minimise lost-time injuries or fatalities.

6%
with SPLY
Net Turnover
PKR 113,214 million

18%
vs SPLY
Operating Profit
PKR 14,704 million

17%
vs SPLY
Profit After Tax
PKR 9,692 million

17%
vs SPLY
Earnings Per Share
PKR 20.99

Business-wise Performance vs the SPLY

13% Polyester

9% Soda Ash

5% Pharmaceuticals

1% Chemicals & Agri Sciences

17% Animal Health

Overview of LCI's Performance on an Unconsolidated Basis.

Integrity Management

Key Performance Indicators

	Units	2021-22	2022-23	2023-24	2024-25	2025-26	Target 2026-27
Code of conduct confirmed incidents	Number	0	1	4	8	**6**	0
Code of conduct acceptance	% Employees	100	100	100	100	**100**	100
Management audits (including reassurance audits)	Number	6	6	6	6	**4**	6
Serious incidents - Level 3	Number	0	0	0	0	**0**	0
Serious incidents - Level 1, 2	Number	3	6	4	1	**3**	0
Serious loss of containment - category D	Number	0	0	0	0	**0**	0
Regulatory action - Level 3	Number	0	0	0	0	**0**	0

Overview 2025-26

The Code of Conduct serves as the primary framework for ethical business practices across LCI. All new employees receive a copy during onboarding and are required to formally confirm that they have read, understood, and accepted its requirements. This declaration of compliance is submitted through the Company's digital HR platform 'SuccessFactors', reinforcing a culture of integrity from the commencement of their employment.

During the reporting period, six instances of Code of Conduct violations were recorded. Each case was addressed in accordance with internal protocols, demonstrating the Company's zero-tolerance stance on misconduct.

To ensure compliance with the HSE&S Management System, the Company conducted frequent site visits and HSE&S audits and maintained regular communication across all business units. A quarterly review of all businesses was conducted, based on the assessment of hazards and recommendations from previous reviews. This year, 3 incidents of Level 1 & 2 were reported, which were thoroughly investigated, and corrective actions were implemented to avoid recurrence.

Details on Occupational Health and Safety KPIs are available on page 184 of this Report.

Sourcing and Procurement

Key Performance Indicators

	Units	2021-22	2022-23	2023-24	2024-25	2025-26	Target 2026-27
Vendor policy signed by key suppliers	%	96	100	100	100	**100**	100
Vendor policy signed by Central NPR suppliers	%	92	100	100	100	**99**	100
Supportive supplier visits	Number	436	341	250	490	**630**	600

Overview 2025-26

During FY 2025-26, LCI expanded engagement with its supply chain partners to support operational continuity, responsible sourcing, and supplier capability development. Supportive supplier visits increased from 490 to 630, representing year-on-year growth of approximately 29% and exceeding the annual target of 500 visits. The Company also reinforced expectations under its Vendor Policy across labour practices, workplace safety, environmental compliance, human rights, and ethical conduct. During the year, 100% of key suppliers and 99% of Central Non-Product Related (NPR) suppliers formally endorsed the policy requirements.

Through sustained collaboration, LCI aims to enhance supplier resilience and advance responsible social and environmental practices across its value chain.

Spend Analysis

LCI's diversified product portfolio includes light and dense soda ash, Refined Sodium Bicarbonate (RSB), Polyester Staple Fibre (PSF), and a comprehensive range of general and specialty chemicals, pharmaceuticals, nutraceuticals, animal health, and agricultural products. The scale and complexity of this portfolio requires a highly intricate supply chain network, engaging a wide spectrum of suppliers across both domestic and international markets.

The Company continues to refine its supplier relationships through transparent engagement, shared objectives, and long-term collaboration. This approach strengthens procurement effectiveness, accelerates supplier alignment, and creates value beyond individual transactions.

A business-wise summary of procurement expenditure is presented below:

Business	Spend (PKR million)			% of Total Spend	
	Local	Import	Total	Local	Import
Polyester	22,033	9,540	31,573	70	30
Soda Ash	9,658	14,603	24,261	40	60
Animal Health	562	4,065	4,627	12	88
Pharmaceuticals	9,455	5,553	15,008	63	37
Chemicals & Agri Sciences	2,103	6,607	8,710	24	76

Key Initiatives FY 2025-26

Cost Optimisation and Efficiency

During FY 2025-26, LCI advanced a range of procurement, warehousing and logistics initiatives to reduce costs, improve operational efficiency and strengthen supply chain resilience across its businesses.

The Soda Ash Business optimised exports by replacing 20-foot containers carrying 20 tonnes with 40-foot containers carrying 28.5 tonnes, increasing the payload by 8.5 tonnes per container. The business installed a biomass feeding system at CFB to reduce reliance on coal. Designed to utilise around 28,000 tonnes of biomass annually, the project is expected to avoid approximately 11,500 tonnes of CO_2 emissions each year. Also, the Plate Heat Exchanger at Process Condensate Distiller 1 at the Soda Ash plant was upgraded to improve heat recovery and reduce steam consumption. The initiative is expected to save around 764 tonnes of coal and avoid approximately 1,700 tonnes of CO_2 emissions annually.

The Polyester Business Plant in Sheikhupura was certified under the Global Recycled Standard (GRS) this year for the manufacture of Recycled Polyester Staple Fibre. Managed by the non-profit organisation Textile Exchange, GRS verifies recycled content and chain of custody while assessing social and environmental practices and chemical restrictions throughout the production process. The Polyester Business also generated approximately PKR 28 million in savings within one year by introducing recycled PET flakes for GRS fibre and expanding their use across additional variants.

The Chemicals & Agri Sciences Business created 185 additional pallet positions within its existing warehouse, potentially avoiding 8,700 kilometres of annual travel, 8-9 tonnes of CO_2e and PKR 2.5 million in annual costs. The business also shifted approximately 300 tonnes of stock transfers from road to rail over five months, saving PKR 0.8 million and avoiding 35.3 tonnes of CO_2 emissions. A dedicated vehicle placed between the third-party logistics (3PL) warehouse and the Karachi Chemical Warehouse generated the savings of PKR 2 million annually.

The Animal Health Business achieved approximately PKR 49 million in procurement savings and reduced third-party storage from around 400 pallet positions to 35, generating savings of PKR 0.7 million per month and PKR 8.4 million annually.

The Pharmaceuticals Business identified estimated savings of approximately PKR 200 million through sourcing, process and resource efficiencies.

Transportation

The diverse nature of LCI's portfolio requires a range of transportation solutions for inbound and outbound materials. To reduce the associated carbon footprint, the Company prioritised the use of rail transport for bulk material movement wherever operationally feasible.

During FY 2025-26, the Animal Health Business expanded its logistics network to improve service reliability, operational efficiency, and supply chain resilience. Three new transportation partners were onboarded, increasing logistics capacity and reducing dependence on a limited carrier base. The initiative generated approximately PKR 9 million in transportation cost savings, while improving delivery responsiveness and product availability across the distribution network.

Regular monitoring of transporter performance and service quality also supported an On-Time In-Full (OTIF) delivery rate of 94%, contributing to stronger customer service and greater continuity across supply chain operations.

Sustainability and Responsible Sourcing

Sustainability considerations remained embedded in the Polyester Business's sourcing and procurement practices through responsible material selection and supplier due diligence. The Business increased the use of recycled PET flakes through its PET bottle deposit initiative with Aabroo Educational Welfare Organisation, linking recycling with educational support for children from underserved communities.

The Chemicals & Agri Sciences Business brought Softener manufacturing for the Textiles segment in-house, replacing external toll manufacturing and generating annual savings of approximately PKR 20 million. The Business also transitioned its Polyurethanes portfolio from ozone-depleting HCFC-141b to Cyclopentane technology through dedicated ATEX-rated equipment, verified safety interlocks and successful commercial-scale trials.

The Animal Health Business enhanced supply chain resilience through supplier diversification and long-term engagement. During the year, 9 new suppliers were onboarded, samples covering 21 materials and suppliers remained under evaluation, and more than 150 supplier visits were conducted to improve sourcing flexibility, supply continuity and delivery performance.

The Soda Ash Business managed procurement worth approximately PKR 24 billion, comprising 60% imports and 40% local purchases. In response to increased demand for local coal following the closure of the Afghan border, 2-3 new suppliers were developed for local coal and ammonia. Rock salt prices from PMDC were maintained at FY 2024-25 levels, similar price stability was achieved for sodium sulphide, and ammonia prices were reduced compared with the previous year. Hydraulic tilter trucks were introduced for coke offloading, reducing cycle time and operational costs. The Business also achieved 100% timely renewal of Ministry of Narcotics Control licences and amicably closed the CFB-6 project, contributing to energy cost savings and operational reliability.

To strengthen responsible sourcing practices, Corporate HSE developed Supplier Social Compliance Assessment Toolkit aligned with applicable labour laws and key SA8000 principles. The toolkit enables structured assessments of critical suppliers across labour practices, occupational health, and safety, human rights, and ethical compliance.

During FY 2025-26, all businesses conducted social compliance assessments of their key suppliers using the toolkit, helping identify improvement opportunities and reinforce responsible business practices throughout the supply chain.

Procurement processes were enhanced through a centralised repository for Certificates of Analysis (CoAs), Safety Data Sheets (SDSs) and Technical Data Sheets (TDSs). Online vendor evaluations and SAP-based Request for Quotation (RFQ) tracking further improved transparency and data-driven decision-making.

Supplier adherence to ethical standards, including the Company's anti-child labour requirements, was monitored through regular audits and on-site evaluations.

Environmental Performance

Environmental stewardship remains integral to LCI's long-term strategy and its approach to managing environmental risks and opportunities. Across its businesses, the Company is improving resource efficiency, minimising the environmental impact of its operations and strengthening resilience to support long-term value creation.

This section outlines LCI's approach and performance across material environmental topics, including energy, emissions, water and effluents, and waste. Related disclosures are presented in the relevant content index or cross-referenced within the Annual and Sustainability Reports.

Material Topics Covered

Energy

Water and Effluents

Emissions

Waste

Management Approach

Guided by its HSE&S principles, LCI remains committed to maintaining the highest standards of health and safety while ensuring the protection and preservation of the environment.

Environmental performance is managed by individual businesses and functions under the strategic direction and governance of the Corporate HSE function. This structure supports the consistent implementation of policies, management systems, and regulatory requirements across the Company. Dedicated HSE&S teams address site-specific priorities, while shared accountability across organisational levels enables coordinated progress in line with the Company's objectives.

Applicable across all sites, operations and personnel, the HSE&S Management System is aligned with internationally recognised frameworks, including ISO 14001, ISO 45001, and the Responsible Care Management System. It supports the systematic identification, assessment, monitoring, and mitigation of environmental risks across the value chain.

Environmental performance data is consolidated through the Environmental Performance Management (EPM) database, which captures HSE&S metrics from across the businesses. The data is used to assess operational eco-efficiency (OEE), monitor progress against established metrics and targets, and inform future priorities. Performance is reviewed internally each quarter and disclosed externally on an annual basis, supporting informed decision-making, transparency, and continuous improvement.

During FY 2025-26, the Sustainability Council continued its practice of assessing the relevance of the newly published Science Based Targets initiative (SBTi) Chemical Sector Pathways and Implementation Criteria to LCI's operations. This sector-specific framework provides pathways and criteria for emissions reduction within the chemicals industry. The Company will evaluate its applicability across its diverse businesses, data requirements, and long-term climate priorities before determining the next phase of alignment.

Emissions and Energy

Across its businesses, the Company maintains systems to monitor energy use, environmental performance, and greenhouse gas emissions.

Scope 1 and Scope 2 emissions are calculated using methodologies informed by the Intergovernmental Panel on Climate Change and the Greenhouse Gas Protocol, covering CO_2, CH_4, N_2O and SF_6. This supports consistent measurement, performance review, and the identification of emissions- and energy-related risks.

Through regular reviews and collaboration between Corporate HSE and business teams, performance data informs process optimisation, energy-efficiency measures, renewable-energy integration, and fuel-diversification decisions. This coordinated approach strengthens accountability and enables continued progress across operations. No ozone-depleting substances are included in LCI's Chemical Substance Inventory.

Water and Effluents

LCI recognises water as a shared and finite resource, essential to both environmental sustainability and community well-being. Across its sites, the Company assesses water-related risks with reference to local availability and water stress, supported by water-use audits, risk assessments, and engagement with suppliers, customers and surrounding communities.

Water is sourced from surface water, groundwater and brackish water for operational requirements including cooling, steam generation, housekeeping, and brine preparation. To improve efficiency and reduce environmental impact, LCI operates water treatment systems and implements water recycling and reuse initiatives, supported by routine monitoring to ensure compliance with applicable national and provincial environmental quality standards and regulatory requirements.

To strengthen operational resilience, water-treatment infrastructure includes backup arrangements designed to support continuity and minimise potential impacts on surrounding communities and receiving water bodies. Wastewater is regularly monitored and treated for parameters including Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), potential of hydrogen (pH), Total Dissolved Solids (TDS), Total Suspended Solids (TSS), temperature, oil and grease, and other indicators prescribed by environmental authorities. No incidents of non-compliance with applicable discharge limits were recorded during the reporting period.

LCI continues to advance responsible water stewardship throughout its operations and supports access to water where needed. Annual water-related metrics and targets are monitored to identify efficiency opportunities, inform future investment, and strengthen long-term water resilience across the Company.

Waste Management

Waste minimisation is integral to LCI's environmental strategy and its approach to managing resource-related risks and opportunities. The Company identifies and categorises waste streams generated across all operations, including those from engineering, warehousing, canteens, office spaces, and chemical processes. Performance data is monitored against defined Key Performance Indicators (KPIs) to identify reduction opportunities, inform priorities, and support more efficient use of materials.

LCI's waste management practices are based on the 5R principle: Refuse, Reduce, Reuse, Repurpose, and Recycle. Recyclable materials are directed towards recovery, while non-recyclable waste is securely stored and responsibly disposed of through authorised and assessed vendors. These processes are governed by internal Standard Operating Procedures (SOPs) and aligned with ISO 14001 requirements. Regular audits and targeted training support regulatory compliance and consistent implementation across sites.

The Company has assessed risks and opportunities associated with waste generation at its sites. Identified risks include potential contamination of soil, water, and air, as well as occupational health concerns and the environmental impact of plastic pollution. Opportunities are identified through waste reduction, material recovery and the repurposing of waste streams to create environmental, social and operational value. LCI also works with non-governmental organisations (NGOs) to explore recycling initiatives that extend benefits beyond its operational boundaries.

To strengthen accountability and long-term resilience, LCI conducts regular environmental audits, undertakes detailed risk assessments, and provides ongoing training to personnel. Waste-related metrics are used to support operational decision-making, track progress against targets and identify opportunities to improve circularity, resource efficiency, and long-term business performance.

Product Stewardship

LCI is driving responsible innovation across its product portfolio, collaborating with value-chain partners to improve environmental performance and advance shared progress towards more sustainable outcomes.

Key Initiatives FY 2025-26

Quantifying Environmental Impact

To strengthen the evidence base behind its sustainability claims, the Company commissioned SGS, an independent third-party verification body, to conduct a Life Cycle Assessment (LCA) comparing virgin Polyester Staple Fibre (PSF) with recycled polyethylene terephthalate (rPET) staple fibre. The study assessed Global Warming Potential (GWP) and other environmental impacts across the full production life cycle, providing credible, science-based evidence to support the Company's sustainability claims.

The LCA found that rPET fibre has a GWP of 1.858 kg CO_2e, approximately 47% lower than the 3.512 kg CO_2e recorded for virgin PSF. Raw material extraction and processing accounted for nearly 69% of virgin PSF's total impact, demonstrating the environmental value of using waste PET as a secondary raw material.

Electricity and steam generation contributed approximately 30% of virgin PSF's impact and 85% of rPET fibre's impact. These findings provided a verified benchmark for improvement across spinning and drawline operations while identifying energy efficiency and cleaner energy sourcing as priorities for further reducing environmental impact.

Strengthening Responsible Farming

To strengthen technical capability and promote responsible farm management, the Animal Health Business established a dedicated training department that delivered more than 11,000 training man-hours, largely through virtual sessions focused on enhancing the technical knowledge of its sales team.

The Business also conducted 80 professional seminars and more than 1,000 farmer gatherings, reaching over 11,000 participants nationwide across its poultry and livestock portfolios. Sessions covered disease prevention, nutrition, biosecurity, Best Management Practices (BMPs), and the responsible application of the Company's veterinary portfolio. By combining scientific expertise with practical guidance suited to local farming conditions, these engagements supported informed decision-making, improved farm productivity, and stronger animal health outcomes.

In collaboration with global principals including Trouw Nutrition and Mervue, field visits and technical meetings were held across commercial and corporate farms. These interactions brought together international expertise and local insights to better understand customer requirements, identify growth opportunities, and inform future portfolio development across livestock segments.

The Animal Health Business's Livestock segment conducted a training session in Lahore on responsible antibiotic use and worm prevention.

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Energy

Key Performance Indicators

Energy Consumption	Units	2021-22	2022-23	2023-24	2024-25	2025-26	Target 2026-27
Total energy consumption	1000TJ	8.30	9.66	10.13	9.27	**8.61**	9.5
Per tonne production	GJ/te	11.98	13.20	14.02	15.90	**15.75**	15.5

- During FY 2025-26, the energy generated from renewable sources was 84.31 TJ, purchased energy was 136 TJ, and 8,396 TJ was generated using non-renewable sources.
- During FY 2025-26, renewable energy intensity was 0.15 GJ per tonne of product, purchased energy intensity was 0.249 GJ per tonne of product, and non-renewable energy intensity was 15.34 GJ per tonne of product.

Overview

The Company uses a mix of fuel sources including coal, furnace oil, diesel, biomass, LPG, and natural gas to generate energy in-house for its operations, while part of its energy requirement is also procured from the national grid.

During FY 2025-26, the Company generated 84.31 TJ of renewable energy. Absolute energy consumption declined by 7% compared with the previous year, primarily due to lower production volumes, operational optimisation and challenging economic conditions.

The reduction was largely driven by Soda Ash and Polyester Businesses, where energy consumption decreased by approximately 8% and 7%, respectively. At Soda Ash plant, lower steam generation from CFBs during the year contributed to reduced fuel consumption, while operational outages, including TG, also influenced electricity consumption. At the Polyester plant, lower production associated with the planned plant shutdown reduced fuel and energy consumption, while commissioning of the GT relocation from Soda Ash Plant supported a shift from fuel oil to natural gas during the year.

The Pharmaceuticals Business experienced an increase in annual energy intensity due to changes in its production profile following the Technology Transfer Project for the Pfizer portfolio, including inventory build-up and higher production volumes. Variations in production relative to the facility's energy demand contributed to the increase in energy intensity.

The Animal Health Business also experienced an increase in energy intensity as operations transitioned to the new manufacturing facility, followed by expanded production activities and higher electricity requirements associated with the upgraded infrastructure.

Despite these business-specific operational and production transitions, the Company achieved an overall year-on-year improvement in consolidated energy intensity during FY 2025-26, reflecting continued progress in energy efficiency and operational optimisation across LCI.

Key Initiatives FY 2025-26

During FY 2025-26, LCI forged ahead through coordinated energy efficiency and renewable energy initiatives across its businesses. These projects support the Company's response to climate-related transition risks by reducing energy use and emissions, improving cost efficiency, and strengthening operational resilience.

Reduction in Steam Usage through Plate Heat Exchanger Upgrade

In line with its focus on improving thermal efficiency and reducing reliance on conventional fuels, the Soda Ash Business upgraded the Plate Heat Exchanger at Process Condensate Distiller-1. The modification improves heat recovery and reduces steam requirements during the distillation process. It is expected to lower coal consumption by approximately 764 tonnes annually, resulting in an estimated annual reduction of around 1,700 tonnes of CO_2 emissions.

By improving thermal efficiency and reducing dependence on coal, the project supports the management of energy-related costs and emissions exposure, while contributing to more efficient and resilient operations.

Integration of Biomass at Coal-Fired Boiler

Building on its efforts to diversify the energy mix and reduce dependence on fossil fuels, the Soda Ash Business installed and commissioned a biomass feeding system as part of the Coal-Fired Boiler project. The system is designed to utilise approximately 28,000 tonnes of agricultural biomass annually, supporting a gradual reduction in coal consumption.

Based on planned utilisation, the initiative is expected to reduce annual CO_2 emissions by approximately 11,500 tonnes. It also supports the productive use of agricultural residues, reduces exposure to fossil fuel-related transition risks and contributes to the Company's broader climate objectives.

Reduction in Energy Intensity at the Masterbatches

In support of the Company's broader energy-efficiency agenda, the Chemicals & Agri Sciences Business implemented process improvements, throughput optimisation measures and enhanced operational controls at the Masterbatches Plant. These measures reduced specific energy consumption from 438.2 kWh per tonne to 382.1 kWh per tonne, representing an improvement of approximately 56 kWh per tonne of production.

Based on the applicable electricity-grid emission factor, the initiative is expected to reduce greenhouse gas emissions by approximately 25 kilograms of CO_2 per tonne of product manufactured. The improvement supports more efficient resource utilisation, strengthens operational reliability, and contributes to the management of energy-related costs and emissions.

HVAC System Optimisation

The Pharmaceuticals Business optimised the warehouse HVAC system by reducing air change rates while maintaining the required environmental conditions for product storage and quality. This initiative improved energy efficiency by lowering electricity consumption and reducing operational energy demand. The completed project has an estimated carbon reduction potential of 146 tonnes of CO_2, supporting the Business's decarbonisation and sustainability goals.

Optimisation of the primary production area HVAC system was completed in January 2025, contributing an additional reduction potential of 189 tonnes of CO_2. Led by Engineering, with HSE supporting the first two phases, these initiatives collectively carry an estimated CO_2 reduction potential of 475 tonnes.

Energy-Efficient LED Lighting Upgrades

The Hawke's Bay and Hattar plants completed the phased replacement of fluorescent tube lights with 739 energy-efficient LED lights through a PKR 0.4 million project, with an estimated CO_2 reduction potential of 1.5 tonnes.

At the B2 site, T5 and T8 security lights installed along the boundary wall were also replaced with LED fittings through a joint initiative by the Engineering and HSE teams, carrying an additional CO_2 reduction potential of 0.02 tonnes. Together, these projects have an estimated CO_2 reduction potential of 1.52 tonnes.

Expansion of Solar Energy Across LCI

During FY 2025-26, the Soda Ash Business completed Phase II of the solar power project at Bela Pumping Station through the installation of an additional 250 kW system, increasing the site's total installed capacity to 736 kW. During the year, the facility generated approximately 714,000 kWh of renewable electricity, with an estimated associated emissions reductions of approximately 308,000 kilograms of CO_2.

Building on renewable-energy progress at the Sheikhupura site, the Polyester Business operated its dedicated 1 MW solar power system, which generated 988,737 kWh of electricity and delivered an estimated reduction of 694,559 kilograms of CO_2 emissions. The project supports reduced dependence on conventional electricity while strengthening the energy resilience of manufacturing operations.

The Pharmaceuticals Business advanced a solar power generation project covering its Hawke's Bay and Hattar plants, comprising planned installations of 248 kW at each site. The Hawke's Bay plant system was completed and is expected to generate approximately 357,800 kWh of renewable electricity annually, reducing emissions by around 162,256 kg of CO_2e each year. The project supports lower reliance on conventional energy and greater energy-cost stability across operations.

Further progress was made by the Animal Health Business through the installation of a 295 kW solar power system. The system is expected to generate approximately 440,000 to 450,000 kWh of renewable electricity annually and avoid an estimated 195 to 205 tonnes of CO_2 emissions each year. Alongside reducing reliance on conventional power, the project is expected to strengthen energy reliability and long-term operational resilience.

Together, these investments demonstrate how LCI's businesses are forging ahead through shared environmental priorities and coordinated action. The Company will continue to monitor installed capacity, renewable-energy generation, emissions impact, and operational performance to evaluate outcomes and inform future energy-related investment decisions.

The Soda Ash Business installed and commissioned a biomass feeding system at its plant as part of the Coal-Fired Boiler project.

The Soda Ash Business completed Phase 2 of the solar power project at Bela Pumping Station, Khewra through the installation of an additional 250 kW system.

The Polyester Business commissioned a 1 MW solar power system at the Polyester Plant, Sheikhupura.

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Emissions

Key Performance Indicators

Emissions Control	Units	2021-22	2022-23	2023-24	2024-25	2025-26	Target 2026-27
Total COD emissions	te	40.71	38.06	37.01	48.76	**38.30**	38
Per tonne production (COD)	kg/te	0.06	0.05	0.05	0.08	**0.07**	0.06
Total VOC emissions	te	2.80	3.02	2.56	2.60	**2.49**	2.8
Per tonne production (VOC)	kg/te	0.01	0.01	0.01	0.01	**0.01**	0.02
Total NOx emissions	te	2,787	3,268	3,574	3,322	**3,041**	3,000
Per tonne production (NOx)	kg/te	4.02	4.51	4.95	5.69	**5.56**	5.0
Total SOx emissions	te	3,987	4,274	4,583	4,309	**3,770**	3,800
Per tonne production (SOx)	kg/te	5.75	5.90	6.34	7.39	**6.89**	6.5
Total direct CO_2 emissions (Scope 1)	te	884,038	1,036,297	1,114,986	1,007,574	**924,291**	1,100,000
Per tonne production	kg/te	1,276	1,431	1,543	1,727	**1,689**	1,650
Total indirect CO_2 emissions (Scope 2)	te	2,452	3,491	3,350	4,089	**3,614**	3,800
Per tonne production	kg/te	3.54	4.82	4.64	7.01	**6.61**	6.5

Overview

During FY 2025-26, the Company recorded an overall improvement across major air emissions and effluent indicators compared with the previous year. The Company maintained a strong focus on its sustainability agenda, which is key to its long-term operational resilience.

Total NOx emissions declined by approximately 8.7%, from 3,322 tonnes to 3,041 tonnes, with emission intensity improving from 5.69 to 5.56 kg/tonne. Similarly, SOx emissions decreased by approximately 13%. These reductions were largely associated with changes in fuel consumption and operating conditions at the major energy-consuming businesses.

Scope 1 emissions decreased by approximately 8.3%, while Scope 1 emission intensity improved from 1,727 to 1,689 $kgCO_2e$ per tonne of production. The Soda Ash Business remained the principal source of Scope 1 emissions, followed by the Polyester Business. The reduction at the Soda Ash Business was supported by lower coal consumption associated with reduced steam generation during parts of the year, while the Polyester Business benefited from lower fuel oil consumption following the commissioning of the relocated GT and lower production during an extended plant shutdown.

Scope 2 emissions decreased by approximately 12%, from 4,089 tCO_2e to 3,614 tCO_2e, with emission intensity improving from 7.01 to 6.61 $kgCO_2e$ per tonne. Purchased electricity consumption at the Soda Ash Business varied during the year because of operational factors, particularly the TG outage, which increased dependence on externally purchased electricity. Other businesses experienced different operating patterns, with the Chemicals & Agri Sciences Business recording higher electricity consumption due to the operation of chiller-based products, while the Animal Health Business experienced increased electricity consumption following the expansion of operations at its new facility.

Overall, Scope 1 and Scope 2 emissions decreased by approximately 8.3% compared with SPLY. These reductions were primarily driven by lower direct emissions resulting from reduced fuel consumption, increased use of renewable energy sources such as biomass and solar power, operational optimisation, and lower production volumes during the year. Indirect emissions from purchased electricity also declined, reflecting improvements in energy management and renewable energy initiatives.

Key Initiatives FY 2025-26

Project Green Storm

Launched in 2021 at LCI's Soda Ash manufacturing site in Khewra, Project Green Storm began as a site-based initiative to restore and enhance the natural environment within the facility's boundaries. The programme was subsequently extended to neighbouring communities, bringing employees, local institutions, and community stakeholders together around shared environmental priorities.

During FY 2025-26, the Soda Ash Business planted approximately 21,000 trees under Project Green Storm, bringing the cumulative number planted since 2021 to approximately 118,000. The programme forms part of the Company's nature-based response to climate-related risks and supports biodiversity, erosion control, improved air quality, and long-term environmental resilience.

Project Green Storm will continue through ongoing plantation and maintenance activities, with progress monitored against relevant environmental metrics to assess its contribution to the Company's climate and broader environmental objectives.

Project Green Storm at Soda Ash plant, Khewra.

Plantation Initiatives Across Businesses

Apart from the Soda Ash Business, other LCI businesses also undertook plantation activities during FY 2025-26 to expand green cover, help absorb carbon emissions and contribute to biodiversity conservation.

The Pharmaceuticals Business planted 1,000 trees in collaboration with Alkhidmat on World Environment Day. It also partnered with the Quaid's Afforestation and Youth Impact Movement (QAAYIM) for an Earth Day plantation drive at PECHS Education Foundation College. The Finished Goods Warehouse and Connect teams conducted a separate plantation activity at the Connect Warehouse, placing plants in designated green areas within and around the facility.

The Chemicals & Agri Sciences Business partnered with QAAYIM for an Earth Day plantation drive at PECHS Foundation College, resulting in the plantation of 100 indigenous and fruit-bearing plants. The business also collaborated with the Tourism Development Corporation of Punjab, the Punjab Wildlife Department and the Government of Khyber Pakhtunkhwa on an environmental initiative in the Galiyat region. The project included tree replantation and promoted awareness of local flora and fauna, biodiversity conservation, solid waste management, and species listed on the International Union for Conservation of Nature Red List.

The Polyester Business planted 1,370 trees across different locations in Sheikhupura, contributing to increased green cover, the absorption of carbon emissions, and a greener local ecosystem.

Collectively, these initiatives contributed to LCI's efforts to increase green cover, help absorb carbon emissions, and protect biodiversity.

The Polyester Business planted 1,370 trees across different locations in Sheikhupura.

Water and Effluents

Key Performance Indicators

Water Usage	Units	2021-22	2022-23	2023-24	2024-25	2025-26	Target 2026-27
Total fresh water use	million m^3	5.60	6.31	6.56	6.44	**5.73**	6.5
Per tonne production	kg/te	8.20	8.72	9.07	11.03	**10.46**	10.5
% of sites with sustainable water management plans	%	66%	66%	83%	83%	**86%**	100

Water Discharge and Consumption FY 2025-26

Water Withdrawal in m3	Soda Ash	Chemicals & Agri Sciences	Pharma-ceuticals	Polyester	Animal Health	Total Water Consump-tion
Surface water (total)	1,098,836	-	-	-	-	1,098,836
Freshwater (≤1,000 mg/L TDS)	677,012	-	-	-	-	677,012
Other water (>1,000 mg/L TDS)	421,824	-	-	-	-	421,824
Groundwater (total)	6,691,755	-	3,608	1,025,127	3,452	7,723,942
Freshwater (≤1,000 mg/L TDS)	3,903,955	-	3,608	1,025,127	3,452	4,936,143
Other water (>1,000 mg/L TDS)	2,787,800	-	-	-	-	2,787,800
Produced water (total)	-	-	-	27,848	-	27,848
Freshwater (≤1,000 mg/L TDS)	-	-	-	-	-	-
Other water (>1,000 mg/L TDS)	-	-	-	27,848	-	27,848
Third-party water (total)	-	25,624	83,310	-	-	108,934
Freshwater (≤1,000 mg/L TDS)	-	25,624	83,310	-	-	108,934
Other water (>1,000 mg/L TDS)	-	-	-	-	-	-
Total Water Withdrawal	7,790,591	25,624	86,918	1,052,975	3,452	8,959,560
Surface water	0	3,416	39,982	770,250	-	813,648
Groundwater	0	-	-	-	-	-
Seawater	0	-	-	-	-	-
Third-party water	0	-	-	-	328	328
Total Water Discharge	-	3,416	39,982	770,250	328	813,976
Total Water Consumption	7,790,591	22,208	46,936	282,725	3,124	8,145,584

*LCI does not withdraw water from regions experiencing water stress.

Overview

During FY 2025-26, LCI's total freshwater use decreased by approximately 11.0% from 6.44 million m^3 to 5.73 million m^3. Freshwater use per tonne of production also improved from 11.03 kg/te to 10.46 kg/te, representing a reduction of approximately 5.0%.

In the same period, LCI achieved a reduction in overall water use through the continued implementation of water conservation and operational efficiency initiatives. Total water withdrawal decreased by 7.92%, while total water consumption declined by 6.45% compared with the previous year. In addition, total water discharge was reduced by 20.40%, reflecting improved water management practices and enhanced process efficiency across operations.

The improvement was supported by production-related changes, weather conditions and water-conservation measures across the Company's businesses. The proportion of sites covered by sustainable water management plans also increased from 83% to 86%.

Key Initiatives FY 2025-26

Reuse of Treated Water in Non-Technical Areas

Further strengthening the Company's water conservation efforts, the Pharmaceuticals Business optimised the utilisation of treated wastewater by introducing the reuse of ETP-treated water for non-potable applications at the B2 site. Treated water is now used for activities such as toilet flushing systems and landscaping, replacing the use of fresh water for these applications. This initiative resulted in fresh water conservation of approximately 4.85 million litres annually.

In addition, process optimisation initiatives were implemented to reduce water consumption during manufacturing operations. The operational hours of Granulation II (Hi-Shear Mixer) were optimised through improved production planning and equipment utilisation, resulting in a reduction in water consumption by approximately 5,750 litres annually.

Collectively, these initiatives, along with the installation of water-efficient faucet heads, contributed to an overall freshwater savings of approximately 6.06 million litres annually and generated estimated operational cost savings of over PKR 2.52 million per year, reinforcing the Company's commitment to sustainable water management, resource efficiency, and environmental stewardship.

Water Mapping and Resource Conservation Plan

In a first-of-its-kind exercise for the Polyester Business, the team conducted a detailed water mapping study, benchmarking every consumption node against design values, and pinpointing losses across the site. Through focused, non-capex interventions: shifting cooling water make-up to soft water, manual purge control, extended sand filter backwash cycles, and eliminating local drainage losses, the team delivered a 14.74% reduction in fresh water use per tonne produced at the Polyester site.

The water saved is enough to meet the lifetime drinking-water needs of nearly 3,000 people, demonstrating what disciplined engineering and sustainable thinking can achieve.

Waste

Key Performance Indicators

Waste Management	Units	2021-22	2022-23	2023-24	2024-25	2025-26	Target 2026-27
Total waste	kte	66.8	69.8	60.15	43.74	**22.67**	84.998
Per tonne production (total waste)	kg/te	96.4	96.5	83.25	74.99	**41.43**	97.39
Total hazardous waste	kte	0.152	0.072	0.105	0.469	**0.784**	0.5
Per tonne production (hazardous waste)	kg/te	0.02	0.10	0.14	0.80	**1.43**	0.75
Total non-reusable waste	kte	0.255	0.189	0.189	0.94	**1.29**	0.9
Per tonne production (non-reusable waste)	kg/te	0.36	0.26	0.26	1.61	**2.36**	1.5
Total non-reusable hazardous waste	kte	0.152	0.072	0.105	0.469	**0.784**	0.5
Per tonne production (non-reusable hazardous waste)	kg/te	0.22	0.10	0.14	0.80	**1.43**	0.8
Total hazardous waste to disposal	kte	0	0	0	0	**0**	0
Per tonne production (hazardous waste to disposal)	kg/te	0	0	0	0	**0**	0

Waste by Composition (Unit: Metric Tonnes)

	Total waste generated	Waste diverted from disposal	Waste directed to disposal
Process Waste	335	335	-
General Plant Scrap	3,853	1,667	2,186
Fly Ash	17,808	17,808	-
Paper Waste	43	38	5
Waste for Incineration	636	-	636
Total	**22,675**	**19,848**	**2,827**

Waste Diverted from Disposal by Recovery Operations (Unit: Metric Tonnes)

	Onsite	Off Site	Total
Non-hazardous waste			
Preparation for reuse	1.92	7	9
Recycling	-	19,689.7	19,689.7
Other recovery operations	-	-	-
Total	**1.92**	**19,697**	**19,699**
Hazardous waste	-	-	-
Preparation for reuse	-	-	-
Recycling	-	148.7	148.7
Other recovery operations	-	-	-
Total	**-**	**149**	**149**
Total waste diverted from disposal	**1.92**	**19,846**	**19,848**

Waste Directed to Disposal by Disposal Operations (Unit: Metric Tonnes)

	Onsite	Off Site	Total
Non-hazardous waste	-	-	-
Incineration (with energy recovery)	-	-	-
Incineration (without energy recovery)	-	-	-
Landfilling	1.4	-	1.4
Other disposal operations	-	2,189	2,189
Total	**1.4**	**2,189**	**2,190.7**
Hazardous waste			
Incineration (with energy recovery)	-	608.8	608.8
Incineration (without energy recovery)	-	27.31	27.31
Landfilling	-	-	-
Other disposal operations	-	-	-
Total	**-**	**635.41**	**635.95**
Total waste directed to disposal	**1.4**	**2,825.41**	**2,826.81**

Overview

During the year, LCI recorded a significant 48% reduction in total waste generated compared with the previous year. This improvement was largely driven by changes in the management and disposal of fly ash and slag at the Soda Ash and Polyester Businesses. Correspondingly, total waste intensity also improved by approximately 45%, reflecting a reduction in waste generated per tonne of production.

Despite the overall decline in waste generation, hazardous waste increased from 0.469 kte in FY 2024-25 to 0.784 kte in FY 2025-26. Hazardous waste intensity also increased from 0.80 to 1.43 kg per tonne of production. This increase was primarily driven by the Pharmaceuticals Business, where higher quantities of hazardous waste were responsibly segregated and sent for incineration during the year.

Alongside its focus on operational waste management, LCI applies the 5R principles of Refuse, Reduce, Reuse, Repurpose, and Recycle. This approach prioritises the avoidance of unnecessary resource consumption as the first step towards effective waste minimisation.

In addition, and in line with the principles of the Catalyst 2030 - Climate Action Plan, the Company has eliminated single-use PET water bottles across all office locations. The initiative has also been introduced at manufacturing sites, extending responsible consumption practices across LCI's operations and contributing to a broader culture of environmental responsibility.

Key Initiatives FY 2025-26

Recovery of Post-Consumer PET for Recycled Polyester Production

In line with its circular manufacturing priorities, the Polyester Business continued using post-consumer PET as a raw material for recycled polyester production. During the year, the Polyester Business processed approximately 9,869,000 kg of post-consumer PET flakes, taking the cumulative number of 1,500 ml bottles recycled since 2022 to more than 1 billion.

The initiative redirects plastic waste into productive use while reducing reliance on virgin raw materials. The initiative was further supported through LCI's PET bottle deposit programme with Aabroo Educational Welfare Organisation. More than 2.9 million PET bottles were purchased from households and waste collectors for recycling, with the proceeds funding free education, food and shelter for over 150 underserved children.

rPET facility at the Polyester Business plant, Sheikhupura.

Reduction in Single-Use Steel Drums through Reusable IBCs

As part of its efforts to reduce packaging waste and improve material efficiency, the Chemicals & Agri Sciences Business transitioned from single-use steel drums to reusable Intermediate Bulk Containers (IBCs) for bulk material handling.

Between July 2025 and March 2026, 48 reusable IBCs were introduced, avoiding the use of approximately 2,355 single-use steel drums. Each container is designed for eight to ten reuse cycles, thereby extending its service life and reducing the raw materials and disposal requirements associated with conventional drums.

The project is estimated to deliver an annual reduction of around 90 tonnes of CO_2 emissions, considering the avoided production and disposal of steel drums. Although the reusable system requires approximately 1,000 litres of water per IBC wash, the overall environmental benefit remains significantly positive, with carbon savings far outweighing the additional water consumption.

The initiative is also expected to reduce emissions associated with drum manufacturing, transportation and end-of-life disposal. Its environmental performance will continue to be assessed alongside the water required for container cleaning to maintain a balanced assessment of resource impacts.

Resource Efficiency and Waste Reduction

The Pharmaceuticals Business reduced 716.32 kg of waste, achieving 95.5% of its annual target of 750 kg. Initiatives at the Hawke's Bay and Hattar plants contributed 48.82 kg and 667.50 kg, respectively, through packaging rationalisation, the elimination of unnecessary consumables, improved waste segregation and increased recycling within manufacturing operations.

The Business also completed an eco-efficiency project to reuse and recycle operational steel scrap for plantation structures, waste bins and site improvement works rather than disposal. Led by Engineering and completed at no additional cost, the initiative has an estimated emissions-reduction potential of 8.9 tonnes of CO_2.

Improving Plant Surroundings

Demonstrating its commitment to environmental stewardship, the Animal Health Business organised a cleanup drive on World Cleanup Day at Changa Manga, removing 70 kg of recyclable and non-recyclable waste from one of Pakistan's most significant forest ecosystems. The initiative supported ecosystem preservation and encouraged responsible waste management practices within the wider community.

The Animal Health Business organised a cleanup drive at Changa Manga, removing 70 kg of recyclable and non-recyclable waste.

Protecting Coastal Environments

On the occasion of Earth Day, the Pharmaceuticals Business collaborated with the Corporate HSE&S team to conduct a beach cleanup drive. Employee volunteers collected and segregated single-use plastics, discarded packaging, and other solid waste for appropriate disposal, contributing to cleaner coastal surroundings.

The Pharmaceuticals Business collaborated with the Corporate HSE&S team to conduct a beach cleanup drive.

Preserving Shared Heritage Spaces

The Polyester Business organised a cleanup activity at Hiran Minar, Sheikhupura. Employees worked together to collect litter and improve the cleanliness of the historic recreational site. The initiative also raised awareness of litter reduction, recycling and the importance of protecting shared community spaces.

As part of World Cleanup Day 2025, the Polyester Business organised a cleanup activity at Hiran Minar, Sheikhupura.

Biodiversity Conservation in Galiyat

The Chemicals & Agri Sciences Business in collaboration with the Tourism Development Corporation of Punjab, the Punjab Wildlife Department and the Government of Khyber Pakhtunkhwa, launched an environmental initiative in the Galiyat region. The project promoted awareness of local flora and fauna, biodiversity conservation, solid waste management, the replantation of trees with anti-carcinogenic properties, and species listed on the International Union for Conservation of Nature (IUCN) Red List.

The Chemicals & Agri Sciences Business launched an environmental initiative in the Galiyat region.

Social Performance

At LCI, social value is created by investing in people, advancing inclusion, and enabling communities to move forward together. This section presents LCI's approach and performance across material social topics, supported by relevant GRI-aligned metrics and cross-referenced disclosures.

Material Topics Covered

- Occupational Health and Safety
- Training and Education
- Diversity and Inclusion
- Non-Discrimination
- Community Investment
- Freedom of Association
- Employment and Labour Relations
- Child Labour

Management Approach

Social Performance is the joint responsibility of the HSE&S function and Human Resources (HR) function, with each team responsible for generating and monitoring positive impact in their respective area. Moreover, the Company together with Lucky Core Foundation works to create shared value in communities in which it operates.

Data Relating to Employees

The Company considers its 2,400+ employees as one of the key stakeholders that are responsible for the success of both the organisation and the magnitude of its positive impacts on other stakeholders and the environment. The HR function oversees the Company's people agenda and all related policies and practices are governed by LCI's Code of Conduct, applicable laws, and regulations. Depending on the nature of the initiative, approvals relating to the Company's people agenda are sought either from the Company's Board of Directors or the Leadership Team.

LCI adheres to a holistic grievance mechanism to support ethical and fair social performance. The Company's whistleblowing policy, Speak Up, is open to all employees for the confidential reporting of Code of Conduct violations. Details on the Code of Conduct are available on page 14 of this Report.

Goals and targets of related disclosures undergo thorough annual review, resulting in the identification of medium and long-term objectives. The HR function facilitates the dissemination of these goals at an individual level, and their delivery becomes part of the Company's Performance and Development System.

LCI follows a structured approach to assessing employee performance and development needs. Training needs are identified through P&DD, the Company's annual performance appraisal tool, while individual development plans are documented separately through a dedicated form within the system. The overall effectiveness of the Company's social performance is assessed through the Employee Engagement Survey. In practice, during FY 2025-26, all management employees confirmed before June 30, 2026, received a performance rating, which in turn translated into them having performance and career development discussions with their line managers.

LCI adheres to applicable laws with regard to minimum wage, and the ratio of entry-level wage is higher than the prescribed minimum wage at all locations.

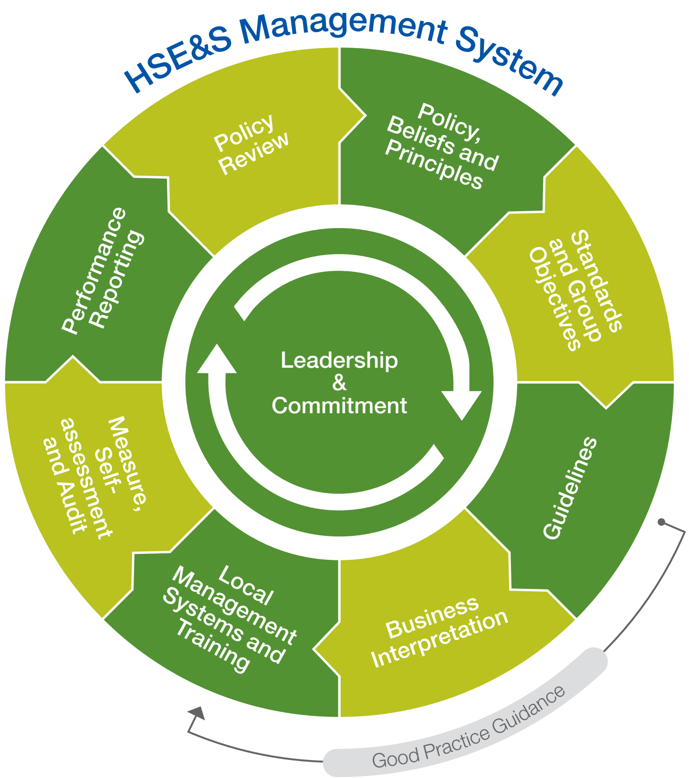
Where possible, the Company hires Senior Management from the local community.

The Company ensures employee wellbeing and promotes a healthy lifestyle through its holistic Employee Wellness Programme.

Occupational Health and Safety

LCI maintains a safe, healthy, and secure environment for employees, contractors and visitors through its integrated Health, Safety, Environment and Security (HSE&S) Management System, applied across all businesses, functions and operational sites. The HSE&S framework incorporates internationally recognised standards, including ISO 45001, ISO 14001, ILO-OSH 2001, and Responsible Care Management System. It enables the systematic identification and control of risks relating to people, products, and processes, while reinforcing accountability and continual improvement across operations.

The system is implemented through a comprehensive manual comprising 21 Corporate HSE&S Standards and 79 Guidelines. These provide a consistent basis for business-specific procedures, compliance requirements, and performance monitoring across the Company.



Risk Assessment across Plant Operations

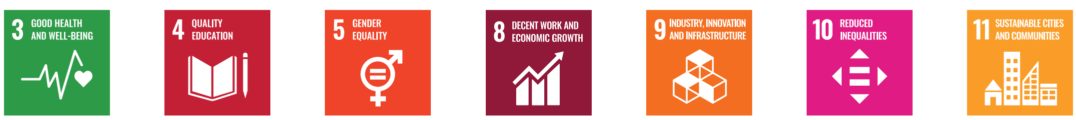
To support safe construction, commissioning, and operations, LCI applies a multi-tiered hazard identification and risk assessment framework across its manufacturing sites. Six layers of structured studies assess HSE&S considerations throughout the project lifecycle, including:

- Job Safety Analysis (JSAs) and Hazard and Operability Studies (HAZOPs) for operational tasks
- Pre-startup safety reviews for new or modified processes
- Routine inspections, audits, and walkthroughs conducted by trained HSE personnel

Identified risks are managed through the hierarchy of controls, prioritising elimination, substitution, engineering, and administrative measures before the use of Personal Protective Equipment (PPE).

Ensuring Quality and Competency

Risk assessments are conducted by trained personnel whose competency is maintained through refresher training, internal audits and independent third-party evaluations. Corporate HSE oversees governance, standardisation, and continual improvement across all sites.



Continuous Improvement

Findings from risk assessments inform updates to operational procedures, training content, and engineering controls. Lessons learned are incorporated into the occupational health and safety framework to improve its effectiveness and responsiveness.

HSE&S Incident Reporting Framework

LCI maintains an accessible incident-reporting mechanism through its Learning Event Database, enabling employees to raise concerns without fear of retaliation. All reports are formally recorded, reviewed, and used to support timely corrective action and wider system improvements.

Awareness is reinforced through behavioural-safety discussions, daily toolbox talks, digital communications, and focused workshops covering key HSE&S priorities.

Empowering Employees

In line with its HSE&S Policy, LCI authorises employees to stop work where they believe there is a risk of injury or ill health. This right is communicated during onboarding and reinforced through regular safety briefings, while supervisors ensure appropriate corrective action is taken before work resumes.

Incident Investigation and System Improvement

All workplace incidents, including near misses, are investigated using root cause analysis based on the 5 Whys approach. The process includes:

- Immediate reporting
- Hazard identification and risk reassessment
- Corrective and preventive actions aligned with the hierarchy of controls
- Documentation and dissemination of findings across relevant departments

Investigation outcomes inform procedural updates, training improvements, and the continual enhancement of LCI's HSE&S Management System.

Occupational Health Services and Risk Management

Occupational health services form an important part of LCI's approach to maintaining a safe and productive workplace. These services support the early identification, assessment, and management of health-related risks across operations. Key functions include:

- Health Risk Assessments for job roles with exposure to chemicals, noise, vibration, or ergonomic stressors
- Medical Surveillance through pre-employment, periodic, and return-to-work assessments
- Workplace Hygiene Monitoring is carried out regularly for the assessments of air quality, noise levels, and other environmental factors in compliance with Occupational Exposure Limits (OELs)
- Emergency Medical Response through on-site medical teams and first-aid facilities
- Health Promotion Initiatives including wellness programmes, vaccination drives, and awareness campaigns
- Provision of medical facilities accessible to employees for both occupational and non-occupational health needs

Quality Assurance and Accessibility

To ensure quality and accessibility of occupational health services:

- All health professionals are certified and regularly trained, with competency periodically assessed
- The Health Assessment Performance Index (HAPI) monitors participation in medical assessments across business units
- The Hygiene Performance Index (HYPI) tracks compliance with exposure limits and the performance of engineering controls and evaluates the effectiveness of workplace hygiene controls
- Health records are maintained with strict confidentiality and are accessible to employees upon request
- Occupational health services are available at all major sites, supported by multilingual communication and clearly outlined employee rights

Continuous Improvement and Integration

Assessment and monitoring outcomes are translated into revised controls, updated training, and improved operating procedures. Corporate HSE&S provides oversight through audits and performance reviews, helping maintain compliance and drive ongoing improvement across the occupational health and safety framework.

Process Safety

Process safety remains a core element of LCI's Health, Safety, Environment and Security (HSE&S) Management System, with emphasis on preventing high-consequence events and maintaining the integrity of critical processes, equipment, and infrastructure. The Company applies a structured approach across the project and operational life cycle, supported by hazard identification, engineering controls, Management of Change (MoC), equipment-integrity reviews, and pre-start-up safety assessments.

During FY 2025-26, LCI strengthened process-safety oversight through enhanced digital monitoring and technical assessments. Corporate HSE progressed the launch of a HSE KPI Portal to centralise performance reporting, improve visibility of corrective actions, and support timely management review across operations.

The Pharmaceuticals Business advanced several process and asset-safety initiatives across its manufacturing facilities. Fire-load assessments were completed for the Hawke's Bay, Nutraceuticals and Hattar sites and externally reviewed by the Fire Protection Association of Pakistan. A gap assessment of the Fire Safety Management System was also conducted against the Building Code of Pakistan 2026, supporting the prioritisation of corrective and preventive measures.

Further improvements included the development of fire-alarm layouts by a third-party consultant, verification of the load-bearing capacity of warehouse racking systems, electrical thermography across key sites, and an arc-flash assessment with updated electrical single-line diagrams at the B2 facility. Together, these assessments enhanced hazard visibility, asset integrity, emergency preparedness, and operational resilience.

Process-safety performance continues to be reviewed through internal audits, third-party assessments and action tracking. By bringing together Corporate HSE, engineering, operations, and site teams, LCI aims to forge ahead together to strengthen preventive controls, improve accountability and support safer, more reliable operations.

Disclosures Related to Corporate Social Responsibility

The Company, directly and through Lucky Core Foundation (the 'Foundation'), undertakes Corporate Social Responsibility (CSR) initiatives in collaboration with partner organisations to support communities and advance socio-economic development among underserved populations.

LCI's CSR philosophy aligns with the Company's vision, mission, values, and brand promise. Through these efforts, the Company seeks to create shared value beyond its operational boundaries and improve the well-being of communities where it operates.

Annually, the Company contributes a set percentage of its Profit after Tax towards its CSR initiatives. Donations received are used to support various initiatives in the areas of Health, Education, Community Development, Women's Empowerment, and Environment. The effectiveness of the Company's social performance is evaluated based on the impact generated by ongoing CSR initiatives. Details on CSR performance and the impact it has created are available on page 198 of this Report.

Alignment with Sustainable Development Goals (SDGs)

During FY 2025-26, LCI strengthened its alignment with the United Nations Sustainable Development Goals through a Company-wide applicability assessment and awareness session conducted with the Pakistan Business Council's Centre of Excellence in Responsible Business (CERB). The assessment mapped LCI's operations, products, services, and stakeholder impacts against all 17 SDGs, providing a structured basis for identifying the goals most relevant to the Company's activities and sustainability priorities.

Based on the concentration of initiatives presented in this Report, LCI's most prominent contributions relate to SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth), and SDG 9 (Industry, Innovation and Infrastructure).

The Company's initiatives also contributed to SDG 10 (Reduced Inequalities), SDG 11 (Sustainable Cities and Communities), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), and SDG 15 (Life on Land).

Together, these areas demonstrate LCI's sustained focus on health and well-being, learning and development, workplace inclusion, access to clean water, renewable energy, responsible growth, operational innovation, community development, circular resource use, climate action, and biodiversity conservation.

Further details on these Company-wide initiatives are available on pages 184-195, while information on community-focused investments aligned with the SDGs is provided in the Community Investment section on pages 198-201 of this Report.

Occupational Health and Safety

Key Performance Indicators

	Units	2021-22	2022-23	2023-24	2024-25	2025-26	Target 2026-27
Total reportable injury rate (FTE & SC)	/million	0.20	0.48	0.29	0.09	**0.26**	0
Occupational illness rate	/million	0	0	0	0	**0**	0
Total illness absence rate	%	1.66	1.53	1.16	0.99	**0.94**	1.3
Fatalities	Number	0	0	0	0	**0**	0
Total reportable injury rate (Independent Contractors)	/million	0.16	0.21	0.24	0	**0.24**	0
Lost time injury (Independent Contractors)	Number	0	0	0	0	**0**	0
% sites with BBS programme	%	100	100	100	100	**100**	100
Distribution incidents	Number	0	0	0	0	**0**	0
Motor vehicle incidents	Number	0	0	1	0	**2**	0

Overview

During FY 2025-26, LCI recorded zero fatalities, occupational illness cases, lost-time injuries involving independent contractors, and distribution incidents. The Total Reportable Injury Rate (TRIR) for employees increased from 0.09 to 0.26 per million man-hours, with three employee reportable injuries recorded. The TRIR for independent contractors increased from zero to 0.24, with one reportable injury. All incidents were investigated and appropriate corrective and preventive actions were implemented.

The Company recorded a cumulative total of 50.04 million safe man-hours. The Soda Ash Business contributed 39.71 million, followed by Polyester at 4.11 million, Chemicals & Agri Sciences at 3.84 million, Pharmaceuticals at 1.89 million, Corporate Offices at 0.43 million, and Animal Health at 0.05 million safe man-hours.

The Total Illness Absence Rate improved from 0.99% to 0.94%. Behaviour-Based Safety programmes remained operational at 100% of Company sites, supporting workforce participation, hazard awareness, and safer working practices across operations.

Employee consultation is facilitated through joint management and worker safety meetings, toolbox talks, and site-level engagement. These forums enable employees to raise concerns, discuss workplace risks and contribute to improvements in occupational health, and safety practices.

The Health Assessment Performance Index and Hygiene Performance Index programmes support the identification and management of risks relating to respiratory exposure, noise, ergonomics, and workplace hygiene. Employees undertaking higher-risk activities receive relevant training, protective equipment, and periodic health monitoring in line with LCI's HSE&S Management System.

LCI provides all full-time employees with benefits, including life insurance, medical coverage, disability protection, parental leave, and retirement plans, contributing to the broader health and well-being of its workforce.

HSE&S Management Audit

During the year, a comprehensive HSE&S Management Audit was conducted for the Animal Health Business by internal HSE and CTED resources. The assessment reviewed leadership practices, operational controls, engineering integrity, emergency preparedness, and regulatory compliance to evaluate the effectiveness of the Business's HSE&S Management System.

The audit identified key improvement opportunities and led to the development of a structured action plan. The plan is intended to strengthen governance, address system gaps, improve accountability and enhance the overall maturity and effectiveness of HSE&S practices through continual improvement.

Key Initiatives FY 2025-26

Awards and Recognition

LCI's continued efforts to strengthen health, safety, environmental performance, and responsible business practices earned several national and international recognitions during FY 2025-26. These honours were made possible through the collective efforts of leadership, employees, and cross-functional teams across the Company. Collectively, these honours recognise the maturity of LCI's HSE&S management systems and the consistent implementation of standards across its businesses.

The Soda Ash Business received the RoSPA Gold Award 2026 from the Royal Society for the Prevention of Accidents (RoSPA), United Kingdom, and a Merit at the International Safety Awards 2026 from the British Safety Council, marking its fifth consecutive year of recognition by the organisation. The business was also highly commended in the International Health & Safety Team of the Year category at the Safety & Health Excellence Awards 2026, organised by the British Safety Industry Federation (BSIF), and received a Certificate of Appreciation at the 15th Annual Fire Safety Awards 2025 and recognition at the 22nd Annual Environmental Excellence Awards 2025.

The Pharmaceuticals Business received the 22nd Annual Environmental Excellence Award 2025 from the National Forum for Environment and Health (NFEH) and the EHS International Award 2025 in the Best HSE Performance category, alongside the Fire Safety Excellence Award by the Fire Protection Association of Pakistan (FPAP).

The Animal Health Business attained the 22nd Annual Environment Excellence Award 2025 from National Forum for Environment and Health (NFEH), and a Certificate of Appreciation at the 15th Annual Fire Safety Award presented by the NFEH and the Fire Protection Industry of Pakistan (FPIP).

The Chemicals & Agri Sciences Business secured the 15th Annual CSR Award in the Sustainability Innovation category from The Professionals Network.

The Polyester Business received the Environmental Excellence and Excellence in CSR Award from the Pakistan Safety Council (PSC) under its Annual Health, Safety and Environment Excellence Awards.

These achievements also acknowledge the role of sound governance, workforce participation and disciplined execution in advancing the Company's health, safety, environmental and responsible business priorities.

Advancing HSE Through Shared Learning

During FY 2025-26, Corporate HSE conducted quarterly HSE Connect forums in Khewra, Lahore, and Karachi, bringing together HSE Managers to review performance, share best practices and align on key initiatives. The Karachi session also included visits to external organisations for benchmarking and mutual learning. These forums strengthened coordination and promoted a consistent approach to HSE&S performance across LCI.

Corporate HSE team at the quarterly HSE connect forum at Soda Ash plant site.

Reinforcing a Safe and Resilient Work Environment

To commemorate the World Day for Safety and Health at Work 2026, a unified series of activities aligned with the International Labour Organisation's theme of "Ensuring a Healthy Psychosocial Working Environment" was organised across all businesses. The campaign promoted awareness and proactive engagement on workplace safety and employee well-being.

HSE and Sustainability Teams Quiz Initiative

Corporate HSE and Sustainability team launched a monthly quiz programme to strengthen employees' understanding of HSE and sustainability. Each month, one employee from every business was recognised for submitting correct responses, helping encourage wider participation and continued learning across LCI.

Fire Risk Insurance Survey

The Fire Risk Insurance Survey was successfully conducted at the HB and B2 Sites by an independent Engineering Risk Consultant. The survey aimed to assess existing fire protection measures, evaluate potential fire hazards, and review the adequacy of fire prevention and emergency response systems. This comprehensive assessment covered critical infrastructure, operational practices, and risk control measures to ensure alignment with insurance requirements and industry best practices.

In-house HSE Digitalisation

During FY 2025-26, Corporate HSE collaborated with the Corporate IT team to advance HSE digitalisation through the in-house development of a new HSE Portal. The first phase of the portal included the development of digital modules for Learning Events and Action Database, enhancing reporting, tracking, and closure of HSE-related actions.

The second phase focused on the integration of HSE KPI inputs to further enhance performance monitoring and data-driven decision-making. This ongoing project will incorporate environmental and sustainability data into the same platform during FY 2026-27.

A cake-cutting celebration was held to mark the successful completion of the HSE Connect digital transformation initiative.

The Pharmaceuticals Business organised a puzzle activity based on the 2026 World Day for Safety and Health at Work theme to promote workplace wellbeing awareness.

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

Key HSE&S Trainings Conducted

During FY 2025-26, LCI delivered targeted HSE&S training across its businesses to strengthen technical capability, emergency readiness, and consistent application of safety controls.

- Corporate HSE facilitated the Goal Zero Accidents Training for Line Managers, covering safety leadership, effective safety conversations, incident investigation, root-cause analysis, and leadership accountability. Complementary on-floor sessions provided supervisors and operators with practical guidance on accident prevention.

- An organisation-wide Sustainable Development Goals (SDGs) Awareness Session was facilitated by the Pakistan Business Council's Centre of Excellence in Responsible Business (CERB). The session strengthened employee understanding of the 17 SDGs and their relevance to business operations, sustainability priorities and responsible decision-making.

- Corporate HSE organised externally facilitated training on the IFRS Sustainability Disclosure Standards, with emphasis on governance, strategy, sustainability, and climate related disclosures, and the reporting of relevant metrics and targets.

- A three-day Basic Life Support and Fire Safety Training Programme was conducted with Rescue 1122 at the Veterinary Medicine Manufacturing Plant, Sheikhupura. Participants received practical instruction in first aid, CPR, extinguisher use and firefighting, followed by written and practical assessments of the Emergency Response Team.

- Management employees participated in advanced first aid, Cardiopulmonary Resuscitation (CPR) and Automated External Defibrillator (AED) training. Practical exercises and simulated emergency scenarios strengthened participants' ability to apply life-saving techniques effectively.

- Engineering, Production, and HSE personnel received specialised electrical-safety training covering electrical hazards, isolation procedures, arc-flash awareness and safe working practices aligned with LCI's Site Engineering Procedure (SEP) and applicable standards.

- Employees at the Hawke's Bay (HB) and B2 sites received first aid and CPR training from certified trainers of the Pakistan Red Crescent Society. The programme included practical instruction on bleeding control, fracture management, and immediate response to medical emergencies.

- Management-system capability was strengthened through a combination of awareness, internal-auditor and external certification programmes covering ISO 50001:2018 Energy Management Systems, ISO 45001 Occupational Health and Safety Management Systems, ISO 14001 Environmental Management Systems, the OSHA 30-Hour General Industry programme, and ISO 45001 Lead Auditor training. These sessions enhanced employees' understanding of operational controls, compliance requirements, workplace hazards, performance monitoring and audit practices across the HB, Hattar and B2 sites.

- Stacker and forklift operational-safety training was delivered by an external trainer certified by the Lifting Equipment Engineers Association (LEEA). The programme addressed pre-use inspections, load management, safe operating techniques, warehouse hazards, and emergency procedures.

- Firefighters and fire wardens at the HB Plant undertook refresher training under the supervision of Civil Defence. Technical briefings were supported by practical drills on firefighting equipment, incident coordination, evacuation assistance, and rapid decision-making.

- A confined-space emergency drill at the B2 Plant simulated the rescue of an incapacitated worker and tested atmospheric monitoring, specialist rescue equipment, communication, victim extraction, first aid, and coordination with emergency medical services.

- Heat-stroke emergency drills assessed employees' ability to identify symptoms, initiate emergency communication, provide first aid, stabilise affected individuals and coordinate timely medical assistance during periods of elevated temperatures.

- A HAZOP (Hazard and Operability) Capacity Building Session was conducted at the HB and Hattar sites by an external certified trainer. The session aimed to strengthen the understanding and application of HAZOP methodologies among operational and HSE personnel. Participants were trained on identifying potential process hazards, analysing deviations, and implementing effective control measures to mitigate operational risks. Also, the HSE Managers of Pharmaceuticals Business successfully completed the HAZOP Leadership Course conducted by SGS.

- Food safety and hygiene training was conducted for cafeteria staff at the Hawke's Bay Plant by an external trainer. The session covered personal hygiene, safe food storage, temperature control, prevention of cross-contamination, cleaning, and waste management.

- During FY 2025-26, Corporate HSE engaged the Corporate Social Responsibility Centre - Pakistan (CSRCP) to strengthen organisational understanding of IFRS S1 and IFRS S2 through focused awareness sessions. Following the programme, all businesses initiated assessments of sustainability and climate related risks and opportunities in line with the requirements of the two standards. The CSRCP team subsequently reviewed and validated the assessments to support consistency, completeness, and alignment across the Company. This collaboration enabled a more structured evaluation of sustainability related financial disclosures, enhanced understanding of climate related risks and opportunities, and supported LCI's preparedness for evolving sustainability reporting requirements.

Corporate HSE conducted an awareness session on IFRS S1 and IFRS S2 in collaboration with CSRCP.

The Animal Health Business organised a training session in collaboration with Rescue 1122, focusing on essential life-saving skills and firefighting techniques.

Across LCI, a Sustainable Development Goals (SDGs) awareness session was facilitated by the Pakistan Business Council's Centre of Excellence in Responsible Business (CERB).

Corporate HSE facilitated the Goal Zero Accidents training.

Employee Engagement and Wellness

LCI recognises employee engagement and well-being as essential to building a connected, productive, and resilient workforce. With Passion for People at the heart of its culture, the Company advanced initiatives that promote employee voice and stronger workplace relationships, enabling its people to forge ahead together.

Gauging Engagement

At LCI, employee engagement is recognised as an ongoing journey that lies at the core of the organisation's culture and performance. Through Core Connect, LCI's employee engagement initiative powered by Gallup, the Company maintained a structured approach to listening to employees and translating feedback into action. Chief People Officer (CPO)-led town halls were conducted across locations to share engagement findings, discuss key strengths, and identify areas requiring further attention.

Businesses and functions developed targeted action plans based on the survey findings, strengthening manager ownership, and accountability for the employee experience. Reward Roadshows further encouraged direct engagement with the People function by providing employees with greater clarity on the Company's reward practices and the opportunity to raise questions and share feedback. Leadership engagement was also strengthened at the business level. The Animal Health Business held its first Vice President Town Hall at the new veterinary medicine manufacturing plant in Sheikhupura, enabling employees to listen to business updates directly from leadership, discuss future priorities, and participate in open dialogue.

Building a Healthy and Inclusive Work Environment

The Employee Wellness Programme brought together year-round initiatives designed to help employees connect, stay active, and manage their overall well-being. The activities remained organised around three established pillars:

- Social Connectedness
- Physical Wellness
- Mental Wellbeing and Mindfulness

Social Connectedness

Strong workplace relationships are shaped through shared experiences that extend beyond everyday responsibilities. During the year, LCI created opportunities for employees to build stronger relationships beyond their day-to-day responsibilities. Kids Day at Work, Mother's Day activities organised in collaboration with Crumble Pakistan, and the HR and Workplace Beach Getaway brought employees and teams together through shared and family-oriented experiences.

At the Animal Health veterinary medicine manufacturing facility in Sheikhupura, the first employee engagement event combined employee recognition, an interactive office scavenger hunt and a shared meal. The activity helped strengthen cross-functional interaction and foster a sense of connection at the newly established facility.

The Company's employee volunteer programme, Pehchan, further extended social connectedness beyond the workplace. Through volunteer-led initiatives across education, health, community development, and the environment, employees were able to contribute their time and capabilities to causes aligned with LCI's wider social priorities.

A notable initiative during the year was 'We Are the Core,' a people-centric campaign jointly led by HR and Corporate Communications teams to celebrate the people of LCI. By showcasing employees' stories, the campaign deepened a strong sense of pride in the organisation and strengthened Employee Value Proposition (EVP).

Pehchan volunteers accompanied Class 4 students from Kiran Foundation School on an educational visit to the British Council Library.

Activities related to Mother's Day were organised in collaboration with Crumble Pakistan.

Physical Wellness

The Company considers the physical well-being of its people an important dimension, as it ensures a strong, energetic, and motivated workforce. An open-access gym and sports court at the Head Office, Lahore Corporate Office and Khewra locations ensure that employees can access quality training facilities at their convenience all year round. Moreover, a range of wellness initiatives were organised throughout the year, both independently and in collaboration with external partners.

Additionally, LCI organised a corporate Padel Tournament and an in-person desk-based session. This session introduced employees to simple stretching and mobility exercises that can be incorporated into the working day to reduce prolonged inactivity and promote healthier workplace routines. In addition to these, an online nutrition session further supported healthier lifestyle choices, while cricket matches and other sports-based activities encouraged participation, teamwork, and interaction across teams.

A Padel Tournament was organised to support physical wellness, team spirit, and healthy competition.

Mental Wellbeing and Mindfulness

A supportive workplace also requires attention to employees' mental, emotional and physical well-being. LCI conducted mindfulness activities, wellness retreats, and awareness sessions to help employees manage workplace demands, maintain balance and make informed choices about their overall well-being. These included the Corecharge activity, featuring an in-person desk-based session and a yoga session focused on workplace movement and physical wellness.

Wellness retreats across multiple locations provided employees with opportunities to pause, recharge, and reconnect outside the regular work environment. Sessions focused on emotional and financial well-being further broadened awareness of the factors that influence personal wellness and workplace performance.

The Pharmaceuticals Business also organised an interactive activity related to solving a puzzle on the World Day for Safety and Health at Work, addressing psychosocial well-being, stress management, communication, teamwork, and the shared responsibility of maintaining a respectful and supportive workplace.

Employees participated in an in-person Desk-based session focused on workplace movement and physical well-being.

The Pharmaceuticals Business marked the World Day for Safety and Health at Work through an interactive puzzle activity focused on psychosocial well-being.

Diversity and Inclusion

Key Performance Indicators

	2021-22	2022-23	2023-24	2024-25	2025-26
Governance Body					
Percentage by gender	89% M: 11% F (8 M, 1 F)	89% M : 11% F (8 M, 1 F)	90% M : 10% F (9 M, 1 F)	75% M : 25% F (6 M, 2 F)	**78% M: 22% F (7 M, 2 F)**
Percentage by age	Between 30-50: 44% Above 50: 56% (4, 5)	Between 30-50: 44% Above 50: 56% (4, 5)	Between 30-50: 50% Above 50: 50% (5, 5)	Between 30-50: 50% Above 50: 50% (4, 4)	**Between 30-50: 44% Above 50: 56% (4, 5)**
Employees					
Percentage by gender	93.9% M: 6.1% F	92.6% M: 7.4% F	92.2% M: 7.8% F	91.5% M: 8.5% F	**89.3% M: 10.7% F**
Management/ Permanent employees	1,603 M; 105 F	1,608 M; 129 F	1,617 M; 131 F	1,849 M; 150 F	**1,834 M; 195 F**
Trainees	22 M; 18 F	19 M; 11 F	32 M; 9 F	35 M; 17 F	**21 M; 23 F**
Contractual employees				65 M; 14 F	**62 M; 11 F**
Percentage of employees by age	Under 30: 25% 30-50: 66% Above 50: 9% (427; 1,132; 149)	Under 30: 27% 30-50: 64% Above 50: 9% (462; 1,115; 160)	Under 30: 25% 30-50: 63% Above 50: 12% (452; 1,124; 213)	Under 30: 27% 30-50: 63% Above 50: 10% (570; 1,335; 217)	**Under 30: 32% 30-50: 58% Above 50: 10% (681; 1,239; 217)**

Overview

Diversity and Inclusion (D&I) remains integral to LCI's people strategy and workplace culture. The Company is committed to fostering a workplace where individuals are respected, valued, and able to access opportunities based on merit, while contributing their perspectives and capabilities across the organisation.

During FY 2025-26, women's representation increased from 8.5% to 10.7% of the workforce, with women accounting for 23 of the Company's 44 trainees. At the same time, employees under the age of 30 increased to 32% of the workforce, reflecting a broader early-career talent base and a more diverse employee profile.

LCI also strengthened its approach to inclusion through the establishment of dedicated One Core committees, women-focused development initiatives, inclusive workplace policies, and cultural engagement across locations. Together, these efforts support a workplace where employees from different backgrounds, cultures, abilities, and stages of life can participate, develop and progress.

Key Initiatives FY 2025-26

IMPACT Scholarship Programme

LCI continued the IMPACT Scholarship Programme to expand access to higher education for academically capable female students from financially underserved backgrounds. This ongoing programme, started in 2019, combines scholarship assistance with professional exposure, mentoring, and development opportunities, helping scholars build the confidence and capabilities required for their future careers.

Empowering Women in Business

This year, International Women's Day was marked through sessions focused on financial literacy, mental well-being, and personal empowerment. The programme also celebrated the achievements and contributions of women across LCI, creating opportunities for learning, recognition, and dialogue on the evolving role of women within the workplace.

Celebrating Inclusivity as One Team

LCI brought employees together through cultural, faith-based and international observances, including Diwali, Christmas, Eid, Nowruz, International Men's Day, International Women's Day, and Mother's Day. These occasions encouraged employees to learn from different traditions, share experiences, and build stronger connections across the organisation.

Strengthening Inclusion through One Core

During the year, LCI established two dedicated employee committees: One Core - Women@LCI and One Core - Conscious Inclusion, to strengthen employee participation and advance the Company's inclusion priorities.

Women@LCI focuses on strengthening the experience, development and participation of women across the organisation, while Conscious Inclusion promotes a more equitable workplace for individuals of different abilities, backgrounds, ethnicities, cultures, and beliefs, enabling employees to participate and progress equitably.

Collective Bargaining

LCI recognises employee representation and constructive dialogue as important elements of responsible employment practices. During FY 2025-26, 321 non-management employees, representing 13% of the total workforce, were covered by collective bargaining agreements. These agreements support open dialogue and mutual understanding between the Company and its workforce.

Parental Leave

During FY 2025-26, 81 female and 1,336 male employees were entitled to parental leave. Of these, 7 female employees availed maternity leave, while 70 male employees availed paternity leave. Three female employees and 67 male employees returned to work after parental leave, representing return-to-work rates of 42.9% for females and 95.7% for males. Of those who returned to work, all 3 female employees and 67 male employees remained with the Company 12 months after their return.

Total employees by region

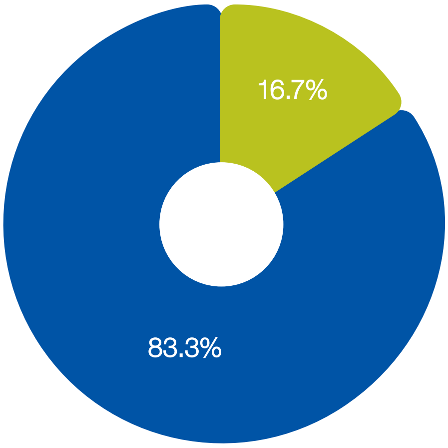
Employees by Region	Punjab	Sindh	KPK	Balochistan	AJK	Others	Total
Number of employees							
Permanent	1014	695	208	22	13	77	**2029**
Temporary (Contractual + Trainees)	55	59	0	0	0	3	**117**
Non-Management	**291**	**30**	**-**	**-**	**-**	**-**	**321**
Total	**1360**	**784**	**208**	**22**	**13**	**80**	**2467**

(All permanent and temporary employees are full time)

Total employees by gender

Employees Data by Gender	Male	Female	Others	Not Disclosed	Total
Number of employees					
Full-time	1917	229	-	-	**2146**
Part-time	-	-	-	-	**-**
Non-management	**316**	**5**	**-**	**-**	**321**
Total	**2233**	**234**	**-**	**-**	**2467**

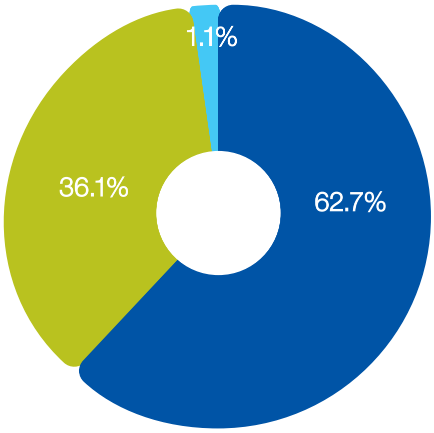
Total number of employees hired during the year by gender



Total: 617

- Male: 514
- Female: 103

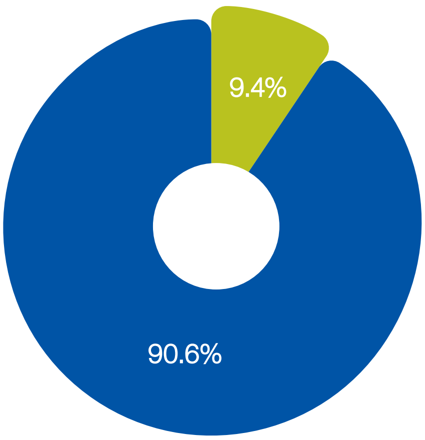
Total number of employees hired during the year by age



Total: 617

- Under 30: 387
- 30 to 50: 223
- Above 50: 7

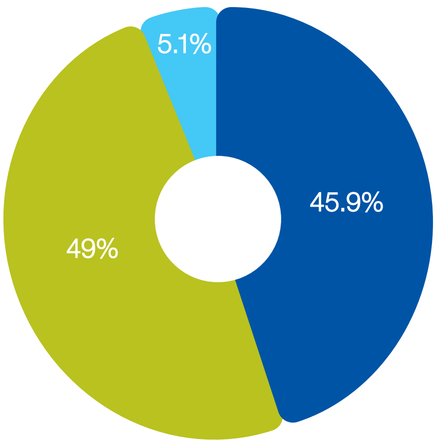
Total employee turnover during the year by gender



Total: 606

- Male: 549
- Female: 57

Total employee turnover by age



Total: 606

- Under 30: 278
- 30 to 50: 297
- Above 50: 31

Training and Education

Key Performance Indicators

		2021-22	2022-23	2023-24	2024-25	2025-26
Average hours of training per employee (gender and grade)	Hour	M: 4.9, F: 2.9 G30: 4.4; G31:12.9; G32: 15.8; G33: 14.2; G34:22.3; G35: 32.4; G36: 12.7; G37:11.7; G38: 9.2; G39: 11; G40: 12.4 Trainee: 3.8; WL-4: 16	M: 28.7, F: 40.9 G30: 20.1; G31: 25.8; G32: 21.3; G33: 44; G34: 48.3; G35: 35.5; G36: 31; G37: 23.6; G38: 20.9; G39: 6.8; G40: 14.1 Trainee: 359.3; WL-4: 20	M: 18.02, F: 22.72 G30: 17; G31: 12; G32: 16; G33: 15; G34: 17; G35: 19; G36: 30; G37: 29; G38; 24; G39: 28; G40: 21; Trainee: 15; WL-4: 45	M: 28.75, F: 27.85 G30: 20.5; G31: 21.2; G32: 20.1; G33: 25.2; G34: 24.1; G35: 21.1; G36: 15.9; G37: 7.8; G38; 11.0; G39: 8.5; G40: 1.4; Trainee: 32.5; WL-4: 0.0	**M: 28.79** **F: 37.24** **G30: 21.6;** **G31: 27.4;** **G32: 31.2;** **G33: 37.5;** **G34: 35.9;** **G35: 35.0;** **G36: 12.3;** **G37: 18.2;** **G38; 12.5;** **G39: 13.0;** **G40: 1.6;** **Trainees: 40.1;** **WL-4: 0.0**
Online P&D discussion participation	%	100% (Confirmed staff)	100% (Confirmed staff)	100% (Confirmed staff)	**100%** **(Confirmed staff)**	100% (Confirmed staff)

Overview

As business priorities and workforce capabilities continue to evolve, LCI strengthened learning pathways that prepare employees for future opportunities and greater responsibilities. During FY 2025-26, the Company delivered 7,921 training days across the organisation, equivalent to an average of 3.72 training days per employee.

Corporate-led learning contributed 1.14 training days per employee, including 0.19 training days through the Learning Management System (LMS). The platform expanded access to structured, self-paced learning, enabling employees to pursue relevant development opportunities at their own pace.

Training effectiveness was evaluated through participant feedback on programme content, structure, facilitation, and logistical arrangements. Internal programmes achieved an overall satisfaction score of 93%, while external programmes recorded 88%, exceeding the Company's target of 80%.

Collectively, these initiatives enhanced organisational capability, built employee confidence, and supported the Company's long-term performance.

Key Training Programmes FY 2025-26

L.E.A.D. Programme

LCI launched L.E.A.D. (Learn, Empower, Aspire and Deliver), its flagship 12-18 month leadership development journey structured across four leadership levels. Built on globally recognised leadership frameworks and tailored to LCI's leadership philosophy and strategic priorities, the programme combines assessments, experiential learning, reflection, and practical application to develop the mindsets and behaviours required at different stages of leadership.

As part of this journey, learning interventions for emerging and first-line leaders were delivered in partnership with FranklinCovey Pakistan, focusing on personal effectiveness and team leadership. Senior leaders participated in a bespoke development experience with INSEAD faculty, centred on strategic leadership, enterprise thinking, and organisational impact.

Digital Learning through the LMS

LCI strengthened access to continuous learning through the rollout of its Learning Management System (LMS). The platform offered 65 self-paced modules across finance, leadership, supply chain, marketing, people management, sales, strategy, and digital development, alongside soft skills such as conflict resolution, coaching conversations that inspire growth and relationship management. This enabled employees to build relevant capabilities with greater flexibility.

Core Development Programme

The relaunched Core Development Programme (CDP) further enhanced technical and operational capability through sessions on HSE awareness, practical aspects of chemical engineering, project management, and other core engineering disciplines. The programme supported employees in connecting technical knowledge with day-to-day operational requirements.

Learning Lounge

The Learning Lounge series continued to encourage knowledge-sharing through practical and accessible sessions. Topics included presentation design, Canva, digital privacy, and storytelling, helping employees strengthen skills relevant to communication, creativity and everyday workplace effectiveness.

L&D Rewards Programme

The Learning and Development Rewards Programme was introduced to encourage active participation during training sessions. Participants earned recognition based on their engagement, while the top three performers were acknowledged as Champion Learners and awarded shields through Company-wide recognition communications.

Internal and External Capability Development

LCI's wider learning portfolio included internal programmes such as HR Essentials, Finance for Non-Finance, Code of Conduct, Microsoft Excel, and Change Management. External programmes expanded learning in emotional intelligence, negotiation, and conflict resolution, self-mastery, data analytics, artificial intelligence, and professional effectiveness.

A Project Management training session was conducted under the Core Development Programme (CDP).

A training session on Change Management was conducted to strengthen employees' adaptability and readiness for organisational change.

Non-Discrimination

Key Performance Indicators

DISCRIMINATION	Units	2021-22	2022-23	2023-24	2024-25	2025-26
Total number of incidents of discrimination	No.	0	0	0	0	1

Overview 2025-26

Non-discrimination is a fundamental part of LCI's Code of Conduct and value system. The suitability and selection of candidates for job opportunities are solely based on merit-based objectives and non-discriminatory criteria. Growth opportunities are transparent and solely based on performance. Moreover, the whistleblowing programme 'Speak Up' allows confidential reporting of Code of Conduct violations, including discriminatory practices.

Details of our whistleblowing policy are available on page 110 of this Report.

During FY 2025-26, one incident of discrimination was reported and referred through the Company's established review mechanisms for appropriate action. LCI continues to reinforce ethical conduct, fair treatment, and accountability across the workplace.

Freedom of Association and Child Labour

The Company upholds the right of employees to freedom of association. During the period under review, there were no instances where freedom of association or collective bargaining rights were compromised. Currently, 321 employees, representing 13% of the Company's total workforce, are covered by collective bargaining agreements. The minimum notice period for operational changes, as stipulated in these agreements, is four weeks. LCI strictly prohibits all forms of child labour, forced labour or slavery and complies with local regulations concerning legal minimum age requirements for work permits.

Talent Management

LCI's talent management approach focuses on building leadership capability, strengthening succession readiness, and creating meaningful opportunities for career growth. By connecting performance, potential and career mobility, the Company is strengthening its talent pipeline to meet evolving business priorities.

A Structured Talent Philosophy

During the year, the Company introduced a comprehensive Talent Philosophy built around three core dimensions: Performance, evaluated through Performance & Development Discussion; Potential, evaluated through Korn Ferry's Learning Agility framework; and Behaviours, evaluated through LCI's core values.

Strengthening Succession Readiness

Leaders and relevant stakeholders were trained on the new framework to support its consistent application across the organisation. Succession planning discussions were subsequently conducted using the revised assessment approach, enabling more informed talent decisions, and clearer development pathways for high-potential employees.

Enabling Career Mobility

LCI's diverse portfolio of businesses provides employees with opportunities to broaden their experience, expand their capabilities and pursue opportunities across functions and industries. During the year, internal talent movement reached 38%, supporting cross-functional exposure, career progression, and the development of a more agile workforce.

Building a Digital Workplace

LCI is reshaping key people processes through technology to improve efficiency, transparency, and the employee experience. The People Services team introduced several digital solutions that simplified workflows, enhanced access to workforce information, and enabled more consistent decision-making across the organisation.

Transforming the Onboarding Experience

The implementation of SuccessFactors Onboarding 2.0 created a fully digital and standardised onboarding journey for new employees. The platform streamlined pre-boarding and onboarding activities, reduced manual interventions, and improved administrative turnaround times while providing new hires with a more connected, seamless and engaging onboarding experience.

Enabling Data-Driven People Decisions

A live People Analytics Dashboard was launched on Power BI, providing leadership with real-time access to key workforce insights through integrated and automated reporting. The platform improved visibility of human capital metrics, reduced manual reporting effort, and supported more informed people-related decisions.

Advancing Development Planning

The Individual Development Plan (IDP) process was digitised within SuccessFactors, creating a structured platform for employees and managers to plan, monitor, and review development priorities. The initiative improved alignment between individual career aspirations and organisational capability requirements while enabling more effective tracking of employee development journeys.

Digitising Employee Documentation

The Company digitised certain employee lifecycle letters to strengthen process governance, improve the employee experience and reduce reliance on manual documentation and paper-based workflows.

Forging Stronger Communities

LUCKY CORE INDUSTRIES | LUCKY CORE FOUNDATION

Community Impact at a Glance

PKR
220.5
Million Disbursed in Funding

Over
42,000
Individuals Benefitted

Support for
18
Projects

Priority Areas

- Health
- Education
- Women's Empowerment
- Community Development
- Environment

Advancing Community Health

Funding under this priority area supported programmes that improve access to quality healthcare in communities where LCI operates, contributing to Sustainable Development Goal (SDG) 3 (Good Health and Well-being) and SDG 10 (Reduced Inequalities).

Hamqadam Community Clinics

Support continued for the Hamqadam Community Clinics in Sheikhupura and Khewra, operated by Indus Hospital and Health Network, strengthening primary healthcare in the communities where LCI operates. During the year, the clinics served over 20,000 OPD cases in Sheikhupura and Khewra.

Layton Rahmatullah Benevolent Trust (LRBT)

In partnership with the Layton Rahmatullah Benevolent Trust (LRBT), free-of-cost community eye camps were facilitated to deliver vision care and screening for avoidable blindness. The camps recorded over 1,000 OPDs over the course of the year.

ChildLife Foundation

Support was extended to the ChildLife Foundation to improve access to quality emergency paediatric care in low-income settings. The partnership benefitted over 9,000 children at the Emergency Rooms (ERs) of Mayo Hospital, Lahore, and Fast Track OPD (FTO) Block of Lyari General Hospital, Karachi.

Aziz Tabba Foundation

Through the Patients' Healthcare Programme, developed in partnership with the Aziz Tabba Foundation, support continued for underprivileged individuals requiring cardiac and renal treatment. A total of 670+ patients received care at Tabba Heart and Tabba Kidney Institutes during the period.

The Kidney Centre

In collaboration with The Kidney Centre, support was provided for multiple dialysis sessions for a chronic kidney patient in Karachi, ensuring continuity of renal treatment.

Expanding Access to Education

Funding under this priority area supported initiatives that expand access to quality education, contributing to SDG 4 (Quality Education).

CARE Foundation

Support for primary education continued in partnership with the CARE Foundation at the Government Boys and Girls Primary School in Tibbi Harya, Sheikhupura, where 170 students remain enrolled.

Kiran Foundation

Through a sustained partnership with the Kiran Foundation, the mental health and wellness programme at the DCTO Campus, Lyari, remained active during the year, reaching around 10,015 individuals.

The Citizens Foundation

Ongoing collaboration with The Citizens Foundation ensured continued learning for 30 Grade 3 students at the Al-Sari Foundation Primary School, Machar Colony, Karachi.

Ida Rieu Welfare Association

In collaboration with the Ida Rieu Welfare Association, transportation support was provided to 163 students with visual and hearing disabilities, ensuring continued access to education.

Empowering Women

Funding under this priority area supported women's education, healthcare access, and socio-economic participation, contributing to SDG 5 (Gender Equality) and SDG 4 (Quality Education).

IMPACT Scholarship Programme

The IMPACT Scholarship Programme awards fully funded undergraduate scholarships to females across different cohorts in partnership with IBA, LUMS, NUST, GIKI, and FAST. The merit and need-based initiative supports talented female students access to quality higher education at Pakistan's leading universities. 9 scholars have graduated through this programme to date and 4 are currently enrolled.

Murshid School of Nursing & Midwifery

Ongoing support for the Murshid School of Nursing & Midwifery has enabled a total of 40 merit-based scholarships for its 2-year Midwifery Diploma Programme since 2018, including 8 awarded this year, building a pipeline of trained female healthcare professionals.

FRIENDS Welfare Association

Support extended through the FRIENDS Welfare Association covered the salaries of 4 teachers, indirectly benefiting 60 female students and sustaining learning continuity in underserved communities.

Strengthening Communities with Pehchan

LUCKY CORE INDUSTRIES
VOLUNTEER PROGRAMME

Through Pehchan, LCI's flagship employee volunteer programme, employees contributed their time and expertise to social and environmental causes while creating shared value for the communities where the Company operates. During FY 2025-26, employees and business units recorded one of the programme's highest levels of volunteer participation through plantation, blood donation, and beach cleanup drives, as well as educational visits organised with community partners.

440+
Volunteers Engaged

1,500+
Hours Dedicated

7
CSR Partners Engaged

19
Initiatives Conducted

24
Locations

To mark World Environment Day, volunteers from the Soda Ash Business conducted plantation drives at the Soda Ash Plant, Winnington Hospital, and Winnington School, Khewra.

Company-wide blood donation drives conducted through the year collected 150 pints of blood, potentially saving up to 420 lives.

On Earth Day, Pehchan volunteers from the Pharmaceuticals and Chemicals & Agri Sciences Businesses, along with the Corporate Function, collected over 300 kg of waste along Karachi's coastline. The collected waste was handed over to Al Wasila Trust for responsible disposal and recycling.

Volunteers from the Chemicals & Agri Sciences Business accompanied students from the Kiran Foundation, DCTO Campus, on a visit to the British Council for an interactive storytelling session and library tour.

Pehchan Volunteer of the Year

Naureen has been recognised as the Pehchan Volunteer of the Year, dedicating 24 volunteer hours over the fiscal year and demonstrating an exceptional commitment to community service.

Reflecting on what inspires her to volunteer, she shared:

> *"My parents instilled in me the importance of caring for others and helping those in need. I try to contribute by giving my time, encouraging others to volunteer, and organising activities that inspire young people to explore future career opportunities."*
>
> Naureen Rodrigues
> Manager Customer Service
> Chemicals & Agri Sciences

GRI Content Index

Statement of Use	Lucky Core Industries has reported in accordance with the GRI Standards for the period July 01, 2025 to June 30, 2026.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No sector standard is available for our sector.

			Omission		
GRI Standard/ Other Source	**Disclosure**	**Location**	**Requirement(s) Omitted**	**Reason**	**Explanation**
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organisational details	16-18			
	2-2 Entities included in the organisation's sustainability reporting	143			
	2-3 Reporting period, frequency and contact point	143			
	2-4 Restatements of information	143			
	2-5 External assurance	143, 210-211			
	2-6 Activities, value chain and other business relationships	16-18, 118-139			
	2-7 Employees	192-193			
	2-8 Workers who are not employees	-	2-8 a, b, c	Information unavailable	Information is not recorded as per GRI requirements.
	2-9 Governance structure and composition	66-75, 107-108			
	2-10 Nomination and selection of the highest governance body	108			
	2-11 Chair of the highest governance body	109			
	2-12 Role of the highest governance body in overseeing the management of impacts	108			
	2-13 Delegation of responsibility for managing impacts	108-109, 154			
	2-14 Role of the highest governance body in sustainability reporting	154-155			
	2-15 Conflicts of interest	108, 110			
	2-16 Communication of critical concerns	110-111			
	2-17 Collective knowledge of the highest governance body	109			
	2-18 Evaluation of the performance of the highest governance body	108-109			
	2-19 Remuneration policies	109			
	2-20 Process to determine remuneration	109			

	2-21 Annual total compensation ratio	-	2-21a-c	Confidentiality constraint	Sensitive information
	2-22 Statement on sustainable development strategy	14-15, 154			
	2-23 Policy commitments	154			
	2-24 Embedding policy commitments	155			
	2-25 Processes to remediate negative impacts	110-111, 155			
	2-26 Mechanisms for seeking advice and raising concerns	163			
	2-27 Compliance with laws and regulations	160			
	2-28 Membership associations	160			
	2-29 Approach to stakeholder engagement	156-160			
	2-30 Collective bargaining agreements	192			
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	148			
	3-2 List of material topics	148			
Economic Performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	148-149, 161			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	44			
	201-2 Financial implications and other risks and opportunities due to climate change	-		Information unavailable	LCI does not have mechanism in place to calculate financial implications of climate change. Expected reporting in 2027
	201-3 Defined benefit plan obligations and other retirement plans	F 37- F 40			
	201-4 Financial assistance received from government	F 41- F 42			
Market Presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	148-149, 161, 181			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	181			
	202-2 Proportion of senior management hired from the local community	181			
Indirect Economic Impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	148-149, 161			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	198-203			
	203-2 Significant indirect economic impacts	198-203			
Procurement Practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	148-149, 161			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	164			

Anti-Competitive Behaviour					
GRI 3: Material Topics 2021	3-3 Management of material topics	148-149, 161			
GRI 205: Anti-Competitive Behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	163			
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 149, 166-167			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	169			
	302-2 Energy consumption outside of the organization	-	302 a-c	Information unavailable	Reliable Information from value chain is not available.
	302-3 Energy intensity	169			
	302-4 Reduction of energy consumption	169-171			
	302-5 Reduction in energy requirements of products and services	-		Not applicable	LCI products are used as raw material, consumable and in sowing.
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 149, 166-167			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	172			
	305-2 Energy indirect (Scope 2) GHG emissions	172			
	305-3 Other indirect (Scope 3) GHG emissions	-		Information unavailable	Reliable Information from value chain is not available.
	305-4 GHG emissions intensity	172			
	305-5 Reduction of GHG emissions	170, 172-173			
	305-6 Emissions of ozone-depleting substances (ODS)	167			
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	172			
Water					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 149, 167			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	167			
	303-2 Management of water discharge-related impacts	167			
	303-3 Water withdrawal	174			
	303-4 Water discharge	167, 174			
	303-5 Water consumption	174			

Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 149, 167			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	167, 177			
	306-2 Management of significant waste-related impacts	167, 177-180			
	306-3 Waste generated	176			
	306-4 Waste diverted from disposal	176			
	306-5 Waste directed to disposal	177			
Employment and Labour Relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 150, 181, 189-190			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	193			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	185			
	401-3 Parental leave	192			
GRI 402: Labour Management Relations 2016	402-1 Minimum notice periods regarding operational changes	196			
Diversity, Equity and Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 150, 181, 191			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	191			
	405-2 Ratio of basic salary and remuneration of women to men	103	405-2 a, b	Confidentiality constraint	Sensitive information
Non-Discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	189, 150, 181, 196			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	196			
Freedom of Association and Child Labour					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 150, 181, 196			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	196	407-1 a-b	Information unavailable	Reliable Information from supply chain is not available.
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	196	408-1a-c	Information unavailable	Reliable Information from supply chain is not available.

Training and Education					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 150, 181, 194			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	194			
	404-2 Programs for upgrading employee skills and transition assistance programs	194-195			
	404-3 Percentage of employees receiving regular performance and career development reviews	194			
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 150, 181-182			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	181-182			
	403-2 Hazard identification, risk assessment, and incident investigation	182, 183			
	403-3 Occupational health services	183			
	403-4 Worker participation, consultation, and communication on occupational health and safety	183			
	403-5 Worker training on occupational health and safety	185-187			
	403-6 Promotion of worker health	183, 185			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	183			
	403-8 Workers covered by an occupational health and safety management system	182, 185			
	403-9 Work-related injuries	184-185	403-9 b & c	Information incomplete	Information is not recorded as per GRI requirements.
	403-10 Work-related ill health	184-185	403-10 b (i), (iii), c & d	Information incomplete	Information is not recorded as per GRI requirements.
Local Communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	148, 150, 184, 198			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	198-203			
	413-2 Operations with significant actual and potential negative impacts on local communities	-	413-2a	Information unavailable	Information is not recorded as per GRI requirements.

Sustainable Development Goals

SDGs		PAGE NO.	GRI STANDARDS DISCLOSURE
1 NO POVERTY	End poverty in all its forms everywhere	181, 198-203	202-1, 203-2
2 ZERO HUNGER	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	44, 198-203	201-1, 203-1, 203-2
3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	167, 172, 176-180, 182, 184-185, 198-203	203-2, 305-1, 305-2, 305-6, 305-7, 306-1, 306-2, 306-3, 403-8, 403-9, 403-10
4 QUALITY EDUCATION	Ensure inclusive and quality education for all and promote lifelong learning	109, 194	2-17, 404-1
5 GENDER EQUALITY	Achieve gender equality and empower all women and girls	44, 66-75, 107-108, 181, 191, 193-194, 196, 198-203	2-9, 2-10, 201-1, 202-1, 203-1, 401-1, 404-1, 404-3, 405-1, 406-1
6 CLEAN WATER AND SANITATION	Ensure access to water and sanitation for all	167, 174, 176-180	303-3, 303-4, 303-5, 306-1, 306-2, 306-3
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable, and modern energy for all	44, 169-171, 198-203	201-1, 203-1, 302-1, 302-3, 302-4
8 DECENT WORK AND ECONOMIC GROWTH	Promote inclusive and sustainable economic growth, employment, and decent work for all	44, 169-171, 174, 181-185, 191-196, 198-203	2-7, 2-30, 201-1, 202-1, 202-2, 203-2, 302-1, 302-3, 302-4, 303-5, 401-1, 401-2, 402-1, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 407-1, 408-1
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote sustainable industrialization, and foster innovation	44, 198-203	201-1, 203-1
10 REDUCED INEQUALITIES	Reduce inequality within and among countries	198-203	203-2
11 SUSTAINABLE CITIES AND COMMUNITIES	Make cities inclusive, safe, resilient, and sustainable	198-203	203-1
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns	164, 167, 169-172, 176-180	204-1, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-6, 305-7, 306-1, 306-2, 306-3
13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts	169-172	302-1, 302-3, 302-4, 305-1, 305-2, 305-4
14 LIFE BELOW WATER	Conserve and sustainably use the oceans, seas, and marine resources	167, 170, 172-173, 176-177	305-1, 305-2, 305-4, 305-5, 305-7, 306-1, 306-3
15 LIFE ON LAND	Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	167, 170, 172-173, 176	305-1, 305-2, 305-4, 305-5, 305-7, 306-3
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Promote just, peaceful, and inclusive societies	66-75, 107-110, 151, 154-155, 160, 163, 196	2-9, 2-10, ,2-11, 2-12, 2-15, 2-20, 2-23, 2-26, 2-27, 406-1, 408-1
17 PARTNERSHIPS FOR THE GOALS	Strengthen the means of implementation and revitalize the global partnership for sustainable development	160, 198-203	2-28, 203-1

CSRCP
Corporate Social Responsibility
Centre Pakistan

Independent Assurance Statement for the Lucky Core Industries Sustainability Report 2026

Scope

We have been engaged by Lucky Core Industries to perform an 'assurance engagement', as defined by International Standard on Assurance Engagements ISAE 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", hereafter referred to as the engagement, on the information included in the Sustainability Report 2026 ("the subject matter") referring to the period from July 01, 2025, through June 30, 2026. The report was co-reviewed by Muhammad Imran & Co., Cost & Management Accountants.

Assurance scope	Level of assurance	Assurance criteria
Lucky Core Industries' declared adherence to the GRI's Standards 2021 - In accordance	Limited assurance	Global Reporting Initiative's (GRI) Standards 2021
Review of the policies, initiatives, practices, and performance (qualitative and quantitative information) reported and referenced in the report	Limited assurance	Completeness and accuracy of selected reported policies, initiatives, and performance data
Lucky Core Industries' application of AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact	Limited assurance	The criteria set out in AA1000AP (2018) for the principles of Inclusivity, Materiality, Responsiveness, and Impact

Lucky Core Industries' Responsibilities

Lucky Core Industries' management is responsible for selecting the criteria and for presenting the Sustainability Report in accordance with that Criteria in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Corporate Social Responsibility Centre Pakistan's (CSRCP) Responsibilities

Our responsibility is to express a conclusion on the subject matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ISAE 3000 (Revised) and the terms of reference for this engagement as agreed with Lucky Core Industries. Those standards require that we plan and perform our engagement to obtain assurance in line with the assurance levels mentioned in the scope and to issue a report. The nature, timing, and extent of the selected procedures depend on our judgment, including our assessment of the risk of material misstatement, whether due to fraud or error.

Statement of Independence, Impartiality, and Competence

CSRCP operates a strict conflict-of-interest check, confirming our independence to perform this assurance engagement for Lucky Core Industries. The review team has not provided consulting services and was not involved in preparing any part of the report. CSRCP is a specialized sustainability consulting firm. The review team has the required combination of education, experience, training, and skills for this assurance engagement.

Description of Procedures Performed

Our procedures were designed to obtain the level of assurance required to support our conclusion. Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on the effectiveness of internal controls.

We carried out a desk review of the final draft report and communicated with Lucky Core Industries to obtain and assess supporting evidence of the report content, data points, methodologies, and policies related to the organisation's social, environmental, and economic data and activities.

Our procedures for this engagement included:

- Review adherence to the requirements of GRI Standards 2021;
- Review of the policies, initiatives, practices, and standard disclosures regarding the company's material sustainability topics contained in the report;
- Review of consistency of data/information within the report;
- Analysis of the report content against AccountAbility principles of Inclusivity, Materiality, Responsiveness, and Impact;
- Elaboration of the adjustment report; and
- Final review of the report content.

Use of GRI Standards 2021

Lucky Core Industries declares that the report is in accordance with the GRI Standards 2021. CSRCP reviewed the use of the GRI Universal Standards and the Topic-Specific Standards, focusing on those linked to the material topics. Where responses are missing, Lucky Core Industries provides omission statements in line with the requirements of GRI 1 Foundation 2021. Based on the analysis, CSRCP made minor recommendations to complete the content. Lucky Core Industries has integrated our recommendations into the report.

Adherence to AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact

CSRCP assessed the report against the criteria set out in AA1000AP (2018). Our principal observations are set out below.

- The report describes Lucky Core Industries' stakeholder groups, engagement mechanisms and key concerns. It also explains how stakeholder input informs sustainability and risk-management processes.
- The report identifies Lucky Core Industries' material sustainability topics using stakeholder input and the impacts of its activities and links them to relevant risks, policies, initiatives and performance.
- The report describes Lucky Core Industries' policies, management systems and actions for addressing material sustainability matters, including employee safety, responsible sourcing and environmental performance.
- The report presents environmental, social and safety performance, including improvements in selected environmental indicators and adverse trends in serious incidents, injury rates and management audits.

Limitations and exclusions

Excluded from the scope of our work is any verification of information relating to:

- Verification of financial figures and sustainability performance data;
- Positional statements (expression of opinion, belief, aim, or future intention of Lucky Core Industries and statements of future commitment.

Statement of conclusion

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Assurance Scope 1 - Lucky Core Industries' declared adherence to the GRI's Standards 2021 - In accordance

Nothing has come to our attention that causes us to believe that the Sustainability Report 2026 is not prepared in accordance with GRI Standards 2021. The GRI Content Index discloses compliance with the GRI Standards in more detail and provides omission statements when data has not been provided.

Assurance Scope 2- Review of the policies, initiatives, practices, and performance (qualitative and quantitative information) reported and referenced in the report

Nothing has come to our attention that causes us to believe that the information in Lucky Core Industries' Sustainability Report 2026 is not fairly stated in all material respects.

Assurance Scope 3 – Lucky Core Industries' application of AccountAbility Principles of Inclusivity, Materiality, Responsiveness, and Impact.

Nothing has come to our attention that causes us to believe that Lucky Core Industries's application of the four AA1000 AccountAbility Principles is not fairly stated in the report, in all material respects.

However, we can identify areas of improvement for the next reporting cycle:

- Lucky Core Industries reports that it has achieved several Catalyst 2030 targets ahead of schedule and has revised its climate ambition. We recommend explaining how the climate target reflects relevant climate science and sector pathways. It should also distinguish between emissions reduced, avoided and offset when reporting progress.
- Lucky Core Industries assessed selected suppliers against criteria informed by applicable labour laws and SA8000 principles. However, the report does not disclose the basis for selecting suppliers, the principal findings or the status of corrective actions. We recommend expanding the supplier due-diligence programme using a risk-based approach and disclosing assessment coverage, significant impacts, corrective actions and follow-up results.
- Lucky Core Industries conducted a company-wide assessment that mapped its activities against the SDGs and identified areas of contribution. We recommend selecting a focused set of SDGs based on Lucky Core Industries' products, services, value chain and impacts on people, including human rights. Lucky Core Industries should also establish measurable targets and report progress against the selected SDGs.

Restricted use

This report is intended solely for Lucky Core Industries and is not intended to be and should not be used by anyone other than Lucky Core Industries. Any reliance placed on the report by any third party is entirely at its own risk.

Islamabad, August 18, 2026

Muhammad Arfan Nazir,
Director,
Corporate Social Responsibility Centre Pakistan.

Muhammad Imran,
Muhammad Imran & Co.,
Cost & Management Accountants Pakistan.
ICMAP Membership # 1382

Shariah Advisor of the Company

Alhamd Shariah Advisory Services (Private) Limited (ASAS) is a Private Limited Company registered with the Securities and Exchange Commission of Pakistan (SECP) under the Shariah Advisors Regulations, 2017. Established solely with service objectives of promoting Halal, Shariah Compliant Financial System Globally, it operates under its Board of Directors comprising leading Shariah Scholars working for well recognized Darul-Ulooms (Islamic Seminaries). The founding Directors of ASAS bring in a unique blend of relevant qualifications and rich experience in the areas of Shariah Advisory and Audit of Islamic Banks, Mutual Funds, Islamic Insurance, Reinsurance, Asset Management & Manufacturing Companies. ASAS is a solution provider in the provision of complete Shariah advisory and consultancy services to Financial institutions, Insurance/Takaful companies, Leasing companies, Modaraba companies, Micro-finance institutions, Manufacturing and Trading companies, Mutual Funds and NGOs. It structures the products and securities with the objective of advising as to whether or not such services or activities are in conformity with the principles of Shariah and to recommend necessary changes to make them Shariah Compliant.

Mufti Ibrahim Essa, the Chief Executive Officer of ASAS, is a well-known recognized Shariah Scholar in the field of Islamic Banking and Takaful. He has completed his Darse Nizami (Masters in Quran and Sunnah) and Takhassus fil Ifta (Specialization in Islamic Jurisprudence) from Jamiah Darul Uloom Karachi. Currently he is working as teacher and Member of Darul Ifta Jamiah Darul Uloom Karachi. Mufti Ibrahim Essa is associated as Chairman and member of various banks/financial institutions. He is also the Shariah Advisor of various banks and insurance companies; both locally and internationally. Mufti Ibrahim has also written more than three thousand Fatawa on different topics. Mufti Uzair Bilwani, the Head - Research & Development, is a well known Shariah Scholar and registered as a Shari'ah Advisor by Securities and Exchange Commission of Pakistan. He has completed his Islamic education in Johannesburg from Darululoom Azadville, South Africa, where he studied various aspects of Islamic sciences, including Arabic grammar, Islamic law, Tafseer ul Qur'an and Islamic history. He then enrolled at Jamiah Darululoom Karachi, where he specialized in Islamic law (Fiqh) and qualified as a Mufti. Here he was able to study under some of the world's renowned scholars, including Mufti Mohammad Taqi Usmani and write over 300 Fatwas on complex issues in today's society. He is associated with various Financial and non-financial institutions as a Shariah Advisor locally and globally.

ALHAMD SHARIAH ADVISORY SERVICES (PVT) LIMITED

Annual Shari'ah Review Report

For the year ended June 30, 2026

We have conducted the Shari'ah review of **Lucky Core Industries Limited** **(LCI)** for the year ended on June 30, 2026, in accordance with the provisions of Shariah Governance Regulations, 2023 and in our opinion:

- The transactions, documentation, and procedures reviewed by the Shariah advisor during the period were in line with the principles of Shariah. Review of relevant documents is in process. We highlighted a few suggestions in documents, and we are hopeful that the company will implement our recommendations;
- Generally, the business affairs have been conducted in accordance with the rules and principles of Shariah.
- Furthermore, the Company did not receive any Shariah non-compliant income during the period under review. Accordingly, no purification of income was required.

Conclusion:

Based on the Review of Company's operations, transactions, related documentation, and management's representation, in our opinion, the affairs of the company have been carried out in accordance with the rules and principles of Shariah, and therefore, we are of the view that Lucky Core Industries Limited is a Shariah Compliant Company as per SGR 2023 & S.R.O. 1348(I) 2023.

In the end, we pray to Allah Almighty to grant us success and help us at every step, keep us away from every hindrance and difficulty, and give financial success to Lucky Core Industries Limited.

For and on behalf of Alhamd Shariah Advisory Services (Private) Limited

Mufti Abdul Rafey
Senior Research Scholar

Alhamd Shariah Advisory Services (Pvt) Ltd.

Mufti Uzair Bilwani
Executive Director

Mufti Ibrahim Essa
Chief Executive Officer

Dated: July 29, 2026

☎ +92 322 2671867 | www.alhamdshariahadvisory.com | info@alhamdshariahadvisory.com

FINANCIAL PERFORMANCE

Strength Behind Every Step Forward

This section presents an in-depth analysis of the financial performance of FY 2025-26.

Key Performance Indicators

6%
Net Turnover

2024-25	2025-26
120,013	113,214

in PKR million

2026 Performance

The Company's Net Turnover for the year declined by 6% compared to the SPLY, primarily due to a decline in the Polyester, Soda Ash and Chemicals & Agri Sciences businesses owing to persistent demand slowdown and rising low-priced imports offset by growth in the Animal Health and Pharmaceuticals businesses driven by expansion of the product portfolio and strategic focus on locally manufactured medicines.

18%
Operating result

2024-25	2025-26
17,920	14,704

in PKR million

2026 Performance

Operating Profit declined by 18% to PKR 14,704 million, primarily due to a decline in the Polyester, Soda Ash and Chemicals & Agri Sciences businesses owing to higher energy costs offset by growth in the Animal Health and Pharmaceuticals Businesses driven by cost optimisation and enhanced operational efficiencies.

18%
Profit before final taxes and income tax

2024-25	2025-26
18,505	15,223

in PKR million

2026 Performance

Profit before final taxes and income tax declined by 18% primarily due to weaker Operating Results amid challenging market conditions coupled with higher finance cost due to higher borrowings to fund working capital requirement and capital expenditures undertaken to support business growth.

17%
Profit for the year

2024-25	2025-26
11,638	9,692

in PKR million

2026 Performance

Lower operating profit due to subdued demand conditions resulted in 17% decline in profit for the year.

11%
EBITDA

2024-25	2025-26
21,722	19,246

in PKR million

2026 Performance

Decrease in operating results led to 11% lower EBITDA.

17%
Earnings per share

2024-25	2025-26
25.20	20.99

in PKR

2026 Performance

Profit for the year decreased by 17%, contributing to a corresponding decline in EPS.

9% Equity

2024-25	2025-26
48,992	53,380

in PKR million

2026 Performance

Total comprehensive income for the year of PKR 9,675 million adjusted by dividend payments of PKR 5,288 million resulted in a 9% increase in equity compared to the SPLY.

11% Price earning

2024-25	2025-26
12.61	11.28

in Times

2026 Performance

The Company's share price decreased by 26% from SPLY to PKR 236.64. Consequently, the Price-to-Earnings (P/E) ratio contracted from 12.61 to 11.28.

23% Return on capital employed

2024-25	2025-26
28.27	21.85

in %

2026 Performance

Return on capital employed of the Company declined due to the decline in profit for the year.

17% Return on fixed assets

2024-25	2025-26
42.54	35.17

in %

2026 Performance

Return on fixed assets of the Company declined due to the decline in profit for the year.

17% Operating result per employee

2024-25	2025-26
6.97	5.76

in PKR million

2026 Performance

Operating Result per employee of the Company declined due to the decline in the operating profit for the year.

70% Capital expenditure

2024-25	2025-26
14,029	4,241

in PKR million

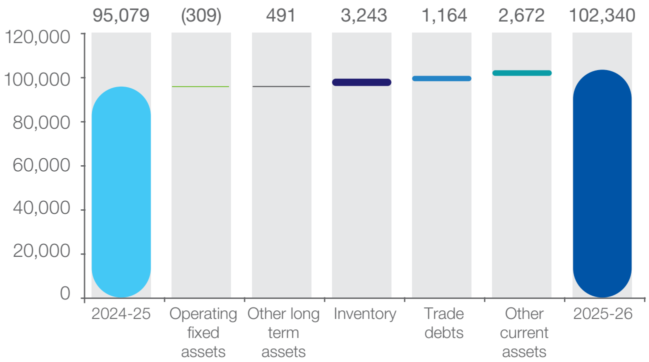
2026 Performance

Capital expenditure for the year declined by 70%, primarily due to a higher base in 2025 driven by significant capital investments, including the capitalisation of the alternate energy boiler and DAP expansion project in the Soda Ash Business, alongside the acquisition of Pfizer assets in the Pharmaceuticals Business. Major capital outlay during the current year comprised the new medicine plant in the Animal Health Business and other business continuity expenditure in Soda Ash and Polyester Business.

Financial Statements at a Glance

Assets

PKR million



Overview:
During the year the asset base of the Company increased by PKR 7,261 million, which is a 8% increase from the SPLY.

Reasons for the change in asset base are:

Operating Fixed Assets
Operating fixed assets decreased by PKR 309 million due to Capex during the year set-off against the depreciation charge during the year.

Other Long-Term Assets
Increase in other long-term assets is primarily attributed to increase in long-term loans to executives and employees.

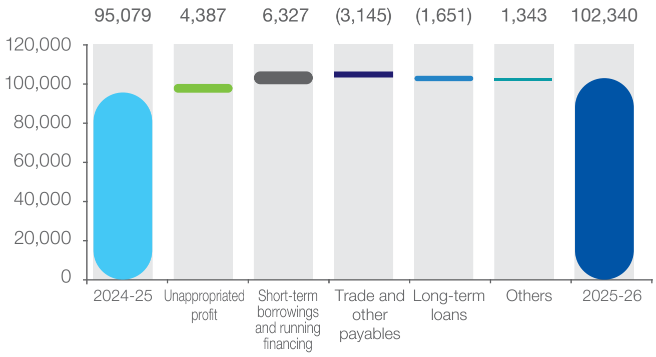
Inventory
Inventory levels increased compared to the SPLY, due to higher finished good inventory in Polyester and Soda Ash Business and higher inventory levels to secure supply and ensure business continuity amid volatile geo-political conditions.

Trade Debts
Trade debts increased compared to the SPLY, reflecting higher trade credit extended to support business requirements.

Other Current Assets
Other current assets increased primarily due to increase in short-term investments resulting from reinvestments of income earned from short-term investments.

Equity and Liabilities

PKR million



Overview:
During the year the equity and liabilities base of the Company increased by PKR 7,261 million, which is a 8% increase from the SPLY.

Reasons for the change in equity and liabilities are:

Unappropriated Profit
Total comprehensive income for the year of PKR 9,675 million adjusted by dividend payments of PKR 5,288 million resulted in increase in equity compared to the SPLY.

Short-Term Borrowings and Running Finance
The increase in short-term borrowings and running finance is due to higher borrowings to fund working capital requirement and capital expenditures undertaken to support business growth.

Trade and other payables
The decrease in trade and other payables is mainly attributable to classification of Sindh Infrastructure Development Cess payable to Long Term Liabilities.

Long-term Loans
The decrease in long-term loans is primarily attributable to the principal repayments made during the year and movement of loans to current liabilities.

Others
The increase in other liabilities primarily reflects an increase in current portion of long term loans and long term portion of Sindh Infrastructure Development Cess.

Statement of Profit or Loss

PKR million

	June 30, 2026	%	June 30, 2025	%
Net turnover	113,214	100%	120,013	100%
Cost of sales	(88,666)	-78%	(92,673)	-77%
Gross Profit	24,548	22%	27,340	23%
Operating expenses	(9,845)	-9%	(9,420)	-8%
Operating Profit	14,704	13%	17,920	15%
Finance Cost and Other Charges	(3,387)	-3%	(3,148)	-3%
Gain on bargain purchase	-	0%	293	0%
Other income	3,906	3%	3,440	3%
Final taxes and income tax	(5,531)	-5%	(6,867)	-6%
Profit for the year	9,692	9%	11,638	10%

Overview:

Net Turnover
The Company's Net Turnover for the year declined by 6% compared to the SPLY, primarily due to a decline in the Polyester, Soda Ash and Chemicals & Agri Sciences businesses owing to persistent demand slowdown and rising low-priced imports offset by growth in the Animal Health and Pharmaceuticals businesses driven by expansion of the product portfolio and strategic focus on locally manufactured medicines.

Cost of Sales
Cost of Sales decreased by 4% compared to the SPLY inline with the lower sales volume.

Operating Expenses
The operating expenses increased by 4% as compared to SPLY mainly due to inflationary increase partially offset by lower expense due to lower exports.

Finance Cost and Other Charges
Finance cost and other charges increased by 8% mainly due to higher finance cost due to higher borrowings to fund working capital requirement and capital expenditures undertaken to support business growth.

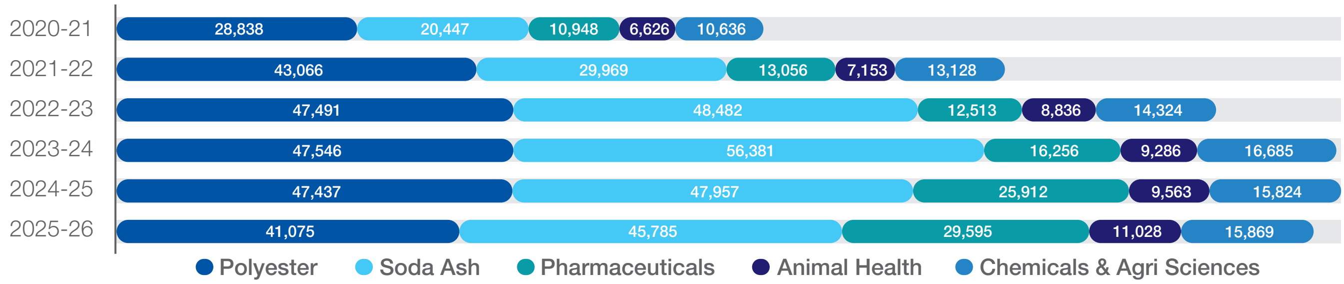
Other Income
Other income mainly increased due to impact of Discounting income on Sindh Infrastructure Development Cess and dividend from subsidaries offset against lower income earned from short term investments.

Final Taxes and Income Tax
The effective tax rate of the Company has decreased to 36.36% as against SPLY 37.13% mainly due to the reduction in Super Tax rate from 10% to 8%.

Financial Highlights of the Segments

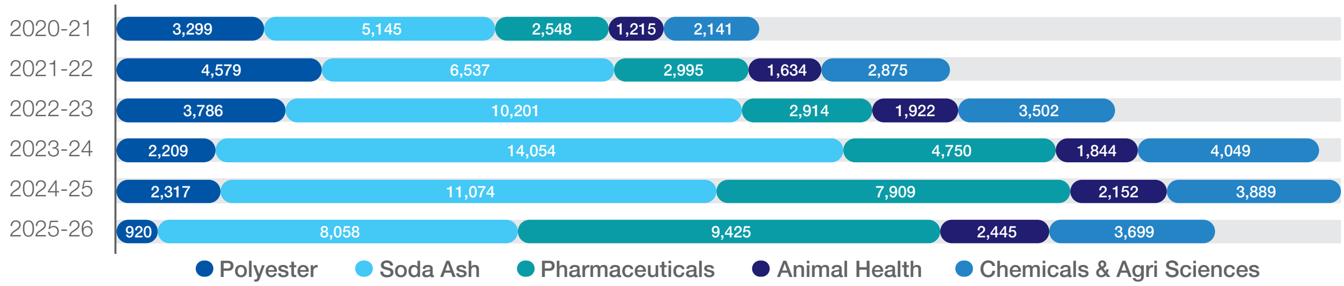
Turnover

PKR million



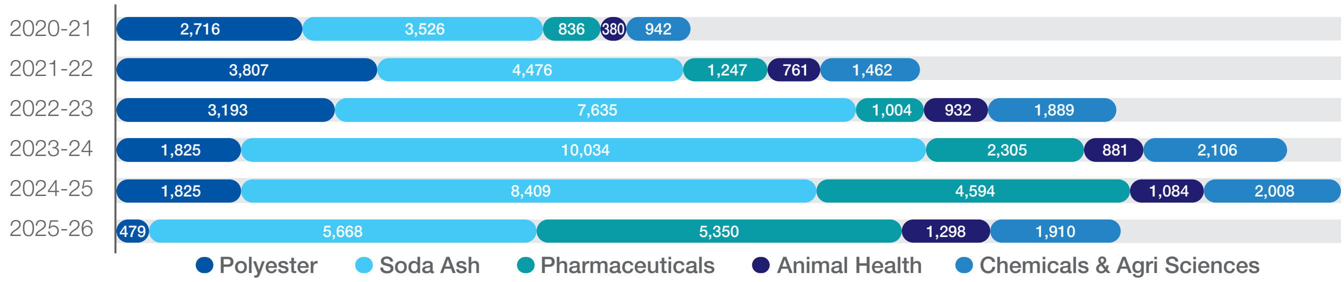
Gross Profit

PKR million



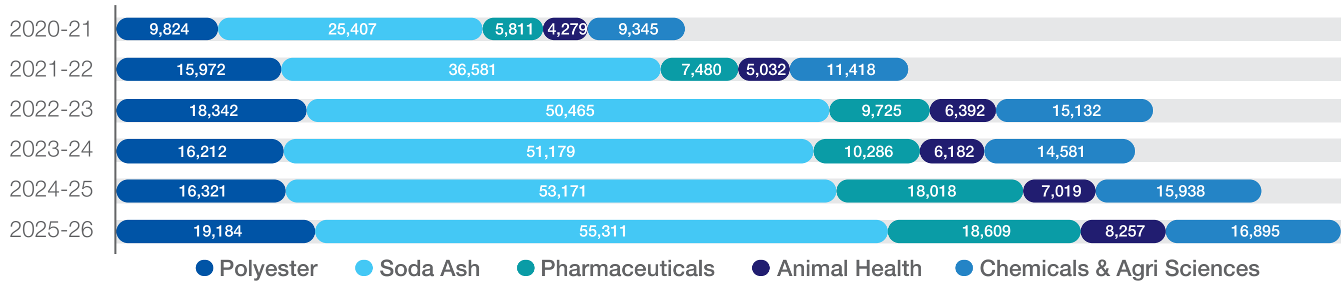
Operating Result

PKR million



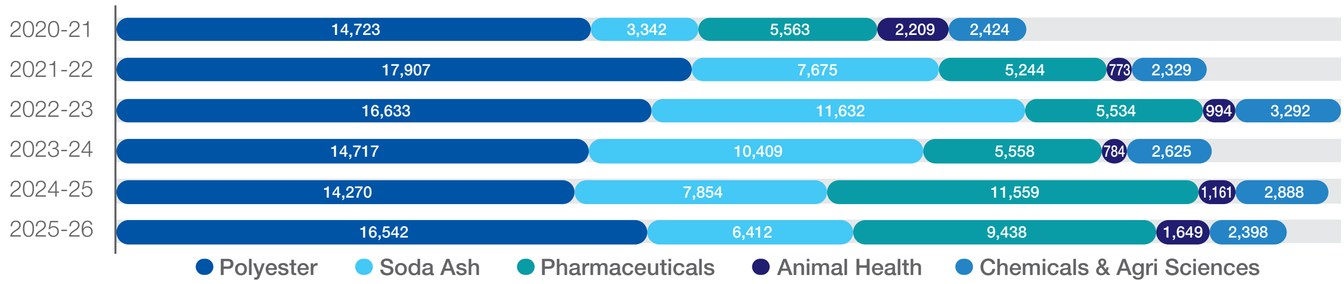
Assets

PKR million



Liabilities

PKR million



Quarterly Analysis

	Q1	Q2
Net Turnover	**28,614** Net Turnover for the quarter at PKR 28,614 million is 7% lower compared to the same period last year (SPLY). Net Turnover of the Pharmaceuticals and Animal Health Businesses increased by 25% and 22% respectively as compared to the SPLY, whereas the Polyester, Soda Ash, and Chemicals & Agri Sciences Businesses were lower by 18%, 11%, and 7% respectively as compared to the SPLY. Growth in the Pharmaceuticals Business was supported by the seamless integration of the newly acquired portfolio from Pfizer, an improved sales mix driven by a diversified product base and enhanced operational efficiencies. The Animal Health Business delivered steady growth owing to a strategic focus on its locally manufactured medicine portfolio. Extensive flooding in Punjab led to increased demand for veterinary medicines to control disease outbreaks, while seasonal factors supported growth in the poultry segment despite challenges such as higher input costs and additional taxes. Following reduction in import duty in the Federal Budget 2025, import volumes increased sharply which coupled with higher energy costs, negatively impacted domestic sales volumes and margins in the Soda Ash Business. The Polyester Business performance declined due to rising imports, higher energy costs and lower crude oil and feedstock prices. The Chemicals & Agri Sciences Business was adversely impacted by extensive flooding and subdued agricultural activity, which further weakened product demand during the quarter.	**27,763** Net Turnover for the quarter at PKR 27,763 million is 12% lower compared to the same period last year (SPLY). Net Turnover of the Animal Health Business increased by 18% as compared to the SPLY and Net Turnover of the Pharmaceuticals Business mainly remained in line with the SPLY, whereas the Polyester, Chemicals & Agri Sciences and Soda Ash Businesses witnessed a decline of 29%, 9% and 6% respectively as compared to the SPLY. Growth in the Pharmaceuticals Business was supported by the expansion of the product portfolio following the asset acquisition of the manufacturing assets and certain Brands from Pfizer Pakistan Limited and other relevant Pfizer group entities which was completed in September 2024, an improved sales mix and enhanced operational efficiencies. The Animal Health Business continued to deliver steady growth owing to a strategic focus on its locally manufactured medicine portfolio. Extensive flooding in Punjab led to increased demand for veterinary medicines to control disease outbreaks, while seasonal factors supported growth in the poultry segment despite challenges such as higher input costs and additional taxes. Consequent to the reduction in import tariff's in the Federal Budget 2025-26, import volumes increased sharply. This surge, along with higher energy costs, negatively impacted domestic sales volumes and margins in the Soda Ash Business. The Polyester Business experienced a performance decline due to lower sales volumes, which were impacted by rising low-cost imports, higher energy costs and lower crude oil and feedstock prices. The Chemicals & Agri Sciences Business was adversely affected by extensive flooding and subdued demand for agricultural inputs.
Cost of Sales	**22,473** The Cost of Sales for the quarter stood at PKR 22,473 million, which was 6% lower compared to the SPLY. The decrease in cost of sales was almost in line with decrease in Net Turnover of the quarter.	**21,403** The cost of sales for the quarter stood at PKR 21,403 million, which was 11% lower compared to the SPLY. The decrease in cost of sales was almost in line with decrease in Net Turnover of the quarter.
Operating Results	**3,755** The Operating Result for the quarter at PKR 3,755 million is 11% lower than the SPLY. The Pharmaceuticals and Animal Health Businesses delivered higher Operating Results, growing by 45% and 20% respectively. For the Pharmaceuticals Business, a key driver for growth was from the full quarter impact of the asset acquisition from Pfizer Pakistan Limited and other relevant Pfizer entities, which was completed in September 2024. However, the Polyester, Chemicals & Agri Sciences and Soda Ash Businesses reported lower Operating Results, with declines of 64%, 35%, and 18% respectively, primarily due to the influx of cheap imports, subdued market demand, and adverse effects from severe flooding and prolonged torrential rainfall during the quarter. The business wise variations are in line with the reasons explained in the 'Net Turnover' section above.	**3,986** The Operating Result for the quarter at PKR 3,986 million is 22% lower than the SPLY. The Animal Health and Pharmaceuticals Businesses delivered higher Operating Results by 13% and 2% respectively as compared to the SPLY. However, the Polyester, Soda Ash and Chemicals & Agri Sciences Businesses posted a decline in Operating Result by 88%, 25% and 10% respectively as compared to the SPLY. The decline in these segments was primarily attributable to continued challenges on the demand front, which were further exacerbated by severe overcapacity across multiple industries mainly in China and the influx of low-priced imports following duty rationalization in the Federal Budget 2025-26. The business wise variations are in line with the reasons explained in the 'Net Turnover' section above.
Profit for the Quarter	**2,449** Profit after Tax (PAT) for the quarter under review stood at PKR 2,449 million, reflecting a 6% decline compared to the SPLY. This decrease was primarily driven by lower operating results across major business segments amid challenging market conditions. However, the impact was partially mitigated by dividend income of PKR 340 million from Lucky Core PowerGen Limited (a wholly owned subsidiary) and a reduction in finance cost, owing to improved working capital management and a 650-basis point reduction in the policy rate compared to the SPLY.	**2,399** Profit after Tax (PAT) for the quarter under review stood at PKR 2,399 million, reflecting a 35% decline compared to the SPLY. This decrease was primarily driven by lower operating results across major business segments amid challenging market conditions.

Q3

29,069

Net Turnover for the quarter at PKR 29,069 million is 3% lower compared to the same period last year (SPLY). Net Turnover of the Animal Health, Pharmaceuticals and Chemicals & Agri Sciences Businesses increased by 16%, 11% and 2% respectively as compared to the SPLY, whereas the Polyester and Soda Ash Businesses witnessed a decline of 11% and 6% respectively as compared to the SPLY.

Growth in the Pharmaceuticals Business was supported by expansion of the product portfolio, improved sales mix, cost optimisation, and enhanced operational efficiencies.

The Animal Health Business delivered steady growth owing to a strategic focus on its locally manufactured medicine portfolio. Higher disease incidence across key livestock regions drove increased demand for veterinary medicines, while the poultry segment remained resilient despite industry challenges.

Growth in the Chemicals & Agri Sciences Business was due to the improved sales mix.

The Soda Ash Business was impacted by weak industry demand further aggravated by significant surge in import volumes consequent to the reduction in import tariffs in the Federal Budget 2025-26 which was further exacerbated by the regional supply glut.

The Polyester Business's performance remained subdued due to lower sales volumes and persistent pressure on margins, primarily driven by rising low-cost imports coupled with higher energy costs.

Q4

27,768

Net Turnover for the quarter at PKR 27,768 million is 1% lower compared to the same period last year (SPLY). Net Turnover of the Animal Health, Polyester and Chemicals & Agri Sciences Businesses increased by 14%, 14% and 8% respectively as compared to the SPLY, whereas the Pharmaceuticals and Soda Ash Businesses witnessed a decline of 8% and 13% respectively as compared to the SPLY.

The Animal Health Business delivered steady growth owing to a strategic focus on its locally manufactured medicine portfolio. Higher disease incidence across key livestock regions drove increased demand for veterinary medicines, while the poultry segment remained resilient despite industry challenges.

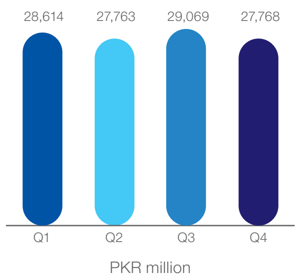
Growth in the Chemicals & Agri Sciences Business was due to the improved sales mix.

Growth in the Polyester Business in Q4 was due to better portfolio management across regular and specialised variants.

The Soda Ash Business was impacted by weak industry demand further aggravated by significant surge in import volumes consequent to the reduction in import tariffs in the Federal Budget 2025-26 which was further exacerbated by the regional supply glut.

Decline in the Pharmaceuticals Business was due to the sales mix and market conditions.

Trend

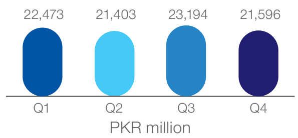


23,194

The Cost of Sales for Q3 at PKR 23,194 million increased by 0.28% as compared to the SPLY.

21,596

The Cost of Sales for Q4 at PKR 21,596 million which was 1% higher as compared with the SPLY.



3,410

The Operating Result for the quarter at PKR 3,410 million is 20% lower than the SPLY. The Pharmaceuticals, Animal Health and Chemicals & Agri Sciences Businesses delivered higher Operating Results by 22%, 17% and 5% respectively as compared to the SPLY. However, the Polyester and Soda Ash Businesses posted a decline in Operating Results by 110% and 33% respectively as compared to the SPLY.

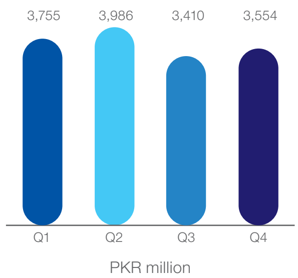
The business wise variations are in line with the reasons explained in the 'Net Turnover' section above.

3,554

Operating Result for the quarter at PKR 3,554 million was lower by 18% as compared to the SPLY.

The Pharmaceuticals, Polyester Business, Animal Health and Chemicals & Agri Sciences was higher by 11%, 148%, 27% and 15% respectively as compared to the SPLY. In contrast, the Soda Ash Businesses witnessed a decline of 54% respectively compared to the SPLY.

The business wise variations are in line with the reasons explained in the 'Net Turnover' section above.

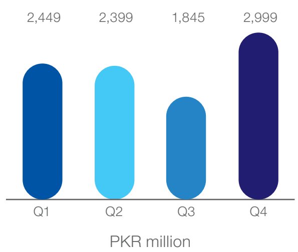


1,845

Profit after Tax (PAT) for the quarter under review stood at PKR 1,845 million, reflecting a 29% decline compared to the SPLY. This decrease was primarily driven by lower operating results across major business segments amid challenging market conditions.

2,999

Profit for the quarter at PKR 2,999 million was 8% higher than the SPLY. This is due to the discounting gain recorded on the Sindh Infrastructure Development Cess Liability partially offset against the decline in operating profits.



Six Year Analysis

Statement of Financial Position Analysis

Assets

Non-Current Assets

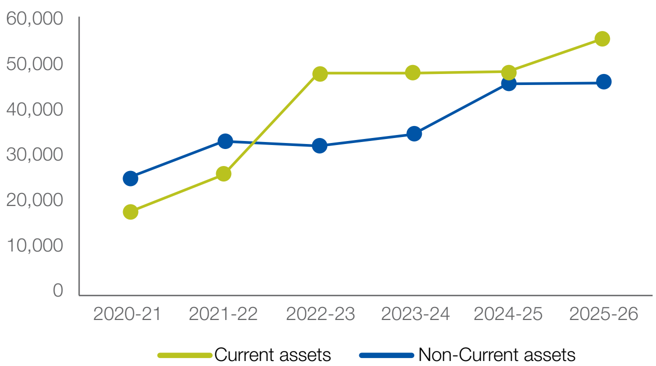
Non-current assets primarily comprise operating fixed assets and investments in subsidiaries and associates. LCI's non-current assets have grown at a compound annual growth rate (CAGR) of 10%, rising from PKR 25,640 million as of June 30, 2021, to PKR 46,439 million as of June 30, 2026. This increase reflects the Company's continued focus on strategic expansion and investment initiatives. Key projects include the phased expansion of the Soda Ash Business, investment in alternate energy and investment in producing 100% recycled PET chips used in recycled polyester staple fibre (PSF) used in producing yarn for blended textiles. The Company also acquired selected assets from Pfizer and related entities in alignment with its long-term growth strategy. These investments underscore LCI's commitment to its brand promise of 'Cultivating Growth'.

During the year, non-current assets of the Company increased primarily due to the new medicine plant in the Animal Health Business.

Current Assets

Current Assets, including Inventory and Trade debts, have increased over the last years at a CAGR of 21% i.e. from PKR 18,163 million to PKR 55,901 million. This increase in Current Assets reflects the Company's growth across all businesses during the last six years.

During the year, current assets increased as compared to SPLY due to increase in short-term investments driven by reinvestment of income and increase in inventory and trade debts.



PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
Non-current assets	25,640	33,553	32,616	35,136	46,257	46,439	**10%**
Current assets	18,163	26,388	48,451	48,430	48,822	55,901	**21%**
	43,803	59,941	81,067	83,566	95,079	102,340	**15%**

Equity and Liabilities

Equity

Equity of the Company comprises of share capital, capital reserves and revenue reserves. The shareholder's equity has increased at a CAGR of 14% over the past years primarily due to an increase in retained profits of the Company. A consistent dividend payout during the last six years was constantly of approximately 50% over the past six years.

Share capital remained unchanged during the current year, however, the Company announced a subdivision of the face value of its ordinary shares from PKR 10 to PKR 2 per share, aimed at enhancing investor accessibility, improving stock liquidity, and broadening shareholder participation. Following the subdivision of shares, the Company's subscribed and paid-up capital has been restructured, whereby, the number of ordinary shares has increased from 92,359,050 ordinary shares of PKR 10 each to 461,795,250 shares of PKR 2 each, with no change in the rights and privileges attached to the shares. The regulatory formalities to give effect to the stock split were completed on July 19, 2025.

Non-Current Liabilities

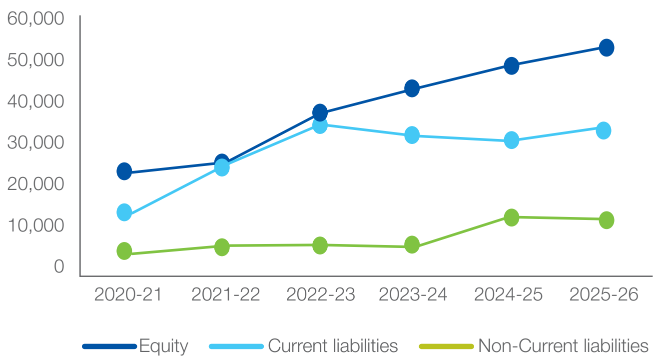
Non-current liabilities mainly comprise of long-term borrowings and deferred tax liabilities. Non-current liabilities have increased at a CAGR of 17% in the past years mainly due to long term financing obtained for various growth and expansion projects.

During the current year, non-current liabilities decreased by PKR 485 million mainly due to the principal repayments made during the year and movement of loans to current liabilities partially offset by increase due to long term portion of Sindh Infrastructure Development Cess.

Current Liabilities

Over the past years, current liabilities have increased at a CAGR of 16% due to an increase in short-term financing to support increasing working capital requirements of the Company. This increase over years is in line with the increase in business of the Company as evident from CAGR of Net Turnover. Moreover, the inflationary effect on prices of raw materials and services has also increased the overall working capital requirements of the Company.

Compared to last year, current liabilities increased by 11%, primarily due to increase in short-term borrowings and running finance to fund working capital requirement and capital expenditures undertaken to support business growth.



PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
Equity	23,879	26,391	37,831	43,576	48,992	53,380	**14%**
Non-current liabilities	5,289	7,380	7,505	7,035	14,396	13,910	**17%**
Current liabilities	14,636	26,170	35,731	32,955	31,691	35,050	**16%**
	43,804	59,941	81,067	83,566	95,079	102,340	**15%**

Statement of Profit or Loss

Net Turnover

Net Turnover has increased from PKR 62,618 million to PKR 113,214 million at a CAGR of 10% over the past years, owing to improved performances across all businesses on the back of continued investment in expansion projects / new products / Innovations.

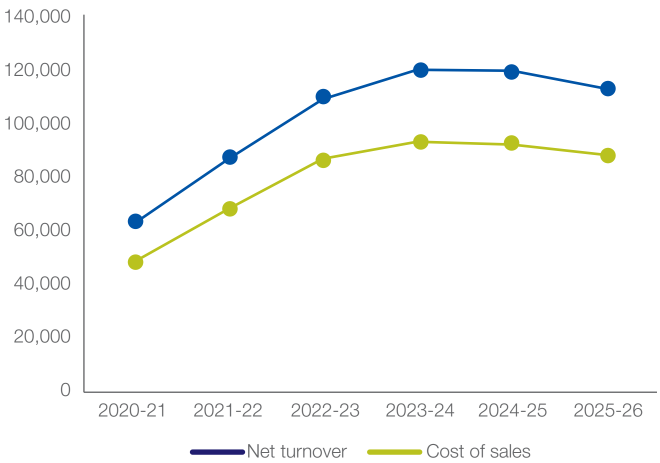
The Company's Net Turnover for the year declined by 6% compared to the SPLY, primarily due to a decline in the Polyester, Soda Ash and Chemicals & Agri Sciences businesses owing to persistent demand slowdown and rising low-priced imports offset by growth in the Animal Health and Pharmaceuticals Businesses driven by expansion of the product portfolio and strategic focus on locally manufactured medicines.

Timely and consistent investment in capacity expansion / new projects / lines over the years enabled the Company to cater to increased demand over the years.

Cost of Sales

Cost of sales have increased from PKR 48,270 million to PKR 88,666 million at a CAGR of 11% over the last years which is in-line with the CAGR of Net Turnover.

Cost of Sales decreased by 4% compared to the SPLY, primarily due to lower volume as compared to SPLY.



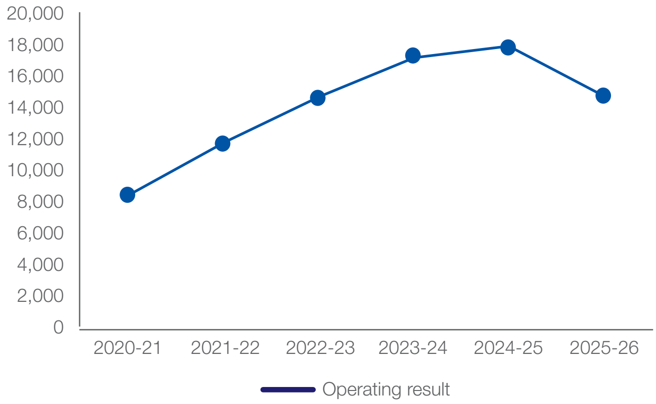
PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
Net turnover	62,618	86,972	109,486	120,460	120,013	113,214	**10%**
Cost of sales	48,270	68,353	87,353	93,569	92,673	88,666	**11%**

Operating Result

Operating Result increased from PKR 8,399 million to PKR 14,704 million at a CAGR of 10% in the last years, owing to improved performances across all businesses. The Company has maintained a constant upward trajectory in its Operating Result, mainly due to growth in each of its businesses, driven by expansion, acquisitions, new product launches and better cost efficiencies. The addition of selected assets and brands of Wyeth Pakistan Limited and Pfizer and related entities, along with investment in the 210,000 TPA Light Ash capacity expansion projects, 70,000 TPA Dense Ash capacity project, 135,000 TPA project, set up of the PET and expansion of Masterbatches manufacturing facilities, have significantly strengthened the Company's profile over the years.

During the current year, Operating Profit declined by 18% to PKR 14,704 million, primarily due to a decline in the Polyester, Soda Ash and Chemicals & Agri Sciences businesses owing to higher energy costs offset by growth in the Animal Health and Pharmaceuticals Businesses driven by cost optimisation and enhanced operational efficiencies.



PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
Operating Result	8,399	11,753	14,653	17,151	17,920	14,704	**10%**

Financial Charges / Exchange Losses

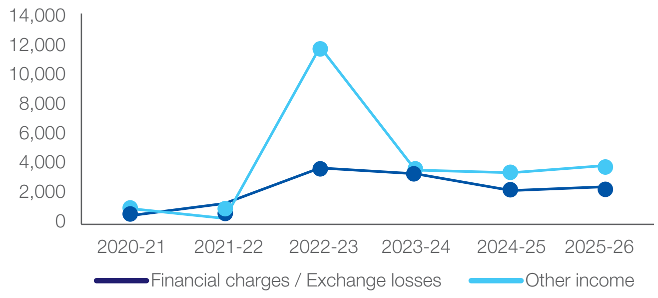
Over the past years, Financial Charges / Exchange Losses have increased from PKR 538 million to PKR 2,555 million at a CAGR of 30%, reflecting an increase in Finance Costs on the back of higher borrowings to support expansions, investment in subsidiaries and short-term borrowings to support increased working capital requirements of the Company, as well as an increase in the policy rate by State Bank of Pakistan (SBP) in previous year. Exchange Losses increased over the last 5 years due to the continuous depreciation of the PKR against foreign currencies.

During the year, the Company recorded exchange loss of PKR 63 million as compared to exchange loss of 58 million last year. Finance cost increased by 13% mainly due to higher finance cost due to higher borrowings to fund working capital requirement and capital expenditures undertaken to support business growth.

Other income

Other income has increased from PKR 1,003 million to PKR 3,906 million at a CAGR of 25% over the past years. This comprises of dividend income from subsidiary / associate companies, dividend income and capital gains from investments in mutual funds and scrap sales.

In the current year, other income mainly increased due to Discounting impact of Sindh Infrastructure Development Cess and dividend from subsidiary offset against lower income earned from short term investments.



PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
Financial charges/ Exchange losses	538	1,365	3,845	3,420	2,269	2,555	**30%**
Other income	1,003	375	11,905	3,601	3,440	3,906	**25%**

Profit After Tax

Profit after taxation has increased at a CAGR of 8% over the past years, primarily due to performance across all business segments, leading to a steady increase in post-tax profits. This growth has been driven by factors such as expansion, acquisitions, new product launches, and improved cost efficiencies. Further, the profit after taxation has increased due to the dividend income / capital gains on investment in mutual funds invested from proceeds received on partial divestment of investment in NMPL shares in FY 2022-23.

Lower operating profit due to subdued demand conditions resulted in 17% decline in profit for the year.

PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	CAGR
Profit after tax	5,959	6,249	13,772	11,140	11,638	9,692	**8%**

Statement of Cash Flow Analysis

Operating Activities

Over the last years, cash flow from Operating Activities witnessed constant growth and then decrease, from PKR 9,067 million to PKR 5,891 million at a CAGR of 7%. There was increase in operating activities in prior years due to consistent increase in profitability of the Company and improved cash flow generation across all businesses. However, there was a decrease in current year in cash flow from opertaing activities.

During the year, cash flows from Operating Activities decreased by 67% as compared to SPLY due to decreased profitability coupled with negative working capital due to increase is stock-in-trade and trade debts.

Investing Activities

Over the past years cash used in investing activities increased at CAGR of 6% which mainly comprises of investment in growth and sustenance as well as acquisition of new businesses, and investment in associate and subsidiary companies offset by income from short term investments received by the Company.

During FY 2021-22, cash used in investing activities at PKR 10,062 million which comprised of investment in expansion and efficiency projects. It also included investment in a 48TPD production unit to produce 100% recycled PET chips for the manufacture of recycled Polyester Staple Fibre (PSF) used in producing yarn for blended textiles. Further, PKR 770 million was also invested to acquire an additional 11% stake in Nutrico Pakistan (Private) Limited (NMPL). In FY 2022-23, the Company used cash for capital expenditure of PKR 3,718 million and acquisition of 51% shareholding in Lucky TG (Private) Limited amounting PKR 281 million. Conversely, disposal of 26.5% of NMPL generated cash of PKR 11,902 million. During the year 2024-25, Cash used in investing activities at PKR 11,405 million represents capital expenditure in expansion and efficiency projects including alternate energy boiler and DAP in Soda Ash Business as well as the acquisition of asstes from Pfizer and related entities (including brands) in Pharmaceuticals Business of PKR 14,029 million partially offset by income from short term investments of PKR 2,273 million.

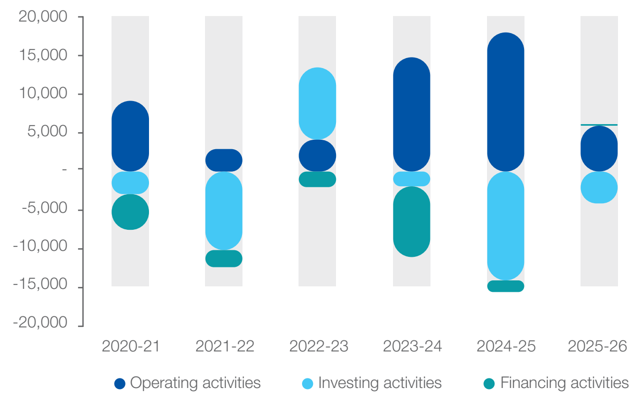
Major capital outlay during the current year comprised the new medicine plant in the Animal Health Business and efficiency projects in Soda Ash and Polyester Businesses of the Company.

Financing Activities

Cash used in financing Activities decreased at a CAGR of 42% over the past years which mainly comprise long-term loans obtained / (repaid) offset by dividend payments to shareholders. The Company has financed its expansion projects and acquisitions as explained above by obtaining long-term loans. Dividend payments have been growing in line with the increase in profitability over the years.

During the current year, cash inflows from financing activities mainly comprised Long-term loans obtained of PKR 712 million and short-term running finance obtained of PKR 6,327 million. These inflows were offset by dividend payments of PKR 5,268 million and long-term loan repayments of PKR 1,500 million, resulting in net cash generated from financing activities of PKR 183 million.

Summary of Cash Flow Statement



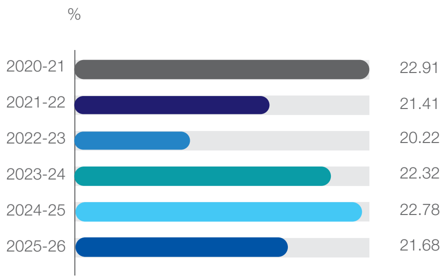
PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Operating activities	9,067	2,877	4,091	14,713	17,893	5,891
Investing activities	(2,867)	(10,062)	9,324	(1,907)	(13,967)	(4,112)
Financing activities	(4,613)	(2,223)	(1,989)	(9,131)	(1,505)	183
	1,587	(9,408)	11,426	3,674	2,421	1,961

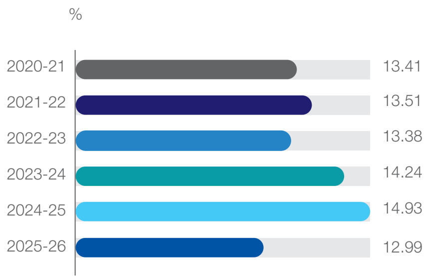
Analysis of Financial Ratios

Profitability ratios

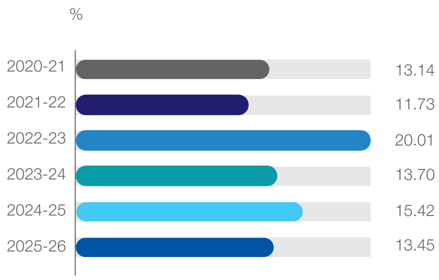
Gross margin



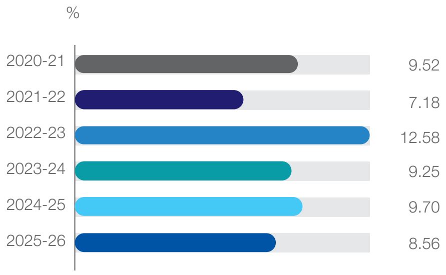
Operating result margin



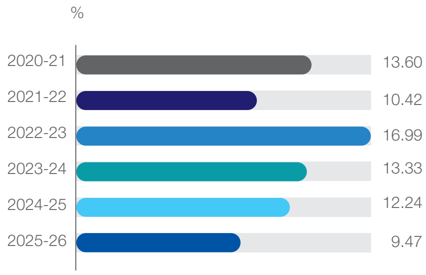
Profit before final taxes and Income taxes margin



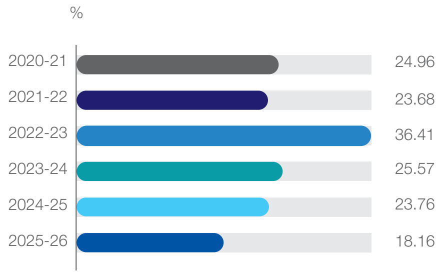
Profit after taxation margin



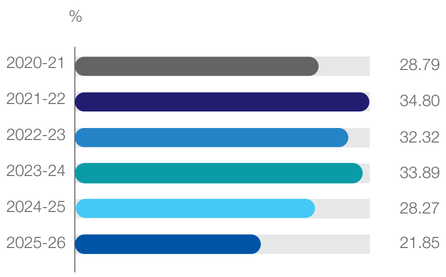
Return on assets



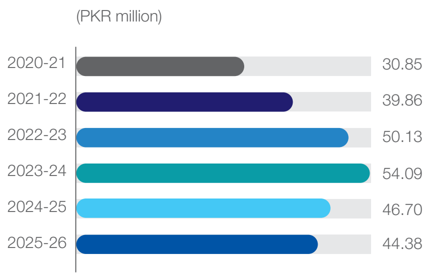
Return on equity



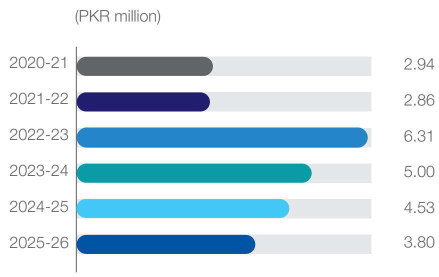
Return on capital employed



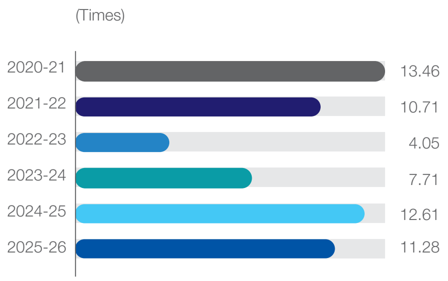
Revenue per employee



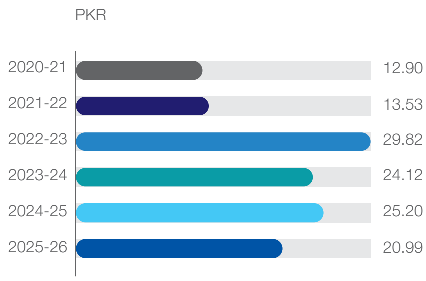
Net income per employee



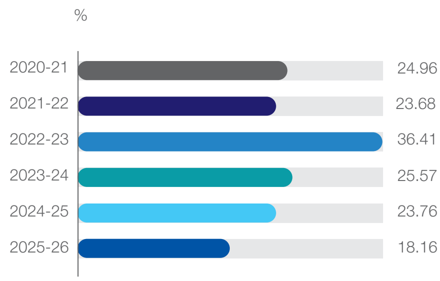
Price earning ratio



Earnings per share

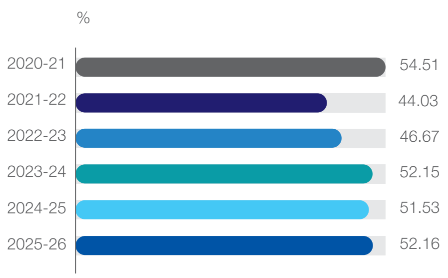


Return on shareholders' fund

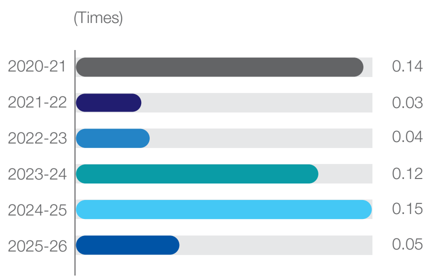


Liquidity and other ratios

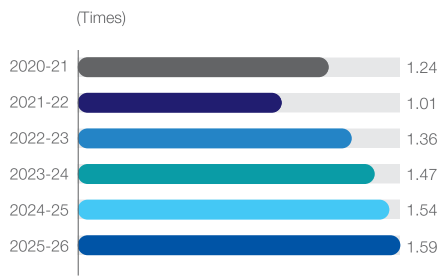
Shareholders' fund



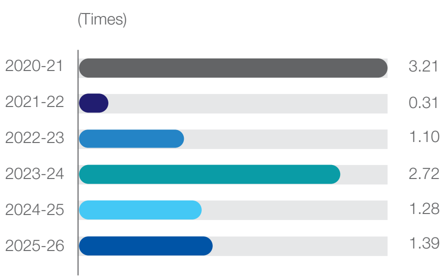
Cash flow from operations to sales



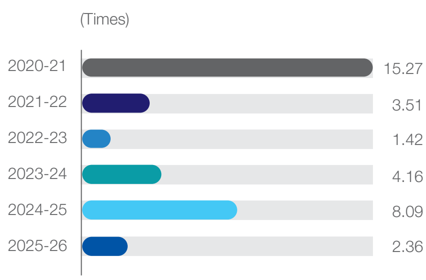
Current ratio



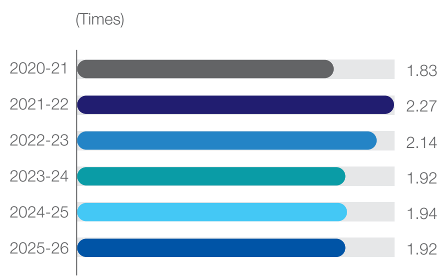
Cash flow from operations to capital expenditure



Cash flow coverage ratio



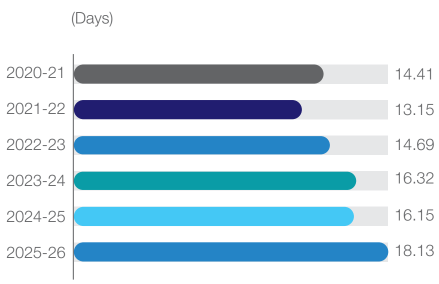
Financial leverage ratio



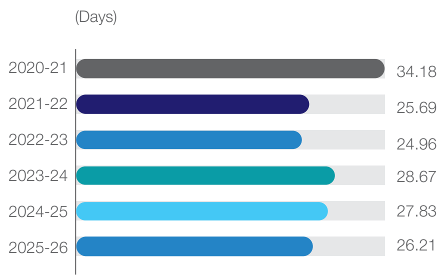
*Please refer to pages 232-233 for formulas used for above calculations.

Efficiency ratios

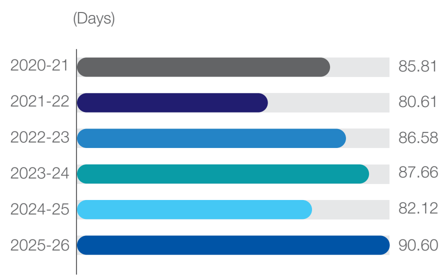
Debtor turnover ratio



Creditor turnover ratio

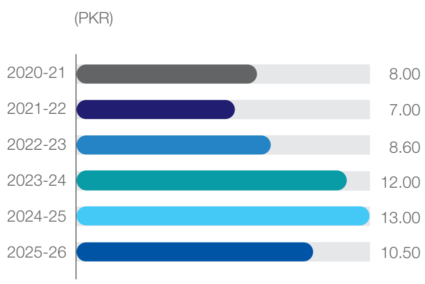


Inventory turnover ratio

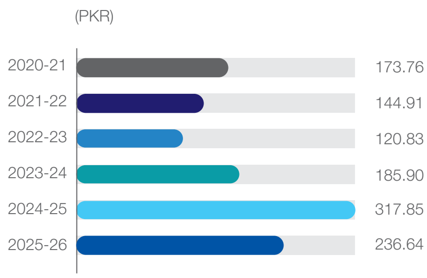


Investors ratios

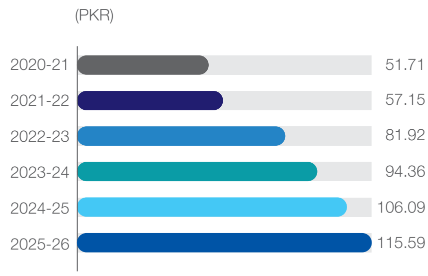
Dividend per share**



Market Value per share at the end of the year**

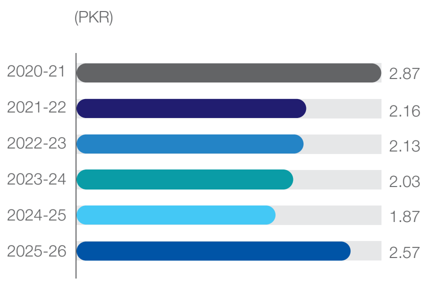


Net assets per share**

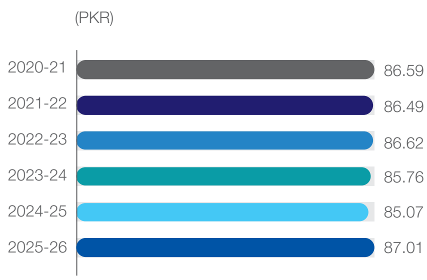


Cost ratios

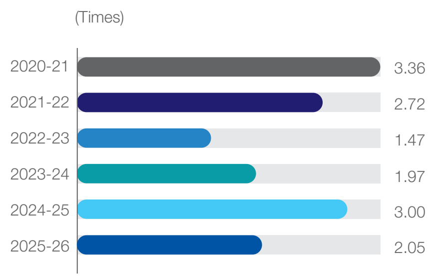
Administration cost as % of net turnover



Operating cost as a % of sales *



Price to book



* Operating cost includes cost of sales, selling and distribution and administration and general expenses.

** These ratios have been calculated with the effect of stock split as explained in the 'Report of the Directors' section.

Vertical and Horizontal Analysis

Statement of Profit or Loss

Vertical Analysis

	2020-21	2020-21	2021-22	2021-22	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25	2025-26	2025-26
	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%
	Restated											
Net Turnover	62,618	100.0	86,972	100.0	109,486	100.0	120,460	100.0	120,013	100.0	113,214	100.0
Cost of Sales	48,270	77.1	68,353	78.6	87,353	79.8	93,569	77.7	92,673	77.2	88,666	78.3
Gross profit	14,348	22.9	18,619	21.4	22,133	20.2	26,891	22.3	27,340	22.8	24,548	21.7
Selling & Distribution Expenses	4,155	6.6	4,990	5.7	5,336	4.9	7,310	6.1	7,175	6.0	6,933	6.1
Administration & General Expenses	1,794	2.9	1,875	2.2	2,144	2.0	2,431	2.0	2,245	1.9	2,912	2.6
Operating Result	8,399	13.4	11,753	13.5	14,653	13.4	17,151	14.2	17,920	14.9	14,704	13.0
Financial Charges / Exchange Losses	538	0.9	1,365	1.6	3,845	3.5	3,420	2.8	2,269	1.9	2,555	2.3
Other Operating Charges	635	1.0	565	0.6	803	0.7	831	0.7	879	0.7	832	0.7
Other Operating Income	1,003	1.6	375	0.4	11,905	10.9	3,601	3.0	3,440	2.9	3,906	3.5
Profit before final taxes and income taxes	8,229	13.1	10,199	11.7	21,911	20.0	16,501	13.7	18,505	15.4	15,223	13.4
Taxation	2,269	3.6	3,951	4.5	8,138	7.4	5,361	4.5	6,867	5.7	5,531	4.9
Profit for the year	5,959	9.5	6,249	7.2	13,772	12.6	11,140	9.2	11,638	9.7	9,692	8.6

Horizontal Analysis

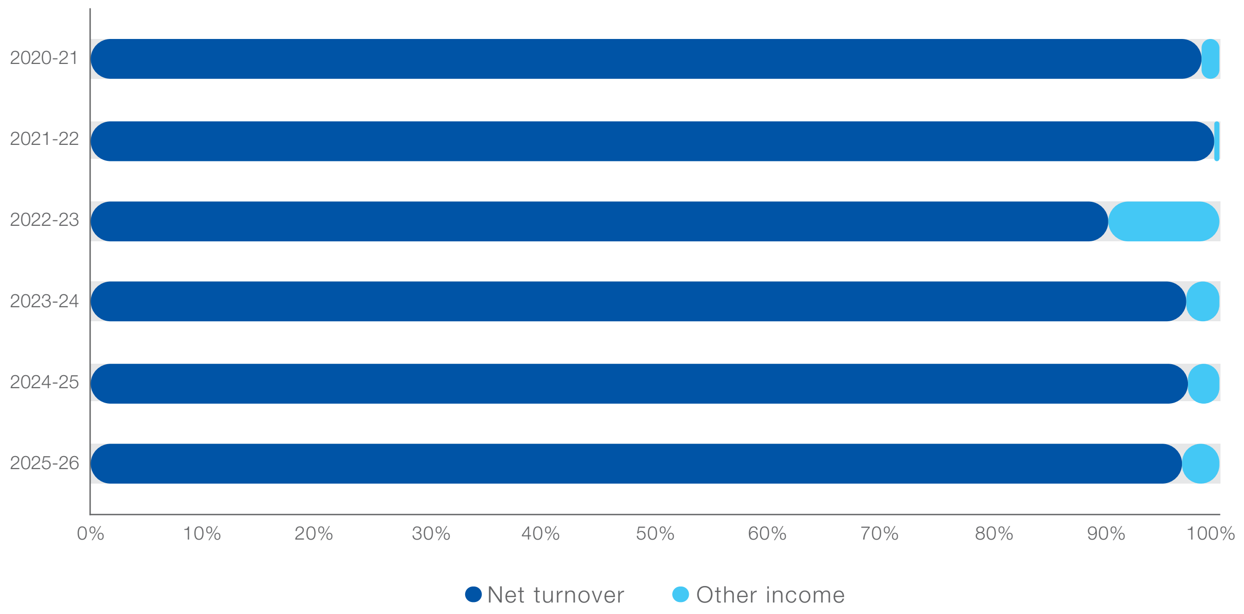
	2020-21	2020-21	2021-22	2021-22	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25	2025-26	2025-26
	PKR m	%*	PKR m	%*	PKR m	%*	PKR m	%*	PKR m	%*	PKR m	%*
	Restated											
Net Turnover	62,618	16.8	86,972	38.9	109,486	25.9	120,460	10.0	120,013	(0.4)	113,214	(5.7)
Cost of Sales	48,270	12.1	68,353	41.6	87,353	27.8	93,569	7.1	92,673	(1.0)	88,666	(4.3)
Gross profit	14,348	35.9	18,619	29.8	22,133	18.9	26,891	21.5	27,340	1.7	24,548	(10.2)
Selling & Distribution Expenses	4,155	22.6	4,990	20.1	5,336	6.9	7,310	37.0	7,175	(1.8)	6,933	(3.4)
Administration & General Expenses	1,794	19.8	1,875	4.5	2,335	24.5	2,431	4.1	2,245	(7.6)	2,912	29.7
Operating Result	8,399	48.1	11,753	39.9	14,653	24.7	17,151	17.0	17,920	4.5	14,704	(17.9)
Financial Charges/ Exchange Losses	538	(72.6)	1,365	153.7	3,845	181.7	3,420	(11.0)	2,269	(33.6)	2,555	12.6
Other Operating Charges	635	90.7	565	(11.0)	803	42.2	831	3.5	879	5.7	832	(5.3)
Other Operating Income	1,003	5.0	375	(62.6)	11,905	3,070.6	3,601	(69.7)	3,440	(4.5)	3,906	13.5
Profit before final taxes and income taxes	8,229	90.0	10,199	23.9	21,911	114.8	16,501	(24.7)	18,505	12.1	15,223	(17.7)
Taxation	2,269	83.9	3,951	74.1	8,138	106.0	5,361	(34.1)	6,867	28.1	5,531	(19.5)
Profit for the year	5,959	92.5	6,249	4.9	13,772	120.4	11,140	(19.1)	11,638	4.5	9,692	(16.7)

2019-20 includes revision of accouting policy of depreciation from revaluation to cost model.

* Percentage change from SPLY.

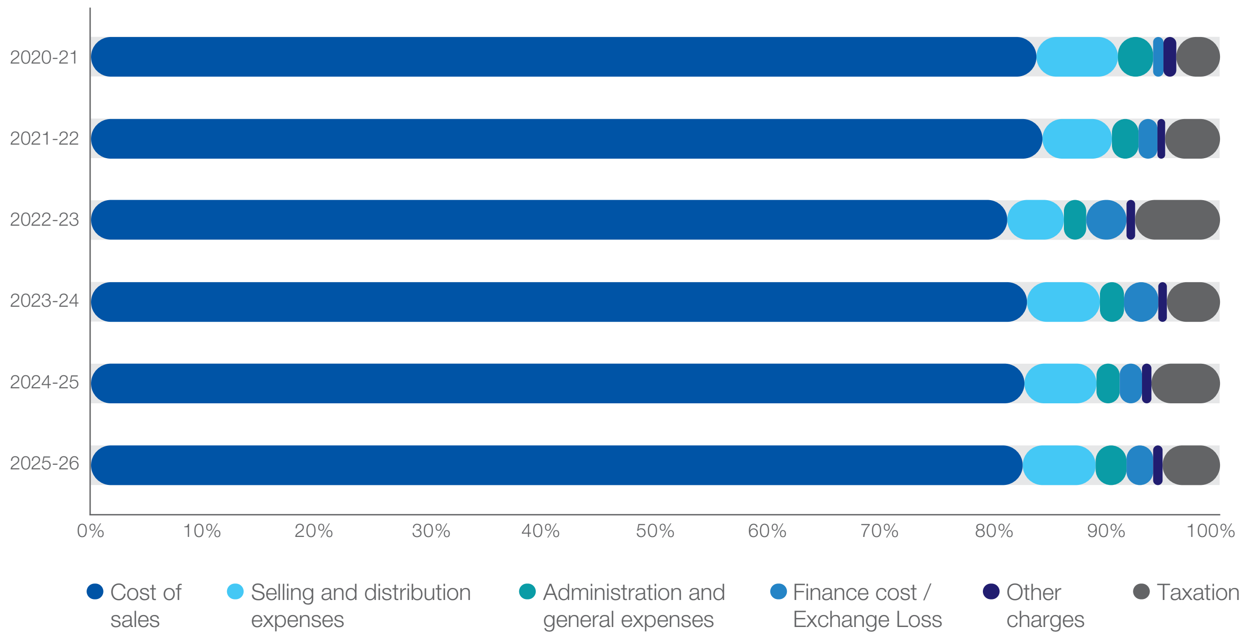
Statement of Profit or Loss Analysis (Income)

(%)



Statement of Profit or Loss Analysis (Expenses)

(%)



Statement of Financial Position

Vertical Analysis

	2020-21	2020-21	2021-22	2021-22	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25	2025-26	2025-26
	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%
	Restated											
Total Equity and Revaluation Reserve	23,879	55	26,391	44	37,831	47	43,576	52	48,992	52	53,380	52
Non Current Liabilities	5,289	12	7,380	12	7,505	9	7,035	8	14,396	15	13,910	14
Current Liabilities	14,636	33	26,170	44	35,731	44	32,955	39	31,691	33	35,050	34
Total Equity and Liabilities	43,804	100	59,941	100	81,067	100	83,566	100	95,079	100	102,340	100
Non Current Assets	25,640	59	33,553	56	32,616	40	35,136	42	46,257	49	46,439	45
Current Assets	18,164	41	26,388	44	48,451	60	48,430	58	48,822	51	55,901	55
Total Assets	43,805	100	59,941	100	81,067	100	83,566	100	95,079	100	102,340	100

Horizontal Analysis

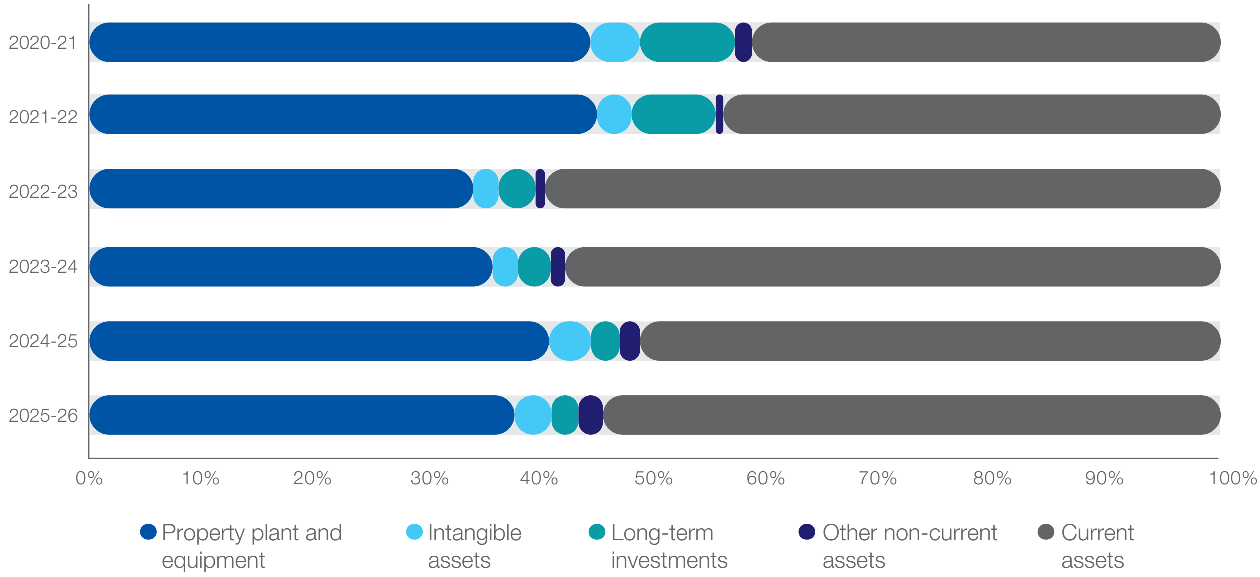
	2020-21	2020-21	2021-22	2021-22	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25	2025-26	2025-26
	PKR m	%*	PKR m	%*	PKR m	%*	PKR m	%*	PKR m	%*	PKR m	%*
	Restated											
Total Equity and Revaluation Reserve	23,879	18	26,391	11	37,831	43	43,576	15	48,992	12	53,380	9
Non Current Liabilities	5,289	(34)	7,380	40	7,505	2	7,035	(6)	14,396	105	13,910	(3)
Current Liabilities	14,636	10	26,170	79	35,731	37	32,955	(8)	31,691	(4)	35,050	11
Total Equity and Liabilities	43,804	1	59,941	37	81,067	35	83,566	3	95,079	14	102,340	8
Non Current Assets	25,640	4	33,553	31	32,616	(3)	35,136	8	46,257	32	46,439	0
Current Assets	18,164	8	26,388	45	48,451	84	48,430	(0)	48,822	1	55,901	14
Total Assets	43,805	1	59,941	37	81,067	35	83,566	3	95,079	14	102,340	8

2019-20 includes revision of accouting policy of depreciation from revaluation to cost model.

* Percentage change from SPLY.

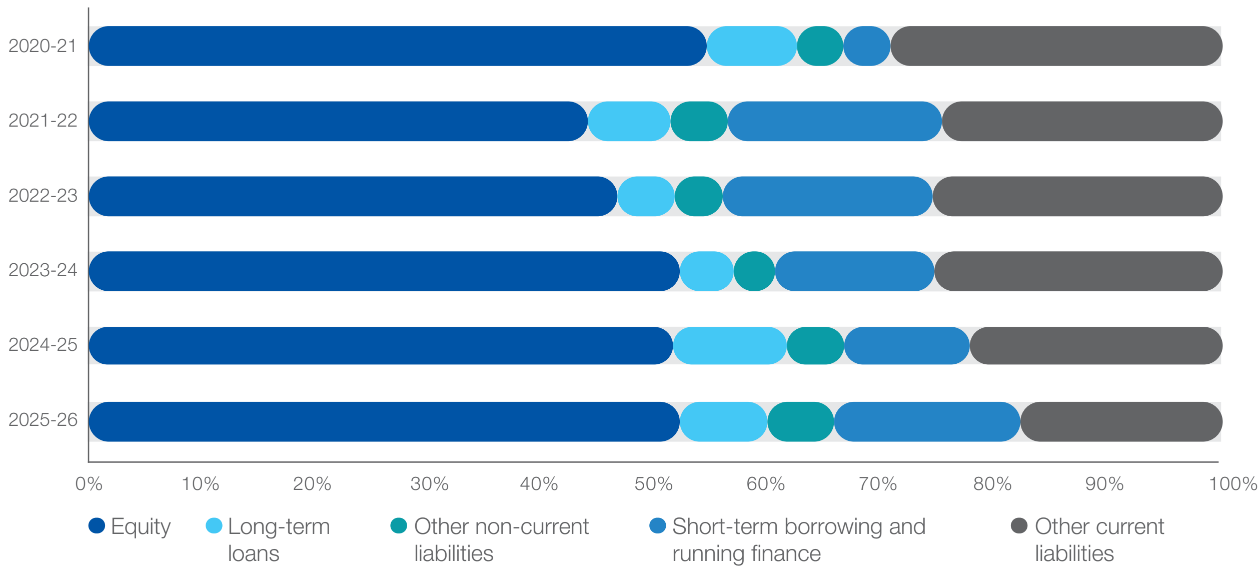
Statement of Financial Position Analysis (Assets)

(%)



Statement of Financial Position Analysis (Equity and Liabilities)

(%)



Operating and Financial Highlights

Ratios	Formula		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Profitability Ratios					Restated	Restated						
Gross Margin	Gross profit / Net turnover	%	18.77	17.42	16.20	19.70	22.91	21.41	20.22	22.32	22.78	21.68
Gross Profit Turnover	Gross profit / Turnover	%	16.33	15.39	14.46	16.30	18.52	17.52	16.82	18.38	18.64	17.13
Operating Result Margin	Operating result / Net turnover	%	9.78	8.96	8.46	10.58	13.41	13.51	13.38	14.24	14.93	12.99
Profit after Tax Margin	Profit for the year / Net turnover	%	7.97	6.23	3.95	5.78	9.52	7.18	12.58	9.25	9.70	8.56
EBITDA Margin to Sales	EBITDA / Net turnover	%	15.15	13.89	13.01	15.40	17.49	16.40	16.21	17.10	18.10	17.00
Gross Profit Markup	Gross profit / Cost of sales	%	23.11	21.09	19.34	24.53	29.73	27.24	25.34	28.74	29.50	27.69
Profit before Taxation Margin	Profit before final taxes and income tax / Net turnover	%	10.62	7.43	5.45	8.08	13.14	11.73	20.01	13.70	15.42	13.45
Return on Equity	Profit for the year / Total equity	%	19.47	16.92	12.39	15.30	24.96	23.68	36.41	25.57	23.76	18.16
Return on Capital Employed	Operating result / Capital employed	%	17.45	15.52	18.18	20.06	28.79	34.80	32.32	33.89	28.27	21.85
Return on Assets	Profit for the year / Total assets	%	9.12	7.09	5.30	7.46	13.60	10.42	16.99	13.33	12.24	9.47
Return on Fixed Assets	Operating result / Fixed assets	%	20.60	20.45	24.01	27.11	39.45	40.96	50.03	54.22	42.54	35.17
Operating Leverage Ratio	Contribution / Operating profit	Times	3.13	3.34	3.17	3.73	2.98	2.58	2.39	2.65	2.58	2.61
Shareholders' Funds	Total equity / Total assets	%	44.76	40.35	42.77	48.74	54.51	44.03	46.67	52.15	51.53	52.16
Return on Shareholders' Funds	Profit for the year / Total equity	%	20.37	17.57	12.39	15.30	24.96	23.68	36.41	25.57	23.76	18.16
Total share holder return	(Share price at the end of the year - Share price at the beginning of the year + Dividend) / Share price at the beginning of the year	%	150.00	(25.27)	(32.44)	33.47	30.82	(12.57)	(10.68)	63.78	77.98	(22.25)
Growth Ratios												
Net turnover		%	11.93	18.72	18.78	(8.11)	16.83	38.89	25.89	10.02	(0.37)	(5.66)
Operating results		%	16.24	8.76	12.22	14.87	48.15	39.94	24.67	17.04	4.49	(17.95)
EBITDA		%	16.54	8.80	11.30	8.79	32.62	30.23	24.49	16.03	5.47	(11.40)
Profit for the year		%	15.93	(7.17)	(24.67)	34.32	92.50	4.85	120.41	(19.11)	4.47	(16.72)
Cost Ratios												
Operating costs	Operating Cost / Net turnover	%	90.22	91.04	91.54	89.42	86.59	86.49	86.62	85.76	85.07	87.01
Administration costs	Administration Cost / Net turnover	%	2.70	2.46	2.31	2.79	2.87	2.16	2.13	2.03	1.87	2.57
Selling costs	Selling Cost / Net turnover	%	6.30	6.01	5.44	6.32	6.64	5.74	4.87	6.07	5.98	6.12
Finance costs	Finance Cost / Net turnover	%	0.93	2.19	2.50	2.96	0.85	0.78	2.63	2.94	1.84	2.20
Spares Inventory	Spares / Total Asset	%	2.20	1.94	2.08	2.22	2.19	1.69	1.35	1.46	1.47	1.51
Maintenance Cost	Maintenance Cost / Operating Expenses	%	0.14	0.15	0.15	0.19	0.17	0.15	0.15	0.16	0.20	0.23
Liquidity Ratios												
Current Ratio	Current assets / Current liabilities	Times	1.01	1.17	1.13	1.27	1.24	1.01	1.36	1.47	1.54	1.59
Quick Ratio	(Current assets - Inventory) / Current liabilities	Times	0.50	0.52	0.47	0.49	0.40	0.33	0.69	0.82	0.90	0.92
Cash to Current Liabilities	Cash and cash equivalents / Current liabilities	Times	(0.15)	(0.48)	(0.42)	(0.24)	(0.11)	(0.42)	0.01	0.52	0.62	0.61
Cash Flow from Operations to Sales	Cash generated from operations / Net turnover	Times	0.12	(0.03)	0.08	0.14	0.14	0.03	0.04	0.12	0.15	0.05
Cash Flow from Operations to Capital Expenditure	Cash generated from operations / Capital expenditure	Times	1.14	(0.41)	1.78	4.70	3.21	0.31	1.10	2.72	1.28	1.39
Cash Flow from Operations Coverage Ratio	Cash generated from operations / Finance cost	Times	12.53	(2.18)	3.11	4.73	15.27	3.51	1.42	4.16	8.09	2.36
Capital Structure												
Assets to equity ratio	Total assets / Total equity	Times	2.14	2.39	2.34	2.05	1.83	2.27	2.14	1.92	1.94	1.92
Cost of debt at year end		%	5.56	5.97	10.44	8.86	4.79	9.15	14.73	14.18	11.40	11.53
Debt to Equity (Book Value)	Total debt capital / Total equity	%	32.81	50.88	45.43	36.36	20.82	25.51	15.84	13.22	24.03	20.58
Debt to Equity (Market Value)	Total debt capital / Total equity	%	5.49	12.43	17.19	11.47	6.20	10.06	10.74	6.71	8.02	10.05
Net Assets per Share*	(Total assets - Total Liabilities) / Number of ordinary shares	PKR	36.66	39.15	40.30	43.81	51.71	57.15	81.92	94.36	106.09	115.59
Interest Cover	Profit before interest and taxation/ Financial charges	Times	12.03	6.68	3.18	3.71	14.76	13.26	8.61	5.67	9.37	7.11
Total debt to capital ratio	Total debt capital / total equity	Ratio	25:75	34:66	31:69	27:73	17:83	20:80	14:86	12:88	19:81	17:83
Financial leverage ratio	Total debt capital / Total assets	%	15.36	21.32	19.43	17.72	11.35	11.23	7.40	6.89	12.38	10.73

2018-19 and 2019-20 includes revision of accouting policy of depreciation from revaluation to cost model.

Ratios	Formula		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Investment / market ratio					**Restated**	**Restated**						
Earning per Share (Restated)	Profit for the year / Number of ordinary shares	PKR	7.14	6.63	4.99	6.70	12.90	13.53	29.82	24.12	25.20	20.99
Price Earning Ratio	Market value per share / Earning per share	Times	30.67	24.19	21.34	20.73	13.46	10.71	4.05	7.71	12.61	11.28
Price to Book Ratio	Market value per share / Book value per share	Times	6.25	4.25	2.64	3.17	3.36	2.72	1.47	1.97	3.00	2.05
Dividend Yield Ratio	Dividend per share / Average market value per share	%	2.00	1.93	1.30	2.71	5.05	4.48	6.77	7.82	5.32	3.79
Dividend Payout Ratio	Total dividend payout / Profit for the year	%	50.44	49.81	36.06	47.73	61.99	51.73	50.34	49.74	51.58	50.03
Cash Dividend per Share*		PKR	3.60	3.30	1.80	3.20	8.00	7.00	8.60	12.00	13.00	10.50
Market Value per Share at the Start of the Year*		PKR	89.00	218.91	160.30	106.49	138.94	173.76	144.91	120.83	185.90	317.85
Market Value per Share at the End of the Year*		PKR	218.91	160.30	106.49	138.94	173.76	144.91	120.83	185.90	317.85	236.64
Highest Market Value per Share*		PKR	243.94	218.53	162.98	145.63	182.22	184.12	153.81	187.60	317.85	386.41
Lowest Market Value per Share*		PKR	89.58	147.19	103.36	87.31	135.85	135.80	103.26	110.00	180.82	218.97
Break-up value per share*	Total Equity / Total Shares outstanding	PKR	35.05	37.70	40.30	43.81	51.71	57.15	81.92	94.36	106.09	115.59
Break-up value per share (with investment)*	Total Equity + Investment / Total Shares outstanding	PKR	38.27	39.78	40.30	44.36	52.81	58.82	82.53	94.37	106.10	115.59
Activity / Turnover Ratio												
Total Assets Turnover	Net turnover / Total assets	Times	1.14	1.14	1.34	1.29	1.43	1.45	1.35	1.44	1.26	1.11
Fixed Assets Turnover	Net turnover / Fixed assets	Times	2.11	2.28	2.84	2.56	2.94	3.03	3.74	3.81	2.85	2.71
Inventory turnover	Cost of sales / Value of average inventory	Times	5.02	4.22	4.51	4.17	3.90	4.53	4.22	4.16	4.44	4.03
Current assets turnover	Net turnover / Current Assets	Times	3.14	2.84	3.14	3.18	3.45	3.30	2.26	2.49	2.46	2.03
Capital employed turnover	Net turnover / Capital Employed	Times	1.79	1.73	2.15	1.90	2.15	2.58	2.42	2.38	1.89	1.68
Operating working capital turnover	Net turnover / Operating working capital	Times	14.65	5.76	6.76	7.57	9.68	5.72	5.26	7.18	9.30	5.33
Inventory turnover ratio	(Value of Average inventory / Cost of sales) * 365	Days	69.52	73.39	76.34	89.65	85.81	80.61	86.58	87.66	82.12	90.60
Debtor turnover ratio	(Average debtors / Net turnover) * 365	Days	18.48	19.15	15.62	15.93	14.41	13.15	14.69	16.32	16.15	18.13
Creditor turnover ratio	(Average creditors / Cost of sales) *365	Days	53.03	36.37	22.21	30.59	34.18	25.69	24.96	28.67	27.83	26.21
Operating Cycle	No. of days in inventory + No. of days in receivables - No. of days in payables	Days	34.97	56.17	69.75	74.98	66.04	68.07	76.31	75.31	70.44	82.53
Revenue per employee	Net turnover / Number of employees	PKR'000	29,844	29,530	33,736	26,866	30,846	39,859	50,131	54,091	46,698	44,380
Production per employee	Cost of sales / Number of employees	PKR'000	24,241	24,386	28,269	21,575	23,778	31,326	39,997	42,016	36,059	34,757
Net income per employee	Profit for the year / Number of employees	PKR'000	2,378	1,840	1,333	1,552	2,936	2,864	6,306	5,002	4,529	3,799

Dividend includes both approved and recommended during the year.
2019-20 includes revision of accouting policy of depreciation from revaluation to cost model.
* These ratios have been calculated with the effect of stock split as explained in the 'Report of the Directors' section.
** Profit for the year 2022-23 excludes one time gain on disposal on investment.

DuPont Analysis

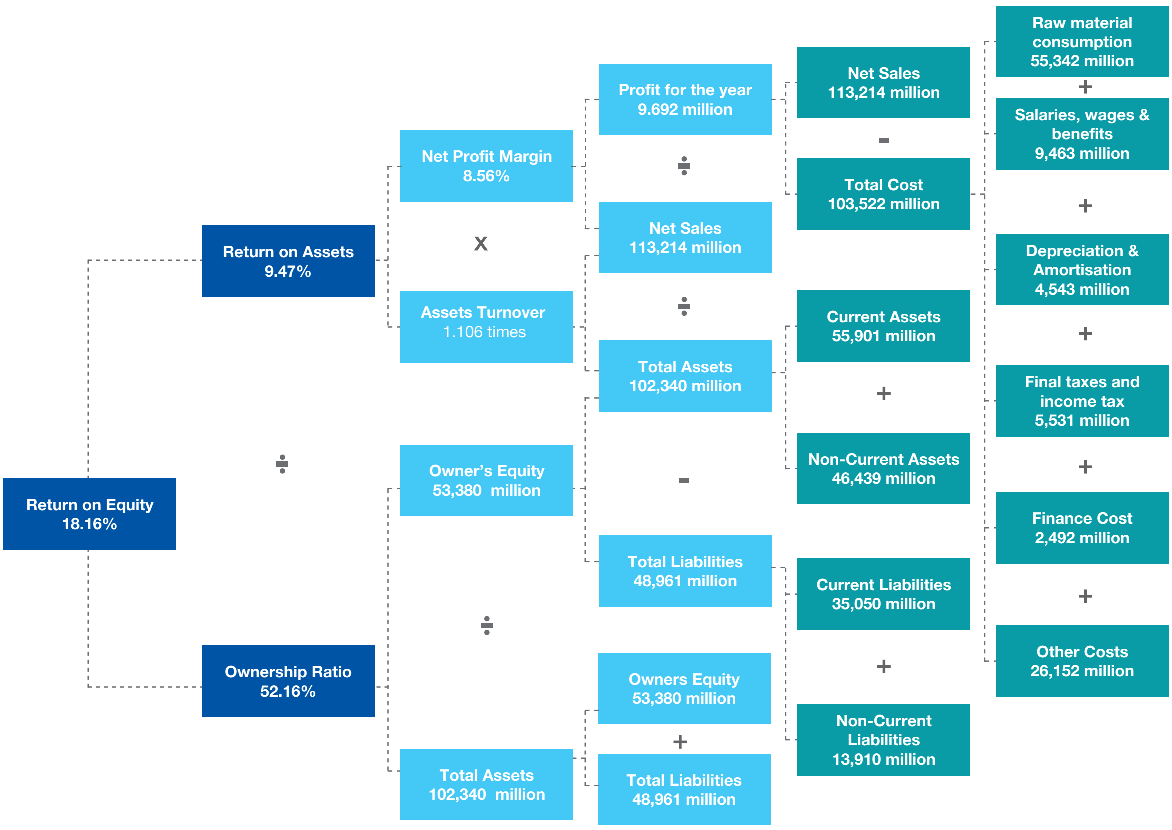
DuPont Analysis	2025-26	2024-25
Tax burden	36.36%	37.13%
Interest burden	14.07%	10.67%
Operating result margin	12.99%	14.93%
Asset turnover (Times)	1.11	1.26
Gearing (Long term debt/Equity)	20.58%	24.03%
Return on equity	18.16%	23.76%

Commentary on DuPont Analysis

Net Turnover for the year at PKR 113,214 million was 6% lower as compared to the same period last year (SPLY). Net Turnover of the Animal Health and Pharmaceuticals Businesses increased by 17% and 5% respectively as compared to the SPLY, conversely a slowdown in demand across the Polyester, Soda Ash and Chemicals & Agri Sciences Businesses resulted in a decline of 13%, 9% and 1% respectively as compared to the SPLY.

Due to persistent pressure on demand, the Operating Result for the year at PKR 14,704 million was 18% lower than the SPLY. The Animal Health and Pharmaceuticals Businesses delivered strong performances, recording growth in Operating Results by 20% and 16% respectively as compared to the SPLY. However, the Polyester, Soda Ash and Chemicals & Agri Sciences Businesses posted a decline in Operating Results by 74%, 33% and 5% respectively as compared to the SPLY.

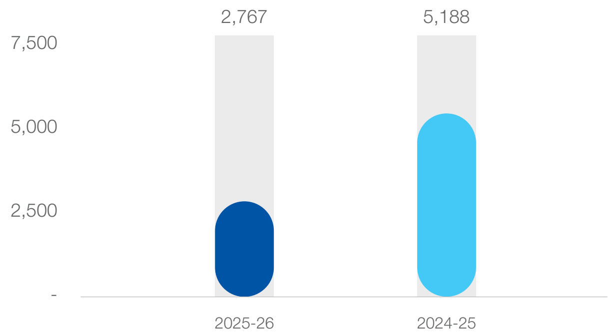
Profit After Tax (PAT) for the year stood at PKR 9,692 million, down 17% from SPLY, mainly due to weaker Operating Results amid challenging market conditions. Finance cost increased by 13% compared to the SPLY primarily due to higher borrowings to fund working capital requirement and capital expenditures undertaken to support business growth.



Economic Value Added

PKR million

	2025 -26	2024-25
NOPAT	9,358	11,270
Less: Cost of Capital*	(6,591)	(6,083)
Economic Value Added	2,767	5,188



* Does not include short term investments held in mutual funds and cash and bank as the return generated from these investments in not included in NOPAT.

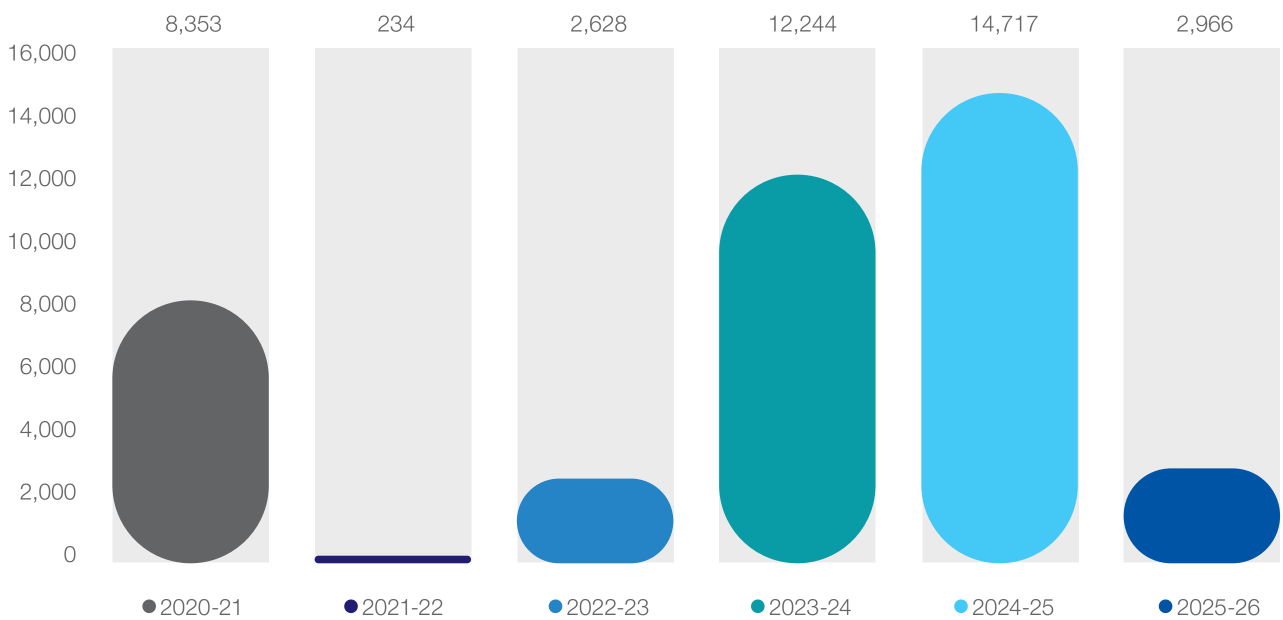
NOPAT = Operating result x (1 - Tax rate)

Free Cash Flow

PKR million

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Cashflow from operations	9,067	2,877	4,091	14,713	17,893	5,891
Less: Capital expenditure*	(714)	(2,643)	(1,463)	(2,469)	(3,176)	(2,925)
Free Cash Flows	8,353	234	2,628	12,244	14,717	2,966

* This does not include capital expenditure incurred on expansion growth projects.



Sensitivity Analysis

Foreign Currency Sensitivity Analysis

LCI imports approximately 50% of its inventory in the form of raw materials, packaging and finished goods. Transactions are primarily carried out in US Dollar (USD), Chinese Yuan (CNY), EURO and Pound Sterling (GBP).

During the year, the Company recorded an exchange loss of PKR 63 million, remaining in line with PKR 59 million in the SPLY. The PKR appreciated by 2% against the USD during 2026. As the Company relies on imports for a significant part of its purchases, the stability of PKR results in sustainable cost of production and cash flow requirements.

LCI proactively monitors foreign liabilities against the risk of currency fluctuations. The Company has also continuously identified opportunities to shift its material sourcing to local vendors during recent years.

Every 10% increase or decrease in exchange rate with all other variables held constant will decrease or increase profit before tax for the year by PKR 64 million. As at June 30, 2026, if PKR had weakened/strengthened by 10% against other currencies, with all other variables held constant, the effect on the Company's profit before tax at June 30, 2026, would be as follows:

	Increase / decrease in exchange rates	Effect on Profit before tax (CNY)	Effect on Profit before tax (EURO)	Effect on Profit before tax (USD)	Effect on Profit before tax (GBP)
PKR in '000	+10%	(230)	(4,944)	(58,470)	(37)
PKR in '000	-10%	230	4,944	58,470	37

Market Price Sensitivity Analysis

LCI's shares are listed on the Pakistan Stock Exchange and have a free float of 15% in the stock exchange with a market capitalization of PKR 109 billion at the year-end. The share price of LCI as at June 30, 2026 was PKR 236.64 per share.

The share price in the market is impacted by various internal and external factors such as the Company's financial and operational performance, the economic and political environment of the country, government policies, stakeholders' sentiment, etc. Some of these factors are listed below:

Revenue and Sales Volume

LCI's revenue is driven by multiple factors including plant production capacities, product demand and supply situation, pricing environment and regulations etc. The Company's revenue for the year declined by 6% compared to the SPLY, primarily due to a decline in the Polyester, Soda Ash and Chemicals & Agri Sciences Businesses owing to persistent demand slowdown, rising low-priced imports and adverse weather events offset by growth in the Animal Health and Pharmaceuticals Businesses driven by expansion of the product portfolio and strategic focus on locally manufactured medicines.

Profitability

The profit for the year declined by by 17% as compared to SPLY, primarily driven by weaker Operating Results amid challenging market conditions coupled with higher finance cost due to higher borrowings to fund working capital requirement and capital expenditures undertaken to support business growth.

Interest Rate Risk

Changes in interest/policy rates impact borrowing costs and affect consumer spending hence influencing a Company's revenue and profitability. During the year, the average policy rate was 1140 basis points as against 1470 basis points in SPLY.

Inflation

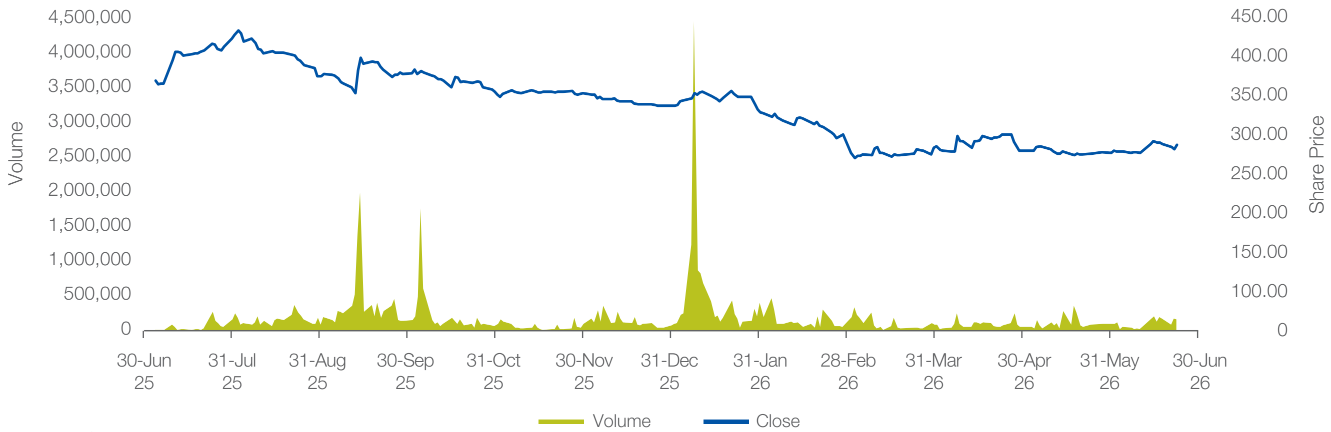
High inflation may lead to higher consumer prices, which can erode consumer's purchasing power and spending, this affecting Company revenues and profitability.

Currency Risk

Currency risk arises from the change in price of one currency in relation to another. The volatility in exchange rates impacts the Company's share price as imports may affect the profit margins. Exchange loss during the year is primarily attributable to trivial depreciation of PKR against the USD.

Market risk

Market share price is also exposed to all the risks faced by the stock exchange on which LCI's shares are traded.



Future Outlook

Forward Looking Statement

In 2025, major global economies moved toward stabilisation, supported by easing inflation and improvements in supply-chain conditions across the US and the EU. Elevated energy costs, geopolitical tensions, trade restrictions, and tariffs continued to weigh on manufacturing margins and investment decisions. Fiscal measures remained targeted, making 2025 a transition year with early signs of operational normalisation. However, the outbreak of the Middle East conflict in February 2026 materially altered the global operating landscape. Disruptions to regional energy infrastructure and periodic interruptions to shipping routes through the Strait of Hormuz resulted in heightened volatility in crude oil prices, freight costs, and global supply chains. Although market conditions briefly stabilised following the ceasefire, renewed tensions have increased uncertainty over energy supplies and logistics, with the risk of further disruptions remaining elevated. Against this backdrop, global growth is expected to remain moderate in 2026, while inflationary pressures likely to persist as energy markets continue to respond to geopolitical developments. The pace of global economic recovery will continue to depend on the evolution of the conflict and the restoration of stability across the region.

Pakistan's real GDP recorded a growth of 3.7% supported by easing inflation and relative exchange rate stability, though inflationary pressures re-emerged later in the year amid renewed geopolitical tension. The Government has set FY 2026-27 targets of 4.0% GDP growth and 8.2% average inflation, contingent on continued macroeconomic discipline, IMF programme progress, and the evolution of global energy prices and geopolitical developments. While the policy environment is expected to remain supportive, reliance on imported energy and regional security challenges will continue to pose downside risks to the economic outlook.

The outlook for domestic demand remains subdued, with weak consumption and a slow industrial recovery continuing to constrain volume growth. These challenges have been further intensified following the implementation of tariff rationalisation measures, which has led to a significant increase in low-cost imports, materially raising competitive pressure on local manufacturers and depressing domestic capacity utilisation. At the same time, structural challenges, including high energy costs, tax rates, interest rates, and locational disadvantages, continue to weigh on pricing, capacity utilisation, and margins across value-added segments. While tariff reductions under the National Tariff Policy 2025-2030 were intended to lower input costs and enhance export competitiveness, the absence of complementary trade protection measures, coupled with elevated energy, tax and logistics costs, and limited targeted policy support, has increased pressure on the sustainability of domestic manufacturing and investment sentiment. These underlying structural and demand-side challenges are expected to persist and continue weighing on overall industrial performance in the year ahead.

The Polyester Business is expected to remain influenced by geopolitical developments, evolving trade policies, and continued volatility in feedstock markets. While any easing of tensions in the Middle East may support supply chain normalisation, uncertainty surrounding global trade flows and freight costs is likely to persist, keeping raw material prices volatile.

The Soda Ash Business is expected to face a sluggish domestic and international market. The near-term outlook remains cautious as global soda ash supply continues to outpace demand, keeping pressure on international prices. Export performance is expected to continue to be impacted due to aggressive pricing by regional producers. Freight-related uncertainty may also persist until marine traffic through the Strait of Hormuz normalises.

The Pharmaceuticals Business remains focused on strengthening its presence across key therapeutic segments, expanding export opportunities, and pursuing sustainable growth through innovation and operational excellence. However, the industry's long-term growth and its ability to ensure consistent patient access to medicines will continue to depend on a predictable regulatory environment, uninterrupted availability of raw materials, and policies that support the economic viability of pharmaceutical manufacturing in Pakistan.

The Animal Health Business will continue to focus on expanding its locally manufactured medicine portfolio, strengthening supply chain capabilities, enhancing product availability, and delivering innovative animal health solutions to support sustainable growth and long-term value creation.

In Chemicals & Agri Sciences Business, while the macroeconomic environment has shown initial signs of stabilisation, ongoing geopolitical tensions and related disruptions in global supply chains continue to pose challenges in terms of sourcing, input costs, and price volatility. These factors, coupled with still-subdued demand in certain segments, are likely to keep pressure on margins in the near term. Accordingly, the Business may continue to face constraints on both demand and profitability in the short term. However, the Company remains focused on driving operational efficiencies, optimising its cost base, and ensuring supply chain resilience to navigate the prevailing uncertainties and sustain long-term value creation.

Performance on Disclosures Made in the Previous Year

During FY 2024-25, in the 'Future Outlook' section of the Director's Report, the performance of the Company was to be shaped by macroeconomic factors along with fiscal and political stabilisation, while complying with IMF programme. Pakistan's economy concluded FY 2025-26 with real GDP growth of 3.7% against a forecast of 3.6%, supported by easing inflation and relative exchange rate stability, though inflationary pressures re-emerged later in the year amid renewed geopolitical tension.

Assumptions Used for Forecasting

The projections are based on historic trends, latest information available and views of relevant business experts and the Company's management. LCI utilises the knowledge base and legacy information on its businesses amassed by its inhouse experts - its employees. The Company subscribes to key international business publications, and relevant representatives of each business attend important conferences / seminars around the world to stay abreast with emerging trends.

External consultants are utilised in instances / areas as and when needed. Such projections are then reviewed and agreed upon amongst the Leadership Team of the Company for review and approval by the Board of Directors.

Research And Development

Guided by its commitment to innovation, LCI continues to advance research and development initiatives to deliver relevant solutions across its businesses and support the evolving needs of the industries it serves.

Polyester Business

During the year, the business advanced its textile-to-textile recycling research, supporting the development of innovative recycling technologies and high-quality recycled fibres.

In the PET bottle recycling segment, the business further enhanced the quality of its recycled fibre, improving whiteness, consistency, and mill performance. The introduction of Digital Product Passport (DPP) traceability at no additional cost to customers further strengthened its appeal to export-oriented brands seeking greater supply chain transparency and sustainable material solutions.

Chemicals & Agri Sciences Business

Chemicals Business

During the year, the Chemicals Business transitioned from 141b to Cyclopentane (CP) technology to support more environmentally responsible solutions. It also expanded raw material sourcing to enhance cost competitiveness and supply resilience while successfully commercialised import-substitution masterbatch products for the local market. The business also introduced cost-optimised product alternatives and expanded its in-house Textile Chemicals portfolio through new product development, reducing reliance on third-party sourcing while strengthening value creation.

Agri Sciences Business

On the Agri Sciences Business front, the focus remained on the evaluation and adaptation of new products through internal trials and demonstration activities. A dedicated research farm supports product testing, performance validation, and localised agronomic assessments before commercialisation.

Pharmaceuticals Business

The Pharmaceuticals Business focused its research and development efforts on portfolio sustainability, quality enhancement, and the evaluation of new therapeutic opportunities. Key initiatives included lifecycle management and formulation development, pipeline evaluation across the gastroenterology, oncology, and cardio-metabolic segments, the introduction of digital clinical tools such as the Fib-4 Calculator supporting Rezkew, and manufacturing process and quality system enhancements at the B2 S.I.T.E plant.

Animal Health Business

As part of its research and development efforts, the Animal Health Business supported genomic testing to promote herd improvement and enhance farm productivity. The initiative involved analysing muscle samples from 3,000 animals across 50 genetic and performance traits to identify high-performing livestock and support data-driven herd improvement. This precision-led approach enables more efficient livestock management, strengthens farm productivity and sustainability, and provides valuable insights to guide the business's product development, selection, and import strategies in line with evolving industry requirements.

Future AI Adoption and Capability Strengthening

Going forward, the Company plans to further strengthen its AI adoption journey by expanding the use of business-relevant AI capabilities across key functions. Potential focus areas include enhanced analytics for commercial and operational decision-making, AI-assisted productivity tools, and continued integration of AI-enabled insights with the Company's digital platforms. These initiatives are expected to enhance access to information, improve process efficiency, strengthen decision-making, and enable more responsive stakeholder engagement

LCI also intends to continue building internal AI capability through awareness, training, and business-led use case development, while maintaining appropriate controls around data privacy, information security, ethical use, and governance. By combining technology enablement with responsible adoption practices, the Company aims to strengthen its AI capabilities in a way that fosters innovation, enhances resilience, and creates sustainable business value.

LUCKY CORE INDUSTRIES

Lucky Core Industries Limited
Financial Statements

YBG

Independent Auditor's Report

To the members of Lucky Core Industries Limited

Report on the Audit of Unconsolidated Financial Statements

Opinion

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

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

Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
1.	**Revenue recognition** (Refer notes 3.21, 4.2.5, 30 and 31.1 to the annexed unconsolidated financial statements)	
	Net revenue from customers for the year ended June 30, 2026 amounted to Rs. 113,214.445 million. The Company earns revenue from multiple business lines which operate as distinct business units with significant volume of revenue transactions. Revenue is recognised when the Company satisfies performance obligations as specified in the contracts with the customers. There is a presumed risk of revenue being overstated resulting from the pressure management may feel to achieve performance targets set for the year. The Company also focuses on revenue as it is one of the key performance indicators of the Company. Accordingly, we consider that there is a risk of material misstatement of financial statements relating to revenue recognition.	Our audit procedures, amongst others, included the following: • Obtained understanding and evaluated the accounting policies and the Company's procedures with respect to revenue recognition. • Reviewed contracts with customers for each business segment to obtain an understanding of the terms particularly relating to timing and transfer of control of the products and assessed the appropriateness of revenue recognition policies and practices followed by the Company.

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S.No.	Key audit matters	How the matter was addressed in our audit
	On account of revenue being considered as an area involving high level of risk of material misstatement therefore, significant audit efforts are involved for the verification of the same. Accordingly, this has been considered as a key audit matter.	• Tested revenue transactions on a sample basis by inspecting underlying documentation including dispatch documents and sales invoices. • Performed analytical procedures over revenue transactions to identify trends and any unusual change in revenue for each segment. • Tested specific revenue transactions on a sample basis recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period. • Obtained understanding of the types and process of discounts offered to customers and tested on a sample basis discounts provided from supporting documentation including approvals of the discounts. • Assessed the related disclosures made in the annexed unconsolidated financial statements in accordance with the requirements of the applicable financial reporting framework.
2.	**Stock-in-trade and consumables** (Refer notes 3.8, 3.9, 4.2.7, 13.3 and 14.3 to the annexed unconsolidated financial statements)	
	As at June 30, 2026, the Company holds certain items of raw materials and consumables amounting to Rs. 2,305.037 million which comprises of coal, coke, limestone and rock salt. These inventory items are stored in the form of stockpiles. Since the weighing of these inventory items to determine the quantities in hand as at year end is not practicable, the reasonableness of the quantities on hand is assessed by obtaining measurements of stockpiles and converting these measurements into unit of volumes using the bulk density values. As the determination of stock quantities in hand as at reporting date, by measuring the volume and density of these items, involves significant estimates and the amounts involved are significant, this has been considered as a key audit matter.	Our audit procedures, amongst others, included the following: • Obtained an understanding of the process and procedures with respect to the specific items of the stock-in-trade and consumables stored in the form of stockpiles. • Attended physical inventory counts performed by the management's external expert and assessed the reasonableness of the management expert's process of measurement of stockpiles and the determination of volumes. • Engaged an independent auditor's expert to assess the appropriateness of measurements of stock quantities determined by the management's expert by performing an independent inventory count of these items. • Obtained and reviewed the inventory count reports of the management's external expert and matched the same with the quantities as determined by our independent expert to assess the appropriateness of measurement of stock quantities determined therein and ensured that the same have been used by the management for valuation of the related stock. • Assessed the related disclosures made in the annexed unconsolidated financial statements in accordance with the requirements of the applicable financial reporting framework.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

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

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

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

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: August 31, 2026
UDIN: AR202610069qM5NrTtRI

Unconsolidated Statement of Financial Position
As at June 30, 2026

	Note	June 30, 2026	June 30, 2025
		(PKR in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	7	38,445,137	38,637,751
Intangible assets	8	3,120,509	3,115,931
Right-of-use assets	9	247,418	368,211
		41,813,064	42,121,893
Long-term investments	10	2,412,491	2,412,491
Long-term loans	11	1,114,878	874,088
Long-term deposits and other assets	12	1,098,852	848,282
		4,626,221	4,134,861
		46,439,285	**46,256,754**
Current assets			
Stores, spares and consumables	13	3,707,964	3,450,363
Stock-in-trade	14	19,922,348	16,936,871
Trade debts	15	6,206,889	5,043,132
Loans and advances	16	993,932	1,252,652
Short-term deposits and prepayments	17	755,989	825,220
Other receivables	18	2,482,089	1,378,320
Short-term investments	19	21,269,067	19,103,368
Cash and bank balances	20	562,522	831,940
		55,900,800	48,821,866
Total assets		**102,340,085**	**95,078,620**
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
7,500,000,000 (June 30, 2025: 1,500,000,000) ordinary shares of PKR 2 (June 30, 2025: PKR 10) each	21.1	15,000,000	15,000,000
Issued, subscribed and paid-up share capital	21	923,591	923,591
Capital reserves	22	18,309,643	18,309,643
Revenue reserve - unappropriated profit		34,146,333	29,758,856
Total equity		**53,379,567**	**48,992,090**
LIABILITIES			
Non-current liabilities			
Staff retirement benefits	23	126,320	152,026
Long-term loans	24	7,888,881	9,539,945
Lease liabilities	9	218,847	307,146
Deferred income - government grant	25	322,032	477,833
Deferred tax liability - net	26	4,142,405	3,918,753
Long term portion of Sindh Infrastructure Development Cess	27.6	1,211,694	-
		13,910,179	**14,395,703**
Current liabilities			
Trade and other payables	27	12,827,869	15,972,525
Accrued mark-up		868,204	942,298
Short-term financing	28	16,833,908	10,507,093
Taxation - net		1,486,289	2,275,170
Current portion of long-term loans	24	2,618,516	1,573,868
Current portion of lease liabilities	9	83,012	81,649
Current portion of deferred income - government grant	25	155,801	181,122
Unclaimed dividend		176,740	157,102
		35,050,339	31,690,827
Total equity and liabilities		**102,340,085**	**95,078,620**
Contingencies and Commitments	29		

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba	**Samar Hayat**	**Atif Aboobukar**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Unconsolidated Statement of Profit or Loss

For the year ended June 30, 2026

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		(PKR in '000)	
Net turnover	31.1	113,214,445	120,013,160
Cost of sales	31.2	(88,666,012)	(92,672,747)
Gross profit		**24,548,433**	**27,340,413**
Selling and distribution expenses	33	(6,932,511)	(7,175,071)
Administration and general expenses	34	(2,912,224)	(2,245,039)
Operating profit		**14,703,698**	**17,920,303**
Other charges	35	(831,711)	(878,687)
Gain on bargain purchase	6	-	292,555
Finance costs	36	(2,491,833)	(2,210,457)
Exchange loss		(63,303)	(58,853)
		(3,386,847)	(2,855,442)
Other income	37	3,906,358	3,440,472
Profit before final taxes and income tax		**15,223,209**	**18,505,333**
Final taxes	38	(9,922)	(13,503)
Profit before income tax		**15,213,287**	**18,491,830**
Taxation - Income tax			
Current	38	(5,300,865)	(5,030,688)
Deferred	38	(220,416)	(1,822,732)
		(5,521,281)	(6,853,420)
Profit for the year		**9,692,006**	**11,638,410**
		(PKR)	
Basic and diluted earnings per share	39	**20.99**	**25.20**

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba	**Samar Hayat**	**Atif Aboobukar**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Unconsolidated Statement of Comprehensive Income

For the year ended June 30, 2026

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		---------------(PKR in '000)---------------	
Profit for the year		9,692,006	11,638,410
Other comprehensive loss			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement of defined benefit plans	23.3.1	(13,737)	(56,179)
Income tax effect	26	(3,236)	21,910
		(16,973)	(34,269)
Total comprehensive income for the year		**9,675,033**	**11,604,141**

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

Unconsolidated Statement of Changes in Equity

For the year ended June 30, 2026

	Issued, subscribed and paid-up share capital	Capital reserves (note 22)	Revenue reserve - unappropriated profit	Total
	---(PKR in '000)---			
Balance as at July 1, 2024	923,591	18,309,643	24,342,772	43,576,006
Profit for the year	-	-	11,638,410	11,638,410
Other comprehensive loss for the year - net of tax	-	-	(34,269)	(34,269)
Total comprehensive income for the year	-	-	11,604,141	11,604,141
Transactions with owners				
Final dividend for the year ended June 30, 2024 @ PKR 33 per share	-	-	(3,047,849)	(3,047,849)
Interim dividend for the year ended June 30, 2025 @ PKR 34 per share	-	-	(3,140,208)	(3,140,208)
	-	**-**	(6,188,057)	(6,188,057)
Balance as at June 30, 2025	**923,591**	**18,309,643**	**29,758,856**	**48,992,090**
Profit for the year	-	-	9,692,006	9,692,006
Other comprehensive loss for the year - net of tax	-	-	(16,973)	(16,973)
Total comprehensive income for the year	-	-	9,675,033	9,675,033
Transactions with owners				
Final dividend for the year ended June 30, 2025 @ PKR 6.20 per share	-	-	(2,863,131)	(2,863,131)
Interim dividend for the year ended June 30, 2026 @ PKR 5.25 per share	-	-	(2,424,425)	(2,424,425)
	-	-	(5,287,556)	(5,287,556)
Balance as at June 30, 2026	**923,591**	**18,309,643**	**34,146,333**	**53,379,567**

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

Unconsolidated Statement of Cash Flows

For the year ended June 30, 2026

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		---------------(PKR in '000)---------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	40	14,457,418	27,149,744
Payments for:			
Staff retirement benefit plans	23.3.2	(72,572)	(72,293)
Non-management staff gratuity and eligible retired employees' medical scheme		(49,697)	(49,388)
Income taxes		(6,099,668)	(7,289,709)
Interest on loans / finances		(2,344,571)	(1,845,012)
Net cash generated from operating activities		5,890,910	17,893,342
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(4,241,212)	(9,029,217)
Payment for acquisition of business		-	(5,000,000)
Proceeds from disposal of operating fixed assets		40,973	287,423
Profit received		22,804	39,720
Short-term investments redeemed / (made)		65,000	(265,000)
Net cash used in investing activities		(4,112,435)	(13,967,074)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities	9	(88,553)	(123,719)
Export refinance facility obtained / (repaid)		750,000	(2,117,578)
Long-term loans obtained	24.1	712,294	7,140,550
Long-term loans repaid	24.1	(1,499,832)	(1,127,004)
Dividends paid		(5,267,918)	(6,167,782)
Short term running finance obtained		5,576,815	890,167
Net cash generated from / (used in) financing activities		182,806	(1,505,366)
Net increase in cash and cash equivalents		1,961,281	2,420,902
Cash and cash equivalents at the beginning of the year		19,543,308	17,122,406
Cash and cash equivalents at the end of the year		**21,504,589**	**19,543,308**
Cash and cash equivalents at the end of the year comprise of:			
Cash and bank balances	20	562,522	831,940
Short-term investments	19	20,942,067	18,711,368
		21,504,589	**19,543,308**

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

1. THE COMPANY AND ITS OPERATIONS

1.1 Lucky Core Industries Limited (the Company) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) (the Act) and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacture of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate, pharmaceuticals and polyurethanes; marketing of seeds, manufactured (including toll manufactured) and imported pharmaceuticals and animal health products; merchanting of general chemicals and manufacturing of master batch. It also acts as an indenting agent and toll manufacturer. The Company's registered office is situated at 5 West Wharf, Karachi.

1.2 The Company is a subsidiary company of Lucky Cement Limited (the Holding Company). Lucky Core PowerGen Limited, Lucky TG (Private) Limited and Lucky Core Ventures (Private) Limited are the subsidiaries of the Company. During the year, Lucky Core Investments Limited (LCIL) was incorporated on December 31, 2025 as an offshore wholly owned subsidiary of the Company in the Jebel Ali Free Zone, UAE to facilitate potential future investments. As of June 30, 2026, the Company has not injected capital into LCIL.

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

1.4 Geographical location and addresses of major business units including plants of the Company are as under:

Karachi	**Purpose**
5 West Wharf Road	Head office and production plant
S-33, Hawksbay Road, S.I.T.E.	Production plant
B2, S.I.T.E.	Production plant
Lahore	
63 Mozang Road	Regional office
30-km, Sheikhupura Road	Production plant
Khewra	
LCI Soda Ash, Tehsil Pind Dadan Khan, District Jhelum	Regional office and production plant
Haripur	
Plot No. 32/2A Phase III, Industrial Estate Hattar	Production plant
Islamabad	
Islamabad Corporate Center, 2nd Floor, H-13	Regional office

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of, directives and notifications issued under the Companies Act, 2017. Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention, unless otherwise stated.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land and capital work-in-progress which are stated at cost less accumulated impairment losses, if any. All expenditures connected with specific assets incurred during installation and construction period including the cost of replacing parts and the cost of borrowings for long-term construction projects are carried under capital work-in-progress, if the recognition criteria is met. These are transferred to specific categories of property, plant and equipment as and when these are available for use.

Depreciation is based on the straight-line method whereby the cost of an asset less the estimated residual value is charged to the profit or loss over its estimated useful life at rates given in note 7.1 to these unconsolidated financial statements. The cost of leasehold land is depreciated in equal installments over the lease period. Depreciation on additions is charged from the month in which the asset is available for use and on disposals, up to the month of disposal.

Spare parts and servicing equipments are classified as property, plant and equipment under plant and machinery rather than store, spares and consumables where they meet the definition of property, plant and equipment. Available for use capital spares and servicing equipments are depreciated over their useful lives, or the remaining life of principal asset, whichever is lower.

The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. The effect of any adjustment to residual values, useful lives and methods is recognised prospectively as a change of accounting estimate.

Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred. Subsequent expenditures including major renewals and improvements are capitalised when it is probable that respective future economic benefits will flow to the Company and the cost of the items can be measured reliably.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The Company accounts for impairment, if any by reducing its carrying value to the recoverable amount (note 3.12).

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

3.2 Intangible assets

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and that cost of such asset can also be measured reliably. The cost of intangible assets acquired in business combinations is their fair value at the date of acquisition.

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

Amortisation is based on the cost of an asset less its estimated residual value. Amortisation is charged to the statement of profit or loss on the straight-line method over its estimated useful lives at the rates given in note 8 to these unconsolidated financial statements. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

3.3 Leases

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

Company as a lessee

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

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and accumulated impairment losses (if any) and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land and building	2 to 9 years
Motor vehicles	4 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer note 3.12 to these unconsolidated financial statements for policy on impairment of non-financial assets.

ii) Lease liabilities

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date, where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of regional sales offices and warehouses, summer houses and beach huts (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.4 Ijarah contracts

Payments made under ijarah contract are charged to the statement of profit or loss on straight line basis over the ijarah term as per Islamic Financial Accounting Standard 2 (IFAS 2).

3.5 Investment in subsidiaries and associate

Associates are entities over which the Company has significant influence but not control, generally represented by a shareholding of 20% or more but less than 50% of the voting rights. Significant influence is the power to participate in the financial and operating policies and decisions of investees. Subsidiaries are entities over which the Company has control, typically through ownership of more than 50% of the voting rights. Control exists when the Company:

- has the ability to direct the investee's financial and operating policies, enabling it to influence the investee's strategic decisions;
- has exposure to, or rights to, fluctuating returns resulting from its involvement with the investee; and
- can utilise its power over the investee to impact the amount of returns it receives from its investment.

Investments in subsidiary companies and associates are stated at cost less accumulated impairment, if any. An assessment is made at each reporting date to determine whether there is any indication that an investment may be impaired. If such indication exists, the estimated recoverable amount of the investment is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.6 Advances, prepayments and other receivables excluding financial assets

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

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

3.7.1 Initial recognition

Financial assets and financial liabilities are recognised at the time the Company becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value plus transaction costs except for financial assets carried at FVPL. Financial assets carried at FVPL are initially recognised at fair value and transaction costs associated with these financial assets are taken directly to profit or loss.

3.7.2 Financial assets

3.7.2.1 Classification and subsequent measurement

The Company classifies its financial assets in the following measurement categories:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL).

The classification requirements for debt and equity instruments are described below:

(i) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer’s perspective, such as loans, government and corporate bonds and puttable instruments like units of mutuals funds etc.

Classification and subsequent measurement of debt instruments depend on:

- the Company’s business model for managing the instrument; and
- the cash flow characteristics of the instrument.

Based on these factors, the Company classifies its debt instruments in one of the following three measurement categories:

a) At amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in note 3.7.2.2 to these unconsolidated financial statements.

b) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets’ cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, recognised and measured as described in note 3.7.2.2, interest revenue and foreign exchange gains and losses on the instrument’s amortised cost which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the profit or loss.

c) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for classification at amortised cost or FVOCI are measured at fair value through profit or loss (FVPL). A gain or loss on a debt investment that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in the profit or loss in the period in which it arises.

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are measured at fair value, with gains and losses recognised in the statement of profit or loss, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI.

The dividend income is recognised in the statement of profit or loss from equity securities classified under FVPL and FVOCI. However, any surplus / deficit arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is recognised in other comprehensive income and is not recycled to the profit or loss on derecognition.

3.7.2.2 Impairment

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Company recognises a loss allowance for such losses at each reporting date. 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 without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions (including macroeconomic factors).

For trade debts, the Company applies a simplified approach, where applicable, in calculating ECL. The Company has established a provision matrix for portfolio of customers having similar risk characteristics and estimates default rates based on the Company’s historical credit loss experience, adjusted for forward-looking factors (including gross domestic product and consumer price index).

The Company considers a financial asset to be at a risk of default when contractual payments are 90 days past due, unless there are factors that might indicate otherwise. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.7.2.3 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

(i) the Company transfers substantially all the risks and rewards of ownership; or

(ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

Any gain or loss on derecognition of financial assets is taken to the statement of profit or loss except in the case of equity instruments designated as FVOCI on initial recognition.

3.7.2.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Company commits to purchase or sell the asset. Previously, regular way purchases / sales of assets required delivery of securities within two days (T+2) from the transaction date as per the Pakistan Stock Exchange (PSX) regulations. During the current year, PSX officially transitioned to T+1 settlement cycle which require delivery of securities within one day from the transaction date.

3.7.3 Financial liabilities

Financial liabilities are classified and measured at amortised cost except for:

- Financial liabilities at FVPL; and
- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer.

3.7.3.1 Derecognition

Financial liabilities are derecognised at the time when these are extinguished, i.e., when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of financial liabilities is taken to the statement of profit or loss.

3.7.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.7.5 Business model

The business model reflects how the Company manages the assets in order to generate cash flows, that is, whether the objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of ‘other’ business model and measured at FVPL. Factors considered by the Company in determining the business model for a group of assets includes past experience on how the cash flows for these assets were collected, how the asset’s performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

3.7.6 Solely payments of principal and interest (SPPI)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments’ cash flows represent solely payments of principal and interest (the ‘SPPI test’). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

3.7.7 Reclassifications

The Company reclassifies financial assets only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent.

3.7.8 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured at its fair value and the resultant gain or loss is recognised in the profit or loss.

3.8 Stores, spares and consumables

Stores, spares and consumables are stated at weighted average cost less provision for slow moving and obsolete items (if any) except for items in-transit, if any, which are valued at cost comprising invoice value plus other charges incurred thereon up to the reporting date. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision, if required, is made in the financial statements for slow moving, obsolete and unusable items. Spares and consumables are assessed for impairment and provision is applied according to the degree of ageing based on a specific criteria.

3.9 Stock-in-trade

Stock-in-trade, excluding items in-transit is valued at the lower of weighted average cost and estimated net realisable value (NRV). NRV is the estimated selling price in the ordinary course of business less net estimated costs to sell.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Items in-transit are valued at cost comprising invoice value plus other charges incurred thereon up to the reporting date.

3.10 Taxation and levy

3.10.1 Income tax

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

i) Current

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with the Income Tax Ordinance, 2001 (the Ordinance) after taking into account tax credits available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalised during the year.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

3.10.2 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or

- When receivables and payables are stated inclusive of the amount of sales tax, the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.10.3 Levy

In accordance with the Ordinance, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, these fall within the scope of IFRIC 21 / IAS 37 and accordingly, have been classified as levy in the financial statements.

3.11 Cash and cash equivalents

Cash and cash equivalents are carried at cost. Cash and cash equivalents for the purpose of statement of cash flows comprise of cash in hand, investment in highly liquid mutual funds units, short-term highly liquid investments with original maturities of three months or less and current and deposit accounts held with banks, which are subject to insignificant risk of change.

3.12 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flows have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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

3.13 Staff retirement benefits

The Company’s retirement benefit plans comprise of provident funds, pensions, gratuity schemes and a pensioners' medical scheme for eligible retired employees.

i) Defined benefit plans

The Company operates a funded pension scheme and a funded gratuity scheme for its management staff. The pension and gratuity schemes are salary schemes providing pension and lump sum payments respectively. Pension and gratuity schemes for management staff are invested through two approved trust funds. The schemes define the amounts of benefit that an employee will receive on or after retirement subject to a minimum qualifying period of service under the schemes. The schemes are managed in conformity with the provisions of the Trust Deeds. The Company is responsible to make contributions to the funds as prescribed under the Trust Deeds and related rules. The trustees are responsible for the day to day management of the Funds.

The Company also operates a gratuity scheme for its non-management staff and the pensioners’ medical scheme which are unfunded. The pension and gratuity plans are final salary plans.

An actuarial valuation of all defined benefit schemes is conducted every year. The valuation uses the Projected Unit Credit method. The Company recognises an expense in accordance with the recommendation of the actuary.

All past service costs are recognised in the profit or loss at the earlier of when the amendment or curtailment occurs and when the Company has recognised related restructuring or termination benefits.

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

ii) Defined contribution plans

The Company operates two registered contributory provident funds for its entire staff and a registered defined contribution superannuation fund for its management staff, who have either opted for this fund by July 31, 2004 or have joined the Company after April 30, 2004.

iii) Pensioners' medical scheme

The pensioner’s medical plan reimburses actual medical expenses to pensioners as per entitlement.

3.14 Government grants

Government grants are recognised at the fair value of the consideration received. A grant without specified future performance conditions is recognised in income when the grant proceeds are received. A grant that imposes specified future performance conditions is recognised in income when all those conditions are met. Government grants received before the income recognition criteria is satisfied are presented as a separate liability in the statement of financial position. Government grants are recognised in the profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate and are presented as reduction of related interest expense.

3.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.16 Provisions, contingent assets and contingent liabilities

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognised as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are reviewed at each reporting date and adjusted prospectively.

A contingent asset is disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised until the inflow of economic benefits is virtually certain.

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

3.17 Foreign currency transactions and translation

Foreign currency transactions are recorded in Pakistan Rupees (PKR) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into PKR using the exchange rate prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and on translation of monetary assets and liabilities denominated in foreign currencies at reporting date are recognised in the statement of profit or loss.

3.18 Functional and presentation currency

These financial statements are presented in PKR, which is the Company's functional and presentation currency.

3.19 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, disclosure is made in the financial statements.

3.20 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company’s other components. An operating segment’s results are reviewed regularly by the Executive Management Committee i.e., the Chief Operating Decision Maker (CODM), that includes Chief Executive to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Chief Executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets, liabilities and related income and expenditures. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

For management purposes, the Company is organised into business units based on its products and services and has five reportable segments namely Polyester, Soda Ash, Animal Health, Pharmaceuticals and Chemicals and Agri Sciences. No operating segments have been aggregated to form the above reportable operating segments.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Transfer prices between operating segments are based on agreed prices approved by the board of directors.

3.21 Revenue from contracts with customers

a) Sale of goods

The Company is in the business of sale of goods. Revenue from contracts with customers is recognised at a point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The point at which the control passes generally occurs on dispatch of goods to the customers or as per the incoterms in case of exports. The normal credit term is 30 to 90 days upon dispatch.

The Company recognises revenue based on the following principles:

- identification of customer contracts;
- identification of performance obligations;
- determination of transaction price in the contract;
- allocation of price to performance obligations; and
- recognition of revenue when the performance obligations are fulfilled.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in note 4 to these unconsolidated financial statements.

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

The Company pays sales commission to its sales agents for certain contracts. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions because the amortisation period of the asset that the Company otherwise would have used is one year or less.

Contracts with the Company's customers provide them with a right of return, price adjustments and volume rebates and are considered as variable consideration. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

For goods that are expected to be returned the Company recognises a refund liability instead of revenue. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

The Company provides retrospective volume rebates (discounts) to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

b) Toll manufacturing income is recognised when services are rendered.

c) Indenting commission income is recognised, at the contractually agreed amount with the third-party supplier, after the sale invoice is issued to the end customer (satisfaction of performance obligation).

3.22 Other income

a) Dividend income is recognised when the right to receive dividend is established.
b) Profit on short-term deposits is accounted for using the effective interest rate method.
c) Other income is recognised on an accrual basis.

3.23 Contract balances

Trade debts

A receivable is recognised if an amount of consideration that is unconditional is due from the customer i.e., only the passage of time is required before payment of the consideration is due. Refer to accounting policies of financial assets disclosed in note 3.7 to these financial statements.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract i.e., transfers control of the related goods or services to the customer.

3.24 Current versus non current classification

The Company presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

3.25 Earnings per share

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

3.26 Commitments

Commitments for capital expenditure contracted for but not incurred are disclosed in the financial statements at committed amounts. Commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in rupee terms at committed amounts.

3.27 Share capital

Ordinary shares are classified as equity and are recorded at face value. Incremental costs, if any, directly attributable to the issuance of shares, are recognised in equity as a deduction, net of tax, from the proceeds.

3.28 Business combinations

All business combinations are accounted for using the acquisition method, irrespective of whether equity instruments or other assets are acquired. Identifiable assets acquired and liabilities assumed in a business combination are recognised at their acquisition-date fair value within the acquirer's statement of financial position. Where the initial accounting for a business combination is incomplete at the end of the reporting period, IFRS 3 permits the disclosure of provisional values, which shall be finalised within one year from the acquisition date.

Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, initially measured at their fair values as at the acquisition date. In case of acquisition of subsidiary, the Company recognises any non-controlling interests (NCI) in the acquired entity on an acquisition-by-acquisition basis, electing either fair value or the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Goodwill is initially measured at cost, being the excess of the:

- aggregate of the consideration transferred;
- amount recognised for any non-controlling interest in the acquired entity; or
- acquisition-date fair value of any previously held equity interest in the acquired entity;

over the fair value of the net identifiable assets acquired and liabilities assumed.

If the fair value of the net identifiable assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If this reassessment still results in an excess, the resulting gain is recognised directly in the profit or loss as Bargain Purchase Gain.

After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Where settlement of any portion of cash consideration is deferred, the future amount payable is discounted to their present value as at the date of exchange. The discount rate applied is the Company's incremental borrowing rate, defined as the rate at which a comparable borrowing could be obtained from an independent financier under similar terms and conditions.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

4.1 Judgments

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

4.1.1 Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company has several lease contracts that include extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the lease (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

4.1.2 Contingencies

The Company, based on the availability of the latest information, estimates the value of contingent liabilities, which may differ on the occurrence / non-occurrence of uncertain future event(s).

4.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described in notes 4.2.1 to 4.2.8. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.2.1 Income and sales tax - notes 29.2 and 38

The Company takes into account current income and sales tax laws and decisions taken by the appellate authorities. Instances where the Company's view differs from the view taken by the authorities at the assessment stage and where the Company, in consultation with its external counsel, considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities (unless there is a remote possibility of transfer of benefits).

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management considers tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4.2.2 Staff retirement benefits - note 23

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

4.2.3 Property, plant and equipment - note 7

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

4.2.4 Allowance for Expected Credit Loss (ECL) on financial assets - notes 15, 16 and 18

The Company uses a provision matrix to calculate ECLs for trade debts and other receivables. The provision rates are based on days past due for companies of various customer segments that have similar risk characteristics.

The assessment of ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

4.2.5 Revenue from contracts with customers - note 31.1

The Company estimates variable considerations to be included in the transaction price for the sale of goods with rights of return and volume rebates.

The Company has developed a model for forecasting sales returns. The model uses the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

The Company's expected volume rebates are analysed on a per customer basis for contracts that are subject to volume thresholds.

The Company updates its assessment of expected returns and volume rebates on a periodic basis and the refund liabilities are adjusted accordingly. Estimates of expected returns and volume rebates are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

4.2.6 Leases - Estimating the incremental borrowing rate - note 9

Where the Company cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) and incorporates applicable spread.

4.2.7 Stock-in-trade - note 14

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

Further, the Company holds certain items of raw materials and consumable comprising of coal, coke, limestone and rock salt which are stored in the form of stockpiles. As the weighing of these inventory items is not practicable, the reasonableness of the quantities on hand is assessed by obtaining measurements of stockpiles and converting these measurements into unit of volume by bulk density values.

4.2.8 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at normal commercial terms, for similar assets or observable market prices less incremental costs of disposing the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to cashflow assumptions. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 8.2.

5 NEW STANDARDS, AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS AND NEW INTERPRETATIONS

5.1 Amendments and interpretations to accounting and reporting standards that are effective in the current year

There are certain new amendments and interpretations to the accounting and reporting standards which are mandatory for accounting periods which began on July 1, 2025. However, these do not have any significant impact on the Company's financial statements and therefore, have not been stated in these financial statements.

5.2 Standards, amendments and interpretations to accounting and reporting standards that are not yet effective

There are certain new standards, amendments and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2026 but are considered not to be relevant or will not have any significant effect on the Company’s operations and therefore, have not been detailed in these financial statements, except for the following:

- IFRS 18 - Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) is applicable for periods beginning on or after January 1, 2027. IFRS 18, when applicable, shall impact the presentation of 'statement of profit or loss' with certain additional disclosures in the financial statements of the Company.

- amendments to IFRS 9 and IFRS 7 - Classification and Measurements of Financial Instruments (published in May 2024) applicable for periods beginning on or after January 1, 2026. These amendments:

  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; and

  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

The management is in the process of assessing the impacts of the new standard and amendments on the financial statements of the Company.

6. BUSINESS ACQUISITION

6.1 In line with the Company’s growth aspirations and strategic priorities, during the year ended June 30, 2025 the Company acquired a manufacturing facility, selected pharmaceutical products, brands and associated trademarks of Pfizer Pakistan Limited, for a total consideration of PKR 5,000 million. In addition to this the Company also acquired relevant working capital along with inventory for a consideration of PKR 2,437 million out of which PKR 1,125 million related to deferred consideration which was payable after one year from the acquisition date. The transaction was successfully completed on September 6, 2024 (acquisition date). Consequently, a gain on bargain purchase amounting to PKR 292.555 million was recognised during the year ended June 30, 2025. During the current year, deferred consideration of PKR 1,125 million was paid-off in accordance with the terms of the agreement.

	Note	As at June 30, 2026	As at June 30, 2025
7. PROPERTY, PLANT AND EQUIPMENT		---------(PKR in '000)---------	
Operating fixed assets	7.1	34,384,162	33,382,837
Capital work-in-progress	7.3	4,060,975	5,254,914
		38,445,137	38,637,751

7.1 Following is the statement of operating fixed assets:

	Note	Land		Lime beds on freehold land	Buildings		Plant and machinery	Rolling stock and vehicles	Furniture and equipment	Total
		Freehold	Leasehold		On freehold land	On leasehold land				
		--(PKR in '000)--								
		Year ended June 30, 2026								
Net carrying value basis										
Opening net book value		582,046	1,563,810	546,691	789,901	4,749,395	24,323,820	35,148	792,026	33,382,837
Additions / transfers		-	-	75,444	62,108	2,636,242	2,387,136	6,948	246,346	5,414,224
Disposals at net book value	7.1.1	-	-	-	-	-	(9,174)	-	(2,339)	(11,513)
Depreciation charge	7.2	-	(292)	(150,225)	(88,490)	(496,207)	(3,404,027)	(11,706)	(250,439)	(4,401,386)
Closing net book value		582,046	1,563,518	471,910	763,519	6,889,430	23,297,755	30,390	785,594	34,384,162
Gross carrying value basis										
Cost		582,046	2,126,220	1,193,261	3,605,013	10,319,240	60,322,366	143,297	2,155,970	80,447,413
Accumulated depreciation		-	(562,702)	(721,351)	(2,841,494)	(3,429,810)	(37,024,611)	(112,907)	(1,370,376)	(46,063,251)
Closing net book value		582,046	1,563,518	471,910	763,519	6,889,430	23,297,755	30,390	785,594	34,384,162
Depreciation rate per annum (%)		**-**	**2 to 4**	**5 to 25**	**5 to 33**	**3 to 33**	**3 to 50**	**10 to 33**	**10 to 50**	
		Year ended June 30, 2025								
Net carrying value basis										
Opening net book value		608,936	-	603,335	748,119	3,602,751	18,139,916	42,006	535,053	24,280,116
Additions / transfers		45,918	63,254	77,819	100,542	1,136,739	7,701,830	-	486,220	9,612,322
Assets acquired through business acquisition		-	1,500,800	-	-	385,013	1,339,549	115,255	-	3,340,617
Disposals at net book value		-	-	-	-	(143)	(82,586)	(110,665)	(109)	(193,503)
Depreciation charge	7.2	-	(244)	(134,463)	(83,926)	(374,965)	(2,822,531)	(11,448)	(229,138)	(3,656,715)
Transfers between categories		(72,808)	-	-	25,166	-	47,642	-	-	-
Closing net book value		582,046	1,563,810	546,691	789,901	4,749,395	24,323,820	35,148	792,026	33,382,837
Gross carrying value basis										
Cost		654,854	2,126,220	1,117,817	3,517,739	7,691,275	58,128,657	137,556	1,968,879	75,342,997
Transfers between categories - cost		(72,808)	-	-	25,166	-	47,642	-	-	-
Accumulated depreciation		-	(562,410)	(571,126)	(2,753,004)	(2,941,880)	(33,852,479)	(102,408)	(1,176,853)	(41,960,160)
Closing net book value		582,046	1,563,810	546,691	789,901	4,749,395	24,323,820	35,148	792,026	33,382,837
Depreciation rate per annum (%)		**-**	**2 to 4**	**5 to 25**	**5 to 33**	**3 to 33**	**3 to 50**	**10 to 33**	**10 to 50**	

7.1.1 Cost of building on leasehold land, plant and machinery, rolling stock and vehicles and furniture and equipment disposed of during the year amounts to PKR 8.277 million, PKR 241.069 million, PKR 1.207 million and PKR 59.255 million, respectively. Following are the details of disposals of operating fixed assets having net book value in excess of PKR 500,000:

Particulars	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of buyers	Relationship of purchaser with the Company or director (if any)
	--(PKR in '000)--							
Plant and machinery	14,963	7,468	7,495	3,450	(4,045)	Scrap	K S Innovations	N/A
Plant and machinery	1,157	485	672	143	(529)	Scrap	M. R. scrap dealer	N/A
Plant and machinery	1,060	300	760	1,050	290	Sale	Myplan Pharmaceuticals (Private) Limited	N/A
Items having book value less than PKR 500,000 each	292,628	290,042	2,586	36,330	33,744			
Total	309,808	298,295	11,513	40,973	29,460			
2025	624,491	430,988	193,503	287,423	93,920			

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
7.2	Depreciation charge for the year has been allocated as follows:		------------(PKR in '000)------------	
	Cost of sales	32	4,273,888	3,545,736
	Selling and distribution expenses	33	36,711	24,332
	Administration and general expenses	34	90,787	86,647
			4,401,386	3,656,715

7.3 Following is the movement in capital work-in-progress during the year:

	Civil works and buildings	Plant and machinery	Furniture and equipment	Advances to suppliers / contractors	Designing, consultancy and engineering fee	Total
	(PKR in '000)					
	Year ended June 30, 2026					
Opening balance	679,516	3,285,932	1,099,765	179,634	10,067	5,254,914
Additions during the year - note 7.3.1	1,225,870	2,060,181	796,438	116,943	12,367	4,211,799
Transferred to operating fixed assets during the year	(2,771,062)	(2,383,216)	(251,460)	-	-	(5,405,738)
Transfers between categories	997,781	372,159	(1,290,684)	(79,256)	-	-
Closing balance	132,105	3,335,056	354,059	217,321	22,434	4,060,975
	Year ended June 30, 2025					
Opening balance	377,622	1,817,208	611,430	1,999,814	680,322	5,486,396
Additions during the year - note 7.3.1	1,400,910	4,727,554	997,038	1,844,400	15,206	8,985,108
Assets acquired through business acquisition	-	379,771	-	-	-	379,771
Transferred to operating fixed assets during the year	(1,333,463)	(7,570,528)	(486,277)	(206,093)	-	(9,596,361)
Transfers between categories	234,447	3,931,927	(22,426)	(3,458,487)	(685,461)	-
Closing balance	679,516	3,285,932	1,099,765	179,634	10,067	5,254,914

		For the year ended June 30, 2026	For the year ended June 30, 2025
		------------(PKR in '000)------------	
7.3.1	This includes interest charged in respect of loans utilised for projects at an average capitalisation rate of 11.24% (June 30, 2025: 14.02%) per annum amounting to:	110,890	788,060

7.4 Particulars of immovable assets of the Company are as follows:

Location	Address	Usage of immovable property	Covered area (sq.ft)
Karachi	5 West Wharf Road	Head office and production plant	117,619
	S-33, Hawksbay Road, S.I.T.E	Production plant	11,500
	B-2, S.I.T.E.	Production plant	190,338
Lahore	63 Mozang Road	Regional office	28,454
	30-Km, Sheikhupura Road	Production plants	1,956,511
Khewra	LCI Soda Ash, Tehsil Pind Dadan Khan, District Jhelum	Regional office and production plant	2,744,404
Haripur	Plot No. 32/2A Phase III, Industrial Estate Hattar	Production plant	39,916
Islamabad	2nd Floor, Islamabad Corporate Center, Golra Road	Regional office	7,180

8. INTANGIBLE ASSETS

	Note	Brands	Goodwill	Softwares	Licenses	Total
		(PKR in '000)				
		Year ended June 30, 2026				
Net carrying value basis						
Opening net book value		2,856,327	206,374	34,233	18,997	3,115,931
Additions		-	-	11,467	9,460	20,927
Amortisation charge	8.1	-	-	(10,684)	(5,665)	(16,349)
Closing net book value		2,856,327	206,374	35,016	22,792	3,120,509
Gross carrying amount						
Cost		2,856,327	206,374	274,145	274,779	3,611,625
Accumulated amortisation		-	-	(239,129)	(251,987)	(491,116)
Closing net book value		2,856,327	206,374	35,016	22,792	3,120,509
Useful life		**Indefinite**	**Indefinite**	**Up to 10 years**	**Up to 10 years**	
		Year ended June 30, 2025				
Net carrying value basis						
Opening net book value		1,437,679	206,374	23,464	15,437	1,682,954
Additions		-	-	16,636	11,513	28,149
Assets acquired through business acquisition		1,418,648	-	-	-	1,418,648
Amortisation charge	8.1	-	-	(5,867)	(7,953)	(13,820)
Closing net book value		2,856,327	206,374	34,233	18,997	3,115,931
Gross carrying amount						
Cost		2,856,327	206,374	262,678	265,319	3,590,698
Accumulated amortisation		-	-	(228,445)	(246,322)	(474,767)
Closing net book value		2,856,327	206,374	34,233	18,997	3,115,931
Useful life		Indefinite	Indefinite	Up to 10 years	Up to 10 years	

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
8.1 Amortisation charge for the year has been allocated as follows:		(PKR in '000)	
Cost of sales	32	5,311	3,636
Administration and general expenses	34	11,038	10,184
		16,349	13,820

8.2 Impairment testing of intangibles with indefinite useful lives

Goodwill and brands having indefinite useful lives have been allocated and are monitored at the Pharma division of the Company. The Company has performed its annual impairment test as at June 30, 2026. The brand and goodwill are expected to generate economic benefits indefinitely through sustained market recognition, customer loyalty, business synergies, and growth opportunities, with no legal, contractual, regulatory, or commercial factors indicating a foreseeable limit to their useful lives.

The recoverable amount is determined based on a value-in-use calculation using cash flow projections covering a five year period and applying the expected value approach. The discount rate applied to cash flow projections is 14.5% for goodwill and intangibles with indefinite useful lives for impairment testing. The growth rate used to extrapolate the cash flows beyond the five-year period is 3%. As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill amounting to PKR 206.374 million and intangibles with indefinite useful lives (Brands) amounting to PKR 2,856.327 million are allocated.

8.2.1 Key assumptions used in value-in-use calculations

The calculation of value-in-use is most sensitive to the following assumptions:

(i) Discount rate

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target weighted average cost of capital of the Company.

(ii) Key business assumptions

These assumptions are based on industry growth estimates and management's assessment of how the cash generating unit's position, relative to its competitors, might change over the projected period. Revenue growth assumptions range from 7% to 20%, reflecting expected market conditions, anticipated demand for products and projected market share trends. Cost of sales has been projected in line with expected revenue growth, considering anticipated inflationary pressures and exchange rate movements affecting imported raw materials and APIs.

8.2.2 Sensitivity to changes in assumptions

Management believes that after considering the various scenarios, no reasonably possible change in any of the above key assumptions would cause the carrying value of the cash generating unit to materially exceed its recoverable amount.

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company has lease contracts for various items of land and buildings and vehicles used in its operations. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of sales offices and warehouses with lease terms of 12 months or less. The Company applies the 'short-term lease' exemptions for these leases. For such contracts, the management has competitive options available in the market and the replacement costs are estimated to be minimal.

Set out below is the carrying amount of right-of-use assets recognised and their movement during the year:

	Note	Motor vehicles	Land and buildings	As at June 30, 2026	As at June 30, 2025
		(PKR in '000)			
Net carrying value basis					
Opening balance		37,251	330,960	368,211	182,457
Additions		-	13,209	13,209	321,968
Termination		-	(9,022)	(9,022)	(4,685)
Depreciation charge	9.2	(14,414)	(110,566)	(124,980)	(131,529)
Closing balance		22,837	224,581	247,418	368,211

	Note	As at June 30, 2026	As at June 30, 2025
Set out below is the carrying amount of lease liabilities and its movement during the year:		(PKR in '000)	
Opening balance		388,795	196,025
Additions		13,209	321,968
Accretion of interest	36	51,234	60,810
Interest payments - presented as operating cashflows		(51,234)	(60,810)
Termination		(11,592)	(5,479)
Payment of lease liabilities		(88,553)	(123,719)
Closing balance		301,859	388,795
Current portion of lease liabilities		83,012	81,649
Non-current portion of lease liabilities		218,847	307,146
		301,859	388,795

		Note	As at June 30, 2026	As at June 30, 2025
9.1	The following are the amounts recognised in the unconsolidated statement of profit or loss:		--------------(PKR in '000)--------------	
	Depreciation expense on right-of-use assets	9.2	124,980	131,529
	Accretion of interest	36	51,234	60,810
			176,214	192,339
9.2	**Allocation of depreciation expense**			
	Cost of sales	32	42,643	40,120
	Selling and distribution expenses	33	5,574	4,899
	Administration and general expenses	34	76,763	86,510
			124,980	131,529

9.3 Lease payments of short-term leases amounting to PKR 102.619 million (June 30, 2025: PKR 111.311 million) have been recognised as expense during the year.

		As at June 30, 2026	As at June 30, 2025
10.	**LONG-TERM INVESTMENTS**		
		--------------(PKR in '000)--------------	
	Unquoted - at cost		
	Subsidiaries		
	- Lucky Core PowerGen Limited (wholly owned) 7,100,000 ordinary shares (June 30, 2025: 7,100,000 ordinary shares) of face value of PKR 100 each	**710,000**	710,000
	Provision for impairment	**(209,524)**	(209,524)
		500,476	500,476
	- Lucky Core Ventures (Private) Limited (wholly owned) 10,000 ordinary shares (June 30, 2025: 10,000 ordinary shares) of face value of PKR 10 each	100	100
	- Lucky TG (Private) Limited (51% owned) 510,000 ordinary shares (June 30, 2025: 510,000 ordinary shares) of face value of PKR 10 each	5,100	5,100
	Associate		
	- NutriCo Morinaga (Private) Limited (22.2% holding) 20,121,621 ordinary shares (June 30, 2025: 20,121,621 ordinary shares) of face value of PKR 100 each	1,904,315	1,904,315
	Others		
	Equity		
	- Arabian Sea Country Club Limited 250,000 ordinary shares (June 30, 2025: 250,000 ordinary shares) of face value of PKR 10 each	2,500	2,500
		2,412,491	2,412,491

10.1 The principal place of business of all the investees is in Pakistan.

		Note	As at June 30, 2026	As at June 30, 2025
11.	**LONG-TERM LOANS**		--------------(PKR in '000)--------------	
	Considered good - secured			
	Due from executives and employees	11.1	1,114,878	874,088

11.1 Due from executives and employees

	Note	Loans for motor vehicle	Other loans	As at June 30, 2026	As at June 30, 2025
		------(PKR in '000)------			
Due from executives	11.2	473,466	91,789	565,255	439,811
Receivable within one year	16	(36,555)	(91,789)	(128,344)	(160,733)
		436,911	-	436,911	279,078
Due from employees	11.2			762,256	774,145
Receivable within one year	16			(84,289)	(179,135)
				677,967	595,010
				1,114,878	874,088
Outstanding for the period:					
- over one year but less than three years				216,860	172,924
- more than three years				898,018	701,164
				1,114,878	874,088

11.2 Loans for purchase of motor vehicles and others are repayable between two to ten years. These loans are interest free and granted to the employees, including executives of the Company, in accordance with the terms of employment.

		2026	2025
11.3	The maximum amount of loans to executives and employees outstanding at any time during the year calculated with reference to month end balances are:	1,327,511	1,213,956

		Note	As at June 30, 2026	As at June 30, 2025
12.	**LONG-TERM DEPOSITS AND OTHER ASSETS**		--------------(PKR in '000)--------------	
	Prepaid staff cost		730,448	507,370
	Deposits		109,808	97,079
	Staff retirement funds - net			
	- Pension (Funded)	23.3.2	258,596	243,833
			1,098,852	848,282
13.	**STORES, SPARES AND CONSUMABLES**			
	Stores	13.1	231,074	370,701
	Spares	13.1	1,541,402	1,398,139
	Consumables	13.1 & 13.3	2,080,260	1,823,516
			3,852,736	3,592,356
	Provision for slow moving and obsolete stores and spares	13.2	(144,772)	(141,993)
			3,707,964	3,450,363
13.1	Includes stores, spares and consumables in transit amounting to:		493,797	798,798
13.2	Movement of provision for slow moving and obsolete stores and spares is as follows:			
	Opening balance		141,993	133,944
	Charge for the year - net	32	2,779	8,049
	Closing balance		144,772	141,993

13.3 This includes stock of coal amounting to PKR 1,354.752 million (June 30, 2025: PKR 983.110 million) which is stored in the form of stockpiles.

14. STOCK-IN-TRADE

	Note	As at June 30, 2026	As at June 30, 2025
		--------------(PKR in '000)--------------	
Raw and packing material including in-transit amounting to PKR 2,028.156 million (June 30, 2025: PKR 1,036.658 million)	14.3 & 14.4	**9,766,477**	8,208,968
Work-in-process		**622,031**	461,284
Finished goods including in-transit amounting to PKR 457.756 million (June 30, 2025: PKR 366.011 million)	14.2	**9,900,410**	8,450,841
		20,288,918	17,121,093
Provision for slow moving and obsolete stock-in-trade	14.1	**(366,570)**	(184,222)
		19,922,348	16,936,871

14.1 Movement of provision for slow moving and obsolete stock-in-trade is as follows:

	Note	2026	2025
Opening balance		184,222	232,113
Charge for the year - net	32	436,312	49,163
Write-off during the year		(253,964)	(97,054)
Closing balance		366,570	184,222

14.2 Stock costing PKR 2,121.618 million (June 30, 2025: PKR 107.522 million) has been measured at net realisable value. The related provision amounting to PKR 154.526 million (June 30, 2025: PKR 9.360 million) has been recognised in the unconsolidated statement of profit or loss.

14.3 This includes stock pertaining to coke, limestone and rock salt amounting to PKR 640.892 million, PKR 64.547 million and PKR 244.846 million (June 30, 2025: PKR 415.336 million, PKR 92.335 million and PKR 299.279 million), respectively, which are stored in the form of stockpiles.

14.4 This includes raw and packing materials held with the following toll manufacturers:

	Note	As at June 30, 2026	As at June 30, 2025
		--------------(PKR in '000)--------------	
The Experts		140,550	189,108
Four Season Enterprises		-	52,022
Aamster Laboratories		15,327	27,730
Swiss Pharma		453	-
Amgill (Private) Limited		33,740	27,226
Bio-Labs (Private) Limited		20,058	21,416
Selmore Pharmaceuticals (Private) Limited		10,474	12,747
Biotech Fertilizers (Private) Limited		11,831	12,337
NovaMed Pharmaceuticals (Private) Limited		672	5,697
Citi Pharma Limited		-	5,060
Pharmasol (Private) Limited		-	2,862
CSH Pharmaceutical (Private) Limited		1,283	1,401
Vital Agri Nutrients (Private) Limited		1,869	906
		236,257	358,512

15. TRADE DEBTS

	Note	2026	2025
Considered good			
- Secured		1,479,693	1,169,560
- Unsecured			
Due from associated companies	15.1 & 15.2	126,463	53,764
Others		5,353,382	4,628,133
		6,959,538	5,851,457
Considered doubtful		179,490	232,847
		7,139,028	6,084,304
- Allowance for expected credit losses (ECL)	15.3	(179,490)	(232,847)
- Provision for price adjustments, discounts and sales returns		(752,649)	(808,325)
		(932,139)	(1,041,172)
		6,206,889	5,043,132

		Note	As at June 30, 2026	As at June 30, 2025
			--------------(PKR in '000)--------------	
15.1	Amounts due from the related parties, which are neither past due nor impaired, as of the reporting date are as follows:			
	Unsecured			
	Gadoon Textile Mills Limited		74,866	18,703
	Yunus Textile Mills Limited		31,613	15,037
	Lucky Motor Corporation Limited		13,008	9,252
	Lucky Textiles Mills Limited		4,724	2,217
	Tabba Heart Institute		1,326	2,240
	Tabba Kidney Institute		926	829
	International Industries Limited	15.4	-	3,930
	Lucky Cement Limited		-	1,097
	Lucky Al Shumookh Holdings Limited		-	224
	ChildLife Foundation		-	235
			126,463	53,764
15.2	The maximum amount outstanding from related parties at any time during the year, with reference to month end balances, are as follows:			
	Unsecured			
	Gadoon Textile Mills Limited		320,742	442,493
	Yunus Textile Mills Limited		31,613	38,972
	Lucky Core PowerGen Limited		29,711	72,865
	Lucky Textiles Mills Limited		20,921	59,458
	Lucky Motor Corporation Limited		13,008	29,171
	Tabba Heart Institute		2,219	2,702
	Lucky Cement Limited		1,097	3,999
	Tabba Kidney Institute		1,334	2,482
	Nutrico Morinaga (Private) Limited		649	-
	ChildLife Foundation		233	749
	Lucky Al Shumookh Holdings Limited		224	224
	Premium Textile Mills Limited		31	-
	Kohinoor Textile Mills Limited		2	-
	Lucky Foods (Private) Limited		-	2,911
	International Industries Limited	15.4	-	6,490
			421,784	662,516
15.3	Movement of allowance for ECL is as follows:			
	Opening balance		232,847	170,820
	(Reversal) / Charge for the year - net	34	(4,123)	66,002
	Write-off during the year		(49,234)	(3,975)
	Closing balance		179,490	232,847

15.4 International Industries Limited ceased to be a related party with effect from May 11, 2026. The maximum amount outstanding from International Industries Limited at any time during the year with reference to month end balance is PKR 3.93 million.

	Note	Year ended June 30, 2026	Year ended June 30, 2025
		--------------(PKR in '000)--------------	
16. LOANS AND ADVANCES			
Considered good			
Loans due from:			
- Executives	11.1	**128,344**	160,733
- Employees	11.1	**84,289**	179,135
		212,633	339,868
Advances to:			
- Executives		**32,928**	25,857
- Employees		**1,571**	1,195
- Contractors and suppliers	16.1	**746,800**	885,732
		781,299	912,784
		993,932	1,252,652
Considered doubtful		**11,727**	30,817
		1,005,659	1,283,469
Allowance for ECL	16.2	**(11,727)**	(30,817)
		993,932	1,252,652

16.1 This includes advances to foreign suppliers, having latest maturity within one year, amounting to PKR 14.532 million (June 30, 2025: PKR 8.105 million), details of which are as follows:

		As at June 30, 2026	
Name	**Jurisdiction**	**Amount in foreign currency**	**(PKR in '000)**
Abhelfen Life Science Private Limited	India	USD 11,900	3,318
Hangzhou EMEI Mechanical Technology Company Limited	China	USD 12,598	3,517
Carbogen Amcis B.V.	Netherlands	USD 9,405	2,623
Nantong Acetic Acid Chemical Company Limited	China	USD 6,000	1,676
DSM Nutritional Products Asia Pacific PTE. Limited	Singapore	USD 5,096	1,439
Dr. Paul Lohmann GmbH & Co. KGaA	Germany	EUR 4,033	1,302
Signet Excipients Private Limited	India	USD 999	279
Sichuan Qingmu Pharmaceutical Company Limited	China	USD 900	251
Changzhou Pharmaceutical Factory	China	USD 450	127
			14,532

	Note	As at June 30, 2026	As at June 30, 2025
16.2 Movement of allowance for ECL is as follows:		--------------(PKR in '000)--------------	
Opening balance		**30,817**	25,542
(Reversal) / Charge for the year - net	34	**(13,047)**	5,275
Write-off during the year		**(6,043)**	-
Closing balance		**11,727**	30,817

17. SHORT-TERM DEPOSITS AND PREPAYMENTS			
Prepaid staff cost		**175,486**	141,059
Short-term trade deposits		**330,475**	432,290
Short-term prepayments		**250,028**	251,871
		755,989	**825,220**

		Note	As at June 30, 2026	As at June 30, 2025
18.	**OTHER RECEIVABLES**		--------------(PKR in '000)--------------	
	Considered good			
	Duties and sales tax		**1,804,309**	946,445
	Commission and discounts receivable		**11,333**	9,202
	Due from subsidiaries	18.1 & 18.2	**343,820**	3,139
	Due from associated company	18.1 & 18.2	**-**	8,475
	Receivable from principals		**82,396**	197,363
	Accrued interest income		**625**	7,510
	Others		**239,606**	206,186
			2,482,089	1,378,320
	Considered doubtful		**121,138**	59,138
			2,603,227	1,437,458
	Allowance for ECL	18.3	**(121,138)**	(59,138)
			2,482,089	1,378,320

18.1 Dues from subsidiaries and associated company, which are neither past due nor impaired, comprise of the following:

Unsecured		
NutriCo Morinaga (Private) Limited - Associate	**-**	8,475
Lucky Core Ventures (Private) Limited - Subsidiary	**1,945**	1,264
Lucky Core PowerGen Limited - Subsidiary	**341,875**	1,875
	343,820	**3,139**
	343,820	**11,614**

18.2 The maximum amount due from subsidiaries and associated company outstanding at any time during the year, with reference to month end balances, are as follows:

Unsecured		
NutriCo Morinaga (Private) Limited - Associate	**14,357**	19,874
Lucky Core Ventures (Private) Limited - Subsidiary	**1,945**	1,264
Lucky Core PowerGen Limited - Subsidiary	**341,875**	1,875
	358,177	23,013

		Note	As at June 30, 2026	As at June 30, 2025
18.3	Movement of allowance for ECL is as follows:		--------------(PKR in '000)--------------	
	Opening balance		**59,138**	32,466
	Charge for the year - net	34	**90,680**	26,672
	Write-off during the year		**(28,680)**	-
	Closing balance		**121,138**	59,138

19.	**SHORT-TERM INVESTMENTS**			
	At fair value through profit or loss			
	Investment in mutual funds	19.1	**20,942,067**	18,711,368
	At amortised cost			
	Term deposits receipts	19.2	**327,000**	392,000
			21,269,067	19,103,368

19.1 This mainly includes amount received from sale proceeds of disposal of interest in NutriCo Morinaga (Private) Limited including the associated income from investment in mutual funds. The amount is invested in units of Shariah Compliant money market mutual funds, which are readily encashable.

	As at June 30, 2026		As at June 30, 2025	
	Number of units (in '000)	Value of investment (PKR in '000)	Number of units (in '000)	Value of investment (PKR in '000)
Lucky Islamic Income Fund	**68,154**	**6,837,441**	-	-
HBL Islamic Money Market Fund	**24,586**	**2,506,989**	22,900	2,325,338
Faysal Islamic Cash Fund	**20,285**	**2,038,697**	35,095	3,517,485
ABL Islamic Money Market Plan - I	**191,261**	**1,916,615**	129,881	1,301,654
Faysal Islamic Mehdood Muddat Plan - XXIII	**17,169**	**1,726,308**	-	-
Meezan Fixed Term Fund	**21,482**	**1,076,065**	-	-
Lucky Islamic Fixed Term Plan - 21	**7,520**	**752,843**	-	-
Lucky Islamic Fixed Term Plan - 22	**7,512**	**751,927**	-	-
Lucky Islamic Stock Fund	**5,342**	**736,060**	-	-
NBP Islamic Fixed Term Munafa Plan - IB	**58,544**	**592,633**	-	-
Alfalah Islamic Money Market Fund	**5,717**	**575,282**	6,262	628,629
BMA Islamic Noor Cash Fund	**5,053**	**505,908**	-	-
Alhamra Cash Management Optimizer	**4,895**	**492,358**	4,568	458,325
Al-Ameen Islamic Cash Fund	**4,266**	**432,941**	4,823	495,441
Lucky Islamic Money Market Fund	**-**	**-**	84,239	8,438,341
NBP Islamic Money Market Fund	**-**	**-**	107,144	1,090,215
Meezan Cash Fund	**-**	**-**	8,864	455,940
	441,786	**20,942,067**	403,776	18,711,368

19.2 This includes security deposits from certain distributors kept separately with various banks at pre-agreed rate, maturing at various dates. These are interest based arrangements and these term deposits are readily encashable without any penalty. The mark-up rate on the short-term deposits ranged from 6% to 9.5% (June 30, 2025: 6% to 16.7%) per annum.

	Note	As at June 30, 2026	As at June 30, 2025
20. CASH AND BANK BALANCES		-------------(PKR in '000)-------------	
Cash at banks:			
- Savings account	20.1	**55,417**	-
- Current accounts		**497,778**	822,570
Cash in hand		**9,327**	9,370
		562,522	831,940

20.1 The mark-up percentage on the savings account during the year ranged from 11.2% to 11.5% (June 30, 2025: Nil) per annum.

21. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

As at June 30, 2026	As at June 30, 2025		Note	As at June 30, 2026	As at June 30, 2025
--------(Number of shares)-------				------------(PKR in '000)------------	
418,670,310	83,734,062	Ordinary shares of PKR 2 (June 30, 2025: PKR 10) each fully paid in cash	21.1	**837,341**	837,341
1,059,625	211,925	Ordinary shares of PKR 2 (June 30, 2025: PKR 10) each issued as fully paid for consideration other than cash under scheme of arrangement for amalgamation	21.1 & 21.2	**2,119**	2,119
83,930	16,786	Ordinary shares of PKR 2 (June 30, 2025: PKR 10) each issued as fully paid bonus shares	21.1	**168**	168
41,981,385	8,396,277	Ordinary shares issued pursuant to the previous scheme as fully paid for consideration of investment in associate	21.1, 21.2 & 21.3	**83,963**	83,963
461,795,250	92,359,050			**923,591**	923,591

21.1 During the year ended June 30, 2025, the Company announced a subdivision (stock split) of the face value of its ordinary shares from PKR 10 to PKR 2 per share, aimed at enhancing investor accessibility, improving stock liquidity and broadening shareholder participation. The subdivision was approved by the members of the Company at the Extraordinary General Meeting held on June 20, 2025. Following this approval, the remaining regulatory and procedural formalities were completed on July 19, 2025. Following the subdivision of shares, the Company's subscribed and paid-up capital has been restructured, whereby, the number of issued and subscribed ordinary shares has increased from 92,359,050 ordinary shares of PKR 10 each to 461,795,250 shares of PKR 2 each and the number of authorised ordinary shares has increased from 1,500,000,000 ordinary shares of PKR 10 each to 7,500,000,000 shares of PKR 2 each, with no change in the rights and privileges attached to the shares.

Accordingly, in accordance with the financial reporting framework, the weighted average number of ordinary shares outstanding during the year and for all years presented have been adjusted in the ratio of 5-for-1 for calculation of earnings per share.

21.2 The process for amalgamation of three companies namely Paintex Limited, ICI Pakistan Manufacturers Limited and Imperial Chemical Industries Limited resulted in a new company as ICI Pakistan Limited (now Lucky Core Industries Limited) on April 01, 1987.

21.3 With effect from October 01, 2000, the Pure Terephthalic Acid (PTA) business of the Company was demerged under a scheme of arrangement dated December 12, 2000 approved by the shareholders and sanctioned by the Sindh High Court.

21.4 As at June 30, 2026, the Holding Company together with Yunus Textile Mills Limited, Gadoon Textile Mills Limited, Lucky Textile Mills Limited and YB Pakistan Limited held 81.20% (June 30, 2025: 81.60%) while institutions held 6.53% (June 30, 2025: 7.48%) and individuals, Modarabas and Mutual Funds and others held the balance of 12.27% (June 30, 2025: 10.92%) of shareholding of the Company. Voting rights and other shareholders' rights are in proportion to their shareholding.

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

		Note	As at June 30, 2026	As at June 30, 2025
22.	**CAPITAL RESERVES**		------------(PKR in '000)------------	
	Share premium	22.1	**309,057**	309,057
	Capital receipts	22.2	**586**	586
	Reserve for capacity expansions and long-term investments	22.3	**18,000,000**	18,000,000
			18,309,643	18,309,643

22.1 Share premium includes premium amounting to PKR 0.902 million received on shares issued for the Company's Polyester Plant installation in 1980 and premium of PKR 308.982 million representing the difference between nominal value of PKR 10 per share on 8,396,277 ordinary shares issued by the Company and the market value of PKR 392.958 million of these shares corresponding to 25% holding acquired in Lotte Pakistan PTA Limited, an ex-associate, at the date of acquisition i.e. November 2, 2001. The number of shares that had been issued were determined in accordance with the previous scheme in the ratio between market value of the shares of two companies based on the mean of the middle market quotation of the Karachi Stock Exchange (now Pakistan Stock Exchange Limited) over the ten trading days between October 22, 2001 to November 2, 2001.

22.2 Represents amount received from various overseas ICI plc group companies for the purchase of property, plant and equipment. The remitting companies have no claim on repayments.

22.3 Over the years, the Company has heavily invested in various expansion and growth initiatives to ultimately create value for its shareholders. Having invested reserves in various capacity expansion projects and long-term investments, a certain portion of reserves of the Company have been utilised. The Board of Directors of the Company in its meeting held on June 10, 2024 approved the transfer of PKR 18,000 million from revenue reserves (unappropriated profits) to capital reserves to more accurately reflect the nature of these reserves. These reserves will not be available for distribution by way of dividend.

		Note	As at June 30, 2026	As at June 30, 2025
			------------(PKR in '000)------------	
23.	**STAFF RETIREMENT BENEFITS**			
	Gratuity (Funded)	23.3	**14,517**	29,300
	Non-management gratuity (Unfunded)	23.3	**111,803**	122,726
			126,320	152,026

23.1 The Company is operating a funded defined benefit pension scheme and a funded defined benefit gratuity scheme for its management staff who joined prior to August 1, 2004 for Pension Scheme and prior to March 21, 2016 for Gratuity Scheme, respectively. The Company also operates defined benefit gratuity scheme for non-management staff and the pensioners' medical scheme which are unfunded. Actuarial valuation of defined benefit plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2026. For related accounting policies note refer note 3.13.

23.2 Plan assets held in Trust are governed by local regulations which mainly includes repealed Trust Act, 1882, Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deed of the plans. Responsibility for governance of the Plans, including investment and funding decisions and contribution schedules lies with the Board of Trustees. The Company appoints the trustees.

23.3 Staff retirement benefits

23.3.1 The amounts recognised in the unconsolidated statement of profit or loss and unconsolidated statement of comprehensive income against defined benefit schemes are as follows:

	Note	2026				2025			
		Funded			Unfunded	Funded			Unfunded
		Pension	Gratuity	Total	Non management gratuity	Pension	Gratuity	Total	Non management gratuity
		----------(PKR in '000)----------							
Unconsolidated statement of profit or loss									
Current service cost		**832**	**56,783**	**57,615**	**4,563**	927	47,153	48,080	4,112
Interest cost		**58,878**	**120,313**	**179,191**	**12,689**	68,525	124,583	193,108	16,072
Expected return on plan assets		**(86,894)**	**(121,125)**	**(208,019)**	**-**	(97,902)	(131,380)	(229,282)	-
Net (reversal) / charge for the year		**(27,184)**	**55,971**	**28,787**	**17,252**	(28,450)	40,356	11,906	20,184
Unconsolidated statement of comprehensive income:									
Loss / (gain) on obligation		**29,260**	**71,642**	**100,902**	**(502)**	95,762	227,426	323,188	5,298
Gain on plan assets		**(16,839)**	**(69,824)**	**(86,663)**	**-**	(115,289)	(157,018)	(272,307)	-
Net loss / (gain) for the year		**12,421**	**1,818**	**14,239**	**(502)**	(19,527)	70,408	50,881	5,298

23.3.2 Movement in the net asset / (liability) recognised in the unconsolidated statement of financial position is as follows:

	Note	Pension 2026	Gratuity 2026	Total 2026	Non management gratuity 2026	Pension 2025	Gratuity 2025	Total 2025	Non management gratuity 2025
Opening balance		**243,833**	**(29,300)**	**214,533**	**(122,726)**	195,856	9,171	205,027	(113,984)
Net reversal / (charge) for the year	23.3.1	**27,184**	**(55,971)**	**(28,787)**	**(17,252)**	28,450	(40,356)	(11,906)	(20,184)
Net (loss) / gain for the year	23.3.1	**(12,421)**	**(1,818)**	**(14,239)**	**502**	19,527	(70,408)	(50,881)	(5,298)
Contributions / payments during the year		**-**	**72,572**	**72,572**	**27,673**	-	72,293	72,293	16,740
Closing balance		**258,596**	**(14,517)**	**244,079**	**(111,803)**	243,833	(29,300)	214,533	(122,726)

23.3.2.1 Included in other comprehensive income:

	Pension 2026	Gratuity 2026	Total 2026	Non management gratuity 2026	Pension 2025	Gratuity 2025	Total 2025	Non management gratuity 2025
Actuarial loss / (gain) arising from								
- financial assumptions	**323**	**318**	**641**	**20**	49,229	166,065	215,294	12,534
- experience adjustment	**28,937**	**71,324**	**100,261**	**(522)**	46,533	61,361	107,894	(7,236)
- investment return	**(16,839)**	**(69,824)**	**(86,663)**	**-**	(115,289)	(157,018)	(272,307)	-
	12,421	**1,818**	**14,239**	**(502)**	(19,527)	70,408	50,881	5,298

23.3.3 The amounts recognised in the unconsolidated statement of financial position are as follows:

	Note	Pension 2026	Gratuity 2026	Total 2026	Non management gratuity 2026	Pension 2025	Gratuity 2025	Total 2025	Non management gratuity 2025
Fair value of plan assets	23.3.5	**810,993**	**1,169,356**	**1,980,349**	**-**	803,947	1,127,956	1,931,903	-
Present value of defined benefit obligation	23.3.4	**(552,397)**	**(1,183,873)**	**(1,736,270)**	**(111,803)**	(560,114)	(1,157,256)	(1,717,370)	(122,726)
Net asset / (liability)		**258,596**	**(14,517)**	**244,079**	**(111,803)**	243,833	(29,300)	214,533	(122,726)

23.3.4 Movement in the present value of defined benefit obligation is as follows:

	Note	Pension 2026	Gratuity 2026	Total 2026	Non management gratuity 2026	Pension 2025	Gratuity 2025	Total 2025	Non management gratuity 2025
Opening balance		**560,114**	**1,157,256**	**1,717,370**	**122,726**	518,757	903,005	1,421,762	113,984
Current service cost		**832**	**56,783**	**57,615**	**4,563**	927	47,153	48,080	4,112
Interest cost		**58,878**	**120,313**	**179,191**	**12,689**	68,525	124,583	193,108	16,072
Benefits paid		**(96,687)**	**(222,121)**	**(318,808)**	**(27,673)**	(123,857)	(144,911)	(268,768)	(16,740)
Actuarial loss / (gain)		**29,260**	**71,642**	**100,902**	**(502)**	95,762	227,426	323,188	5,298
Closing balance	23.3.3	**552,397**	**1,183,873**	**1,736,270**	**111,803**	560,114	1,157,256	1,717,370	122,726

23.3.5 Movement in the fair value of plan assets is as follows:

	Note	Pension 2026	Gratuity 2026	Total 2026	Non management gratuity 2026	Pension 2025	Gratuity 2025	Total 2025	Non management gratuity 2025
Opening balance		**803,947**	**1,127,956**	**1,931,903**	**-**	714,613	912,176	1,626,789	-
Expected return		**86,894**	**121,125**	**208,019**	**-**	97,902	131,380	229,282	-
Contributions		**-**	**72,572**	**72,572**	**-**	-	72,293	72,293	-
Benefits paid		**(96,687)**	**(222,121)**	**(318,808)**	**-**	(123,857)	(144,911)	(268,768)	-
Actuarial gain		**16,839**	**69,824**	**86,663**	**-**	115,289	157,018	272,307	-
Closing balance	23.3.3	**810,993**	**1,169,356**	**1,980,349**	**-**	803,947	1,127,956	1,931,903	-

23.3.6 Historical information

	June 30				
	2026	2025	2024	2023	2022
	(PKR in '000)				
Present value of defined benefit obligation	**1,736,270**	1,717,370	1,421,762	1,320,765	1,327,203
Fair value of plan assets	**(1,980,349)**	(1,931,903)	(1,626,789)	(1,289,148)	(1,339,705)
(Surplus) / Deficit	**(244,079)**	(214,533)	(205,027)	31,617	(12,502)

23.3.7 Major categories / composition of plan assets are as follows:

	2026	2025
Debt instruments	**75.42%**	68.85%
Equity (at market value)	**19.58%**	29.64%
Cash / others	**5.00%**	1.51%

Fair value of plan assets	**Pension**	**Gratuity**	Pension	Gratuity
	As at June 30, 2026		As at June 30, 2025	
	(PKR in '000)			
Investments				
Government bonds	**639,528**	**841,898**	549,959	757,816
Corporate bonds	**-**	**12,137**	-	22,274
Shares	**151,621**	**236,226**	241,677	331,033
Cash and term deposits	**19,844**	**79,095**	12,311	16,833
Total	**810,993**	**1,169,356**	803,947	1,127,956

	For the year ended June 30, 2026	**For the year ended June 30, 2025**
	(PKR in '000)	
Actual return on plan assets during the year	**294,682**	501,589

23.3.8 The significant assumptions used in valuation of defined benefit obligation are as follows:

Discount rate	**11.75%**	11.50%
Future salary increases - Management	**9.50%**	9.25%
Future salary increases - Non-management	**9.75%**	9.50%
Future pension increases	**6.25%**	6.00%

The mortality rates are based on 70% of the EFU (61-66) (June 30, 2025: 70% of the EFU (61-66)) ultimate mortality rates, rated down by three years. If life expectancy increases by 1 year, the obligation increases by PKR 65.413 million (June 30, 2025: PKR 62.013 million).

23.3.9 Impact of changes in assumptions on defined benefit obligation is as follows:

Assumption	**1% Increase**	**1% Decrease**
	(PKR in '000)	
	2026	
Discount rate	**(86,931)**	**95,650**
Salary increase	**70,521**	**(65,260)**
Pension increase	**27,093**	**(24,850)**
	2025	
Discount rate	(86,687)	95,672
Salary increase	69,626	(64,195)
Pension increase	28,045	(25,693)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognised within the unconsolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

		As at June 30, 2026	As at June 30, 2025
23.3.9.1	Expected maturity analysis of undiscounted defined benefit obligation is as follows:	-----------(PKR in '000)-----------	
	Less than a year	**247,499**	306,599
	Between 1-5 years	**1,249,289**	1,154,967
	Over 5 years	**1,562,527**	1,457,850
		3,059,315	2,919,416

23.3.10 The Company contributes to the pension and gratuity funds on the advice of the funds' actuary. The contributions are equal to the current service cost with adjustment for any deficit. If there is a surplus, the Company takes a contribution holiday, accordingly, there is no material impact of asset ceiling in these unconsolidated financial statements. The expected contributions for the financial year ending June 30, 2027 for management staff gratuity is expected to be PKR 59 million.

23.3.11 The weighted average duration of the defined benefit obligation is 5.6 years (June 30, 2025: 5.6 years).

23.3.12 The defined benefit schemes pose the following risks:

Mortality risks

The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefits.

Investment risk

The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating proper investment plans.

Final salary risks

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefits are calculated on the final salary, the benefit amounts increase similarly.

Risk of sufficiency of assets

This was managed by making regular contributions to the gratuity and pension funds as advised by the actuary.

Withdrawal risk

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

		As at June 30, 2026	As at June 30, 2025
23.4	During the year, the Company's contribution to the defined contribution funds is as follows:	-----------(PKR in '000)-----------	
	Provident fund	**278,959**	242,667
	Defined contribution superannuation fund	**247,336**	213,539

Investments out of provident fund and defined contribution superannuation fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

24. LONG-TERM LOANS

	Note	As at June 30, 2026	As at June 30, 2025
Loans from banking companies / financial institutions:		-----------(PKR in '000)----------	
Interest based arrangements			
Long-Term Finance Facility (LTFF)	24.2	**184,113**	469,816
Temporary Economic Refinance Facility (TERF)	24.3	**2,040,521**	2,358,344
		2,224,634	2,828,160
Shariah compliant arrangements			
Renewable energy	24.5	**137,492**	163,922
Diminishing musharakah	24.6	**8,145,271**	8,121,731
		8,282,763	8,285,653
		10,507,397	11,113,813
Current portion shown under current liabilities		**(2,618,516)**	(1,573,868)
	24.1	**7,888,881**	9,539,945

24.1 Following is the movement in the long-term loans for which cash flows have been classified as financing activities in the unconsolidated statement of cash flows:

	As at June 30, 2026	As at June 30, 2025
	-----------(PKR in '000)----------	
Opening balance	**11,113,813**	4,895,794
Obtained during the year	**712,294**	7,140,550
Less: Repaid during the year	**(1,318,710)**	(922,531)
	10,507,397	11,113,813
Current portion shown under current liabilities	**(2,618,516)**	(1,573,868)
	7,888,881	9,539,945

24.2 The Company has obtained LTFF, extended by the State Bank of Pakistan (SBP), for capital expenditure requirements of its Soda Ash division on different dates starting from March 19, 2015 from various banks amounting to PKR 2,912 million. Repayment of these loans is to be made in quarterly / semi annual installments in 10 years including 2 years grace period and is secured against charge over fixed assets of the Company. Mark-up is charged at concessionary SBP LTFF rate plus 0.3% to SBP LTFF rate plus 1.5% (June 30, 2025: SBP LTFF rate plus 0.3% to SBP LTFF rate plus 1.5%) per annum. There is no unutilised amount as of the reporting date. This includes loan outstanding from National Bank of Pakistan (a related party) amounting to PKR 130.864 million (June 30, 2025: PKR 166.023 million).

24.3 The Company has obtained TERF, extended by the SBP, for the purpose of plant expansion in Soda Ash and Polyester divisions on different dates starting from June 1, 2021 from various banks amounting to PKR 3,996 million (June 30, 2025: PKR 3,996 million). The repayment is to be made in 16 equal consecutive semi annual installments in 10 years with grace period of 2 years. The loan is secured against charge over fixed assets of the Company. The mark-up is charged at SBP rate plus 0.3% to SBP rate plus 1.5% (June 30, 2025: SBP rate plus 0.3% to 1.5%) per annum. There is no unutilised amount as of the reporting date. Government grant has been recognised in respect of TERF being the financing extended at below market rates (note 25). There are no unfulfilled conditions or contingencies attached to this grant. This includes loan outstanding from National Bank of Pakistan (a related party) amounting to PKR 337.581 million (June 30, 2025: PKR 315.525 million).

24.4 In accordance with the terms of the loan agreements, the Company is obligated to comply with the following covenants, at minimum, throughout the reporting period:

- Current ratio must not be less than 1:1
- Adjusted leverage ratio must be less than 2.5:1
- Interest coverage must not be less than 1:1
- Debt service coverage ratio must not be less than 2:1
- Funded leverage must be less than 3.5:1
- Total leverage must be less than 7:1
- Maximum debt / EBITDA must be less than 2.5:1
- Gearing must be less than 1:1
- Funded exposure must be less than 4 times of paid-up capital

The Company is in compliance with the covenants throughout the reporting period.

There are no indications that the Company would have difficulties in complying with the above covenants.

24.5 The Company has obtained Shariah compliant SBP Islamic Financing Facility for Renewable Energy (IFRE) against the total limit of PKR 211 million (June 30, 2025: PKR 211 million) from an Islamic window of a commercial bank. Repayment of loan is to be made in semi annual instalments in 10 years and is secured against charge over fixed assets of the Company. Profit is charged at concessionary SBP rate plus 0.5% per annum.

24.6 The Company has obtained Diminishing Musharakah of PKR 8,834.025 million (June 30, 2025: PKR 8,121.731 million) from various banks to finance acquisition of certain assets of Pfizer Pakistan Limited, as explained in note 6, and to manage capital expenditure requirements of its Soda Ash business. Repayment of these loans is to be made in quarterly installments in 7 years including 1 to 2 years of grace period. The profit on these loans is charged at KIBOR plus 0.05% to KIBOR plus 0.20% per annum (June 30, 2025: KIBOR plus 0.05% to KIBOR plus 0.20% per annum). The loans are secured against fixed assets of the Company.

	Note	As at June 30, 2026	As at June 30, 2025
25. DEFERRED INCOME - GOVERNMENT GRANT		(PKR in '000)	
Government grant	24.3 & 25.1	**477,833**	658,955
Current portion of government grant		**(155,801)**	(181,122)
		322,032	477,833

25.1 Following is the movement in government grant during the year:

	Note	As at June 30, 2026	As at June 30, 2025
Opening balance		**658,955**	863,428
Amortisation	37	**(181,122)**	(204,473)
Closing balance		**477,833**	658,955

	As at June 30, 2026			As at June 30, 2025		
	Opening	(Reversal) / Charge	Closing	Opening	Charge / (Reversal)	Closing
26. DEFERRED TAX LIABILITY - NET	(PKR in '000)					
Deductible temporary differences						
Provisions for allowance for ECL and others	(575,390)	(20,734)	(596,124)	(636,120)	60,730	(575,390)
Retirement benefit fund provisions - note 26.1	(162,211)	3,236	(158,975)	(140,301)	(21,910)	(162,211)
Taxable temporary differences						
Property, plant and equipment	4,650,346	(172,656)	4,477,690	2,894,352	1,755,994	4,650,346
Investment in mutual funds	6,008	8,952	14,960	-	6,008	6,008
Discounting income on SIDC	-	404,854	404,854	-	-	-
	3,918,753	223,652	4,142,405	2,117,931	1,800,822	3,918,753

26.1 This charge is routed through other comprehensive income.

	Note	As at June 30, 2026	As at June 30, 2025
27. TRADE AND OTHER PAYABLES		(PKR in '000)	
Trade creditors	27.1	**4,049,625**	5,403,690
Bills payable		**1,775,578**	1,503,076
Accrued expenses	27.2	**3,724,496**	6,687,142
Workers' profit participation fund	27.3	**27,368**	43,530
Workers' welfare fund		**646,720**	531,316
Distributors' security deposits - payable on termination of distributorship	27.4	**129,811**	110,882
Contractors' earnest / retention money		**38,915**	34,156
Contract liabilities - Running account with customers	27.5	**669,240**	461,947
Payable for capital expenditure		**120,769**	620,840
Current portion of Sindh Infrastructure Development Cess (SIDC)	27.6	**474,202**	-
Others		**1,171,145**	575,946
		12,827,869	15,972,525
27.1 This includes payable to Lucky Core PowerGen Limited, a related party, on account of purchase of electricity amounting to:		**637,534**	451,010

27.2 This includes accrual in respect of Gas Infrastructure Development Cess (GIDC). The Supreme Court of Pakistan (SCP) through its judgment dated August 13, 2020 (“GIDC Judgment”) declared the Gas Infrastructure Development Cess Act, 2015 (“GIDC Act 2015”) as valid. It further allowed recovery of GIDC by the gas companies from their consumers in twenty-four equal monthly instalments.

The Company has filed a suit before the Sindh High Court (SHC) on September 16, 2020 on the grounds that factual determination of the GIDC passed-on is to be carried out, which is pending adjudication. The SHC granted the Company an interim stay thereagainst.

		Note	As at June 30, 2026	As at June 30, 2025
27.3	**Workers' Profit Participation Fund**		----------(PKR in '000)----------	
	Opening balance		**43,530**	41,952
	Allocation for the year	35	**365,521**	501,684
			409,051	543,636
	Payment to the fund		**(381,683)**	(500,106)
	Closing balance		**27,368**	43,530

27.4 Interest on security deposits from certain distributors, that are placed in separate bank accounts, is payable at 9.70% (June 30, 2025: 16.60%) per annum as specified in the respective agreements. These security deposits are non utilisable. The Company has not utilised any such deposits for the purpose of its business during the year.

27.5 During the year, contract liabilities as at June 30, 2025 have been recognised as revenue. Contract liabilities as at the current year end is expected to be recognised as revenue during the next financial year.

27.6 Sindh Infrastructure Development Cess (SIDC) was levied in the province of Sindh in 1994 vide section 9 of the Sindh Finance Act on the goods entering or leaving the province from or for outside the country, ostensibly for services rendered in respect of development and maintenance of infrastructure. Levy is applicable on imported goods and it is charged at the time of custom clearance. Group of importers challenged the levy on the grounds that imposing levy on 'import and export' does not fall within legislative competence of the provincial legislature. In 2011, Sindh High Court (SHC) through its order granted an interim relief to all the petitioners directing that the future imports of the petitioners will be cleared on payment of 50% of the disputed SIDC while for remaining 50% bank guarantees are to be submitted till the final decision by the SHC. On June 4, 2021 SHC announced its decision in favour of Sindh Government and against 482 petitioners from the industry. The decision validated the SIDC levy and "The Sindh Development and Maintenance of Infrastructure Cess Act, 2017", retrospectively. The group of importers filed petition before the Supreme Court of Pakistan, challenging the order of SHC. The Supreme Court of Pakistan suspended the operation of the SHC's judgment on September 1, 2021 and instructed the petitioners to provide the bank guarantee equivalent to the amount of levy claimed by the respondents against release of all future imported consignments, which is being provided by the Company.

In February 2026, the Sindh Assembly enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, which reduced the SIDC rate from 1.85% to between 0.8% and 0.85%. The amendment also introduced a Settlement Agreement facility, allowing petitioners to enter into structured payment plans either to pay the cess in full or installments for outstanding SIDC obligations. The Company entered into a Settlement Agreement on April 15, 2026, and opted to pay the SIDC in installments and issued post dated cheques in favor of the Government of Sindh. In accordance with the agreed payment plan as per the Settlement Agreement, the present value of the liability as at June 30, 2026 amounts to PKR 1,685.896 million having a current portion of PKR 474.202 million discounted at the rate of 12.3% per annum and the corresponding impact on other income and finance cost is PKR 1,134.434 million and PKR 40.234 million, respectively. Following is the movement in Sindh Infrastructure Development Cess (SIDC):

	Note	As at June 30, 2026	As at June 30, 2025
		----------(PKR in '000)----------	
Opening		**2,967,236**	2,308,032
Accrual for the year		**303,465**	659,204
Payment during the year		**(490,605)**	-
Closing balance - gross		**2,780,096**	2,967,236
Finance cost	36	**40,234**	-
Discounting income	37	**(1,134,434)**	-
Closing - present value		**1,685,896**	2,967,236

		Note	As at June 30, 2026	As at June 30, 2025
28.	**SHORT-TERM FINANCING**			
	Secured			
	Export refinance facility	28.1	**1,150,000**	400,000
	Short-term running finance / musharakah	28.2	**15,683,908**	10,107,093
			16,833,908	10,507,093

28.1 The Company has obtained Export Refinance Facility (ERF) of SBP Part 2, amounting to PKR 1,150 million (June 30, 2025: PKR 400 million) from various banks. ERF is secured against charge on current assets of the Company and carries mark-up at SBP rate (June 30, 2025: SBP rate) per annum. This facility is interchangeable with short-term running finance / musharakah provided by the banks. The shariah compliant balance of ERF as at June 30, 2026 is PKR 1,150 million (June 30, 2025: PKR 400 million).

28.2 It represents short-term finance facilities as follows:

(i) Islamic facilities having a limit of PKR 25,746 million (June 30, 2025: PKR 21,625 million). These facilities carry profit at rates ranging from KIBOR less 0.16% to KIBOR plus 1.5% (June 30, 2025: KIBOR plus 0.02% to KIBOR plus 0.15%) per annum. The Company has utilised PKR 15,684 million (June 30, 2025: PKR 10,057 million) as at the reporting date; and

(ii) The conventional short-term facilities, have a limit amounting to PKR 7,800 million (June 30, 2025: PKR 7,800 million). These facilities carry mark-up ranging from KIBOR plus 0.10% to KIBOR plus 0.30% (June 30, 2025: KIBOR plus 0.10% to KIBOR plus 0.30%) per annum. The Company has utilised Nil (June 30, 2025: PKR 50 million) as at the reporting date.

The aforesaid limits are interchangeable with ERF and Bank guarantees as per arrangements with various banks. These facilities are secured against charge on current assets of the Company.

29. CONTINGENCIES AND COMMITMENTS	**As at June 30, 2026**	**As at June 30, 2025**
	------------(PKR in '000)------------	
Claims against the Company not acknowledged as debts are as follows:		
Local bodies	**12,917**	84,500
Others	**2,288,717**	2,595,634
	2,301,634	2,680,134

29.1 Details of material contingencies

29.1.1 Suit for damages amounting to PKR 850 million was filed by a private company against the Company alleging breach of the terms of letter of intent and that the Company destroyed the warehouse premises leased from the private company for storage of its pharmaceutical products. As a response, the Company has filed a cross suit against the private company for return of security deposit and abrupt termination of the arrangement. The cases are pending for hearing before the Sindh High Court (SHC).

29.1.2 The Company, amongst others, is a defendant in a suit filed by Pakistan International Bulk Terminal Limited on March 27, 2023 for recovery of an aggregate amount of USD 1,613,440 in respect of alleged damage to coal berth. The case is pending before the competent civil courts in Karachi.

29.1.3 The Company has challenged the judgment of the Sindh High Court (SHC) dated January 13, 2025 remanding the matter to the classification committee to determine the HS code classification of partial shipments relating to power generation project. The issue before the SHC was whether the partial shipments for the power generation project are to be treated as an integral part of the Plant and assessed accordingly under its PCT Heading or each of these items are to be treated and assessed separately under respective PCT Headings. The Company has contended that the matter involves a question of law, rather than a question of fact relating to classification.

The matter is currently pending before the Federal Constitutional Court (FCC). During the pendency of the matter before the FCC, the Classification Committee passed a public order dated May 4, 2026. The FCC has granted interim relief to the Company directing that the public order / determination shall not be acted upon. The matter remains pending, and the next date of hearing is yet to be fixed by the FCC. Bank guarantees of PKR 1,095.290 million remain deposited with the Nazir of the SHC.

29.1.4 The Company based on the opinion of advisors, is confident that the above cases would be decided in Company's favor. Accordingly, no provision in respect of these matters has been made in these unconsolidated financial statements.

29.2 Certain significant tax related matters are disclosed below.

Assessment Year (AY) / Tax Year (TY) / Tax Period	Brief description	Nature of demand	Estimated financial impact	Authority / Court and status
AY 2002-03 and spillover effect in TYs 2003 to 2010	After the disposal of the Company's petition by the Honourable Supreme Court of Pakistan, the assessment proceedings were finalised vide order dated May 15, 2017. Despite the finalisation on the de-merger of the PTA plant and related matters in the AY 2001-2002, the date of that event was considered as falling in subsequent year. Consequently, in this order, the Officer proceeded to tax the event of transfer of PTA plant and exchange of shares and restricted the claim of depreciation relating to PTA assets. Other matters included the disallowance of financial charges and other issues. Simultaneously, the orders for the TYs 2003 to 2010 were issued, to reflect the reduction in carry forward of depreciation. The significant issues were maintained in first appeal. Some relief on other matters in the AY 2002-2003 was given. Subsequently, the Tribunal vide order dated June 7, 2021 has decided all the issues involved in AY 2002-03 in the Company's favor. An appeal effect order dated June 30, 2025 has also been passed by the FBR. Subsequently, the Tribunal vide order dated November 27, 2023 has remanded back these cases to the department for passing speaking orders.	Income tax	(i) AY 2002-03: PKR 2,143 million, deleted by Tribunal. (ii) TYs 2003 to 2010: PKR 1,915 million in aggregate.	(i) Appeal effect order passed. (ii) Remand back proceedings pending.

Assessment Year (AY) / Tax Year (TY) / Tax Period	Brief description	Nature of demand	Estimated financial impact	Authority / Court and status
TY 2016	Monitoring proceedings were finalised vide order dated September 2, 2016 wherein demand was raised on account of alleged non-deduction of income tax on dividends paid to parties having specific exemptions. Appeal filed against the Order before CIR(A) was decided against the Company which has been challenged before the Tribunal.	Income tax	PKR 138 million	Hearing of the appeal is pending before Tribunal.
TY 2017	FBR has finalised assessment proceedings vide order dated February 7, 2022, raising tax demand on certain issues including disallowance of finance cost, write-offs, and Balancing Modernisation and Replacement (BMR) credit etc. The Company has filed an appeal in the Tribunal which is yet to be fixed for hearing.	Income tax	PKR 240 million	Hearing of the appeal is pending before Tribunal.
TY 2022	FBR has finalised assessment proceedings vide order dated March 28, 2024, raising tax demand on income tax refunds adjusted against tax liability in income tax return. The Company has filed an appeal in the Tribunal which is yet to be fixed for hearing.	Income tax	PKR 415 million	Hearing of the appeal is pending before Tribunal.
TY 2020	FBR has finalised income tax audit proceedings of Cirin Pharmaceuticals (Private) Limited (a wholly owned subsidiary which was amalgamated into the Company effective March 1, 2020) vide order dated June 28, 2025. Through the said order, tax demand has been raised on various issues including taxation of commercial imports, disallowance of commission, discounts and other expenses. The Company has filed an appeal in the Tribunal which is yet to be fixed for hearing.	Income tax	PKR 180 million	Hearing of the appeal is pending before Tribunal.
TY 2023-25	FBR has finalised proceedings of default surcharge on Super Tax vide orders dated April 6, 2026. Through the said orders, demand for default surcharge amounting to PKR 237 million has been raised for the Tax Years 2023 to 2025. Being aggrieved, the Company is in process of filing an appeal before the relevant appellate forum.	Income tax	PKR 237 million	Appeal will be filed in the due course.

The management is confident, based on the opinion of its advisors, that all the aforementioned cases will be decided in favor of the Company. Accordingly, no provision in respect of these matters has been recognised in these unconsolidated financial statements.

		As at June 30, 2026	As at June 30, 2025
29.3	**Commitments**	------------(PKR in '000)-----------	
29.3.1	Commitments in respect of capital expenditure for various projects:	**990,960**	1,352,561
29.3.2	Commitments for rentals under Ijarah contracts in respect of vehicles are as follows:		
	Year		
	2024-25	**-**	5,221
	2025-26	**5,936**	6,937
	2026-27	**5,936**	7,388
	2027-28	**6,321**	7,869
	2028-29	**6,732**	8,380
	2029-30	**7,170**	-
		32,095	35,795
	Payable within one year	**5,936**	5,221
	Payable later than one year but not later than five years	**26,159**	30,574
		32,095	35,795
29.3.3	Outstanding letter of credit - unutilised PKR 19,431 million (June 30, 2025: PKR 21,702 million)	**8,274,164**	9,293,233

This includes outstanding letter of credit with National Bank of Pakistan (a related party) amounting to PKR 241.80 million (June 30, 2025: PKR 269.89 million) - unutilised PKR 1,658.20 million (June 30, 2025: PKR 1,630.11 million).

		As at June 30, 2026	As at June 30, 2025
		------------(PKR in '000)-----------	
29.3.4	Outstanding letter of guarantee - unutilised PKR 1,135 million (June 30, 2025: PKR 645.99 million)	**2,263,610**	5,306,416
29.3.5	Commitments in respect of post dated cheques	**3,889,096**	1,106,682

30. OPERATING SEGMENT RESULTS

	Polyester		Soda Ash		Pharmaceuticals		Animal Health		Chemicals & Agri Sciences		Company	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)											
Sales:												
Exports												
Bangladesh	-	-	1,199,412	3,855,655	-	-	-	-	-	-	1,199,412	3,855,655
China	-	-	-	414,113	-	-	-	-	-	-	-	414,113
Sri Lanka	-	-	387,071	871,321	-	-	-	-	-	-	387,071	871,321
United States	44,938	111,448	-	-	-	-	-	-	-	-	44,938	111,448
UAE	-	-	315,427	558,781	-	-	-	-	-	-	315,427	558,781
Others	34,591	14,087	277,394	373,237	587,457	963,918	112,865	135,492	2,386	3,597	1,014,693	1,490,331
	79,529	125,535	2,179,304	6,073,107	587,457	963,918	112,865	135,492	2,386	3,597	2,961,541	7,301,649
Inter-segment	857	3,274	-	-	-	-	-	-	39,159	26,014	40,016	29,288
Local	40,994,307	47,307,725	43,605,616	41,883,458	29,007,978	24,853,645	10,839,573	9,282,074	15,727,399	15,720,371	140,174,873	139,047,273
	41,074,693	47,436,534	45,784,920	47,956,565	29,595,435	25,817,563	10,952,438	9,417,566	15,768,944	15,749,982	143,176,430	146,378,210
Commission / toll income / marketing services	-	-	-	-	-	94,185	75,544	144,964	99,954	74,020	175,498	313,169
Turnover	41,074,693	47,436,534	45,784,920	47,956,565	29,595,435	25,911,748	11,027,982	9,562,530	15,868,898	15,824,002	143,351,928	146,691,379
Sales tax	(6,186,906)	(7,139,167)	(6,286,344)	(6,246,153)	(261,703)	(197,776)	(207,250)	(216,833)	(1,772,640)	(1,675,818)	(14,714,843)	(15,475,747)
Commission	-	-	(485,515)	(553,906)	-	-	-	-	-	-	(485,515)	(553,906)
Discounts / price adjustments	(410,053)	(566,056)	(2,800,006)	(1,392,485)	(7,135,569)	(4,671,465)	(3,630,172)	(3,214,801)	(921,309)	(774,471)	(14,897,109)	(10,619,278)
	(6,596,959)	(7,705,223)	(9,571,865)	(8,192,544)	(7,397,272)	(4,869,241)	(3,837,422)	(3,431,634)	(2,693,949)	(2,450,289)	(30,097,467)	(26,648,931)
Net turnover - note 31.1	34,477,734	39,731,311	36,213,055	39,764,021	22,198,163	21,042,507	7,190,560	6,130,896	13,174,949	13,373,713	113,254,461	120,042,448
Cost of sales - note 31.2	(33,557,330)	(37,414,264)	(28,154,971)	(28,690,138)	(12,772,843)	(13,133,879)	(4,745,415)	(3,978,580)	(9,475,469)	(9,485,175)	(88,706,028)	(92,702,035)
Gross profit	920,404	2,317,047	8,058,084	11,073,883	9,425,320	7,908,628	2,445,145	2,152,316	3,699,480	3,888,538	24,548,433	27,340,413
Selling and distribution expenses - note 33	(240,072)	(314,608)	(909,207)	(1,703,625)	(3,364,158)	(2,748,476)	(1,006,298)	(909,222)	(1,412,776)	(1,499,140)	(6,932,511)	(7,175,071)
Administration and general expenses - note 34	(201,768)	(177,198)	(1,481,198)	(961,415)	(711,574)	(566,053)	(140,530)	(158,775)	(377,154)	(381,598)	(2,912,224)	(2,245,039)
Operating profit	478,564	1,825,241	5,667,679	8,408,843	5,349,588	4,594,099	1,298,317	1,084,319	1,909,550	2,007,800	14,703,698	17,920,303
30.1 Segment assets - notes 30.3 & 31.3	19,184,364	16,320,602	55,311,377	53,171,195	18,609,072	18,017,601	8,257,256	7,019,263	16,895,026	15,937,827	118,257,095	110,466,488
Inter-segment eliminations - note 31.3											(17,829,025)	(17,299,883)
Unallocated assets - note 31.3											1,912,015	1,912,015
											102,340,085	95,078,620
30.2 Segment liabilities - notes 30.3 & 31.4	16,542,424	14,269,527	6,412,382	7,854,212	9,437,587	11,558,940	1,648,663	1,160,888	2,398,116	2,888,415	36,439,172	37,731,982
Inter-segment eliminations - note 31.4											(17,829,025)	(17,299,883)
Unallocated liabilities - note 31.4											30,350,371	25,654,431
											48,960,518	46,086,530

30.3 Inter-unit current account balances of respective businesses have been eliminated from the total.

	Polyester 2026	Polyester 2025	Soda Ash 2026	Soda Ash 2025	Pharmaceuticals 2026	Pharmaceuticals 2025	Animal Health 2026	Animal Health 2025	Chemicals & Agri Sciences 2026	Chemicals & Agri Sciences 2025	Company 2026	Company 2025
30.4 Depreciation and amortisation - notes 7.2, 8.1 & 9.2	623,449	640,914	3,188,599	2,520,608	490,137	435,277	70,921	80,068	169,609	125,197	4,542,715	3,802,064
30.4.1 This includes depreciation and amortisation allocated to segments for which the corresponding asset has not been allocated.											88,188	68,419
30.5 Capital expenditure	729,210	818,525	2,556,593	7,164,435	447,319	5,240,704	420,752	549,933	87,338	255,620	4,241,212	14,029,217

30.6 There were no major customers of the Company which formed part of 10% or more of the Company's revenue. All non-current operating assets of the Company are located in Pakistan.

30.7 All revenue earned by the Company is Shariah Compliant.

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		------------(PKR in '000)------------	
31. RECONCILIATIONS OF REPORTABLE SEGMENTS' NET TURNOVER, COST OF SALES, ASSETS AND LIABILITIES			
31.1 Net turnover			
Total net turnover for reportable segments	30	**113,254,461**	120,042,448
Elimination of inter-segment net turnover	30	**(40,016)**	(29,288)
Total net turnover		**113,214,445**	120,013,160
31.2 Cost of sales			
Total cost of sales for reportable segments	32	**88,706,028**	92,702,035
Elimination of inter-segment purchases	32	**(40,016)**	(29,288)
Total cost of sales		**88,666,012**	92,672,747
31.3 Assets			
Total assets for reportable segments	30.1	**118,257,095**	110,466,488
Inter-segment eliminations	30.1	**(17,829,025)**	(17,299,883)
Long-term investments	10	**1,912,015**	1,912,015
Total assets		**102,340,085**	95,078,620
31.4 Liabilities			
Total liabilities for reportable segments	30.2	**36,439,172**	37,731,982
Inter-segment eliminations	30.2	**(17,829,025)**	(17,299,883)
		18,610,147	20,432,099
Short-term financing	28	**16,833,908**	10,507,093
Long-term financing	24	**10,507,397**	11,113,813
Accrued mark-up		**868,204**	942,298
Unclaimed dividend		**176,740**	157,102
Deferred income - government grant	25	**477,833**	658,955
Taxation - net		**1,486,289**	2,275,170
	30.2	**30,350,371**	25,654,431
Total liabilities		**48,960,518**	46,086,530

32. COST OF SALES

	Polyester		Soda Ash		Pharmaceuticals		Animal Health		Chemicals & Agri Sciences		Company	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)											
Raw and packing materials consumed												
Opening stock	**2,049,791**	2,390,583	**1,284,316**	1,797,562	**2,627,195**	1,723,209	**428,370**	284,963	**1,819,296**	1,693,886	**8,208,968**	7,890,203
Purchases												
Inter-segment	**27,342**	18,530	**-**	-	**5,626**	6,782	**6,191**	701	**857**	3,274	**40,016**	29,288
Others	**29,432,520**	29,153,888	**9,608,737**	10,568,288	**9,230,087**	9,435,715	**2,170,213**	1,464,365	**6,418,117**	6,563,179	**56,859,674**	57,185,435
	29,459,862	29,172,418	**9,608,737**	10,568,288	**9,235,713**	9,442,497	**2,176,404**	1,465,066	**6,418,974**	6,566,453	**56,899,690**	57,214,723
	31,509,653	31,563,001	**10,893,053**	12,365,850	**11,862,908**	11,165,706	**2,604,774**	1,750,030	**8,238,270**	8,260,339	**65,108,658**	65,104,926
Closing stock	**(3,056,458)**	(2,049,791)	**(1,222,501)**	(1,284,316)	**(2,706,639)**	(2,627,195)	**(728,863)**	(428,370)	**(2,052,016)**	(1,819,296)	**(9,766,477)**	(8,208,968)
Raw material consumed	**28,453,195**	29,513,211	**9,670,552**	11,081,534	**9,156,269**	8,538,511	**1,875,911**	1,321,660	**6,186,254**	6,441,043	**55,342,181**	56,895,958
Salaries, wages and benefits - note 32.1	**883,157**	911,940	**1,825,536**	1,745,650	**1,656,012**	1,165,163	**175,055**	138,312	**241,211**	262,411	**4,780,971**	4,223,476
Stores and spares consumed	**481,544**	337,895	**723,590**	693,721	**423,712**	381,808	**36,911**	24,637	**49,581**	48,425	**1,715,338**	1,486,486
Conversion fee paid to contract manufacturers	**-**	-	**-**	-	**37,566**	60,506	**21,547**	19,794	**155,057**	118,788	**214,170**	199,088
Oil, gas and electricity charges	**3,636,672**	4,056,426	**12,029,711**	12,634,279	**562,233**	448,478	**26,676**	21,103	**140,145**	119,548	**16,395,437**	17,279,834
Rent, rates and taxes	**2,503**	1,708	**4,784**	5,842	**27,402**	9,696	**3,846**	3,979	**731**	251	**39,266**	21,476
Insurance	**22,163**	30,916	**78,457**	71,903	**25,448**	18,387	**3,662**	3,418	**2,006**	3,243	**131,736**	127,867
Repairs and maintenance	**30,514**	23,686	**20,253**	20,252	**70,200**	46,973	**7,435**	3,376	**31,403**	35,861	**159,805**	130,148
Depreciation and amortisation charge - notes 7.2, 8.1 & 9.2	**610,657**	629,152	**3,126,811**	2,428,117	**445,504**	393,404	**54,763**	63,735	**84,107**	75,084	**4,321,842**	3,589,492
Travelling expenses	**134,780**	122,089	**42,463**	42,141	**7,901**	10,232	**12,078**	8,106	**8,543**	10,238	**205,765**	192,806
Contracted services	**534,876**	489,853	**672,791**	611,947	**33,886**	29,332	**7,395**	-	**19,069**	23,543	**1,268,017**	1,154,675
General expenses	**95,116**	108,353	**222,443**	222,162	**135,282**	108,135	**54,871**	67,720	**29,764**	42,349	**537,476**	548,719
Opening stock of work-in-process	**372,811**	326,431	**-**	-	**-**	147,989	**21,169**	9,165	**67,304**	-	**461,284**	483,585
Closing stock of work-in-process	**(364,168)**	(372,811)	**-**	-	**(131,920)**	-	**(7,278)**	(21,169)	**(118,665)**	(67,304)	**(622,031)**	(461,284)
Cost of goods manufactured	**34,893,820**	36,178,849	**28,417,391**	29,557,548	**12,449,495**	11,358,614	**2,294,041**	1,663,836	**6,896,510**	7,113,480	**84,951,257**	85,872,326
Opening stock of finished goods	**1,093,387**	2,342,565	**2,070,938**	1,195,479	**1,566,403**	444,167	**805,426**	732,267	**2,914,687**	2,539,238	**8,450,841**	7,253,716
Finished goods purchased	**-**	-	**-**	-	**563,284**	2,847,648	**2,574,312**	2,389,595	**1,627,653**	2,732,379	**4,765,249**	7,969,622
	35,987,207	38,521,414	**30,488,329**	30,753,027	**14,579,182**	14,650,429	**5,673,779**	4,785,698	**11,438,850**	12,385,097	**98,167,347**	101,095,664
Closing stock of finished goods	**(2,467,473)**	(1,093,387)	**(2,336,458)**	(2,070,938)	**(1,865,889)**	(1,566,403)	**(990,982)**	(805,426)	**(2,239,608)**	(2,914,687)	**(9,900,410)**	(8,450,841)
Provision / (reversal) for slow moving and obsolete stock-in-trade - note 14.1	**37,917**	(13,763)	**-**	-	**59,550**	49,853	**62,618**	(1,692)	**276,227**	14,765	**436,312**	49,163
Provision / (reversal) for slow moving and obsolete stores and spares - note 13.2	**(321)**	-	**3,100**	8,049	**-**	-	**-**	-	**-**	-	**2,779**	8,049
	33,557,330	37,414,264	28,154,971	28,690,138	12,772,843	13,133,879	4,745,415	3,978,580	9,475,469	9,485,175	88,706,028	92,702,035

32.1 Staff retirement benefits

	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)	
Salaries, wages and benefits include amount in respect of staff retirement benefits:	268,530	234,460

33. SELLING AND DISTRIBUTION EXPENSES

	Polyester		Soda Ash		Pharmaceuticals		Animal Health		Chemicals & Agri Sciences		Company	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)											
Salaries and benefits - note 33.1	**98,510**	103,684	**94,965**	78,168	**1,361,551**	1,148,890	**661,869**	586,925	**687,734**	675,730	**2,904,629**	2,593,397
Repairs and maintenance	**78**	21	**1,092**	1,170	**1,769**	17,565	**2,139**	2,314	**15,826**	14,842	**20,904**	35,912
Advertising and publicity expenses	**18,328**	47,829	**24**	6,071	**748,988**	441,553	**71,194**	52,665	**43,065**	111,695	**881,599**	659,813
Rent, rates and taxes	**-**	-	**1,283**	2,996	**9,243**	10,793	**2,689**	5,396	**22,634**	21,494	**35,849**	40,679
Insurance	**-**	-	**-**	-	**27,239**	15,629	**11,985**	15,929	**14,973**	17,253	**54,197**	48,811
Lighting, heating and cooling charges	**-**	-	**3,803**	3,662	**5,085**	7,452	**3,470**	4,061	**6,167**	5,963	**18,525**	21,138
Depreciation and amortisation charge - notes 7.2 & 9.2	**-**	-	**-**	-	**9,625**	7,427	**8,336**	8,528	**24,324**	13,276	**42,285**	29,231
Outward freight and handling	**64,279**	89,968	**689,864**	1,546,171	**371,657**	322,810	**53,497**	51,800	**235,444**	206,143	**1,414,741**	2,216,892
Travelling expenses	**14,076**	12,400	**13,389**	11,566	**533,039**	449,531	**163,595**	157,055	**164,619**	198,681	**888,718**	829,233
Postage, telegram, telephone and telex	**1,489**	1,532	**7,743**	8,110	**38,805**	52,489	**8,312**	8,507	**13,243**	13,519	**69,592**	84,157
Godown expenses	**-**	-	**44,812**	8,820	**105,945**	94,646	**-**	-	**135,271**	167,535	**286,028**	271,001
General expenses	**43,312**	59,174	**52,232**	36,891	**151,212**	179,691	**19,212**	16,042	**49,476**	53,009	**315,444**	344,807
	240,072	314,608	**909,207**	1,703,625	**3,364,158**	2,748,476	**1,006,298**	909,222	**1,412,776**	1,499,140	**6,932,511**	7,175,071

33.1 Staff retirement benefits

	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)	
Salaries and benefits includes amount in respect of staff retirement benefits:	202,743	177,116

34. ADMINISTRATION AND GENERAL EXPENSES

	Polyester		Soda Ash		Pharmaceuticals		Animal Health		Chemicals & Agri Sciences		Company	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)											
Salaries and benefits - note 34.1	**103,865**	105,939	**1,036,765**	672,227	**286,995**	242,575	**92,677**	74,093	**256,812**	225,856	**1,777,114**	1,320,690
Repairs and maintenance	**152**	121	**11,796**	12,069	**19,962**	8,666	**2,416**	3,550	**7,203**	9,811	**41,529**	34,217
Advertising and publicity expenses	**198**	589	**22,510**	9,234	**1,052**	1,083	**575**	474	**2,469**	1,888	**26,804**	13,268
Rent, rates and taxes	**2,070**	1,899	**3,293**	3,133	**2,195**	1,084	**141**	54	**294**	402	**7,993**	6,572
Insurance	**51**	67	**9,713**	10,502	**8,017**	5,441	**2,517**	2,381	**3,613**	5,374	**23,911**	23,765
Lighting, heating and cooling	**5,247**	5,859	**24,512**	25,644	**25,721**	23,743	**5,846**	5,377	**17,370**	14,089	**78,696**	74,712
Depreciation and amortisation charge - notes 7.2, 8.1 & 9.2	**12,792**	11,762	**61,788**	92,491	**35,008**	34,446	**7,822**	7,805	**61,178**	36,837	**178,588**	183,341
Allowance / (Reversal) for ECL - notes 15.3, 16.2 and 18.3	**19,468**	14,624	**51,791**	1,809	**34,656**	34,080	**(3,307)**	10,545	**(29,098)**	36,891	**73,510**	97,949
Travelling expenses	**8,700**	4,287	**41,672**	41,151	**11,676**	32,540	**5,158**	2,076	**8,589**	3,627	**75,795**	83,681
Postage, telegram, telephone and telex	**2,020**	2,063	**8,761**	7,185	**16,446**	7,331	**1,330**	1,450	**7,696**	7,161	**36,253**	25,190
General expenses - note 34.2	**47,205**	29,988	**208,597**	85,970	**269,846**	175,064	**25,355**	50,970	**41,028**	39,662	**592,031**	381,654
	201,768	177,198	**1,481,198**	961,415	**711,574**	566,053	**140,530**	158,775	**377,154**	381,598	**2,912,224**	2,245,039

34.1 Staff retirement benefits

	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)	
Salaries and benefits includes amounts in respect of staff retirement benefits:	**100,321**	87,511

34.2 This includes PKR 0.414 million (2025: Nil) relating to shariah advisor included in the general expenses.

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
35.	**OTHER CHARGES**		------------(PKR in '000) -----------	
	Auditor's remuneration	35.1	**14,163**	18,935
	Donations	35.2 & 35.3	**220,380**	117,568
	Workers' profit participation fund	27.3	**365,521**	501,684
	Workers' welfare fund		**231,647**	240,500
			831,711	878,687
35.1	**Auditor's remuneration**			
	Statutory audit fee		**8,355**	6,580
	Half yearly review		**3,500**	3,000
	Other certifications		**1,139**	8,125
	Out of pocket expenses		**1,169**	1,230
			14,163	18,935
	Taxation and other services	35.1.1	**7,980**	2,336
			22,143	21,271

35.1.1 These relate to taxation and other services which have been rendered by the statutory auditors. These have been recorded under the administration and general expenses (note 34).

35.2 The Company has paid donations amounting to PKR 143 million (June 30, 2025: PKR 33 million) and PKR 28 million (June 30,2025: PKR 24 million) to Aziz Tabba Foundation (ATF) and Indus Hospital and Health Network respectively. ATF and Indus Hospital and Health Network are the donees where the amount of donation exceeds 10% of the total donation.

35.3 Mr. Muhammad Sohail Tabba, Chairman of the Board of Directors of the Company and Mr. Muhammad Ali Tabba and Mr. Jawed Yunus Tabba, the Directors of the Company, are also Directors of ATF.

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
36.	**FINANCE COSTS**		------------(PKR in '000) -----------	
	Mark-up on short-term and long-term financing		**2,361,741**	2,053,650
	Discounting charges on receivables		**37,981**	90,705
	Unwinding of liability of Sindh Infrastructure Development Cess	27.6	**40,234**	-
	Accretion of interest on lease liabilities	9	**51,234**	60,810
	Others		**643**	5,292
			2,491,833	2,210,457
37.	**OTHER INCOME**			
	Income from financial instruments			
	Unrealised gain on short-term investments		**40,434**	24,033
	Service fee from related party	37.1	**1,338**	1,980
	Unwinding of staff loans cost		**-**	550,760
	Dividend income on short-term investments		**51,784**	26,378
	Realised gain on short-term investments		**1,824,093**	2,246,795
	Amortisation of deferred income - government grant	25.1	**181,122**	204,473
	Interest income		**15,919**	64,450
			2,114,690	3,118,869
	Income from non-financial instruments			
	Scrap sales		**217,127**	176,163
	Gain on disposal of operating fixed assets	7.1.1	**29,460**	93,920
	Liabilities no longer required written back		**-**	1,309
	Discounting impact of Sindh Infrastructure Development Cess	27.6	**1,134,434**	-
	Dividend from subsidiary		**340,000**	-
	Others		**70,647**	50,211
			3,906,358	**3,440,472**

37.1 This represents charges by the Company for certain management and other services rendered to its wholly owned subsidiary, Lucky Core PowerGen Limited, in accordance with the service agreement.

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
38.	**TAXATION AND LEVIES**		------------(PKR in '000) -----------	
	Final taxes - levies	38.1	**9,922**	13,503
	Income tax - current year		**5,300,865**	5,131,733
	- prior years		**-**	(101,045)
	- deferred	26	**220,416**	1,822,732
			5,521,281	6,853,420
		38.2	**5,531,203**	6,866,923

38.1 This represents final taxes paid under section 150 of Income Tax Ordinance, 2001, representing levy in terms of the requirements of IFRIC 21 and IAS 37.

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
38.2	**Tax reconciliation**		------------(PKR in '000) -----------	
	Profit before income tax		**15,213,287**	18,491,830
	Tax at the rate of 29% (June 30, 2025: 29%)		**4,411,853**	5,362,631
	Effect of lower rate of dividend income and capital gain		**(315,884)**	(318,971)
	Effect of super tax		**1,444,024**	1,872,514
	Others		**(18,712)**	(62,754)
			5,521,281	6,853,420
	Average effective tax rate		**36.36%**	**37.13%**

		Note		
39.	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit for the year		**9,692,006**	11,638,410
			---------Number of shares--------	
	Weighted average number of ordinary shares outstanding during the year	21.1	**461,795,250**	461,795,250
			------------------PKR------------------	
	Basic and diluted earnings per share		**20.99**	25.20

39.1 There are no dilutive potential ordinary shares outstanding as at June 30, 2026 and June 30, 2025.

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
40. CASH FLOWS FROM OPERATING ACTIVITIES		------------(PKR in '000)	-----------
Profit before income tax		**15,213,287**	18,491,830
Adjustments for:			
Final taxes		**9,922**	13,503
Depreciation and amortisation	7.2, 8.1 & 9.2	**4,542,715**	3,802,064
Gain on disposal of operating fixed assets	37	**(29,460)**	(93,920)
Provision for staff retirement benefit plans	23.3.1	**28,787**	11,906
Gain on bargain purchase	6	**-**	(292,555)
Provision for non-management staff gratuity and eligible retired employees' medical scheme		**39,104**	34,668
Amortisation of deferred income - government grant	37	**(181,122)**	(204,473)
Interest income	37	**(15,919)**	(64,450)
Unwinding of staff loans cost	37	**-**	(550,760)
Finance costs	36	**2,491,833**	2,210,457
Allowance for ECL	34	**73,510**	97,949
Provision for slow moving and obsolete stock-in-trade	14.1	**436,312**	49,163
Provision for slow moving and obsolete stores and spares	13.2	**2,779**	8,049
Dividend income from subsidiary	37	**(340,000)**	-
Discounting impact on Sindh Infrastructure Development Cess	37	**(1,134,434)**	-
Gain on disposal of right of use asset		**(2,570)**	-
Liabilities no longer required written back	37	**-**	(1,309)
		21,134,744	23,512,122
Movement in:			
Working capital	40.1	**(6,200,729)**	3,232,215
Long-term loans		**(240,790)**	(70,220)
Long-term deposits and other assets		**(235,807)**	475,627
		14,457,418	27,149,744

40.1 Movement in working capital

(Increase) / decrease in current assets		
Stores, spares and consumables	**(260,380)**	2,460,614
Stock-in-trade	**(3,421,789)**	(723,251)
Trade debts	**(1,159,634)**	466,171
Loans and advances	**271,767**	(228,939)
Short-term deposits and prepayments	**69,231**	226,570
Other receivables	**(861,334)**	805,366
	(5,362,139)	3,006,531
(Decrease) / increase in current liabilities		
Trade and other payables	**(838,590)**	225,684
	(6,200,729)	3,232,215

41. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

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

	Chief Executive		Other Executives		Total	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	-----------------------	-----------------------	-----------------------	(PKR in '000)	-----------------------	-----------------------
Managerial remuneration	**148,699**	102,124	**2,236,796**	1,913,830	**2,385,495**	2,015,954
Gratuity	**4,102**	4,475	**65,464**	62,912	**69,566**	67,387
Provident fund	**7,157**	5,392	**181,698**	147,019	**188,855**	152,411
Pension	**7,586**	5,715	**191,403**	154,185	**198,989**	159,900
Rent and house maintenance	**7,240**	4,797	**709,443**	579,513	**716,683**	584,310
Utilities	**2,737**	3,478	**176,350**	144,599	**179,087**	148,077
Medical and others	**353**	878	**19,757**	18,961	**20,110**	19,839
Bonus paid	**68,086**	63,256	**727,921**	637,277	**796,007**	700,533
	245,960	190,115	**4,308,832**	3,658,296	**4,554,792**	3,848,411
Number of persons as at the reporting date - note 41.2	**1**	1	**720**	593	**721**	594

41.1 In accordance with the requirements of the Companies Act 2017, employees whose basic salary for the year exceeds PKR 1.2 million have been considered as 'Executives' for the purpose of these unconsolidated financial statements.

41.2 During the year, new Chief Executive was appointed with effect from May 11, 2026.

		For the year ended June 30, 2026	For the year ended June 30, 2025
		-----------(PKR in '000) -----------	
41.3	During the year, fee paid to non-executive directors for attending board and other meetings, which is not part of remuneration, amounts to:	**8,550**	5,531

		As at and for the year ended June 30, 2026	As at and for the year ended June 30, 2025
41.4	Total number of employees as at the reporting date	**2,551**	2,570
	Average number of employees during the year	**2,561**	2,399
41.5	Total number of factory employees as at the reporting date	**719**	737
	Average number of factory employees during the year	**728**	741

42. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the Holding Company and related group companies, associated companies, subsidiary companies, directors of the Company, companies where directors also hold directorship, key management personnel, staff retirement funds (note 23), close family members of directors and key management personnel. All the transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated financial statements, are as follows:

Name of related party and relationship with the Company	Nature of transaction	For the year ended June 30, 2026	For the year ended June 30, 2025
		-------------(PKR in '000) -------------	
Holding company:			
Lucky Cement Limited	Purchase of goods, materials and services	**14,078**	173,339
	Sale of goods and materials	**1,906**	25,680
	Dividend paid	**2,908,186**	3,403,466
	Reimbursement of expenses	**6,610**	565
	Consumables obtained	**179,625**	-
	Consumables returned	**179,625**	-
Subsidiary companies:			
Lucky Core PowerGen Limited	Purchase of electricity	**908,587**	1,558,265
	Sale of goods and provision of services	**31,903**	119,600
	Dividend income	**340,000**	-
Lucky Core Ventures (Private) Limited	Reimbursement of expenses	**681**	539
Associated companies	Purchase of goods, materials and services	**1,668,512**	713,386
	Sale of goods, materials and services	**4,490,330**	4,602,215
	Dividend paid	**1,433,457**	1,703,671
	Donations paid	**169,676**	57,234
	Reimbursement of expenses	**45,687**	45,595
	Gain on investment	**830,388**	-
	Finance cost paid	**15,208**	-
	Investment in units of mutual funds	**25,681,508**	25,417,316
	Redemption of units of mutual funds	**25,870,033**	16,912,502
	Consumables obtained	**172,025**	-
	Consumables returned	**172,025**	-
Others	Dividend paid	**3,999**	5,946
	Staff retirement benefits - contribution	**603,459**	528,194
	Directors' meeting fee	**8,550**	5,531
Key management personnel	Remuneration paid	**641,509**	597,766
	Post employment benefits	**55,492**	51,261
	Dividend paid	**42,350**	49,533
	Reimbursement of expenses	**4,852**	-

42.1 Details of related parties of the Company

Details of related parties are as follows:

Name of related party	Basis of relationship	Direct shareholding % in the Company
Lucky Core PowerGen Limited	Wholly owned subsidiary & common directorship	Nil
Lucky TG (Private) Limited	Subsidiary & common directorship	Nil
Lucky Core Ventures (Private) Limited	Wholly owned subsidiary & common directorship	Nil
Lucky Core Investments Limited	Wholly owned subsidiary	Nil
NutriCo Morinaga (Private) Limited	Associate	Nil
Arabian Sea Country Club Limited	Equity investment	Nil
Lucky Cement Limited	Holding company & common directorship	55.00%
Lucky Holdings Limited	Associated company	Nil
Yunus Textile Mills Limited	Associated company	11.61%
Lucky Textile Mills Limited	Associated company	6.23%
Gadoon Textile Mills Limited	Associated company	7.21%
Lucky Motors Corporation Limited	Associated company	Nil
Lucky Foods (Private) Limited	Associated company	Nil
Lucky Core Management Staff Provident Fund	Staff retirement benefit fund	0.02%
Lucky Core Management Staff Gratuity Fund	Staff retirement benefit fund	0.01%
Lucky Core Management Staff Defined Contribution Superannuation Fund	Staff retirement benefit fund	0.02%
Lucky Core Non-Management Staff Provident Fund	Staff retirement benefit fund	Nil
Lucky Core Management Staff Pension Fund	Staff retirement benefit fund	0.01%
Lucky Core Foundation (Trust)	Associated company	Nil
Lucky Core Foundation (Section 42 Company)	Associated company	Nil
Lahore University of Management Sciences	Associated company	Nil
Aziz Tabba Foundation	Associated company	Nil
ChildLife Foundation	Associated company	Nil
Pakistan Business Council	Associated company	Nil
Global Commodities Limited	Associated company	Nil
Tabba Kidney Institute	Associated company	Nil
Tabba Heart Institute	Associated company	Nil
National Bank of Pakistan	Associated company	0.88%
YB Pakistan Limited	Associated company	1.16%
Lucky Commodities (Private) Limited	Associated company	Nil
Bank AL Habib Limited	Associated company	Nil
Siemens (Pakistan) Engineering Company Limited	Associated company	Nil
The Kidney Centre Post Graduate Training Institute	Associated company	Nil
International Industries Limited	Associated company	Nil
Lucky Landmark (Private) Limited	Associated company	Nil
Lucky Al Shumookh Holdings Limited (Republic of Iraq)	Associated company	Nil
YB Engineering Limited	Associated company	Nil
Calico Trust	Associated company	Nil
Eastern Regency Ltd.	Associated company	Nil
Energas Marketing (Private) Limited	Associated company	Nil
Energas Terminal (Private) Limited	Associated company	Nil
FITE Development & Management Company	Associated company	Nil
Grandcres Investment Limited	Associated company	Nil
Hacot Colombier	Associated company	Nil
Karachi Education Initiative	Associated company	Nil
Lucky Air (Pvt) Limited	Associated company	Nil
Lucky Electric Power Company Limited	Associated company	Nil
Lucky Energy (Pvt) Limited	Associated company	Nil
Lucky Exim (Private) Limited	Associated company	Nil
Lucky Knits (Private) Limited	Associated company	Nil
Lucky Paragon Readymix Limited	Associated company	Nil
Lucky Renewables (Private) Limited	Associated company	Nil

Name of related party	Basis of relationship	Direct shareholding % in the Company
National Resources (Private) Limited	Associated company	Nil
Security Electric Power Company Limited	Associated company	Nil
Tricom Solar Power (Private) Limited	Associated company	Nil
YB Holdings (Private) Limited	Associated company	Nil
Yunus Energy Limited	Associated company	Nil
Yunus Wind Power Limited	Associated company	Nil
NutriCo Pakistan (Private) Limited Gratuity Fund	Staff retirement benefit fund of associate	Nil
NutriCo Pakistan (Private) Limited Provident Fund	Staff retirement benefit fund of associate	Nil
Pakistan Tobacco Company Limited	Associated company	Nil
Regency United Pte. Limited	Associated company	Nil
Liaquat National Hospital and Medical College	Associated company	Nil
Sindh Institute of Urology and Transplantation (SIUT)	Associated company	Nil
Duke of Edinburgh's	Associated company	Nil
Pakistan Textile Council	Associated company	Nil
Greentree Holdings Limited	Associated company	Nil
Lucky 1888 Mills Pakistan (Pvt) Limited	Associated company	Nil
Lucky Wind Power Limited	Associated company	Nil
Ocean Management Services (Private) Limited	Associated company	Nil
Thar Coal Energy Board	Associated company	Nil
National Institutional Facilitation Technologies	Associated company	Nil
Honda Atlas Car (Pakistan) Limited	Associated company	Nil
Cherat Cement Limited	Associated company	Nil
Habib University Foundation	Associated company	0.02%
Lucky Investments Limited (Formerly Interloop Asset Management Limited)	Associated company	Nil
Altia Tech City (Private) Limited	Associated company	Nil
Titan Mining (Private) Limited	Associated company	Nil
Terra Mining (Private) Limited	Associated company	Nil
Heritage Mining (Private) Limited	Associated company	Nil
Kohinoor Textile Mills Limited	Associated company	Nil
LCL Investments Holding Limited	Associated company	Nil
Premium Textile Mills Limited	Associated company	Nil
Pakistan Centre for Philanthropy	Associated company	0.01%
Wafi Energy Pakistan	Associated company	Nil
Pakistan Security Printing Corporation	Associated company	Nil
Data Check Limited	Associated company	Nil
HBL Zarai Services	Associated company	Nil
Asif Jooma	Former key management personnel	0.80%
Muhammad Umar Mushtaq	Key management personnel	Nil
Atif Aboobukar	Key management personnel	Nil
Nauman Shahid Afzal	Key management personnel	Nil
Atif Siddiqui	Key management personnel	Nil
Rizwan Afzal Chaudhary	Key management personnel	Nil
Laila Bhatia Bawany	Key management personnel	Nil
Himra Mursil	Key management personnel	Nil
Saboor Ahmad	Key management personnel	Nil
Samar Hayat	Key management personnel	Nil
Muhammad Sohail Tabba	Director	Nil
Muhammad Ali Tabba	Director	Nil
Jawed Yunus Tabba	Director	Nil
Syed Muhammad Shabbar Zaidi	Director	0.0001%*
Ariful Islam	Director	0.005%*
Adnan Afridi	Former Director	0.0001%*
Zaffar Ahmad Khan	Director	0.001%*
Amina Abdul Aziz Bawany	Director	Nil

* Each director holds at least one requisite qualification share of the Company.

43. PLANT CAPACITY AND ANNUAL PRODUCTION

	Note	For the year ended June 30, 2026		For the year ended June 30, 2025	
		Annual Name Plate Capacity	Production	Annual Name Plate Capacity	Production
		----Metric tonnes----			
Polyester		**131,000**	**97,037**	131,000	99,951
Soda Ash	43.1	**560,000**	**420,415**	560,000	462,088
Sodium Bicarbonate		**54,000**	**53,890**	54,000	52,935

43.1 Out of total production of 420,415 metric tonnes (June 30, 2025: 462,088 metric tonnes) of Soda Ash, 51,202 metric tonnes (June 30, 2025: 47,642 metric tonnes) were transferred for production of 53,890 metric tonnes (June 30, 2025: 52,935 metric tonnes) of Sodium Bicarbonate.

43.2 The capacities of Chemicals, Pharma and Animal Health segment are indeterminable because these are multi-product with multiple dosage and multiple pack size plants. The production was sufficient to meet the demand.

44. FAIR VALUE MEASUREMENT

44.1 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. Consequently, differences can arise between carrying values and the fair value estimates.

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 carrying values of all financial assets and liabilities reflected in these unconsolidated financial statements approximate their fair values except for lease liabilities.

44.2 The Company classifies assets 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:

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

As of the reporting date, except for the Company's investment in mutual funds (which is valued under level 2), none of the other financial assets / liabilities are carried at fair value in these unconsolidated financial statements. There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

45. FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2026	As at June 30, 2025
45.1 Financial assets measured at amortised cost	----(PKR in '000)----	
Loans to executives and employees	**1,327,511**	1,213,956
Long-term deposits	**109,808**	97,079
Trade debts	**6,206,889**	5,043,132
Short-term deposits	**330,475**	432,290
Other receivables	**677,780**	431,875
Short-term investments - term deposits receipts	**327,000**	392,000
Cash and bank balances	**562,522**	831,940
	9,541,985	8,442,272
45.2 Financial assets measured at fair value through profit or loss		
Short-term investments - Investment in mutual funds	**20,942,067**	18,711,368
45.3 Financial liabilities measured at amortised cost		
Long-term loans	**10,507,397**	11,113,813
Lease liabilities	**301,859**	388,795
Trade and other payables	**9,753,691**	13,679,084
Accrued mark-up	**868,204**	942,298
Short-term financing	**16,833,908**	10,507,093
Unclaimed dividend	**176,740**	157,102
	38,441,799	36,788,185

46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk. The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Board of Directors has the overall responsibility for establishment and oversight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team 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 Audit Committee oversees compliance by management 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.

46.1 Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments may fluctuate as a result of changes in market currency rates, interest rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company manages the market risk by monitoring exposure on financial instruments and by following internal risk management policies.

46.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Company mitigates its risk against the exposure by focusing on short-term investments. As at the reporting date the interest rate profile of the Company's interest-bearing financial instruments at carrying value were:

	Note	As at June 30, 2026	As at June 30, 2025
		-------------(PKR in '000)	-------------
Fixed rate instruments			
Financial assets	19	**327,000**	392,000
Financial liabilities		**(2,656,304)**	(3,327,837)
		(2,329,304)	(2,935,837)
Variable rate instruments			
Financial assets		**55,417**	-
Financial liabilities		**(25,116,671)**	(18,792,746)
		(25,061,254)	(18,792,746)

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 rates at the reporting date would not affect profit or loss.

Sensitivity analysis for variable rate instruments

If KIBOR had been 10% higher / lower with all other variables held constant, the impact on the profit before tax for the year would have been: PKR 250.613 million (June 30, 2025: PKR 187.927 million).

46.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies. The Company is exposed to foreign currency risk on sales and purchases which are entered in a currency other than PKR. When the management expects future depreciation of Pak Rupee, the Company enters into forward foreign exchange contracts in accordance with the instructions from the State Bank of Pakistan and the Company's treasury policy. The policy allows the Company to take currency exposure within predefined limits while open exposures are rigorously monitored.

Following is the gross exposure classified into separate foreign currencies:

	CNY	EURO	USD	GBP
	(Amount '000)			
	As at June 30, 2026			
Trade debts	**-**	**-**	**621**	**-**
Cash and bank balances	**-**	**-**	**1,361**	**-**
	-	**-**	**1,982**	**-**
Trade and other payables	**(56)**	**(156)**	**(4,084)**	**(1)**
Gross statement of financial position exposure	**(56)**	**(156)**	**(2,102)**	**(1)**
	As at June 30, 2025			
Trade debts	-	-	1,523	-
Cash and bank balances	-	-	1,133	-
	-	-	2,656	-
Trade and other payables	(873)	(64)	(1,939)	(10)
Gross statement of financial position exposure	(873)	(64)	717	(10)

Significant exchange rates applied during the year were as follows:

	Average rate		Spot rate	
	For the year ended June 30, 2026	For the year ended June 30, 2025	As at June 30, 2026	As at June 30, 2025
PKR per	PKR		PKR	
EURO	**326.01**	303.95	**316.92**	332.66
USD	**280.11**	279.34	**278.16**	283.76
GBP	**374.91**	361.48	**368.02**	388.86
CNY	**40.16**	38.72	**41.00**	39.60

Sensitivity analysis

Every 10% increase or decrease in exchange rate with all other variables held constant will decrease or increase profit before tax for the year by PKR 63.680 million (June 30, 2025: PKR 14.348 million). The following table demonstrates the sensitivity to the change in exchange rates. As at June 30, 2026, if PKR had weakened / strengthened by 10% against other currencies, with all other variables held constant, the effect on the Company profit before tax at June 30, 2026 and June 30, 2025 would be as follows:

	Increase / decrease in exchange rates	Effect on profit before tax (CNY)	Effect on profit before tax (EURO)	Effect on profit before tax (USD)	Effect on profit before tax (GBP)
2026					
PKR in '000	**+10%**	**(230)**	**(4,944)**	**(58,469)**	**(37)**
PKR in '000	**-10%**	**230**	**4,944**	**58,469**	**37**
2025					
PKR in '000	+10%	(3,458)	(2,139)	20,335	(390)
PKR in '000	-10%	3,458	2,139	(20,335)	390

46.1.3 Other price risk is the risk that the value of future cash flows of the financial instrument will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investment securities. As at the reporting date, the Company is not materially exposed to other price risk except investment in subsidiaries which are carried at cost against which provision for impairment has been recognised (if any) in these unconsolidated financial statements.

46.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual counter-party. To reduce exposure to credit risk, the Company has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes allowance for ECLs against those balances considered doubtful of recovery. To mitigate the risk, the Company has a system of assigning credit limits to its customers based on evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposits, bank guarantees and insurance guarantees.

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

		Note	As at June 30, 2026	As at June 30, 2025
46.2.1	**Financial assets**		--------------(PKR in '000) --------------	
	Loans to executives and employees	11	**1,327,511**	1,213,956
	Long-term deposits	12	**109,808**	97,079
	Trade debts	15	**6,206,889**	5,043,132
	Short-term deposits	17	**330,475**	432,290
	Other receivables	18	**677,780**	431,875
	Short-term investments	19	**21,269,067**	19,103,368
	Bank balances	20	**553,195**	822,570
			30,474,725	27,144,270

46.2.2 The Company has placed its funds with banks which are rated A1+, A1 and P-1 as per the short-term rating by PACRA / Moody's / JCR-VIS. Short-term investments are held in mutual funds which are rated AA+ and AA as per the ratings by PACRA / JCR-VIS.

		As at June 30, 2026	As at June 30, 2025
46.2.3	**Financial assets**	--------------(PKR in '000) --------------	
	- Secured	**2,807,204**	2,383,516
	- Unsecured	**27,667,521**	24,760,754
		30,474,725	27,144,270

46.2.4 Set out below is the information about the ageing of trade debts and related credit risk exposure as at the reporting date:

	Not past due (net of provision for price adjustments, discounts and sales returns)	Past due but not impaired	Past due and impaired		Total
		Not more than three months	More than three months and not more than four months	More than four months	
	----------(PKR in '000) ----------				
	As at June 30, 2026				
Total gross carrying amount	**4,237,608**	**1,960,814**	**16,934**	**171,023**	**6,386,379**
Expected credit loss	-	-	**(8,467)**	**(171,023)**	**(179,490)**
Expected credit loss effective rate	-	-	**50%**	**100%**	
	As at June 30, 2025				
Total gross carrying amount	4,262,372	761,316	38,829	213,432	5,275,949
Expected credit loss	-	-	(19,415)	(213,432)	(232,847)
Expected credit loss effective rate	-	-	50%	100%	

46.2.5 There were no past due or impaired trade debts, loans and advances and other receivables from related parties.

46.2.6 Concentration risk

The sector wise analysis of financial assets is given below:

	Note	As at June 30, 2026	As at June 30, 2025
		--------------(PKR in '000) --------------	
Textile and chemicals		**2,515,300**	1,597,388
Glass		**553,758**	414,775
Paper and board		**189,870**	149,287
Pharmaceuticals		**516,725**	185,163
Detergents		**1,256,156**	914,123
Paints		**243,755**	63,513
Banks		**880,195**	1,214,570
Asset management companies		**20,942,067**	18,711,368
Others		**3,689,254**	4,216,885
		30,787,080	27,467,072
Allowance for ECL:			
- trade debts	15	**(179,490)**	(232,847)
- loans and advances	16	**(11,727)**	(30,817)
- other receivables	18	**(121,138)**	(59,138)
		(312,355)	(322,802)
		30,474,725	27,144,270

46.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Company's treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the maturity date.

	Note	Carrying amount	Contractual cash flows	Less than one year	More than one year
			As at June 30, 2026		
			(PKR in '000)		
Financial liabilities					
Trade creditors	27	**4,049,625**	**(4,049,625)**	**(4,049,625)**	**-**
Bills payable	27	**1,775,578**	**(1,775,578)**	**(1,775,578)**	**-**
Accrued mark-up		**868,204**	**(868,204)**	**(868,204)**	**-**
Lease liabilities	9	**301,859**	**(390,876)**	**(83,012)**	**(307,864)**
Accrued expenses	27	**2,492,881**	**(2,492,881)**	**(2,492,881)**	**-**
Distributors' security deposits - payable					**-**
on termination of distributorship	27	**129,811**	**(129,811)**	**(129,811)**	**-**
Contractors' earnest / retention money	27	**38,915**	**(38,915)**	**(38,915)**	**-**
Unclaimed dividend		**176,740**	**(176,740)**	**(176,740)**	**-**
Payable for capital expenditure	27	**120,769**	**(120,769)**	**(120,769)**	**-**
Other payables	27	**1,146,112**	**(1,146,112)**	**(1,146,112)**	**-**
Long-term loans	24	**10,507,397**	**(10,985,230)**	**(2,774,317)**	**(8,210,913)**
Short-term financing	28	**16,833,908**	**(16,833,908)**	**(16,833,908)**	**-**
		38,441,799	**(39,008,649)**	**(30,489,872)**	**(8,518,777)**

	Note	Carrying amount	Contractual cash flows	Less than one year	More than one year
			As at June 30, 2025		
			(PKR in '000)		
Financial liabilities					
Trade creditors	27	5,403,690	(5,403,690)	(5,403,690)	-
Bills payable	27	1,503,076	(1,503,076)	(1,503,076)	-
Accrued mark-up		942,298	(942,298)	(942,298)	-
Lease liabilities	9	388,795	(427,169)	(81,649)	(345,520)
Accrued expenses	27	5,455,527	(5,455,527)	(5,455,527)	-
Distributors' security deposits - payable					-
on termination of distributorship	27	110,882	(110,882)	(110,882)	-
Contractors' earnest / retention money	27	34,156	(34,156)	(34,156)	-
Unclaimed dividend		157,102	(157,102)	(157,102)	-
Payable for capital expenditure	27	620,840	(620,840)	(620,840)	-
Other payables	27	550,913	(550,913)	(550,913)	-
Long-term loans	24	11,113,813	(11,772,768)	(2,623,231)	(9,149,537)
Short-term financing	28	10,507,093	(10,507,093)	(10,507,093)	-
		36,788,185	(37,485,514)	(27,990,457)	(9,495,057)

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

47. CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets 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. The Company also monitors capital using a gearing ratio, which is net debt, interest / profit bearing loans and borrowings including finance cost thereon, less cash and bank balances. Capital signifies equity as shown in the unconsolidated statement of financial position plus net debt. The gearing ratio as at June 30, 2026 and June 30, 2025 is as follows:

	Note	As at June 30, 2026	As at June 30, 2025
		------------(PKR in '000) ------------	
Long-term loans	24 & 25	**10,985,230**	11,772,768
Short-term financing	28	**16,833,908**	10,507,093
Total debt		**27,819,138**	22,279,861
Short-term investments	19	**(21,269,067)**	(19,103,368)
Cash and bank balances	20	**(562,522)**	(831,940)
Net debt		**5,987,549**	2,344,553
Issued, subscribed and paid up share capital	21	**923,591**	923,591
Capital reserves	22	**18,309,643**	18,309,643
Revenue reserve - unappropriated profit		**34,146,333**	29,758,856
Equity		**53,379,567**	48,992,090
Capital		**59,367,116**	51,336,643
Gearing ratio (Net debt / (Net debt + Equity)		**10.09%**	**4.57%**

48. SUBSEQUENT EVENT

The Directors in their meeting held on August 3, 2026 have recommended a final dividend of PKR 5.25 per share (June 30, 2025: PKR 6.20 per share) for the year ended June 30, 2026. This dividend is in addition to interim dividend paid of PKR 5.25 per share declared during the current year. The unconsolidated financial statements for the year ended June 30, 2026 do not include the effect of the final dividend which will be accounted for in the year in which it is approved.

49. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017

		As at June 30, 2026			As at June 30, 2025		
	Note	Conventional	Shariah Compliant	Total	Conventional	Shariah Compliant	Total
		----------(PKR in '000)----------					
Unconsolidated statement of financial position - assets							
Long-term investments		**-**	**2,412,491**	**2,412,491**	**-**	2,412,491	2,412,491
Short-term investments	19	**-**	**21,269,067**	**21,269,067**	127,000	18,976,368	19,103,368
Bank deposits, bank balances, and TDRs		**-**	**562,522**	**562,522**	-	831,940	831,940
Unconsolidated statement of financial position - liabilities							
Long-term loans	24	**2,224,634**	**8,282,763**	**10,507,397**	2,828,160	8,285,653	11,113,813
Lease liabilities		**-**	**301,859**	**301,859**	-	388,795	388,795
Short-term financing		**-**	**16,833,908**	**16,833,908**	50,093	10,457,000	10,507,093
Accrued interest / mark-up on loan or advance		**11,340**	**856,864**	**868,204**	893,374	48,924	942,298

	Note	For the year ended June 30, 2026			For the year ended June 30, 2025		
		Conventional	Shariah Compliant	Total	Conventional	Shariah Compliant	Total
		---(PKR in '000)---					
Unconsolidated statement of profit or loss							
Revenue earned from a Shariah-compliant business segment	31.1	**-**	**113,214,445**	**113,214,445**	-	120,013,160	120,013,160
Late payments or liquidated damages			**Not applicable**			Not applicable	
Unrealised gain on short-term investments		**-**	**40,434**	**40,434**	-	24,033	24,033
Realised gain / dividend on short-term investments		**-**	**1,875,877**	**1,875,877**	-	2,273,173	2,273,173
Profit earned from bank deposits, bank balances, or TDRs		**-**	**15,919**	**15,919**	-	64,450	64,450
Exchange gain / (loss) earned from actual currency		**-**	**(63,303)**	**(63,303)**	-	(58,853)	(58,853)
Exchange gains earned using conventional derivative financial instruments			**Not applicable**			Not applicable	
Scrap sales		**-**	**217,127**	**217,127**	-	176,163	176,163
Gain on disposal of operating fixed assets		**-**	**29,460**	**29,460**	-	93,920	93,920
Unw inding of staff loans cost		**-**	**-**	**-**	-	550,760	550,760
Gain on bargain purchase		**-**	**-**	**-**	292,555	-	292,555
Discounting impact on SIDC		**-**	**1,134,434**	**1,134,434**	-	-	-
Other income		**181,122**	**71,985**	**253,107**	257,973	-	257,973
Dividend income from long-term investments		**-**	**340,000**	**340,000**	-	-	-
Mark-up/profit on short-term and long-term financing		**234,591**	**2,127,150**	**2,361,741**	435,218	1,618,432	2,053,650
Interest earned on any conventional loan or advance			**Not applicable**			Not applicable	
Discounting charges on receivables		**37,981**	**-**	**37,981**	90,705	-	90,705
Accretion of interest on lease liabilities		**-**	**51,234**	**51,234**	-	60,810	60,810
Unw inding of SIDC		**-**	**40,234**	**40,234**	-	-	-
Others charges		**-**	**643**	**643**	-	5,292	5,292

49.1 Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc:

Name	Relationship
Allied Bank Limited	Short Term Financing and Long Term Financing
Askari Bank Limited	Short Term Financing and Long Term Financing
Bank Alfalah Limited	Short Term Financing and Bank Deposits
BankIslami Pakistan Limited	Short Term Financing
The Bank of Khyber	Short Term Financing
Dubai Islamic Bank Pakistan Limited	Short Term Financing
Faysal Bank Limited	Short Term Financing
Habib Bank Limited	Short Term Financing and Long Term Financing
Habib Metropolitan Bank Limited	Short Term Financing and Bank Deposits
Meezan Bank Limited	Short Term Financing and Long Term Financing
MCB Islamic Bank Limited	Short Term Financing
Standard Chartered Bank (Pakistan) Limited	Short Term Financing
United Bank Limited	Short Term Financing
Al Baraka Bank (Pakistan) Limited	Short Term Financing
HBL Islamic Money Market Fund	Investment
Faysal Islamic Cash Fund	Investment
ABL Islamic Money Market Plan - I	Investment
Alfalah Islamic Money Market Fund	Investment
Alhamra Cash Management Optimizer	Investment
Al-Ameen Islamic Cash Fund	Investment
BMA Islamic Noor Cash Fund	Investment
Lucky Islamic Fixed Term Plan - 21	Investment
Lucky Islamic Fixed Term Plan - 22	Investment
Lucky Islamic Income Fund	Investment
Lucky Islamic Stock Fund	Investment
Meezan Fixed Term Fund	Investment
Faysal Islamic Mehdood Muddat Plan - XXIII	Investment
NBP Islamic Fixed Term Munafa Plan - IB	Investment
EFU General Insurance Window Takaful Operations	Takaful Operator
Alfalah Insurance Company Limited Window Takaful Operations	Takaful Operator
5th Pillar Family Takaful Limited	Takaful Operator

50. GENERAL

50.1 The Company does not hold non-current assets in any foreign country.

50.2 Figures have been rounded off to the nearest thousand PKR except as stated otherwise.

50.3 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. Material reclassifications are as follows:

Description	Reclassification From	Reclassification To	As at June 30, 2025 PKR in 000
Term deposit receipts	Cash and bank balances	Short-term investments	392,000

50.4 Non-cash investing and financing activities include additions of right-of-use assets.

51. DATE OF AUTHORISATION

These unconsolidated financial statements were authorised for issue in the Board of Directors meeting held on August 03, 2026.

Muhammad Sohail Tabba
Chairman / Director

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

Comparison of Results for Ten Years

As at June 30

	2016-17	2017-18	2018-19 Restated
Statement of Financial Position			
Equity	16,183,900	17,411,939	18,608,940
Revaluation Reserves	743,948	669,495	-
Total Equity and Revaluation Reserve	16,927,848	18,081,434	18,608,940
Non Current Liability	6,243,246	10,248,010	8,539,214
Current Liability	12,984,767	14,818,685	16,366,077
Total Equity and Liabilities	36,155,861	43,148,129	43,514,231
Non Current Assets	22,996,164	25,881,937	24,938,990
Current Assets	13,159,697	17,266,192	18,575,241
Total Assets	36,155,861	43,148,129	43,514,231
Statement of Profit or Loss			
Turnover	47,548,639	55,591,275	65,383,089
Net Turnover	41,363,695	49,107,580	58,328,849
Cost of Sales	33,598,220	40,553,323	48,877,125
Gross Profit	7,765,475	8,554,257	9,451,724
Operating Result	4,043,576	4,397,841	4,935,414
Profit Before Taxation	4,394,370	3,650,402	3,180,506
Profit After Taxation	3,296,091	3,059,704	2,304,912
Summary of Cash Flows			
Cash generated from / (used in) operations	5,569,176	358,766	7,034,995
Net cash generated from / (used in) operating activities	4,824,855	(1,401,590)	4,528,566
Net cash generated from / (used in) investing activities	(4,930,518)	(5,752,562)	(2,267,022)
Net cash generated from / (used in) financing activities	(52,889)	1,993,226	(1,942,919)
Cash and cash equivalents at June 30	(1,976,698)	(7,137,624)	(6,818,999)

Amounts in PKR '000

2019-20 Restated	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
20,231,807	23,879,208	26,391,122	37,830,644	43,576,006	48,992,090	53,379,567
-	-	-	-	-	-	-
20,231,807	23,879,208	26,391,122	37,830,644	43,576,006	48,992,090	53,379,567
8,024,059	5,288,760	7,380,192	7,504,645	7,034,696	14,395,703	13,910,179
13,253,245	14,635,597	26,169,508	35,731,372	32,955,032	31,690,827	35,050,339
41,509,111	43,803,565	59,940,822	81,066,661	83,565,734	95,078,620	102,340,085
24,650,897	25,640,334	33,552,734	32,615,986	35,136,166	46,256,754	46,439,285
16,858,214	18,163,231	26,388,088	48,450,675	48,429,568	48,821,866	55,900,800
41,509,111	43,803,565	59,940,822	81,066,661	83,565,734	95,078,620	102,340,085
64,781,546	77,481,030	106,294,392	131,550,122	146,253,342	146,662,091	143,311,912
53,598,537	62,617,966	86,972,178	109,486,109	120,460,326	120,013,160	113,214,445
43,042,158	48,269,723	68,353,133	87,352,985	93,569,388	92,672,747	88,666,012
10,556,379	14,348,243	18,619,045	22,133,124	26,890,938	27,340,413	24,548,433
5,669,239	8,398,838	11,753,414	14,653,424	17,150,796	17,920,303	14,703,698
4,329,883	8,228,802	10,199,135	21,910,804	16,500,988	18,505,333	15,223,209
3,095,858	5,959,446	6,248,587	13,772,409	11,140,217	11,638,410	9,692,006
9,984,563	10,378,489	5,365,723	10,883,974	23,661,279	27,149,744	14,457,418
7,547,855	9,067,160	2,877,176	4,090,772	14,712,724	17,893,342	5,890,910
(1,007,464)	(2,866,835)	(10,061,758)	9,324,128	(1,907,396)	(13,967,074)	(4,112,435)
(2,616,564)	(4,612,691)	(2,222,771)	(1,988,561)	(9,130,832)	(1,505,366)	182,806
(3,152,778)	(1,565,144)	(10,972,497)	453,842	17,249,406	19,543,308	21,504,589

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LUCKY CORE INDUSTRIES

Lucky Core Industries Limited and its Subsidiary Companies

Consolidated Financial Statements

YBG

Report of the Directors
for the year Ended June 30, 2026 (Consolidated)

The Directors are pleased to present their report together with the audited Group results of Lucky Core Industries Limited for the year ended June 30, 2026. The Lucky Core Industries group comprises Lucky Core Industries Limited, its subsidiaries: Lucky Core PowerGen Limited (PowerGen), Lucky TG (Private) Limited (Lucky TG), Lucky Core Ventures (Private) Limited (LCV) and its associated concern; NutriCo Morinaga (Private) Limited (NMPL).

The Director's report, which provides a commentary on the performance of Lucky Core Industries Limited for the year ended June 30, 2026, has been presented separately.

Lucky Core PowerGen Limited's (PowerGen) net turnover for the year under review, stood at PKR 921 million, 35% lower than the same period last year (SPLY). Decrease in net revenue was primarily attributed to reduced power sales due to lower customer demand because of high fuel prices. Overall, operating profit was at PKR 38 million, lower by 65% compared to the SPLY primarily due to decreased sales.

Share of profit from NMPL stood at PKR 290 million as compared to PKR 19 million in the SPLY. The improvement was driven primarily by increase in sales along with improvement in margins due to localisation.

On a consolidated basis, the Net Turnover at PKR 113,380 million for the year under review was lower by 5% compared to the SPLY. Whereas the Operating Result at PKR 14,744 million for the year under review was lower by 18% compared to the SPLY. PAT at PKR 9,748 million for the year under review was 17% lower compared to the SPLY, whereas EPS attributed to the owners of the holding company at PKR 21.11 was 17% lower compared to the SPLY. EPS was restated to reflect the subdivision of the face value of the ordinary shares of the Company from PKR 10/- to PKR 02/- per share. The regulatory formalities to give effect to the stock split were completed on July 19, 2025.

Muhammad Sohail Tabba
Chairman

Samar Hayat
Chief Executive Officer

Dated: August 3, 2026

Karachi

Independent Auditor's Report

To the members of Lucky Core Industries Limited

Opinion

We have audited the annexed consolidated financial statements of Lucky Core Industries Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2026, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including 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, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
1.	**Revenue recognition** (Refer notes 3.21, 4.2.5 and 32.1 to the annexed consolidated financial statements)	
	Net revenue from customers for the year ended June 30, 2026 amounted to Rs. 113,379.692 million. The Group earns revenue from multiple business segments with significant volume of revenue transactions. Revenue is recognised when the Group satisfies performance obligations as specified in the contracts with the customers. There is a presumed risk of revenue being overstated resulting from the pressure management may feel to achieve performance targets set for the year. The Group also focuses on revenue as it is one of the key performance indicators of the Group. Accordingly, we consider that there is a risk of material misstatement of financial statements relating to revenue recognition. On account of revenue being considered as an area involving a high level of risk of material misstatement therefore, significant audit efforts are involved for the verification of the same. Accordingly, this has been considered as a key audit matter.	Our audit procedures, amongst others, included the following: • Obtained understanding and evaluated the accounting policies and the Group's procedures with respect to revenue recognition. • Reviewed contracts with customers for each business segment to obtain an understanding of the terms particularly relating to timing and transfer of control of the products and assessed the appropriateness of revenue recognition policies and practices followed by the Group. • Tested revenue transactions on a sample basis by inspecting underlying documentation including dispatch documents and sales invoices.

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KARACHI LAHORE ISLAMABAD

<table>
<tr><th>S.No.</th><th>Key audit matters</th><th>How the matter was addressed in our audit</th></tr>
<tr><td></td><td></td><td>Performed analytical procedures over revenue transactions to identify trends and any unusual change in revenue for each segment.
Tested specific revenue transactions on a sample basis recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period.
Obtained understanding of the types and process of discounts offered to customers and tested on a sample basis discounts provided from supporting documentation including approvals of the discounts.
Assessed the related disclosures made in the annexed consolidated financial statements in accordance with the requirements of the applicable financial reporting framework.</td></tr>
<tr><td>2.</td><td>Stock-in-trade and consumables
(Refer notes 3.8, 3.9, 4.2.7, 13 and 14 to the annexed consolidated financial statements)</td><td></td></tr>
<tr><td></td><td>As at June 30, 2026, the Group holds certain items of raw materials and consumables amounting to Rs. 2,305.037 million which comprises of coal, coke, limestone and rock salt. These inventory items are stored in the form of stockpiles. Since the weighing of these inventory items to determine the quantities in hand as at year end is not practicable, the reasonableness of the quantities on hand is assessed by obtaining measurements of stockpiles and converting these measurements into unit of volumes using the bulk density values.

As the determination of stock quantities in hand as at reporting date, by measuring the volume and density of these items, involves significant estimates and the amounts involved are significant, this has been considered as a key audit matter.</td><td>Our audit procedures, amongst others, included the following:
Obtained an understanding of the process and procedures with respect to the specific items of the stock-in-trade and consumables stored in the form of stockpiles.
Attended physical inventory counts performed by the management's external expert and assessed the reasonableness of the management expert's process of measurement of stockpiles and the determination of volumes.
Engaged an independent auditor's expert to assess the appropriateness of measurements of stock quantities determined by the management's expert by performing an independent inventory count of these items.
Obtained and reviewed the inventory count reports of the management's external expert and matched the same with the quantities as determined by our independent expert to assess the appropriateness of measurement of stock quantities determined therein and ensured that the same has been used by the management for valuation of the related stock.
Assessed the related disclosures made in the annexed consolidated financial statements in accordance with the requirements of the applicable financial reporting framework.</td></tr>
</table>

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 Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

  Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: August 31, 2026
UDIN: AR202610069mCg86T7bc

Consolidated Statement of Financial Position

As at June 30, 2026

	Note	June 30, 2026	June 30, 2025
ASSETS		-----------------(PKR in '000)-----------------	
Non-current assets			
Property, plant and equipment	7	**38,624,539**	38,813,788
Intangible assets	8	**3,120,509**	3,115,931
Right-of-use assets	9	**247,418**	368,211
		41,992,466	42,297,930
Long-term investments	10	**11,136,386**	10,846,537
Long-term loans	11	**1,118,926**	877,213
Long-term deposits and other assets	12	**1,102,180**	850,669
		13,357,492	12,574,419
		55,349,958	54,872,349
Current assets			
Stores, spares and consumables	13	**3,783,324**	3,533,309
Stock-in-trade	14	**19,967,856**	17,134,770
Trade debts	15	**6,234,873**	5,068,742
Loans and advances	16	**1,000,870**	1,258,230
Short-term deposits and prepayments	17	**757,238**	833,129
Other receivables	18	**2,191,782**	1,426,023
Short-term investments	19	**21,291,416**	19,125,115
Cash and bank balances	20	**638,203**	1,077,482
		55,865,562	49,456,800
Total assets		**111,215,520**	104,329,149
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
7,500,000,000 (June 30, 2025: 1,500,000,000) ordinary shares of PKR 2 (June 30, 2025: PKR 10) each	21.1	**15,000,000**	15,000,000
Issued, subscribed and paid-up share capital	21	**923,591**	923,591
Capital reserves	22	**18,309,643**	18,309,643
Revenue reserve - unappropriated profit		**40,192,094**	35,748,582
Attributable to the equity holders of the Holding Company		**59,425,328**	54,981,816
Non-controlling interests	23	**11,137**	10,788
Total equity		**59,436,465**	54,992,604
LIABILITIES			
Non-current liabilities			
Staff retirement benefits	24	**127,885**	153,591
Long-term loans	25	**7,888,881**	9,539,945
Lease liabilities	9	**218,847**	307,146
Deferred income - government grant	26	**322,032**	477,833
Deferred tax liability - net	27	**7,557,403**	7,405,264
Long-term portion of Sindh Infrastructure Development Cess	28.5	**1,211,694**	-
		17,326,742	17,883,779
Current liabilities			
Trade and other payables	28	**12,215,420**	15,720,159
Accrued mark-up		**868,204**	942,298
Short-term financing	29	**16,833,908**	10,507,093
Taxation - net		**1,500,712**	2,289,475
Current portion of long-term loans	25	**2,618,516**	1,573,868
Current portion of lease liabilities	9	**83,012**	81,649
Current portion of deferred income - government grant	26	**155,801**	181,122
Unclaimed dividend		**176,740**	157,102
		34,452,313	31,452,766
Total equity and liabilities		**111,215,520**	104,329,149
Contingencies and Commitments	30		

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

Muhammad Sohail Tabba	**Samar Hayat**	**Atif Aboobukar**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Consolidated Statement of Profit or Loss
For the year ended June 30, 2026

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		-------------(PKR in '000)-------------	
Net turnover	32.1	**113,379,692**	119,940,714
Cost of sales	32.2	**(88,790,596)**	(92,487,496)
Gross profit		**24,589,096**	27,453,218
Selling and distribution expenses	34	**(6,932,511)**	(7,175,071)
Administration and general expenses	35	**(2,913,025)**	(2,247,567)
Operating profit		**14,743,560**	18,030,580
Other charges	36	**(836,259)**	(887,079)
Gain on bargain purchase	6	**-**	292,555
Finance costs	37	**(2,491,834)**	(2,210,457)
Exchange loss		**(63,505)**	(56,087)
		(3,391,598)	(2,861,068)
Other income	38	**3,566,999**	3,444,424
Share of profit from associate	10.1	**289,849**	19,272
Profit before final taxes and income tax		**15,208,810**	18,633,208
Final taxes	39	**(10,525)**	(14,184)
Profit before income tax		**15,198,285**	18,619,024
Taxation - Income tax			
Current	39	**(5,300,992)**	(5,031,591)
Deferred	39	**(148,903)**	(1,830,248)
		(5,449,895)	(6,861,839)
Profit for the year		**9,748,390**	11,757,185
Attributable to:			
Equity holders of the Holding Company		**9,748,041**	11,757,122
Non-controlling interests		**349**	63
		9,748,390	11,757,185
		------------------(PKR)------------------	
Basic and diluted earnings per share	40	**21.11**	25.46

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

Muhammad Sohail Tabba
Chairman / Director

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

Consolidated Statement of Comprehensive Income
For the year ended June 30, 2026

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		---------(PKR in '000)---------	
Profit for the year		**9,748,390**	11,757,185
Other comprehensive loss			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement of defined benefit plans	24.3.1	**(13,737)**	(56,179)
Income tax effect	27	**(3,236)**	21,910
		(16,973)	(34,269)
Total comprehensive income for the year		**9,731,417**	11,722,916
Attributable to:			
Equity holders of the Holding Company		**9,731,068**	11,722,853
Non-controlling interests		**349**	63
		9,731,417	11,722,916

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

Muhammad Sohail Tabba
Chairman / Director

Samar Hayat
Chief Executive Officer

Atif Aboobukar
Chief Financial Officer

Consolidated Statement of Changes in Equity
For the year ended June 30, 2026

	Issued, subscribed and paid-up share capital	Capital reserves (note 22)	Revenue reserve - unappropriated profit	Total equity attributable to the equity holders of the Holding Company	Non-controlling interests	Total equity
	(PKR in '000)					
Balance as at July 1, 2024	**923,591**	**18,309,643**	**30,213,786**	**49,447,020**	**10,725**	**49,457,745**
Profit for the year	-	-	11,757,122	11,757,122	63	11,757,185
Other comprehensive loss for the year - net of tax	-	-	(34,269)	(34,269)	-	(34,269)
Total comprehensive income for the year	-	-	11,722,853	11,722,853	63	11,722,916
Transactions with the owners						
Final dividend for the year ended June 30, 2024 @ PKR 33 per share	-	-	(3,047,849)	(3,047,849)	-	(3,047,849)
Interim dividend for the year ended June 30, 2025 @ PKR 34 per share	-	-	(3,140,208)	(3,140,208)	-	(3,140,208)
	-	-	(6,188,057)	(6,188,057)	-	(6,188,057)
Balance as at June 30, 2025	**923,591**	**18,309,643**	**35,748,582**	**54,981,816**	**10,788**	**54,992,604**
Profit for the year	**-**	**-**	9,748,041	9,748,041	349	9,748,390
Other comprehensive loss for the year - net of tax	**-**	**-**	(16,973)	(16,973)	-	(16,973)
Total comprehensive income for the year	**-**	**-**	**9,731,068**	**9,731,068**	**349**	**9,731,417**
Transactions with the owners						
Final dividend for the year ended June 30, 2025 @ PKR 6.20 per share	-	-	(2,863,131)	(2,863,131)	-	(2,863,131)
Interim dividend for the year ended June 30, 2026 @ PKR 5.25 per share	-	-	(2,424,425)	(2,424,425)	-	(2,424,425)
	-	**-**	**(5,287,556)**	**(5,287,556)**	**-**	**(5,287,556)**
Balance as at June 30, 2026	**923,591**	**18,309,643**	**40,192,094**	**59,425,328**	**11,137**	**59,436,465**

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

Muhammad Sohail Tabba	**Samar Hayat**	**Atif Aboobukar**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Consolidated Statement of Cash Flows

For the year ended June 30, 2026

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		-------------(PKR in '000)-------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	41	**14,357,198**	27,466,049
Payments for:			
Staff retirement benefit plans	24.3.2	**(72,572)**	(72,293)
Non-management staff gratuity and eligible retired employees' medical scheme		**(49,697)**	(49,388)
Income and final taxes		**(6,100,280)**	(7,290,397)
Interest on loans / finances		**(2,344,571)**	(1,862,256)
Net cash generated from operating activities		**5,790,078**	18,191,715
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		**(4,311,073)**	(9,097,325)
Payment for acquisition of business		**-**	(5,000,000)
Proceeds from disposal of operating fixed assets		**40,973**	287,423
Interest income received		**24,238**	39,661
Short-term investments redeemed / (made)		**65,000**	(265,000)
Net cash used in investing activities		**(4,180,862)**	(14,035,241)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities	9	**(88,553)**	(123,719)
Export refinance facility obtained / (repaid)		**750,000**	(2,117,578)
Long-term loans obtained	25.1	**712,294**	7,140,550
Long-term loans repaid		**(1,499,832)**	(1,127,004)
Dividends paid		**(5,267,918)**	(6,167,782)
Short term running finance obtained		**5,576,815**	890,167
Net cash generated from / (used in) financing activities		**182,806**	(1,505,366)
Net increase in cash and cash equivalents		**1,792,022**	2,651,108
Cash and cash equivalents at the beginning of the year		**19,810,597**	17,159,489
Cash and cash equivalents at the end of the year		**21,602,619**	19,810,597
Cash and cash equivalents at the end of the year comprise of:			
Cash and bank balances	20	**638,203**	1,077,482
Short-term investments	19	**20,964,416**	18,733,115
		21,602,619	19,810,597

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

Muhammad Sohail Tabba	**Samar Hayat**	**Atif Aboobukar**
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Notes to and Forming Part of the Consolidated Financial Statements
For the year ended June 30, 2026

1. THE GROUP AND ITS OPERATIONS

1.1 The Group consists of Lucky Core Industries Limited (the "Holding Company") and the following subsidiaries:

- Lucky Core PowerGen Limited ("PowerGen");
- Lucky TG (Private) Limited ("Lucky TG");
- Lucky Core Ventures (Private) Limited ("LCV"); and
- Lucky Core Investments Limited ("LCIL").

The Holding Company was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) (the Act) and is listed on the Pakistan Stock Exchange Limited. The Holding Company is engaged in the manufacture of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate, pharmaceuticals and polyurethanes; marketing of seeds, manufactured (including toll manufactured) and imported pharmaceuticals and animal health products; merchanting of general chemicals and manufacturing of masterbatch. It also acts as an indenting agent and toll manufacturer. The Holding Company's registered office is situated at 5 West Wharf, Karachi. The Holding Company is the subsidiary of Lucky Cement Limited.

PowerGen was incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary of the Holding Company. PowerGen is engaged in generating, selling and supplying electricity to the Holding Company and an associate.

Lucky TG was incorporated in Pakistan on October 25, 2022 as a private limited company as part of the agreement with Tariq Glass Industries Limited (TGIL) to set up a green field state-of-the-art float glass manufacturing facility. The facility was intended to be set up in two phases with the expectation that the first phase of the facility would become commercially operational during the financial year 2024-25. However, prevailing uncertain economic conditions caused a delay and necessitated a reassessment of the project timelines. Both the shareholders, i.e., the Holding Company and TGIL are committed to complete the project as soon as the economic environment becomes more conducive.The Holding Company continues to retain 51% shareholding in Lucky TG.

LCV was incorporated in Pakistan on March 9, 2023 as a private limited company and is a wholly owned subsidiary of the Holding Company. The principal line of business of LCV is to function as holding company of its subsidiaries and associated companies and render advisory services for promotion of their business, development and marketing for the Group.

LCIL was incorporated on December 31, 2025 as an offshore wholly owned subsidiary of the Holding Company in the Jebel Ali Free Zone, UAE to facilitate potential future investments. As of June 30, 2026, the Holding Company has not injected capital into LCIL.

1.2 NutriCo Morinaga (Private) Limited ("NutriCo Morinaga") is an associate of the Holding Company which is involved in the manufacturing of infant and grown up formula.

1.3 Geographical location and addresses of major business units including plants of the Group are as under:

	Purpose
Karachi	
5 West Wharf Road	Head office and production plant
S-33, Hawksbay Road, S.I.T.E.	Production plant
B-2, S.I.T.E.	Production plant
Lahore	
63 Mozang Road	Regional office
30-km, Sheikhupura Road	Production plant
Khewra	
LCI Soda Ash, Tehsil Pind Dadan Khan,	Regional office and production plant
Haripur	
Plot No.32 / 2A Phase III, Industrial Estate Hattar	Production plant
Islamabad	
Islamabad Corporate Center, 2nd Floor, H-13	Regional office

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. Accounting and reporting standards applicable in Pakistan comprise of IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of, directives and notifications issued under the Companies Act, 2017. Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, unless otherwise stated.

2.3 Basis of consolidation

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

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

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

- rights arising from other contractual arrangements; and

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

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

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

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

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

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

All intra-group transactions, balances, income, expenses and unrealised gains and losses on transactions between Group companies are eliminated in full.

Subsidiaries have same reporting period as that of the Holding Company. The accounting policies of subsidiaries have been changed to conform with accounting policies of the Group, wherever needed.

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

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.4 Business combinations

All business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 - Financial Instruments, is measured at fair value with changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent considerations that are not within the scope of IFRS 9 are measured at fair value at each reporting date with changes in fair value recognised in the statement of profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the statement of profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

The Group has elected to measure the non-controlling interests in the acquiree at fair value.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land and capital work-in-progress which are stated at cost less accumulated impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period including the cost of replacing parts and the cost of borrowings for long-term construction projects are carried under capital work-in-progress, if the recognition criteria is met. These are transferred to specific categories of property, plant and equipment as and when these are available for use.

Depreciation is based on the straight-line method whereby the cost of an asset less the estimated residual value is charged to the profit or loss over its estimated useful life at rates given in note 7.1 to these consolidated financial statements. The cost of leasehold land is depreciated in equal installments over the lease period. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month of disposal.

Spare parts and servicing equipments are classified as property, plant and equipment under plant and machinery rather than store, spares and consumables where they meet the definition of property, plant and equipment. Available for use capital spares and servicing equipments are depreciated over their useful lives, or the remaining life of principal asset, whichever is lower.

The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. The effect of any adjustment to residual values, useful lives and methods is recognised prospectively as a change of accounting estimate.

Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred. Subsequent expenditures including major renewals and improvements are capitalised when it is probable that respective future economic benefits will flow to the Group and the cost of the items can be measured reliably.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The Group accounts for impairment, if any by reducing its carrying value to the recoverable amount (note 3.12).

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

3.2 Intangible assets

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and that cost of such asset can also be measured reliably. The cost of intangible assets acquired in business combinations is their fair value at the date of acquisition.

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

Amortisation is based on the cost of an asset less its estimated residual value. Amortisation is charged to the consolidated statement of profit or loss on the straight-line method over its estimated useful lives at the rates given in note 8 to these financial statements. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

3.3 Leases

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

Group as a lessee

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

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land and building	2 to 9 years
Motor vehicles	4 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to note 3.12 to these consolidated financial statements for policy on impairment of non-financial assets.

ii) Lease liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date, where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of regional sales offices and warehouses, summer houses and beach huts (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.4 Ijarah contracts

Payments made under Ijarah contract are charged to the statement of profit or loss on straight line basis over the Ijarah term as per Islamic Financial Accounting Standard 2 (IFAS 2).

3.5 Investments in subsidiaries and associate

Associates are all entities over which the Group has significant influence but not control, generally represented by a shareholding of 20% or more but less than 50% of the voting rights. Significant influence is the power to participate in the financial and operating policies and decisions of investees. Subsidiaries are all entities over which the Group has control, typically through ownership of more than 50% of the voting rights. Control exists when the Group:

- has the ability to direct the investee's financial and operating policies, enabling it to influence the investee's strategic decisions;
- has exposure to, or rights to, fluctuating returns resulting from its involvement with the investee; and
- can utilise its power over the investee to impact the amount of returns it receives from its investment.

Investments in subsidiary companies are stated at cost less accumulated impairment, if any. Investments in associates are accounted for using the equity method, whereby they are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post- acquisition profits or losses and other comprehensive income of the investee. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. An assessment is made at each reporting date to determine whether there is any indication that an investment may be impaired. If such indication exists, the estimated recoverable amount of the investment is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.6 Advances, prepayments and other receivables excluding financial assets

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

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument for another entity.

3.7.1 Initial recognition

Financial assets and financial liabilities are recognised at the time the Group becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value plus transaction costs except for financial assets carried at FVPL. Financial assets carried at FVPL are initially recognised at fair value and transaction costs associated with these financial assets are taken directly to the statement of profit or loss.

3.7.2 Financial assets

3.7.2.1 Classification and subsequent measurement

The Group has classified its financial assets in the following measurement categories:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL).

The classification requirements for debt and equity instruments are described below:

(i) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer’s perspective, such as loans, government and corporate bonds and puttable instruments like units of mutuals funds etc.

Classification and subsequent measurement of debt instruments depend on:

- the Group’s business model for managing the instrument; and
- the cash flow characteristics of the instrument.

Based on these factors, the Group classifies its debt instruments in one of the following three measurement categories:

a) At amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in note 3.7.2.2 to these consolidated financial statements.

b) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, recognised and measured as described in note 3.7.2.2, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the profit or loss.

c) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for classification at amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the profit or loss in the period in which it arises.

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are measured at fair value, with gains and losses recognised in the statement of profit or loss, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI.

The dividend income is recognised in the statement of profit or loss from equity securities classified under FVPL and FVOCI. However, any surplus / deficit arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is recognised in other comprehensive income and is not recycled to the profit or loss on derecognition.

3.7.2.2 Impairment

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Group recognises a loss allowance for such losses at each reporting date. 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 without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions (including macroeconomic factors).

For trade debts, the Group applies a simplified approach, where applicable, in calculating ECL. The Group has established a provision matrix for portfolio of customers having similar risk characteristics and estimates default rates based on the Group's historical credit loss experience, adjusted for forward-looking factors (including gross domestic product and consumer price index).

The Group considers a financial asset to be at a risk of default when contractual payments are 90 days past due, unless there are factors that might indicate otherwise. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.7.2.3 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

(i) the Group transfers substantially all the risks and rewards of ownership; or
(ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

Any gain or loss on derecognition of financial assets is taken to the statement of profit or loss except in the case of equity instruments designated as FVOCI on initial recognition.

3.7.2.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e., the date on which the Group commits to purchase or sell the asset. Previously, regular way purchases / sales of assets required delivery of securities within two days (T+2) from the transaction date as per the Pakistan Stock Exchange (PSX) regulations. During the current year, PSX officially transitioned to T+1 settlement cycle which require delivery of securities within one day from the transaction date.

3.7.3 Financial liabilities

Financial liabilities are classified and measured at amortised cost except for:

- Financial liabilities at FVPL; and
- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer.

3.7.3.1 Derecognition

Financial liabilities are derecognised at the time when these are extinguished i.e., when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of financial liabilities is taken to the statement of profit or loss.

3.7.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.7.5 Business model

The business model reflects how the Group manages the assets in order to generate cash flows i.e., whether the objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of ‘other’ business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset’s performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

3.7.6 Solely payments of principal and interest (SPPI)

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments’ cash flows represent solely payments of principal and interest (the ‘SPPI test’). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

3.7.7 Reclassifications

The Group reclassifies financial assets when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent.

3.7.8 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured at its fair value and the resultant gain or loss is recognised in the profit or loss.

3.8 Stores, spares and consumables

Stores, spares and consumables are stated at weighted average cost less provision for slow moving and obsolete items (if any) except for items in-transit, if any, which are valued at cost comprising invoice value plus other charges incurred thereon up to the reporting date. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision, if required, is made in the financial statements for slow moving, obsolete and unusable items. Spares and consumables are assessed for impairment and provision is applied according to the degree of ageing based on a specific criteria.

3.9 Stock-in-trade

Stock-in-trade, excluding items in-transit is valued at the lower of weighted average cost and estimated net realisable value (NRV). NRV is the estimated selling price in the ordinary course of business less net estimated costs to sell.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Items in-transit are valued at cost comprising invoice value plus other charges incurred thereon up to the reporting date.

3.10 Taxation and levy

3.10.1 Income tax

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

i) Current

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with the Income Tax Ordinance, 2001 (the Ordinance) after taking into account tax credits available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalised during the year.

The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the statement of financial statements at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

3.10.2 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated inclusive of the amount of sales tax, the net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.10.3 Levy

In accordance with the Ordinance, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan (ICAP), these fall within the scope of IFRIC 21 / IAS 37 and accordingly are classified as levy in the financial statements.

3.11 Cash and cash equivalents

Cash and cash equivalents are carried at cost. Cash and cash equivalents for the purpose of the statement of cash flows comprise of cash in hand, investment in highly liquid mutual funds units, short-term highly liquid investments with original maturities of three months or less and current and deposit accounts held with banks, which are subject to insignificant risk of change.

3.12 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flows have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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

3.13 Staff retirement benefits

The Group’s retirement benefit plans comprise of provident funds, pensions, gratuity schemes and a pensioners' medical scheme for eligible retired employees.

i) Defined benefit plans

The Holding Company operates a funded pension scheme and a funded gratuity scheme for its management staff. The pension and gratuity schemes are salary schemes providing pension and lump sum payments, respectively. Pension and gratuity schemes for management staff are invested through two approved trust funds. The schemes define the amounts of benefit that an employee will receive on or after retirement subject to a minimum qualifying period of service under the schemes. The schemes are managed in conformity with the provisions of the Trust Deeds. The Holding Company is responsible to make contributions to the funds as prescribed under the Trust Deed and related rules. The trustees are responsible for the day to day management of the Funds.

The Holding Company and its subsidiary operates a gratuity scheme for its non-management staff which is unfunded. The Holding Company also operates the pensioners’ medical scheme which is unfunded. The pension and gratuity plans are final salary plans.

An actuarial valuation of all defined benefit schemes is conducted every year. The valuation uses the Projected Unit Credit method. The Group recognises an expense in accordance with the recommendation of the actuary.

All past service costs are recognised in the profit or loss at the earlier of when the amendment or curtailment occurs and when the Group has recognised related restructuring or termination benefits.

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

ii) Defined contribution plans

The Holding Company operates two registered contributory provident funds for its entire staff and a registered defined contribution superannuation fund for its management staff, who have either opted for this fund by July 31, 2004 or have joined the Holding Company after April 30, 2004.

iii) Pensioners' medical scheme

The pensioner’s medical plan reimburses actual medical expenses to pensioners as per entitlement.

3.14 Government grants

Government grants are recognised at the fair value of the consideration received. A grant without specified future performance conditions is recognised in income when the grant proceeds are received. A grant that imposes specified future performance conditions is recognised in income when all those conditions are met. Government grants received before the income recognition criteria is satisfied are presented as a separate liability in the statement of financial position. Government grants are recognised in the statement of profit or loss on a systematic basis over the periods in which the Group recognises as expense the related costs for which the grants are intended to compensate and are presented as reduction of related interest expense.

3.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.16 Provisions, contingent assets and contingent liabilities

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognised as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are reviewed at each reporting date and adjusted prospectively.

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised until the inflow of economic benefits is virtually certain.

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

3.17 Foreign currency translation and transactions

Foreign currency transactions are recorded in Pakistan Rupees (PKR) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into PKR using the exchange rate prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and on translation of monetary assets and liabilities denominated in foreign currencies at reporting date are recognised in the statement of profit or loss.

3.18 Functional and presentation currency

These financial statements are presented in PKR, which is the Group's functional and presentation currency.

3.19 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, disclosure is made in the financial statements.

3.20 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 Executive Management Committee i.e., the Chief Operating Decision Maker (CODM), that includes Chief Executive to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Chief Executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets, liabilities and related income and expenditures. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

For management purposes, the Group is organised into business units based on its products and services and has five reportable segments namely Polyester, Soda Ash, Animal Health, Pharmaceuticals and Chemicals and Agri Sciences. No operating segments have been aggregated to form the above reportable operating segments.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Transfer prices between operating segment are based on agreed prices approved by the board of directors.

3.21 Revenue from contracts with customers

a) Sale of goods

The Group is in the business of sale of goods. Revenue from contracts with customers is recognised at a point in time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The point at which the control passes generally occurs on dispatch of goods to the customers. The normal credit term is 30 to 90 days upon dispatch.

The Group recognises revenue based on the following principles:

- identification of customer contracts;
- identification of performance obligations;
- determination of transaction price in the contract;
- allocation of price to performance obligations; and
- recognition of revenue when the performance obligations are fulfilled.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in note 4 to these consolidated financial statements.

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

The Group pays sales commission to its sales agents for certain contracts. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions because the amortisation period of the asset that the Group otherwise would have used is one year or less.

Contracts with the Group's customers provide them with a right of return, price adjustments and volume rebates and are considered as variable consideration. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price.

For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

The Group provides retrospective volume rebates (discounts) to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

b) Toll manufacturing income is recognised when services are rendered.

c) Revenue from contracts with the customers is recognised at a point in time on supply of electricity to the customer.

d) Indenting commission income is recognised, at the contractually agreed amount with the third-party supplier, after the sale invoice is issued to the end customer (satisfaction of performance obligation).

3.22 Other income

a) Dividend income is recognised when the right to receive dividend is established.

b) Profit on short-term deposits is accounted for using the effective interest rate method.

c) Other income is recognised on an accrual basis.

3.23 Contract balances

Trade debts

A receivable is recognised if an amount of consideration that is unconditional is due from the customer i.e., only the passage of time is required before payment of the consideration is due. Refer to accounting policies of financial assets disclosed in note 3.7 to these consolidated financial statements.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract i.e., transfers control of the related goods or services to the customer.

3.24 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;

- held primarily for the purpose of trading;

- expected to be realised within twelve months after the reporting period; or

- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.25 Earnings per share

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

3.26 Commitments

Commitments for capital expenditure contracted for but not incurred are disclosed in the financial statements at committed amounts. Commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in rupee terms at committed amounts.

3.27 Share capital

Ordinary shares are classified as equity and are recorded at face value. Incremental costs, if any, directly attributable to the issuance of shares, are recognised in equity as a deduction, net of tax, from the proceeds.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

4.1 Judgments

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

4.1.1 Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group has several lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease i.e., it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the lease (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

4.1.2 Contingencies

The Group, based on the availability of the latest information, estimates the value of contingent liabilities, which may differ on the occurrence / non-occurrence of the uncertain future event(s).

4.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described in notes 4.2.1 to 4.2.8. The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4.2.1 Income and sales tax - notes 30.2 and 39

The Group takes into account current income and sales tax laws and decisions taken by the appellate authorities. Instances where the Group's view differs from the view taken by the authorities at the assessment stage and where the Group, in consultation with its external counsel, considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities (unless there is a remote possibility of transfer of benefits).

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The management considers tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4.2.2 Staff retirement benefits - note 24

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

4.2.3 Property, plant and equipment - note 7

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

4.2.4 Allowance for Expected Credit Loss (ECL) on financial assets - notes 15, 16 and 18

The Group uses a provision matrix to calculate ECLs for trade debts and other receivables. The provision rates are based on days past due for companies of various customer segments that have similar risk characteristics.

The assessment of ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

4.2.5 Revenue from contracts with customers - note 32.1

The Group estimates variable considerations to be included in the transaction price for the sale of goods with rights of return and volume rebates.

The Group has developed a model for forecasting sales returns. The model uses the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group.

The Group's expected volume rebates are analysed on a per customer basis for contracts that are subject to volume thresholds.

The Group updates its assessment of expected returns and volume rebates on a periodic basis and the refund liabilities are adjusted accordingly. Estimates of expected returns and volume rebates are sensitive to changes in circumstances and the Group's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

4.2.6 Leases - Estimating the incremental borrowing rate - note 9

Where the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) and incorporates applicable spread.

4.2.7 Stock-in-trade - note 14

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

Further, the Group holds certain items of raw materials and consumable comprising of coal, coke, limestone and rock salt which are stored in the form of stockpiles. As the weighing of these inventory items is not practicable, the reasonableness of the quantities on hand is assessed by obtaining measurements of stockpiles and converting these measurements into unit of volume by bulk density values.

4.2.8 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at normal commercial terms, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to cashflow assumptions. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for different CGUs, including a sensitivity analysis, are disclosed and further explained in note 8.2.

5 NEW STANDARDS, AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS AND NEW INTERPRETATIONS

5.1 Amendments and interpretations to accounting and reporting standards that are effective in the current year

There are certain new amendments and interpretations to the accounting and reporting standards which are mandatory for accounting periods which began on July 1, 2025. However, these do not have any significant impact on the Group's financial statements and therefore, have not been stated in these financial statements.

5.2 Standards, amendments and interpretations to accounting and reporting standards that are not yet effective

There are certain new standards, amendments and interpretations that are mandatory for the Group's accounting periods beginning on or after July 1, 2026 but are considered not to be relevant or will not have any significant effect on the Group's operations and therefore, have not been detailed in these financial statements, except for the following:

- IFRS 18 - Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) is applicable for periods beginning on or after January 1, 2027. IFRS 18, when applicable, shall impact the presentation of 'statement of profit or loss' with certain additional disclosures in the financial statements of the Group.

- amendments to IFRS 9 and IFRS 7 - Classification and Measurements of Financial Instruments (published in May 2024) applicable for periods beginning on or after January 1, 2026. These amendments:

  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; and

  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

The management is in the process of assessing the impacts of the new standard and amendments on the financial statements of the Group.

6. BUSINESS ACQUISITION

6.1. In line with the Group's growth aspirations and strategic priorities, during the year ended June 30, 2025, the Group acquired a manufacturing facility, selected pharmaceutical products, brands and associated trademarks of Pfizer Pakistan Limited, for a total consideration of PKR 5,000 million. In addition to this the Group also acquired relevant working capital along with inventory for a consideration of PKR 2,437 million out of which PKR 1,125 million related to deferred consideration which was payable after one year from the acquisition date. The transaction was successfully completed on September 6, 2024 (acquisition date). Consequently, a gain on bargain purchase amounting to PKR 292.555 million was recognised during the year ended June 30, 2025. During the current year, deferred consideration of PKR 1,125 million was paid-off in accordance with the terms of the agreement.

	Note	As at June 30, 2026	As at June 30, 2025
7. PROPERTY, PLANT AND EQUIPMENT		------------(PKR in '000)------------	
Operating fixed assets	7.1	**34,498,374**	33,486,375
Capital work-in-progress	7.3	**4,126,165**	5,327,413
		38,624,539	38,813,788

7.1 Following is the statement of operating fixed assets:

	Note	Land		Lime beds on freehold land	Buildings		Plant and machinery	Rolling stock and vehicles	Furniture and equipment	Total
		Freehold	Leasehold		On freehold land	On leasehold land				
		(PKR in '000)								
		Year ended June 30, 2026								
Net carrying value basis										
Opening net book value		**582,046**	**1,563,810**	**546,692**	**784,235**	**4,762,802**	**24,421,467**	**38,520**	**786,803**	**33,486,375**
Additions / transfers		**-**	**-**	**75,444**	**62,108**	**2,636,242**	**2,464,306**	**6,948**	**246,345**	**5,491,393**
Disposals at net book value	7.1.1	**-**	**-**	**-**	**-**	**-**	**(9,174)**	**-**	**(2,339)**	**(11,513)**
Depreciation charge	7.2	**-**	**(292)**	**(150,225)**	**(88,490)**	**(496,207)**	**(3,470,522)**	**(11,706)**	**(250,439)**	**(4,467,881)**
Closing net book value		**582,046**	**1,563,518**	**471,911**	**757,853**	**6,902,837**	**23,406,077**	**33,762**	**780,370**	**34,498,374**
Gross carrying value basis										
Cost		**582,046**	**2,126,220**	**1,193,262**	**3,673,351**	**10,332,646**	**61,559,200**	**146,669**	**2,150,937**	**81,764,331**
Accumulated depreciation		**-**	**(562,702)**	**(721,351)**	**(2,915,498)**	**(3,429,809)**	**(38,153,123)**	**(112,907)**	**(1,370,567)**	**(47,265,957)**
Closing net book value		**582,046**	**1,563,518**	**471,911**	**757,853**	**6,902,837**	**23,406,077**	**33,762**	**780,370**	**34,498,374**
Depreciation rate per annum (%)		**-**	**2 to 4**	**5 to 25**	**5 to 33**	**3 to 33**	**3 to 50**	**10 to 33**	**10 to 50**	
		Year ended June 30, 2025								
Net carrying value basis										
Opening net book value		608,936	-	603,336	742,701	3,616,158	18,245,224	45,378	529,830	24,391,563
Additions / transfers		45,918	63,254	77,819	100,542	1,136,739	7,749,275	-	486,220	9,659,767
Assets acquired through business acquisition		-	1,500,800	-	-	385,013	1,339,549	115,255	-	3,340,617
Disposals at net book value	7.1.1	-	-	-	-	(143)	(82,586)	(110,665)	(109)	(193,503)
Depreciation charge	7.2	-	(244)	(134,463)	(84,174)	(374,965)	(2,877,637)	(11,448)	(229,138)	(3,712,069)
Transfers between categories		(72,808)	-	-	25,166	-	47,642	-	-	-
Closing net book value		582,046	1,563,810	546,692	784,235	4,762,802	24,421,467	38,520	786,803	33,486,375
Gross carrying value basis										
Cost		654,854	2,126,220	1,117,818	3,586,077	7,704,681	59,288,321	140,928	1,963,847	76,582,746
Transfers between categories - cost		(72,808)	-	-	25,166	-	47,642	-	-	-
Accumulated depreciation		-	(562,410)	(571,126)	(2,827,008)	(2,941,879)	(34,914,496)	(102,408)	(1,177,044)	(43,096,371)
Closing net book value		582,046	1,563,810	546,692	784,235	4,762,802	24,421,467	38,520	786,803	33,486,375
Depreciation rate per annum (%)		-	2 to 4	5 to 25	5 to 33	3 to 33	3 to 50	10 to 33	10 to 50	

7.1.1 Cost of building on leasehold land, plant and machinery, rolling stock and vehicles and furniture and equipment disposed of during the year amounts to PKR 8.277 million, PKR 241.069 million, PKR 1.207 million and PKR 59.255 million, respectively. Following are the details of disposals of operating fixed assets having net book value in excess of PKR 500,000:

Particulars	Cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / Gain	Mode of disposal	Particulars of buyers	Relationship of purchaser with the Company or director (if any)
	(PKR in '000)							
Plant and machinery	14,963	7,468	7,495	3,450	(4,045)	Scrap	K S Innovations	N/A
Plant and machinery	1,157	485	672	143	(529)	Scrap	M. R. scrap dealer	N/A
Plant and machinery	1,060	300	760	1,050	290	Sale	Myplan Pharmaceuticals (Private) Limited	N/A
Items having book value less than PKR 500,000 each	292,628	290,042	2,586	36,330	33,744			
Total	309,808	298,295	11,513	40,973	29,460			
2025	624,491	430,988	193,503	287,423	93,920			

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
7.2	Depreciation charge for the year has been allocated as follows:		-------------(PKR in '000)-------------	
	Cost of sales	33	4,340,383	3,601,088
	Selling and distribution expenses	34	36,711	24,332
	Administration and general expenses	35	90,787	86,649
			4,467,881	3,712,069

7.3 Following is the movement in capital work-in-progress during the year:

	Civil works and buildings	Plant and machinery	Furniture and equipment	Advances to suppliers / contractors	Designing, consultancy and engineering fee	Total
	(PKR in '000)					
	Year ended June 30, 2026					
Opening balance	**679,516**	**3,354,881**	**1,099,765**	**183,184**	**10,067**	**5,327,413**
Additions during the year - note 7.3.1	**1,225,870**	**2,130,039**	**796,438**	**116,944**	**12,367**	**4,281,658**
Transferred to operating fixed assets during the year	**(2,771,062)**	**(2,456,833)**	**(251,460)**	**(3,551)**	**-**	**(5,482,906)**
Transfers between categories	**997,781**	**372,159**	**(1,290,684)**	**(79,256)**	**-**	**-**
Closing balance	**132,105**	**3,400,246**	**354,059**	**217,321**	**22,434**	**4,126,165**
	Year ended June 30, 2025					
Opening balance	377,622	1,869,046	611,430	1,999,813	680,322	5,538,233
Additions during the year - note 7.3.1	1,400,910	4,792,110	997,038	1,847,951	15,206	9,053,215
Assets acquired through business acquisition	-	379,771	-	-	-	379,771
Transferred to operating fixed assets during the year	(1,333,463)	(7,617,973)	(486,277)	(206,093)	-	(9,643,806)
Transfers between categories	234,447	3,931,927	(22,426)	(3,458,487)	(685,461)	-
Closing balance	679,516	3,354,881	1,099,765	183,184	10,067	5,327,413

		For the year ended June 30, 2026	For the year ended June 30, 2025
		-------------(PKR in '000)-------------	
7.3.1	This includes interest charged in respect of loans utilised for projects at an average capitalisation rate of 11.24% (June 30, 2025: 14.02%) per annum amounting to:	**110,890**	788,060

7.4 Particulars of immovable assets of the Group are as follows:

Location	Address	Usage of immovable property	Covered Area (sq.ft)
Karachi	5 West Wharf Road	Head office and production plant	117,619
	S-33, Hawksbay Road, S.I.T.E.	Production plant	11,500
	B-2, S.I.T.E.	Production plant	190,338
Lahore	63 Mozang Road	Regional office	28,454
	30-Km, Sheikhupura Road	Production plants	1,976,809
Khewra	LCI Soda Ash, Tehsil Pind Dadan Khan, District Jhelum	Regional office and production plant	2,744,404
Haripur	Plot No. 32/2A Phase III, Industrial Estate Hattar	Production plant	39,916
Islamabad	2nd floor, Islamabad Corporate Center, Golra Road	Regional office	7,180

8. INTANGIBLE ASSETS

	Note	Goodwill	Brands	Softwares	Licenses	Total
		---(PKR in '000)---				
		Year ended June 30, 2026				
Net carrying value basis						
Opening net book value		**206,374**	**2,856,327**	**34,233**	**18,997**	**3,115,931**
Additions		**-**	**-**	**11,467**	**9,460**	**20,927**
Amortisation charge	8.1	**-**	**-**	**(10,684)**	**(5,665)**	**(16,349)**
Closing net book value		**206,374**	**2,856,327**	**35,016**	**22,792**	**3,120,509**
Gross carrying amount						
Cost		**206,374**	**2,856,327**	**274,145**	**274,779**	**3,611,625**
Accumulated amortisation		**-**	**-**	**(239,129)**	**(251,987)**	**(491,116)**
Closing net book value		**206,374**	**2,856,327**	**35,016**	**22,792**	**3,120,509**
Useful life		**Indefinite**	**Indefinite**	**Up to 10 years**	**Up to 10 years**	
		Year ended June 30, 2025				
Net carrying value basis						
Opening net book value		206,374	1,437,679	23,464	15,437	1,682,954
Additions		-	-	16,636	11,513	28,149
Assets acquired through business acquisition		-	1,418,648	-	-	1,418,648
Amortisation charge	8.1	-	-	(5,867)	(7,953)	(13,820)
Closing net book value		206,374	2,856,327	34,233	18,997	3,115,931
Gross carrying amount						
Cost		206,374	2,856,327	262,678	265,319	3,590,698
Accumulated amortisation		-	-	(228,445)	(246,322)	(474,767)
Closing net book value		206,374	2,856,327	34,233	18,997	3,115,931
Useful life		Indefinite	Indefinite	Up to 10 years	Up to 10 years	

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
		---(PKR in '000)---	
8.1 Amortisation charge for the year has been allocated as follows:			
Cost of sales	33	5,311	3,636
Administration and general expenses	35	11,038	10,184
		16,349	13,820

8.2 Impairment testing of intangibles with indefinite useful lives

Goodwill and brands having indefinite useful lives have been allocated and are monitored at the Pharma division of the Group. The Group has performed its annual impairment test as at June 30, 2026. The brand and goodwill are expected to generate economic benefits indefinitely through sustained market recognition, customer loyalty, business synergies and growth opportunities, with no legal, contractual, regulatory or commercial factors indicating a foreseeable limit to their useful lives.

The recoverable amount is determined based on a value-in-use calculation using cash flow projections covering a five year period and applying the expected value approach. The discount rate applied to cash flow projections is 14.5% for goodwill and intangibles with indefinite useful lives for impairment testing. The growth rate used to extrapolate the cash flows beyond the five-year period is 3%. As a result of this analysis, the management did not identify any impairment for the cash generating unit to which goodwill amounting to PKR 206.374 million and intangibles with indefinite useful lives (Brands) amounting to PKR 2,856.327 million are allocated.

8.2.1 Key assumptions used in value-in-use calculations

The calculation of value-in-use is most sensitive to the following assumptions:

(i) Discount rate

The discount rate reflects current market assessment of the rate of return required for the business and is calculated using the Capital Asset Pricing Model. The discount rate reflects the target weighted average cost of capital of the Group.

(ii) Key business assumptions

These assumptions are based on industry growth estimates and management's assessment of how the cash generating unit's position, relative to its competitors, might change over the projected period. Revenue growth assumptions range from 7% to 20%, reflecting expected market conditions, anticipated demand for products and projected market share trends. Cost of sales has been projected in line with expected revenue growth, considering anticipated inflationary pressures and exchange rate movements affecting imported raw materials and APIs.

8.2.2 Sensitivity to changes in assumptions

Management believes that after considering the various scenarios no reasonably possible change in any of the above key assumptions would cause the carrying value of the cash generating unit to materially exceed its recoverable amount.

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group has lease contracts for various items of land and buildings and vehicles used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of sales offices and warehouses with lease terms of 12 months or less. The Group applies the 'short-term lease' exemptions for these leases. For such contracts, the management has competitive options available in the market and the replacement costs are estimated to be minimal.

Set out below is the carrying amount of right-of-use assets recognised and their movement during the year:

	Note	Motor vehicles	Land and buildings	As at June 30, 2026	As at June 30, 2025
		(PKR in '000)			
Net carrying value basis					
Opening balance		**37,251**	**330,960**	**368,211**	182,457
Additions		**-**	**13,209**	**13,209**	321,968
Termination		**-**	**(9,022)**	**(9,022)**	(4,685)
Depreciation charge	9.2	**(14,414)**	**(110,566)**	**(124,980)**	(131,529)
Closing balance		**22,837**	**224,581**	**247,418**	368,211

	Note	As at June 30, 2026	As at June 30, 2025
Set out below is the carrying amount of lease liabilities and its movement during the year:		(PKR in '000)	
Opening balance		**388,795**	196,025
Additions		**13,209**	321,968
Accretion of interest	37	**51,234**	60,810
Interest payments - presented as operating cash flows		**(51,234)**	(60,810)
Termination		**(11,592)**	(5,479)
Payment of lease liabilities		**(88,553)**	(123,719)
Closing balance		**301,859**	388,795
Current portion of lease liabilities		**83,012**	81,649
Non-current portion of lease liabilities		**218,847**	307,146
		301,859	388,795

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
9.1	Following are the amounts recognised in the consolidated statement of profit or loss:		(PKR in '000)	
	Depreciation expense of right-of-use assets	9.2	**124,980**	131,529
	Accretion of interest	37	**51,234**	60,810
			176,214	192,339
9.2	**Allocation of depreciation expense**			
	Cost of sales	33	**42,643**	40,120
	Selling and distribution expenses	34	**5,574**	4,899
	Administration and general expenses	35	**76,763**	86,510
			124,980	131,529

9.3 Lease payments of short-term leases amounting to PKR 102.619 million (June 30, 2025: PKR 111.311 million) have been recognised as expense during the year.

		Note	As at June 30, 2026	As at June 30, 2025
10.	**LONG-TERM INVESTMENTS**		-------------(PKR in '000)------------	
	Unquoted			
	Associate			
	NutriCo Morinaga (Private) Limited (22.2% holding) 20,121,621 ordinary shares (June 30, 2025: 20,121,621 ordinary shares) of face value of PKR 100 each	10.1	**11,133,886**	10,844,037
	Others			
	Equity			
	Arabian Sea Country Club Limited 250,000 ordinary shares (June 30, 2025: 250,000 ordinary shares) of face value of PKR 10 each		**2,500**	2,500
			11,136,386	10,846,537

		For the year ended June 30, 2026	For the year ended June 30, 2025
		-------------(PKR in '000)------------	
10.1	**NutriCo Morinaga (Private) Limited (NMPL)**		
	Opening - Carrying value of investment	**10,844,037**	10,824,765
	Share of profit for the year	**289,849**	19,272
	Closing - Carrying value of investment	**11,133,886**	10,844,037

10.2 **Summarised financial information of NMPL is as follows:**

	As at June 30, 2026 (Unaudited)	As at June 30, 2025 (Unaudited)
	-------------(PKR in '000)------------	
Current assets	**9,586,904**	8,692,043
Non-current assets	**7,774,173**	8,153,541
Current liabilities	**7,770,746**	8,247,000
Non-current liabilities	**-**	324,052
Cash and cash equivalents	**124,385**	530,674
Current financial liabilities (excluding trade and other payables and provisions)	**2,492,581**	2,207,745
Non-current financial liabilities (excluding trade and other payables and provisions)	**-**	324,052

	For the year ended June 30, 2026 (Unaudited)	For the year ended June 30, 2025 (Unaudited)
	-------------(PKR in '000)------------	
Revenue	**17,995,252**	15,211,341
Profit before tax	**2,493,884**	575,044
Profit for the year	**1,305,626**	73,177
Total comprehensive income	**1,305,626**	73,177
Depreciation and amortisation	**316,874**	364,719
Interest income	**19,100**	27,947
Interest expense	**298,329**	715,894
Income tax charge	**1,188,258**	501,867

Reconciliation of the above summarised financial information to the carrying amount of the interest in NMPL recognised in the consolidated financial statements is as under:

	Note	As at June 30, 2026	As at June 30, 2025
		(PKR in '000)	
Net assets of the associate		**9,590,331**	8,274,532
Proportion of the Group's ownership		**22.2%**	22.2%
		2,129,053	1,836,946
Fair value adjustment		**11,004,115**	11,004,115
Other adjustments		**(1,999,282)**	(1,997,024)
Carrying value of investment		**11,133,886**	10,844,037

10.3 The principal place of business of all the investees is in Pakistan.

11. LONG-TERM LOANS

	Note	As at June 30, 2026	As at June 30, 2025
Considered good - secured			
Due from executives and employees	11.1	**1,118,926**	877,213

11.1 Due from executives and employees

	Note	Loans for motor vehicles	Other loans	As at June 30, 2026	As at June 30, 2025
		(PKR in '000)			
Due from executives	11.2	**473,466**	**91,789**	**565,255**	439,811
Receivable within one year	16	**(36,555)**	**(91,789)**	**(128,344)**	(160,733)
		436,911	**-**	**436,911**	279,078
Due from employees	11.2			**766,748**	779,399
Receivable within one year	16			**(84,733)**	(181,264)
				682,015	598,135
				1,118,926	877,213
Outstanding for the period:					
- over one year but less than three years				**217,509**	173,452
- more than three years				**901,417**	703,761
				1,118,926	877,213

11.2 Loans for purchase of motor vehicles and others are repayable between two to ten years. These loans are interest free and granted to the employees, including executives of the Group, in accordance with the terms of employment.

11.3 The maximum amount of loans to executives and employees at any time during the year calculated with reference to month end balances are: **1,332,003** 1,219,210

12. LONG-TERM DEPOSITS AND OTHER ASSETS

	Note	As at June 30, 2026	As at June 30, 2025
		(PKR in '000)	
Prepaid staff cost		**733,776**	509,757
Deposits		**109,808**	97,079
Staff retirement funds - net:			
- Pension (Funded)	24.3.2	**258,596**	243,833
		1,102,180	850,669

		Note	As at June 30, 2026	As at June 30, 2025
			-------------(PKR in '000)------------	
13.	**STORES, SPARES AND CONSUMABLES**			
	Stores	13.1	**240,199**	382,240
	Spares	13.1	**1,617,340**	1,479,450
	Consumables	13.1 & 13.3	**2,092,589**	1,835,644
			3,950,128	3,697,334
	Provision for slow moving and obsolete stores and spares	13.2	**(166,804)**	(164,025)
			3,783,324	3,533,309
13.1	Includes stores, spares and consumables in transit amounting to:		**498,203**	810,338
13.2	Movement of provision for slow moving and obsolete stores and spares is as follows:			
	Opening balance		**164,025**	154,644
	Charge for the year - net	33	**2,779**	9,381
	Closing balance		**166,804**	164,025

13.3 This includes stock of coal amounting to PKR 1,354.752 million (June 30, 2025: PKR 983.110 million) which is stored in the form of stockpiles.

		Note	As at June 30, 2026	As at June 30, 2025
			-------------(PKR in '000)------------	
14.	**STOCK-IN-TRADE**			
	Raw and packing materials including in-transit amounting to PKR 2,028.156 million (June 30, 2025: PKR 1,036.658 million)	14.3 & 14.4	**9,811,985**	8,406,867
	Work-in-process		**622,031**	461,284
	Finished goods including in-transit amounting to PKR 457.756 million (June 30, 2025: PKR 366.011 million)	14.2	**9,900,410**	8,450,841
			20,334,426	17,318,992
	Provision for slow moving and obsolete stock-in-trade	14.1	**(366,570)**	(184,222)
			19,967,856	17,134,770
14.1	Movement of provision for slow moving and obsolete stock-in-trade is as follows:			
	Opening balance		**184,222**	230,106
	Charge for the year - net	33	**436,312**	51,170
	Write-off during the year		**(253,964)**	(97,054)
	Closing balance		**366,570**	184,222

14.2 Stock costing PKR 2,121.618 million (June 30, 2025: PKR 107.522 million) has been measured at net realisable value. The related provision amounting to PKR 154.526 million (June 30, 2025: PKR 9.360 million) has been recognised in the consolidated statement of profit or loss.

14.3 This includes stock pertaining to coke, limestone and rocksalt amounting to PKR 640.892 million, PKR 64.547 million and PKR 244.846 million (June 30, 2025: PKR 415.336 million, PKR 92.335 million and PKR 299.279 million), respectively, which are stored in the form of stockpiles.

		Note	As at June 30, 2026	As at June 30, 2025
			------------(PKR in '000)------------	
14.4	This includes raw and packing materials held with the following toll manufacturers:			
	The Experts		**140,550**	189,108
	Four Season Enterprises		**-**	52,022
	Aamster Laboratories		**15,327**	27,730
	Swiss Pharma		**453**	-
	Amgill (Private) Limited		**33,740**	27,226
	Bio-Labs (Private) Limited		**20,058**	21,416
	Selmore Pharmaceuticals (Private) Limited		**10,474**	12,747
	Biotech Fertilizers (Private) Limited		**11,831**	12,337
	NovaMed Pharmaceuticals (Private) Limited		**672**	5,697
	Citi Pharma Limited		**-**	5,060
	Pharmasol (Private) Limited		**-**	2,862
	CSH Pharmaceutical (Private) Limited		**1,283**	1,401
	Vital Agri Nutrients (Private) Limited		**1,869**	906
			236,257	358,512

15. TRADE DEBTS

		Note	As at June 30, 2026	As at June 30, 2025
	Considered good			
	- Secured		**1,479,693**	719,466
	- Unsecured			
	Due from associated companies	15.1 & 15.2	**154,447**	70,905
	Others		**5,353,382**	5,086,696
			6,987,522	5,877,067
	Considered doubtful		**179,490**	232,847
			7,167,012	6,109,914
	Less:			
	- Allowance for expected credit losses (ECL)	15.3	**(179,490)**	(232,847)
	- Provision for price adjustments, discounts and sales returns		**(752,649)**	(808,325)
			(932,139)	(1,041,172)
			6,234,873	5,068,742

15.1 Amounts due from the related parties, which are neither past due nor impaired, as of the reporting date are as follows:

	Note	As at June 30, 2026	As at June 30, 2025
Unsecured			
Gadoon Textile Mills Limited		**74,866**	18,703
Yunus Textile Mills Limited		**31,613**	15,037
Nutrico Morinaga (Private) Limited		**27,984**	17,141
Lucky Motor Corporation Limited		**13,008**	9,252
Lucky Textile Mills Limited		**4,724**	2,217
Tabba Heart Institute		**1,326**	2,240
Tabba Kidney Institute		**926**	829
Lucky Cement Limited		**-**	1,097
International Industries Limited	15.4	**-**	3,930
Lucky Al Shumookh Holdings Limited		**-**	224
ChildLife Foundation		**-**	235
		154,447	70,905

		Note	As at June 30, 2026	As at June 30, 2025
			-------------(PKR in '000)------------	
15.2	The maximum amount outstanding from related parties at any time during the year, with reference to month end balances, are as follows:			
	Unsecured			
	Nutrico Morinaga (Private) Limited		**33,678**	17,141
	Gadoon Textile Mills Limited		**320,742**	442,493
	Yunus Textile Mills Limited		**31,613**	38,972
	Lucky Textile Mills Limited		**20,921**	59,458
	Lucky Motor Corporation Limited		**13,008**	29,171
	Tabba Heart Institute		**2,219**	2,702
	Tabba Kidney Institute		**1,334**	2,482
	Lucky Cement Limited		**1,097**	3,999
	ChildLife Foundation		**233**	749
	Lucky Al Shumookh Holdings Limited		**224**	224
	Premium Textile Mills Limited		**31**	-
	Kohinoor Textile Mills Limited		**2**	-
	Lucky Foods (Private) Limited		**-**	2,911
	International Industries Limited	15.4	**-**	6,490
			425,102	606,792

15.3 Movement of allowance for ECL is as follows:

		Note	As at June 30, 2026	As at June 30, 2025
	Opening balance		**232,847**	170,820
	(Reversal) / Charge for the year - net	35	**(4,123)**	66,002
	Write-off during the year		**(49,234)**	(3,975)
	Closing balance		**179,490**	232,847

15.4 International Industries Limited ceased to be a related party with effect from May 11, 2026. The maximum amount outsanding from International Industries Limited at any time during the year with reference to month end balance is PKR 3.93 million.

		Note	As at June 30, 2026	As at June 30, 2025
16.	**LOANS AND ADVANCES**		-------------(PKR in '000)------------	
	Considered good			
	Loans due from:			
	- Executives	11.1	**128,344**	160,733
	- Employees	11.1	**84,733**	181,264
			213,077	341,997
	Advances to:			
	- Executives		**32,928**	25,857
	- Employees		**1,571**	1,195
	- Contractors and supplier	16.1	**753,294**	889,181
			787,793	916,233
			1,000,870	1,258,230
	Considered doubtful		**11,727**	30,817
			1,012,597	1,289,047
	Allowance for ECL	16.2	**(11,727)**	(30,817)
			1,000,870	1,258,230

16.1 This includes advances to foreign suppliers, having latest maturity within one year, amounting to PKR 14.532 million (June 30, 2025: PKR 8.105 million), details of which are as follows:

Name	Jurisdiction	As at June 30, 2026 Amount in foreign currency	As at June 30, 2026 (PKR in '000)
Hangzhou EMEI Mechanical Technology Company Limited	China	USD 12,598	3,517
Abhelfen Life Science Private Limited	India	USD 11,900	3,318
Carbogen Amcis B.V.	Netherlands	USD 9,405	2,623
Nantong Acetic Acid Chemical Company Limited	China	USD 6,000	1,676
DSM Nutritional Products Asia Pacific PTE. Limited	Singapore	USD 5,096	1,439
Dr. Paul Lohmann GmbH & Co. KGaA	Germany	EUR 4,033	1,302
Signet Excipients Private Limited	India	USD 999	279
Sichuan Qingmu Pharmaceutical Company Limited	China	USD 900	251
Changzhou Pharmaceutical Factory	China	USD 450	127
			14,532

		Note	As at June 30, 2026	As at June 30, 2025
16.2	Movement of allowance for ECL is as follows:		(PKR in '000)	
	Opening balance		**30,817**	25,542
	(Reversal) / Charge for the year - net	35	**(13,047)**	5,275
	Write-off during the year		**(6,043)**	-
	Closing balance		**11,727**	30,817
17.	**SHORT-TERM DEPOSITS AND PREPAYMENTS**			
	Prepaid staff cost		**176,272**	141,580
	Short-term trade deposits		**330,475**	438,790
	Short-term prepayments		**250,491**	252,759
			757,238	833,129
18.	**OTHER RECEIVABLES**			
	Considered good			
	Duties and sales tax		**1,857,821**	1,042,766
	Commission and discounts receivable		**11,333**	9,202
	Due from associated company	18.1 & 18.2	**-**	8,475
	Receivable from principals		**82,396**	197,363
	Accrued interest income		**625**	7,510
	Others		**239,607**	160,707
			2,191,782	1,426,023
	Considered doubtful		**168,370**	106,370
			2,360,152	1,532,393
	Allowance for ECL	18.3	**(168,370)**	(106,370)
			2,191,782	1,426,023
18.1	Due from associated company which is neither past due nor impaired, is as follows:			
	Unsecured			
	NutriCo Morinaga (Private) Limited - Associate		**-**	8,475
18.2	The maximum amount due from associated company outstanding at any time during the year, with reference to month end balances, is as follows:			
	Unsecured			
	NutriCo Morinaga (Private) Limited - Associate		**14,357**	19,874

		Note	As at June 30, 2026	As at June 30, 2025
18.3	Movement of allowance for ECL is as follows:		------------(PKR in '000)------------	
	Opening balance		**106,370**	79,699
	Charge for the year - net	35	**90,680**	26,671
	Write-off during the year		**(28,680)**	-
	Closing balance		**168,370**	106,370

19. SHORT-TERM INVESTMENTS

	Note	As at June 30, 2026	As at June 30, 2025
At fair value through profit or loss			
Investment in mutual funds	19.1	**20,964,416**	18,733,115
At amortised cost			
Term deposits receipts	19.2	**327,000**	392,000
		21,291,416	19,125,115

19.1 This mainly includes amount received from sale proceeds of disposal of interest in NutriCo Morinaga (Private) Limited including the associated income from investment in mutual funds. The amount is invested in units of Shariah Compliant money market mutual funds, which are readily encashable.

	As at June 30, 2026		As at June 30, 2025	
	Number of units (in '000)	Value of investment (PKR in '000)	Number of units (in '000)	Value of investment (PKR in '000)
Lucky Islamic Income Fund	68,154	6,837,441	-	-
HBL Islamic Money Market Fund	24,805	2,529,338	23,114	2,347,085
Faysal Islamic Cash Fund	20,285	2,038,697	35,095	3,517,485
ABL Islamic Money Market Plan - I	191,261	1,916,615	129,881	1,301,654
Faysal Islamic Mehdood Muddat Plan - XXIII	17,169	1,726,308		
Meezan Fixed Term Fund	21,482	1,076,065	-	-
Lucky Islamic Fixed Term Plan - 21	7,520	752,843	-	-
Lucky Islamic Fixed Term Plan - 22	7,512	751,927	-	-
Lucky Islamic Stock Fund	5,342	736,060	-	-
NBP Islamic Fixed Term Munafa Plan - IB	58,544	592,633	-	-
Alfalah Islamic Money Market Fund	5,717	575,282	6,262	628,629
BMA Islamic Noor Cash Fund	5,053	505,908	-	-
Alhamra Cash Management Optimizer	4,895	492,358	4,568	458,325
Al-Ameen Islamic Cash Fund	4,266	432,941	4,823	495,441
Lucky Islamic Money Market Fund	-	-	84,239	8,438,341
NBP Islamic Money Market Fund	-	-	107,144	1,090,215
Meezan Cash Fund	-	-	8,864	455,940
	442,005	**20,964,416**	403,990	18,733,115

19.2 This includes security deposits from certain distributors kept separately with various banks at pre-agreed rate, maturing at various dates. These are interest based arrangements and these term deposits are readily encashable without any penalty. The mark-up rate on the short-term deposits ranged from 6% to 9.5% (June 30, 2025: 6% to 16.7%) per annum.

		Note	As at June 30, 2026	As at June 30, 2025
20.	**CASH AND BANK BALANCES**			
			------------(PKR in '000)------------	
	Cash at banks:			
	- Savings account	20.1	**55,417**	-
	- Current accounts		**573,014**	1,067,667
	Cash in hand		**9,772**	9,815
			638,203	1,077,482

20.1 The mark-up percentage on the savings account during the year ranged from 11.2% to 11.5% (June 30, 2025: Nil) per annum.

21. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

As at June 30, 2026	As at June 30, 2025		Note	As at June 30, 2026	As at June 30, 2025
------(Number of shares)------				-------------(PKR in '000)-------------	
418,670,310	83,734,062	Ordinary shares of PKR 2 (June 30, 2025: PKR 10) each fully paid in cash	21.1	**837,341**	837,341
1,059,625	211,925	Ordinary shares of PKR 2 (June 30, 2025: PKR 10) each issued as fully paid for consideration other than cash under scheme of arrangement for amalgamation	21.1 & 21.2	**2,119**	2,119
83,930	16,786	Ordinary shares of PKR 2 (June 30, 2025: PKR 10) each issued as fully paid bonus shares	21.1	**168**	168
41,981,385	8,396,277	Ordinary shares issued pursuant to the previous scheme as fully paid for consideration of investment in associate	21.1, 21.2 & 21.3	**83,963**	83,963
461,795,250	92,359,050			**923,591**	923,591

21.1 During the year ended June 30, 2025, the Holding Company announced a subdivision (stock split) of the face value of its ordinary shares from PKR 10 to PKR 2 per share, aimed at enhancing investor accessibility, improving stock liquidity and broadening shareholder participation. The subdivision was approved by the members of the Holding Company at the Extraordinary General Meeting held on June 20, 2025. Following this approval, the remaining regulatory and procedural formalities were completed on July 19, 2025. Following the subdivision of shares, the Holding Company's subscribed and paid-up capital has been restructured, whereby, the number of issued and subscribed ordinary shares has increased from 92,359,050 ordinary shares of PKR 10 each to 461,795,250 shares of PKR 2 each and the number of authorised ordinary shares has increased from 1,500,000,000 ordinary shares of PKR 10 each to 7,500,000,000 shares of PKR 2 each, with no change in the rights and privileges attached to the shares.

Accordingly, in accordance with the financial reporting framework, the weighted average number of ordinary shares outstanding during the year and for all years presented have been adjusted in the ratio of 5-for-1 for the calculation of earnings per share.

21.2 The process for amalgamation of three companies namely Paintex Limited, ICI Pakistan Manufacturers Limited and Imperial Chemical Industries Limited resulted in a new company as ICI Pakistan Limited (now Lucky Core Industries Limited) on April 01, 1987.

21.3 With effect from October 01, 2000, the Pure Terephthalic Acid (PTA) business of the Group was demerged under a scheme of arrangement dated December 12, 2000 approved by the shareholders and sanctioned by the Sindh High Court.

21.4 As at June 30, 2026, the Holding Company together with Yunus Textile Mills Limited, Gadoon Textile Mills Limited, Lucky Textile Mills Limited and YB Pakistan Limited held 81.20% (June 30, 2025: 81.60%) while institutions held 6.53% (June 30, 2025: 7.48%) and individuals, Modarabas and Mutual Funds and others held the balance of 12.27% (June 30, 2025: 10.92%) of shareholding of the Holding Company. Voting rights and other shareholders' rights are in proportion to their shareholding.

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

		Note	As at June 30, 2026	As at June 30, 2025
22.	**CAPITAL RESERVES**		-------------(PKR in '000)-------------	
	Share premium	22.1	**309,057**	309,057
	Capital receipts	22.2	**586**	586
	Reserve for capacity expansions and long-term investments	22.3	**18,000,000**	18,000,000
			18,309,643	18,309,643

22.1 Share premium includes premium amounting to PKR 0.902 million received on shares issued for the Holding Company's Polyester Plant installation in 1980 and premium of PKR 308.982 million representing the difference between nominal value of PKR 10 per share on 8,396,277 ordinary shares issued by the Holding Company and the market value of PKR 392.958 million of these shares corresponding to 25% holding acquired in Lotte Pakistan PTA Limited, an ex-associate, at the date of acquisition i.e. November 2, 2001. The number of shares that had been issued were determined in accordance with the previous scheme in the ratio between market value of the shares of two companies based on the mean of the middle market quotation of the Karachi Stock Exchange (now Pakistan Stock Exchange Limited) over the ten trading days between October 22, 2001 to November 2, 2001.

22.2 Represents amount received from various overseas ICI plc group companies for the purchase of property, plant and equipment. The remitting companies have no claim on repayments.

22.3 Over the years, the Holding Company has heavily invested in various expansion and growth initiatives to ultimately create value for its shareholders. Having invested reserves in various capacity expansion projects and long-term investments, a certain portion of reserves of the Holding Company have been utilised. Accordingly, the Board of Directors of the Holding Company in its meeting held on June 10, 2024 approved the transfer of PKR 18,000 million from revenue reserves (unappropriated profits) to capital reserves to more accurately reflect the nature of these reserves. These reserves will not be available for distribution by way of dividend.

		Note	As at June 30, 2026	As at June 30, 2025
			-------------(PKR in '000)-------------	
23.	**NON-CONTROLLING INTERESTS**			
	Opening balance		**10,788**	10,725
	Profit for the year		**349**	63
			11,137	10,788
24.	**STAFF RETIREMENT BENEFITS**			
	Gratuity (Funded)	24.3.2	**14,517**	29,300
	Non-management gratuity (Unfunded)	24.3.2	**113,368**	124,291
			127,885	153,591

24.1 The Holding Company is operating a funded defined benefit pension scheme and a funded defined benefit gratuity scheme for its management staff who joined prior to August 1, 2004 for Pension Scheme and prior to March 21, 2016 for Gratuity Scheme, respectively. The Holding Company also operates defined benefit gratuity scheme for non-management staff and the pensioners' medical scheme which are unfunded. Actuarial valuation of defined benefit plans is carried out every year and the latest actuarial valuation was carried out as at June 30, 2026. For related accounting policies note refer note 3.13.

24.2 Plan assets held in Trust are governed by local regulations which mainly includes repealed Trust Act, 1882, Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deed of the plans. Responsibility for governance of the Plans, including investment and funding decisions and contribution schedules lies with the Board of Trustees. The Holding Company appoints the trustees.

24.3 Staff retirement benefits

24.3.1 The amounts recognised in the consolidated statement of profit or loss and the consolidated statement of comprehensive income against defined benefit schemes are as follows:

	Note	2026				2025			
		Funded			Unfunded	Funded			Unfunded
		Pension	Gratuity	Total	Non - management gratuity	Pension	Gratuity	Total	Non - management gratuity
		(PKR in '000)							
Consolidated statement of profit or loss									
Current service cost		**832**	**56,783**	**57,615**	**4,563**	927	47,153	48,080	4,112
Interest cost		**58,878**	**120,313**	**179,191**	**12,689**	68,525	124,583	193,108	16,072
Expected return on plan assets		**(86,894)**	**(121,125)**	**(208,019)**	**-**	(97,902)	(131,380)	(229,282)	-
Net (reversal) / charge for the year		**(27,184)**	**55,971**	**28,787**	**17,252**	(28,450)	40,356	11,906	20,184
Consolidated statement of comprehensive income:									
Loss / (gain) on obligation		**29,260**	**71,642**	**100,902**	**(502)**	95,762	227,426	323,188	5,298
Gain on plan assets		**(16,839)**	**(69,824)**	**(86,663)**	**-**	(115,289)	(157,018)	(272,307)	-
Net loss / (gain) for the year		**12,421**	**1,818**	**14,239**	**(502)**	(19,527)	70,408	50,881	5,298

24.3.2 Movement in the net asset / (liability) recognised in the consolidated statement of financial position is as follows:

	Note	2026 Pension	2026 Gratuity	2026 Total	2026 Non - management gratuity	2025 Pension	2025 Gratuity	2025 Total	2025 Non - management gratuity
Opening balance		**243,833**	**(29,300)**	**214,533**	**(124,291)**	195,856	9,171	205,027	(115,549)
Net reversal / (charge) for the year	24.3.1	**27,184**	**(55,971)**	**(28,787)**	**(17,252)**	28,450	(40,356)	(11,906)	(20,184)
Net (loss) / gain for the year	24.3.1	**(12,421)**	**(1,818)**	**(14,239)**	**502**	19,527	(70,408)	(50,881)	(5,298)
Contributions / payments during the year		**-**	**72,572**	**72,572**	**27,673**	-	72,293	72,293	16,740
Closing balance		**258,596**	**(14,517)**	**244,079**	**(113,368)**	243,833	(29,300)	214,533	(124,291)

24.3.2.1 Included in other comprehensive income:

	2026 Pension	2026 Gratuity	2026 Total	2026 Non - management gratuity	2025 Pension	2025 Gratuity	2025 Total	2025 Non - management gratuity
Actuarial loss / (gain) arising from								
- financial assumptions	**323**	**318**	**641**	**20**	49,229	166,065	215,294	12,534
- experience adjustment	**28,937**	**71,324**	**100,261**	**(522)**	46,533	61,361	107,894	(7,236)
- investment return	**(16,839)**	**(69,824)**	**(86,663)**	**-**	(115,289)	(157,018)	(272,307)	-
	12,421	**1,818**	**14,239**	**(502)**	(19,527)	70,408	50,881	5,298

24.3.3 The amounts recognised in the consolidated statement of financial position are as follows:

	Note	2026 Pension	2026 Gratuity	2026 Total	2026 Non - management gratuity	2025 Pension	2025 Gratuity	2025 Total	2025 Non - management gratuity
Fair value of plan assets	24.3.5	**810,993**	**1,169,356**	**1,980,349**	**-**	803,947	1,127,956	1,931,903	-
Present value of defined benefit obligation	24.3.4	**(552,397)**	**(1,183,873)**	**(1,736,270)**	**(113,368)**	(560,114)	(1,157,256)	(1,717,370)	(124,291)
Net asset / (liability)		**258,596**	**(14,517)**	**244,079**	**(113,368)**	243,833	(29,300)	214,533	(124,291)

24.3.4 Movement in the present value of defined benefit obligation is as follows:

	Note	2026 Pension	2026 Gratuity	2026 Total	2026 Non - management gratuity	2025 Pension	2025 Gratuity	2025 Total	2025 Non - management gratuity
Opening balance		**560,114**	**1,157,256**	**1,717,370**	**124,291**	518,757	903,005	1,421,762	115,549
Current service cost		**832**	**56,783**	**57,615**	**4,563**	927	47,153	48,080	4,112
Interest cost		**58,878**	**120,313**	**179,191**	**12,689**	68,525	124,583	193,108	16,072
Benefits paid		**(96,687)**	**(222,121)**	**(318,808)**	**(27,673)**	(123,857)	(144,911)	(268,768)	(16,740)
Actuarial loss / (gain)		**29,260**	**71,642**	**100,902**	**(502)**	95,762	227,426	323,188	5,298
Closing balance	24.3.3	**552,397**	**1,183,873**	**1,736,270**	**113,368**	560,114	1,157,256	1,717,370	124,291

24.3.5 Movement in the fair value of plan assets is as follows:

	Note	2026 Pension	2026 Gratuity	2026 Total	2026 Non - management gratuity	2025 Pension	2025 Gratuity	2025 Total	2025 Non - management gratuity
Opening balance		**803,947**	**1,127,956**	**1,931,903**	**-**	714,613	912,176	1,626,789	-
Expected return		**86,894**	**121,125**	**208,019**	**-**	97,902	131,380	229,282	-
Contributions		**-**	**72,572**	**72,572**	**-**	-	72,293	72,293	-
Benefits paid		**(96,687)**	**(222,121)**	**(318,808)**	**-**	(123,857)	(144,911)	(268,768)	-
Actuarial loss		**16,839**	**69,824**	**86,663**	**-**	115,289	157,018	272,307	-
Closing balance	24.3.3	**810,993**	**1,169,356**	**1,980,349**	**-**	803,947	1,127,956	1,931,903	-

24.3.6 Historical information

	June 30				
	2026	**2025**	**2024**	**2023**	**2022**
	-----(PKR in '000)-----				
Present value of defined benefit obligation	**1,736,270**	1,717,370	1,421,762	1,320,765	1,327,203
Fair value of plan assets	**(1,980,349)**	(1,931,903)	(1,626,789)	(1,289,148)	(1,339,705)
(Surplus) / Deficit	**(244,079)**	(214,533)	(205,027)	31,617	(12,502)

24.3.7 Major categories / composition of plan assets are as follows:

	2026	**2025**
Debt instruments	**75.42%**	68.85%
Equity (at market value)	**19.58%**	29.64%
Cash / others	**5.00%**	1.51%

Fair value of plan assets	**Pension**	**Gratuity**	**Pension**	**Gratuity**
	As at June 30, 2026		**As at June 30, 2025**	
	-----(PKR in '000)-----			
Investments				
Government bonds	**639,528**	**841,898**	549,959	757,816
Corporate bonds	**-**	**12,137**	-	22,274
Shares	**151,621**	**236,226**	241,677	331,033
Cash and term deposits	**19,844**	**79,095**	12,311	16,833
Total	**810,993**	**1,169,356**	803,947	1,127,956

	For the year ended June 30, 2026	**For the year ended June 30, 2025**
	-----(PKR in '000)-----	
Actual return on plan assets during the year:	**294,682**	501,589

24.3.8 The significant assumptions used in valuation of defined benefit obligation are as follows:

Discount rate	**11.75%**	11.50%
Future salary increases - Management	**9.50%**	9.25%
Future salary increases - Non-management	**9.75%**	9.50%
Future pension increases	**6.25%**	6.00%

The mortality rates are based on 70% of the EFU (61-66) [June 30, 2025: 70% of the EFU (61-66)] ultimate mortality rates, rated down by three years. If life expectancy increases by 1 year, the obligation increases by PKR 65.413 million (June 30, 2025: PKR 62.013 million).

24.3.9 Impact of changes in assumptions on defined benefit obligation is as follows:

Assumption	**1% Increase**	**1% Decrease**
	-----(PKR in '000)-----	
	2026	
Discount rate	**(86,931)**	**95,650**
Salary increase	**70,521**	**(65,260)**
Pension increase	**27,093**	**(24,850)**
	2025	
Discount rate	(86,687)	95,672
Salary increase	69,626	(64,195)
Pension increase	28,045	(25,693)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognised within the consolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

	As at June 30, 2026	As at June 30, 2025
24.3.9.1 Expected maturity analysis of undiscounted defined benefit obligation is as follows:	-------------(PKR in '000)-------------	
Less than a year	**247,499**	306,599
Between 1-5 years	**1,249,289**	1,154,967
Over 5 years	**1,562,527**	1,457,850
	3,059,315	2,919,416

24.3.10 The Holding Company contributes to the pension and gratuity funds on the advice of the funds' actuary. The contributions are equal to the current service cost with adjustment for any deficit. If there is a surplus, the Holding Company takes a contribution holiday, accordingly, there is no material impact of asset ceiling in these consolidated financial statements. The expected contributions for the financial year ending June 30, 2027 for management staff gratuity is expected to be PKR 59 million.

24.3.11 The weighted average duration of the defined benefit obligation is 5.6 years (June 30, 2025: 5.6 years).

24.3.12 The defined benefit schemes pose the following risks:

Mortality risks

The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefits.

Investment risk

The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating proper investment plans.

Final salary risks

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefits are calculated on the final salary, the benefit amount increases similarly.

Risk of sufficiency of assets

This was managed by making regular contributions to the gratuity and pension funds as advised by the actuary.

Withdrawal risk

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

24.4 During the year, the Holding Company's contribution to the defined contribution funds is as follows:

	For the year ended June 30, 2026	For the year ended June 30, 2025
	-------------(PKR in '000)-------------	
Provident fund	**278,959**	242,667
Defined contribution superannuation fund	**247,336**	213,539

Investments out of provident fund and defined contribution superannuation fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

25. LONG-TERM LOANS

	Note	As at June 30, 2026	As at June 30, 2025
		-------------(PKR in '000)-------------	
Loans from banking companies / financial institutions:			
Interest based arrangements			
Long-Term Finance Facility (LTFF)	25.2	**184,113**	469,816
Temporary Economic Refinance Facility (TERF)	25.3	**2,040,521**	2,358,344
		2,224,634	2,828,160
Shariah compliant arrangements			
Renewable energy	25.5	**137,492**	163,922
Diminishing Musharakah	25.6	**8,145,271**	8,121,731
		8,282,763	8,285,653
		10,507,397	11,113,813
Current portion shown under current liabilities		**(2,618,516)**	(1,573,868)
		7,888,881	9,539,945

25.1 Following is the movement in the long-term loans for which cash flows have been classified as financing activities in the consolidated statement of cash flows:

	As at June 30, 2026	As at June 30, 2025
	-------------(PKR in '000)-------------	
Opening balance	**11,113,813**	4,895,794
Obtained during the year	**712,294**	7,140,550
Less: Repaid during the year	**(1,318,710)**	(922,531)
	10,507,397	11,113,813
Current portion shown under current liabilities	**(2,618,516)**	(1,573,868)
	7,888,881	9,539,945

25.2 The Holding Company has obtained LTFF, extended by the State Bank of Pakistan (SBP), for capital expenditure requirements of its Soda Ash division on different dates starting from March 19, 2015 from various banks amounting to PKR 2,912 million. Repayment of these loans is to be made in quarterly / semi annual instalments in 10 years including 2 years grace period and is secured against charge over fixed assets of the Holding Company. Mark-up is charged at concessionary SBP LTFF rate plus 0.3% to SBP LTFF rate plus 1.5% (June 30, 2025: SBP LTFF rate plus 0.3% to SBP LTFF rate plus 1.5%) per annum. There is no unutilised amount as of the reporting date. This includes loan outstanding from National Bank of Pakistan (a related party) amounting to PKR 130.864 million (June 30, 2025: PKR 166.023 million).

25.3 The Holding Company has obtained TERF, extended by the SBP, for the purpose of plant expansion in Soda Ash and Polyester divisions on different dates starting from June 1, 2021 from various banks amounting to PKR 3,996 million (June 30, 2025: PKR 3,996 million). The repayment is to be made in 16 equal consecutive semi annual instalments in 10 years with grace period of 2 years. The loan is secured against charge over fixed assets of the Holding Company. The mark-up is charged at SBP rate plus 0.3% to SBP rate plus 1.5% (June 30, 2025: SBP rate plus 0.3% to SBP rate plus 1.5%) per annum. There is no unutilised amount as of the reporting date. Government grant has been recognised in respect of TERF being the financing extended at below market rates (note 26). There are no unfulfilled conditions or contingencies attached to this grant. This includes loan outstanding from National Bank of Pakistan (a related party) amounting to PKR 337.581 million (June 30, 2025: PKR 315.525 million).

25.4 In accordance with the terms of the loan agreements, the Holding Company is obligated to comply with the following covenants, at minimum, throughout the reporting period:

- Current ratio must not be less than 1:1
- Adjusted leverage ratio must be less than 2.5:1
- Interest coverage must not be less than 1:1
- Debt service coverage ratio must not be less than 2:1
- Funded leverage must be less than 3.5:1
- Total leverage must be less than 7:1
- Maximum debt / EBITDA must be less than 2.5:1
- Gearing must be less than 1:1
- Funded exposure must be less than 4 times of paid-up capital

The Holding Company is in compliance with the covenants throughout the reporting period.

There are no indications that the Holding Company would have difficulties in complying with the above covenants.

25.5 The Holding Company has obtained Shariah compliant SBP Islamic Financing Facility for Renewable Energy (IFRE) against the total limit of PKR 211 million (June 30, 2025: PKR 211 million) from an Islamic window of a commercial bank. Repayment of loan is to be made in semi annual instalments in 10 years and is secured against charge over fixed assets of the Holding Company. Profit is charged at concessionary SBP rate plus 0.5% per annum.

25.6 The Holding Company has obtained Diminishing Musharakah of PKR 8,834.025 million (June 30, 2025: PKR 8,121.731 million) from various banks to finance acquisition of certain assets of Pfizer Pakistan Limited, as explained in note 6, and to manage capital expenditure requirements of its Soda Ash business. Repayment of these loans is to be made in quarterly instalments in 7 years including 1 to 2 years of grace period. The profit on these loans is charged at KIBOR plus 0.05% to KIBOR plus 0.20% per annum (June 30, 2025: KIBOR plus 0.05% to KIBOR plus 0.20% per annum). The loans are secured against fixed assets of the Holding Company.

	Note	As at June 30, 2026	As at June 30, 2025
26. DEFERRED INCOME - GOVERNMENT GRANT		-----------(PKR in '000)-----------	
Government grant	25.3 & 26.1	**477,833**	658,955
Current portion of government grant		**(155,801)**	(181,122)
		322,032	477,833

	Note	As at June 30, 2026	As at June 30, 2025
		-----------(PKR in '000)-----------	
26.1 Following is the movement in government grant during the year:			
Opening balance		**658,955**	863,428
Amortisation	38	**(181,122)**	(204,473)
Closing balance		**477,833**	658,955

27. DEFERRED TAX LIABILITY - NET

	Note	As at June 30, 2026			As at June 30, 2025		
		Opening	(Reversal) / Charge	Closing	Opening	Charge / (Reversal)	Closing
Deductible temporary differences		-----(PKR in '000)-----					
Provisions for allowance for ECL and others		**(575,390)**	**(20,734)**	**(596,124)**	(636,120)	60,730	(575,390)
Retirement benefit fund provisions	27.1	**(162,211)**	**3,236**	**(158,975)**	(140,301)	(21,910)	(162,211)
Taxable temporary differences							
Property, plant and equipment		**4,650,346**	**(172,656)**	**4,477,690**	2,894,352	1,755,994	4,650,346
Investment in associate	27.2	**3,486,511**	**(71,551)**	**3,414,960**	3,478,995	7,516	3,486,511
Investment in mutual funds		**6,008**	**8,990**	**14,998**	**-**	6,008	6,008
Discounting income on SIDC		**-**	**404,854**	**404,854**	-	-	-
		7,405,264	**152,139**	**7,557,403**	5,596,926	1,808,338	7,405,264

27.1 The charge is routed through other comprehensive income.

27.2 Represents taxation on remeasurement of retained interest in NutriCo Morinaga (Private) Limited upon disposal of controlling interest.

	Note	As at June 30, 2026	As at June 30, 2025
28. TRADE AND OTHER PAYABLES		-----------(PKR in '000)-----------	
Trade creditors		**3,412,880**	5,116,321
Bills payable		**1,778,997**	1,503,076
Accrued expenses	28.1	**3,738,209**	6,672,489
Workers' Profit Participation Fund	28.2	**29,117**	43,777
Workers' Welfare Fund		**660,071**	544,743
Distributors' security deposits - payable on termination of distributorship	28.3	**129,811**	110,882
Contractors' earnest / retention money		**38,915**	34,156
Contract liability - Running account with customers	28.4	**669,240**	461,947
Payable for capital expenditure		**121,852**	621,990
Current portion of Sindh Infrastructure Development Cess (SIDC)	28.5	**474,202**	-
Others		**1,162,126**	610,778
		12,215,420	15,720,159

28.1 This includes accrual in respect of Gas Infrastructure Development Cess (GIDC). The Supreme Court of Pakistan (SCP) through its judgment dated August 13, 2020 (“GIDC Judgment”) declared the Gas Infrastructure Development Cess Act, 2015 (“GIDC Act 2015”) as valid. It further allowed recovery of GIDC by the gas companies from their consumers in twenty-four equal monthly instalments.

The Holding Company has filed suit before the Sindh High Court (SHC) on September 16, 2020 on the grounds that factual determination of the GIDC passed-on is to be carried out, which is pending adjudication. The SHC granted the Holding Company an interim stay thereagainst.

	Note	As at June 30, 2026	As at June 30, 2025
28.2 Workers' Profit Participation Fund		-----------(PKR in '000)-----------	
Opening balance		**43,777**	42,386
Allocation for the year	36	**367,271**	507,441
		411,048	549,827
Payment to the fund		**(381,931)**	(506,050)
Closing balance		**29,117**	43,777

28.3 Interest on security deposits from certain distributors that are placed in separate bank accounts, is payable at 9.70% (June 30, 2025: 16.60%) per annum as specified in the respective agreements. These security deposits are non utilisable. The Group has not utilised any such deposits for the purpose of its business during the year.

28.4 During the year, contract liabilities as at June 30, 2025 have been recognised as revenue. Contract liabilities as at the current year end is expected to be recognised as revenue during the next financial year.

28.5 Sindh Infrastructure Development Cess (SIDC) was levied in the province of Sindh in 1994 vide section 9 of the Sindh Finance Act on the goods entering or leaving the province from or for outside the country, ostensibly for services rendered in respect of development and maintenance of infrastructure. Levy is applicable on imported goods and it is charged at the time of custom clearance. Group of importers challenged the levy on the grounds that imposing levy on 'import and export' does not fall within legislative competence of the provincial legislature. In 2011, Sindh High Court (SHC) through its order granted an interim relief to all the petitioners directing that the future imports of the petitioners will be cleared on payment of 50% of the disputed SIDC while for remaining 50% bank guarantees are to be submitted till the final decision by the SHC. On June 4, 2021 SHC announced its decision in favour of Sindh Government and against 482 petitioners from the industry. The decision validated the SIDC levy and "The Sindh Development and Maintenance of Infrastructure Cess Act, 2017", retrospectively. The group of importers filed petition before the Supreme Court of Pakistan, challenging the order of SHC. The Supreme Court of Pakistan suspended the operation of the SHC's judgment on September 1, 2021 and instructed the petitioners to provide the bank guarantee equivalent to the amount of levy claimed by the respondents against release of all future imported consignments, which is being provided by the Holding Company.

In February 2026, the Sindh Assembly enacted the Sindh Development and Maintenance of Infrastructure Cess (Amendment) Act, 2026, which reduced the SIDC rate from 1.85% to between 0.8% and 0.85%. The amendment also introduced a Settlement Agreement facility, allowing petitioners to enter into structured payment plans either to pay the cess in full or installments for outstanding SIDC obligations. The Holding Company entered into a Settlement Agreement on April 15, 2026, and opted to pay the SIDC in installments and issued post dated cheques in favor of the Government of Sindh. In accordance with the agreed payment plan as per the Settlement Agreement, the present value of the liability as at June 30, 2026 amounts to PKR 1,685.896 million having a current portion of PKR 474.202 million discounted at the rate of 12.3% per annum and the corresponding impact on other income and finance cost is PKR 1,134.434 million and PKR 40.234 million, respectively. Following is the movement in Sindh Infrastructure Development Cess (SIDC):

	Note	As at June 30, 2026	As at June 30, 2025
		(PKR in '000)	
Opening		2,967,236	2,308,032
Accrual for the year		303,465	659,204
Payment during the year		(490,605)	-
Closing balance - gross		2,780,096	2,967,236
Finance cost	37	40,234	-
Discounting income	38	(1,134,434)	-
Closing - present value		**1,685,896**	**2,967,236**

	Note	As at June 30, 2026	As at June 30, 2025
29. SHORT-TERM FINANCING		(PKR in '000)	
Secured			
Export refinance facility	29.1	**1,150,000**	400,000
Short-term running finance / musharakah	29.2	**15,683,908**	10,107,093
		16,833,908	10,507,093

29.1 The Holding Company has availed Export Refinance Facility (ERF) of SBP Part 2, amounting to PKR 1,150 million (June 30, 2025: PKR 400 million) from various banks. ERF is secured against charge on current assets of the Holding Company and carries mark-up at SBP rate (June 30, 2025: SBP rate) per annum. This facility is interchangeable with short-term running finance / musharakah provided by the banks. The shariah compliant balance of ERF as at June 30, 2026 is PKR 1,150 million (June 30, 2025: PKR 400 million).

29.2 It represents short-term finance facilities as follows:

(i) Islamic facilities having a limit of PKR 25,746 million (June 30, 2025: PKR 21,625 million). These facilities carry profit at rates ranging from KIBOR less 0.16% to KIBOR plus 1.5% (June 30, 2025: KIBOR plus 0.02% to KIBOR plus 0.15%) per annum. The Holding Company has utilised PKR 15,684 million (June 30, 2025: PKR 10,057 million) as at the reporting date; and

(ii) The conventional short-term facilities, have a limit amounting to PKR 7,800 million (June 30, 2025: PKR 7,800 million).

The aforesaid limits are interchangeable with ERF and Bank Guarantees as per arrangements with various banks. These facilities are secured against charge on current assets of the Holding Company.

30. CONTINGENCIES AND COMMITMENTS	**As at June 30, 2026**	**As at June 30, 2025**
	-----------(PKR in '000)-----------	
Claims against the Group not acknowledged as debts are as follows:		
Local bodies	**12,917**	84,500
Others	**2,288,717**	2,595,634
	2,301,634	2,680,134

30.1 Details of material contingencies

30.1.1 Suit for damages amounting to PKR 850 million was filed by a private company against the Holding Company alleging breach of the terms of letter of intent and that the Holding Company destroyed the warehouse premises leased from the private company for storage of its pharmaceutical products. As a response, the Holding Company has filed a cross suit against the private company for return of security deposit and abrupt termination of the arrangement. The cases are pending for hearing before the Sindh High Court (SHC).

30.1.2 The Holding Company, amongst others, is a defendant in a suit filed by Pakistan International Bulk Terminal Limited on March 27, 2023 for recovery of an aggregate amount of USD 1,613,440 in respect of alleged damage to coal berth. The case is pending before the competent civil courts in Karachi.

30.1.3 The Company has challenged the judgment of the Sindh High Court (SHC) dated January 13, 2025 remanding the matter to the classification committee to determine the HS code classification of partial shipments relating to power generation project. The issue before the SHC was whether the partial shipments for the power generation project are to be treated as an integral part of the Plant and assessed accordingly under its PCT Heading or each of these items are to be treated and assessed separately under respective PCT Headings. The Company has contended that the matter involves a question of law, rather than a question of fact relating to classification.

The matter is currently pending before the Federal Constitutional Court (FCC). During the pendency of the matter before the FCC, the Classification Committee passed a public order dated May 4, 2026. The FCC has granted interim relief to the Company directing that the public order / determination shall not be acted upon. The matter remains pending, and the next date of hearing is yet to be fixed by the FCC. Bank guarantees of PKR 1,095.290 million remain deposited with the Nazir of the SHC.

30.1.4 The management based on the opinion of advisors is confident that the above cases would be decided in Holding Company's favor. Accordingly, no provision in respect of these matters has been made in these consolidated financial statements.

30.2 Certain significant tax related matters are disclosed below:

Assessment Year (AY) / Tax Year (TY) / Tax Period	Brief description	Nature of demand	Estimated financial impact	Authority / Court and status
AY 2002-03 and spillover effect in TYs 2003 to 2010	After the disposal of the Holding Company's petition by the Honourable Supreme Court of Pakistan, the assessment proceedings were finalised vide order dated May 15, 2017. Despite the finalisation on the de-merger of the PTA Plant and related matters in the AY 2001-2002, the date of that event was considered as falling in subsequent year. Consequently, in this order, the Officer proceeded to tax the event of transfer of PTA plant and exchange of shares and restricted the claim of depreciation relating to PTA assets. Other matters included the disallowance of financial charges and other issues. Simultaneously, the orders for the TYs 2003 to 2010 were issued, to reflect the reduction in carry forward of depreciation. The significant issues were maintained in first appeal. Some relief on other matters in the AY 2002-2003 was given. Subsequently, the Tribunal vide order dated June 7, 2021 has decided all the issues involved in AY 2002-03 in the Holding Company's favor. An appeal effect order dated June 30, 2025 has also been passed by the FBR. Subsequently, the Tribunal vide order dated November 27, 2023 has remanded back these cases to the department for passing speaking orders.	Income tax	(i) AY 2002-03: PKR 2,143 million, deleted by Tribunal. (ii) TYs 2003 to 2010: PKR 1,915 million in aggregate.	(i) Appeal effect order passed. (ii) Remand back proceedings pending.

Assessment Year (AY) / Tax Year (TY) / Tax Period	Brief description	Nature of demand	Estimated financial impact	Authority / Court and status
TY 2016	Monitoring proceedings were finalised vide order dated September 2, 2016 wherein demand was raised on account of alleged non-deduction of income tax on dividends paid to parties having specific exemptions. Appeal filed against the order before CIR(A) was decided against the Holding Company which has been challenged before the Tribunal.	Income tax	PKR 138 million	Hearing of the appeal is pending before Tribunal.
TY 2017	FBR has finalised assessment proceedings vide order dated February 7, 2022, raising tax demand on certain issues including disallowance of finance cost, write-offs, and Balancing Modernisation and Replacement (BMR) credit etc. The Holding Company has filed an appeal in the Tribunal which is yet to be fixed for hearing.	Income tax	PKR 240 million	Hearing of the appeal is pending before Tribunal.
TY 2022	FBR has finalised assessment proceedings vide order dated March 28, 2024, raising tax demand on income tax refunds adjusted against tax liability in income tax return. The Holding Company has filed an appeal in the Tribunal which is yet to be fixed for hearing.	Income tax	PKR 415 million	Hearing of the appeal is pending before Tribunal.
TY 2020	FBR has finalised income tax audit proceedings of Cirin Pharmaceuticals (Private) Limited (a wholly owned subsidiary which was amalgamated into the Holding Company effective March 1, 2020) vide order dated June 28, 2025. Through the said order, tax demand has been raised on various issues including taxation of commercial imports, disallowance of commission, discounts and other expenses. The Holding Company has filed an appeal in the Tribunal which is yet to be fixed for hearing.	Income tax	PKR 180 million	Hearing of the appeal is pending before Tribunal.
TY 2023-25	FBR has finalised proceedings of default surcharge on Super Tax vide orders dated April 6, 2026. Through the said orders, demand for default surcharge amounting to Rs 237 million has been raised for the Tax Years 2023 to 2025. Being aggrieved, the Holding Company is in process of filing an appeal before the relevant appellate forum.	Income Tax	PKR 237 million	Appeal will be filed in the due course.

The management is confident, based on the opinion of advisors, that all the aforementioned cases will be decided in favour of the Holding Company. Accordingly, no provision in respect of these matters has been made in these consolidated financial statements.

		As at June 30, 2026	As at June 30, 2025
30.3	**Commitments**	-----------(PKR in '000)-----------	
30.3.1	Commitments in respect of capital expenditure for various projects:	**990,960**	1,352,561
30.3.2	Commitments for rentals under Ijarah contracts in respect of vehicles are as follows:		
	Year		
	2024-25	**-**	5,221
	2025-26	**5,936**	6,937
	2026-27	**5,936**	7,388
	2027-28	**6,321**	7,869
	2028-29	**6,732**	8,380
	2029-30	**7,170**	-
		32,095	35,795
	Payable within one year	**5,936**	5,221
	Payable later than one year but not later than five years	**26,159**	30,574
		32,095	35,795
30.3.3	Outstanding letter of credit - unutilised PKR 19,431 million (June 30, 2025: PKR 21,752 million)	**8,274,164**	9,293,233

This includes outstanding letter of credit with National Bank of Pakistan (a related party) amounting to PKR 241.80 million (June 30, 2025: PKR 269.89 million) - unutilised PKR 1,658.20 million (June 30, 2025: PKR 1,630.11 million).

		As at June 30, 2026	As at June 30, 2025
		-----------(PKR in '000)-----------	
30.3.4	Outstanding letter of guarantee - unutilised PKR 1,135 million (June 30, 2025: PKR 645.99 million)	**2,263,610**	5,306,416
30.3.5	Commitments in respect of post dated cheques	**3,889,096**	1,106,682

31. OPERATING SEGMENT RESULTS

	Polyester		Soda Ash		Pharmaceuticals		Animal Health		Chemicals & Agri Sciences		Others		Group	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)													
Sales														
Exports														
China	**-**	-	**-**	414,113	**-**	-	**-**	-	**-**	-	**-**	-	**-**	414,113
Bangladesh	**-**	-	**1,199,412**	3,855,655	**-**	-	**-**	-	**-**	-	**-**	-	**1,199,412**	3,855,655
Sri Lanka	**-**	-	**387,071**	871,321	**-**	-	**-**	-	**-**	-	**-**	-	**387,071**	871,321
United States	**44,938**	111,448	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**44,938**	111,448
UAE	**-**	-	**315,427**	558,781	**-**	-	**-**	-	**-**	-	**-**	-	**315,427**	558,781
Others	**34,591**	14,087	**277,394**	373,237	**587,457**	963,918	**112,865**	135,492	**2,386**	3,597	**-**	-	**1,014,693**	1,490,331
	79,529	125,535	**2,179,304**	6,073,107	**587,457**	963,918	**112,865**	135,492	**2,386**	3,597	**-**	-	**2,961,541**	7,301,649
Inter-segment	**30,780**	3,274	**-**	-	**-**	-	**-**	-	**39,159**	26,014	**726,046**	1,484,002	**795,985**	1,513,290
Local	**40,964,384**	47,307,725	**43,605,616**	41,883,458	**29,007,978**	24,853,645	**10,839,573**	9,282,074	**15,727,399**	15,720,371	**371,859**	198,290	**140,516,809**	139,245,563
	41,074,693	47,436,534	**45,784,920**	47,956,565	**29,595,435**	25,817,563	**10,952,438**	9,417,566	**15,768,944**	15,749,982	**1,097,905**	1,682,292	**144,274,335**	148,060,502
Commission / toll income / marketing services	**-**	-	**-**	-	**-**	94,185	**75,544**	144,964	**99,954**	74,020	**-**	-	**175,498**	313,169
Turnover	**41,074,693**	47,436,534	**45,784,920**	47,956,565	**29,595,435**	25,911,748	**11,027,982**	9,562,530	**15,868,898**	15,824,002	**1,097,905**	1,682,292	**144,449,833**	148,373,671
Sales tax and duties - note 31.7	**(6,186,906)**	(7,139,167)	**(6,286,344)**	(6,246,153)	**(261,703)**	(197,776)	**(207,250)**	(216,833)	**(1,772,640)**	(1,675,818)	**(176,689)**	(270,736)	**(14,891,532)**	(15,746,483)
Commission	**-**	-	**(485,515)**	(553,906)	**-**	-	**-**	-	**-**	-	**-**	-	**(485,515)**	(553,906)
Discounts / price adjustment	**(410,053)**	(566,056)	**(2,800,006)**	(1,392,485)	**(7,135,569)**	(4,671,465)	**(3,630,172)**	(3,214,801)	**(921,309)**	(774,471)	**-**	-	**(14,897,109)**	(10,619,278)
	(6,596,959)	(7,705,223)	**(9,571,865)**	(8,192,544)	**(7,397,272)**	(4,869,241)	**(3,837,422)**	(3,431,634)	**(2,693,949)**	(2,450,289)	**(176,689)**	(270,736)	**(30,274,156)**	(26,919,667)
Net turnover - note 32.1	**34,477,734**	39,731,311	**36,213,055**	39,764,021	**22,198,163**	21,042,507	**7,190,560**	6,130,896	**13,174,949**	13,373,713	**921,216**	1,411,556	**114,175,677**	121,454,004
Cost of sales - notes 32.2 & 33	**(33,555,350)**	(37,414,264)	**(28,154,971)**	(28,690,138)	**(12,772,843)**	(13,133,879)	**(4,745,415)**	(3,978,579)	**(9,475,469)**	(9,485,175)	**(882,533)**	(1,298,751)	**(89,586,581)**	(94,000,786)
Gross profit	**922,384**	2,317,047	**8,058,084**	11,073,883	**9,425,320**	7,908,628	**2,445,145**	2,152,317	**3,699,480**	3,888,538	**38,683**	112,805	**24,589,096**	27,453,218
Selling and distribution expenses - note 34	**(240,072)**	(314,608)	**(909,207)**	(1,703,625)	**(3,364,158)**	(2,748,476)	**(1,006,298)**	(909,222)	**(1,412,776)**	(1,499,140)	**-**	-	**(6,932,511)**	(7,175,071)
Administration and general expenses - note 35	**(201,768)**	(177,197)	**(1,481,198)**	(961,416)	**(711,574)**	(566,053)	**(140,530)**	(158,775)	**(377,154)**	(381,598)	**(801)**	(2,528)	**(2,913,025)**	(2,247,567)
Operating profit	**480,544**	1,825,242	**5,667,679**	8,408,842	**5,349,588**	4,594,099	**1,298,317**	1,084,320	**1,909,550**	2,007,800	**37,882**	110,277	**14,743,560**	18,030,580
31.1 Segment assets - notes 31.3 & 32.3	**19,184,364**	16,320,602	**55,311,377**	53,171,195	**18,609,072**	18,017,601	**8,257,256**	7,019,263	**16,895,026**	15,937,827	**637,711**	760,725	**118,894,806**	111,227,213
Inter-segment eliminations													**(18,815,672)**	(17,744,601)
Unallocated assets													**11,136,386**	10,846,537
													111,215,520	104,329,149
31.2 Segment liabilities - notes 31.3 & 32.4	**16,542,424**	14,269,526	**6,412,382**	7,854,212	**9,437,587**	11,558,940	**1,648,663**	1,160,888	**2,398,116**	2,888,415	**375,801**	193,918	**36,814,973**	37,925,899
Inter-segment eliminations													**(18,815,672)**	(17,744,601)
Unallocated liabilities													**33,779,754**	29,155,247
													51,779,055	49,336,545

31.3 Inter unit current account balances of respective businesses have been eliminated from the total.

31.4 Depreciation and amortisation charge - notes 7.2, 8.1 & 9.2	**623,449**	640,914	**3,188,599**	2,520,608	**490,137**	435,277	**70,921**	80,068	**169,609**	125,197	**66,495**	55,354	**4,609,210**	3,857,418
30.4.1 This includes depreciation and amortisation allocated for which corresponding asset is not allocated.													**88,188**	68,419
31.5 Capital expenditure	**729,210**	818,526	**2,556,593**	7,164,435	**447,319**	5,240,705	**420,752**	549,933	**87,338**	255,621	**69,861**	68,105	**4,311,073**	14,097,325

31.6 There was no major customer of the Group which formed part of 10% or more of the Group's revenue. All non-current operating assets of the Group are located in Pakistan.

31.7 This includes electricity duty amounting to PKR 9.212 million (June 30, 2025: PKR 14.116 million).

31.8 All revenue earned by the Group is Shariah compliant.

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
			-------------(PKR in '000)-------------	
32.	**RECONCILIATIONS OF REPORTABLE SEGMENTS' NET TURNOVER, COST OF SALES, ASSETS AND LIABILITIES**			
32.1	**Net turnover**			
	Total net turnover for reportable segments	31	**114,175,677**	121,454,004
	Elimination of inter-segment net turnover		**(40,016)**	(29,288)
	Elimination of inter-group net turnover from the subsidiary		**(755,969)**	(1,484,002)
			(795,985)	(1,513,290)
	Total net turnover		**113,379,692**	119,940,714
32.2	**Cost of sales**			
	Total cost of sales for reportable segments	33	**89,586,581**	94,000,786
	Elimination of inter-segment purchases		**(40,016)**	(29,288)
	Elimination of inter-group purchases from the subsidiary		**(755,969)**	(1,484,002)
			(795,985)	(1,513,290)
	Total cost of sales		**88,790,596**	92,487,496

		Note	As at June 30, 2026	As at June 30, 2025
			-------------(PKR in '000)-------------	
32.3	**Assets**			
	Total assets for reportable segments	31.1	**118,894,806**	111,227,213
	Inter-segment eliminations	31.1	**(18,815,672)**	(17,744,601)
	Long-term investments	10 & 31.1	**11,136,386**	10,846,537
	Total assets		**111,215,520**	104,329,149
32.4	**Liabilities**			
	Total liabilities for reportable segments	31.2	**36,814,973**	37,925,899
	Inter-segment eliminations	31.2	**(18,815,672)**	(17,744,601)
	Short-term financing	29	**16,833,908**	10,507,093
	Long-term financing	25	**10,507,397**	11,113,813
	Accrued mark-up		**868,204**	942,298
	Unclaimed dividend		**176,740**	157,102
	Deferred income - government grant	26	**477,833**	658,955
	Taxation - net		**1,500,712**	2,289,475
	Deferred tax liability - investment in associate	27	**3,414,960**	3,486,511
		31.2	**33,779,754**	29,155,247
	Total liabilities		**51,779,055**	49,336,545

33. COST OF SALES

	Polyester		Soda Ash		Pharmaceuticals		Animal Health		Chemicals & Agri Sciences		Others		Group	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)													
Raw and packing materials consumed														
Opening stock	**2,049,791**	2,390,582	**1,284,316**	1,797,563	**2,627,195**	1,723,209	**428,370**	284,963	**1,819,296**	1,693,886	**197,899**	68,978	**8,406,867**	7,959,181
Purchases														
Inter-segment	**736,365**	1,502,533	**-**	-	**5,626**	6,782	**23,214**	701	**857**	3,274	**29,923**	-	**795,985**	1,513,290
Others	**28,723,497**	27,669,886	**9,608,737**	10,568,287	**9,230,087**	9,435,715	**2,153,190**	1,484,159	**6,418,117**	6,563,179	**573,906**	1,302,618	**56,707,534**	57,023,844
	29,459,862	29,172,419	**9,608,737**	10,568,287	**9,235,713**	9,442,497	**2,176,404**	1,484,860	**6,418,974**	6,566,453	**603,829**	1,302,618	**57,503,519**	58,537,134
	31,509,653	31,563,001	**10,893,053**	12,365,850	**11,862,908**	11,165,706	**2,604,774**	1,769,823	**8,238,270**	8,260,339	**801,728**	1,371,596	**65,910,386**	66,496,315
Closing stock	**(3,056,458)**	(2,049,791)	**(1,222,501)**	(1,284,316)	**(2,706,639)**	(2,627,195)	**(728,863)**	(428,370)	**(2,052,016)**	(1,819,296)	**(45,508)**	(197,899)	**(9,811,985)**	(8,406,867)
Raw material consumed	**28,453,195**	29,513,210	**9,670,552**	11,081,534	**9,156,269**	8,538,511	**1,875,911**	1,341,453	**6,186,254**	6,441,043	**756,220**	1,173,697	**56,098,401**	58,089,448
Salaries, wages and benefits - note 33.1	**881,177**	911,940	**1,825,536**	1,745,650	**1,656,012**	1,165,163	**175,055**	138,312	**241,211**	262,411	**10,572**	15,066	**4,789,563**	4,238,542
Stores and spares consumed	**481,544**	337,895	**723,590**	693,721	**423,712**	381,808	**36,911**	24,637	**49,581**	48,425	**35,472**	43,291	**1,750,810**	1,529,777
Conversion fee paid to contract manufacturers	**-**	-	**-**	-	**37,566**	60,506	**21,547**	-	**155,057**	118,788	**-**	-	**214,170**	179,294
Oil, gas and electricity charges	**3,636,672**	4,056,426	**12,029,711**	12,634,279	**562,233**	448,478	**26,676**	21,103	**140,145**	119,548	**312**	-	**16,395,749**	17,279,834
Rent, rates and taxes	**2,503**	1,708	**4,784**	5,842	**27,402**	9,696	**3,846**	3,979	**731**	251	**420**	-	**39,686**	21,476
Insurance	**22,163**	30,916	**78,457**	71,903	**25,448**	18,387	**3,662**	3,418	**2,006**	3,243	**1,848**	488	**133,584**	128,355
Repairs and maintenance	**30,514**	23,686	**20,253**	20,252	**70,200**	46,973	**7,435**	3,376	**31,403**	35,861	**120**	20	**159,925**	130,168
Depreciation and amortisation charge - notes 7.2, 8.1 & 9.2	**610,657**	629,152	**3,126,811**	2,428,117	**445,504**	393,404	**54,763**	63,735	**84,107**	75,082	**66,495**	55,354	**4,388,337**	3,644,844
Travelling expenses	**134,780**	122,089	**42,463**	42,141	**7,901**	10,232	**12,078**	8,106	**8,543**	10,238	**17**	14	**205,782**	192,820
Contracted services	**534,876**	489,853	**672,791**	611,947	**33,886**	29,332	**7,395**	-	**19,069**	23,543	**5,572**	3,683	**1,273,589**	1,158,358
General expenses	**95,116**	108,353	**222,443**	222,162	**135,282**	108,135	**54,871**	67,720	**29,764**	42,351	**5,485**	3,800	**542,961**	552,521
Opening stock of work-in-process	**372,811**	326,431	**-**	-	**-**	147,989	**21,169**	9,165	**67,304**	-	**-**	-	**461,284**	483,585
Closing stock of work-in-process	**(364,168)**	(372,811)	**-**	-	**(131,920)**	-	**(7,278)**	(21,169)	**(118,665)**	(67,304)	**-**	-	**(622,031)**	(461,284)
Cost of goods manufactured	**34,891,840**	36,178,848	**28,417,391**	29,557,548	**12,449,495**	11,358,614	**2,294,041**	1,663,835	**6,896,510**	7,113,480	**882,533**	1,295,413	**85,831,810**	87,167,738
Opening stock of finished goods	**1,093,387**	2,342,565	**2,070,938**	1,195,479	**1,566,403**	444,167	**805,426**	732,267	**2,914,687**	2,539,238	**-**	-	**8,450,841**	7,253,716
Finished goods purchased	**-**	-	**-**	-	**563,284**	2,847,648	**2,574,312**	2,389,595	**1,627,653**	2,732,379	**-**	-	**4,765,249**	7,969,622
	35,985,227	38,521,413	**30,488,329**	30,753,027	**14,579,182**	14,650,429	**5,673,779**	4,785,697	**11,438,850**	12,385,097	**882,533**	1,295,413	**99,047,900**	102,391,076
Closing stock of finished goods	**(2,467,473)**	(1,093,387)	**(2,336,458)**	(2,070,938)	**(1,865,889)**	(1,566,403)	**(990,982)**	(805,426)	**(2,239,608)**	(2,914,687)	**-**	-	**(9,900,410)**	(8,450,841)
Provision / (Reversal) for slow moving and obsolete stock-in-trade - note 14.1	**37,917**	(13,762)	**-**	-	**59,550**	49,853	**62,618**	(1,692)	**276,227**	14,765	**-**	2,006	**436,312**	51,170
(Reversal) / Provision for slow moving and obsolete stores and spares - note 13.2	**(321)**	-	**3,100**	8,049	**-**	-	**-**	-	**-**	-	**-**	1,332	**2,779**	9,381
	33,555,350	37,414,264	**28,154,971**	28,690,138	**12,772,843**	13,133,879	**4,745,415**	3,978,579	**9,475,469**	9,485,175	**882,533**	1,298,751	**89,586,581**	94,000,786

33.1 Staff retirement benefits

	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)	
Salaries, wages and benefits include amounts in respect of staff retirement benefits:	**268,995**	234,925

34. SELLING AND DISTRIBUTION EXPENSES

	Polyester		Soda Ash		Pharma		Animal Health		Chemicals & Agri Sciences		Others		Group	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)													
Salaries and benefits - note 34.1	**98,510**	103,684	**94,965**	78,168	**1,361,551**	1,148,890	**661,869**	586,925	**687,734**	675,730	**-**	-	**2,904,629**	2,593,397
Repairs and maintenance	**78**	21	**1,092**	1,170	**1,769**	17,565	**2,139**	2,314	**15,826**	14,842	**-**	-	**20,904**	35,912
Advertising and publicity expenses	**18,328**	47,829	**24**	6,071	**748,988**	441,553	**71,194**	52,665	**43,065**	111,695	**-**	-	**881,599**	659,813
Rent, rates and taxes	**-**	-	**1,283**	2,996	**9,243**	10,793	**2,689**	5,396	**22,634**	21,494	**-**	-	**35,849**	40,679
Insurance	**-**	-	**-**	-	**27,239**	15,629	**11,985**	15,929	**14,973**	17,253	**-**	-	**54,197**	48,811
Lighting, heating and cooling charges	**-**	-	**3,803**	3,662	**5,085**	7,452	**3,470**	4,061	**6,167**	5,963	**-**	-	**18,525**	21,138
Depreciation and amortisation charge - notes 7.2 & 9.2	**-**	-	**-**	-	**9,625**	7,427	**8,336**	8,528	**24,324**	13,276	**-**	-	**42,285**	29,231
Outward freight and handling	**64,279**	89,968	**689,864**	1,546,171	**371,657**	322,810	**53,497**	51,800	**235,444**	206,143	**-**	-	**1,414,741**	2,216,892
Travelling expenses	**14,076**	12,400	**13,389**	11,566	**533,039**	449,531	**163,595**	157,055	**164,619**	198,681	**-**	-	**888,718**	829,233
Postage, telegram, telephone and telex	**1,489**	1,532	**7,743**	8,110	**38,805**	52,489	**8,312**	8,507	**13,243**	13,519	**-**	-	**69,592**	84,157
Godown expenses	**-**	-	**44,812**	8,820	**105,945**	94,646	**-**	3,604	**135,271**	167,535	**-**	-	**286,028**	274,605
General expenses	**43,312**	59,174	**52,232**	36,891	**151,212**	179,691	**19,212**	12,438	**49,476**	53,009	**-**	-	**315,444**	341,203
	240,072	314,608	**909,207**	1,703,625	**3,364,158**	2,748,476	**1,006,298**	909,222	**1,412,776**	1,499,140	**-**	-	**6,932,511**	7,175,071

34.1 Staff retirement benefits

	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)	
Salaries and benefits includes amount in respect of staff retirement benefits:	**202,743**	177,116

35. ADMINISTRATION AND GENERAL EXPENSES

	Polyester		Soda Ash		Pharma		Animal Health		Chemicals & Agri Sciences		Others		Group	
	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)													
Salaries and benefits - note 35.1	**103,865**	105,939	**1,036,765**	672,227	**286,995**	242,575	**92,677**	74,093	**256,812**	225,856	**-**	-	**1,777,114**	1,320,690
Repairs and maintenance	**152**	121	**11,796**	12,069	**19,962**	8,666	**2,416**	3,550	**7,203**	9,811	**-**	-	**41,529**	34,217
Advertising and publicity expenses	**198**	589	**22,510**	9,234	**1,052**	1,083	**575**	474	**2,469**	1,888	**-**	-	**26,804**	13,268
Rent, rates and taxes	**2,070**	1,899	**3,293**	3,133	**2,195**	1,084	**141**	54	**294**	402	**-**	-	**7,993**	6,572
Insurance	**51**	67	**9,713**	10,502	**8,017**	5,441	**2,517**	2,381	**3,613**	5,374	**-**	-	**23,911**	23,765
Lighting, heating and cooling charges	**5,247**	5,859	**24,512**	25,644	**25,721**	23,743	**5,846**	5,377	**17,370**	14,089	**-**	-	**78,696**	74,712
Depreciation and amortisation charge - notes 7.2, 8.1 & 9.2	**12,792**	11,762	**61,788**	92,491	**35,008**	34,446	**7,822**	7,805	**61,178**	36,839	**-**	-	**178,588**	183,343
Allowance / (Reversal) for ECL - notes 15.3, 16.2 & 18.3	**19,468**	14,624	**51,791**	1,809	**34,656**	34,080	**(3,307)**	10,545	**(29,098)**	36,890	**-**	-	**73,510**	97,948
Travelling expenses	**8,700**	4,287	**41,672**	41,151	**11,676**	32,540	**5,158**	2,076	**8,589**	3,627	**-**	-	**75,795**	83,681
Postage, telegram, telephone and telex	**2,020**	2,063	**8,761**	7,185	**16,446**	7,331	**1,330**	1,450	**7,696**	7,161	**-**	-	**36,253**	25,190
General expenses - note 35.2	**47,205**	29,988	**208,597**	85,970	**269,846**	175,064	**25,355**	50,970	**41,028**	39,661	**801**	2,528	**592,832**	384,181
	201,768	177,198	**1,481,198**	961,415	**711,574**	566,053	**140,530**	158,775	**377,154**	381,598	**801**	2,528	**2,913,025**	2,247,567

35.1 Staff retirement benefits

	For the year ended June 30, 2026	For the year ended June 30, 2025
	(PKR in '000)	
Salaries and benefits includes amount in respect of staff retirement benefits:	**100,321**	87,511

35.2 This includes PKR 0.414 million (2025: Nil) relating to shariah advisor included in the general expenses.

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
36.	**OTHER CHARGES**		----------------(PKR in '000)----------------	
	Auditor's remuneration	36.1	**16,953**	21,507
	Donations	36.2	**220,380**	117,568
	Workers' profit participation fund	28.2	**367,271**	507,441
	Workers' welfare fund		**231,655**	240,563
			836,259	887,079
36.1	**Auditor's remuneration**			
	Statutory audit fee		**10,975**	8,863
	Half yearly review		**3,500**	3,000
	Other certifications		**1,139**	8,125
	Out of pocket expenses		**1,339**	1,519
			16,953	21,507
	Taxation and other services	36.1.1	**7,980**	2,336
			24,933	23,843

36.1.1 These relate to taxation and other services which have been rendered by the statutory auditors. These have been recorded under the administration and general expenses (note 35).

36.2 The Group has paid donations amounting to PKR 143 million (June 30, 2025: PKR 33 million) and PKR 28 million (June 30, 2025: PKR 24 million) to Aziz Tabba Foundation (ATF) and Indus Hospital and Health Network respectively. ATF and Indus Hospital and Health Network are the donees where the amount of donation exceeds 10% of the total donation.

Mr. Muhammad Sohail Tabba, Chairman of the Board of Directors of the Holding Company and Mr. Muhammad Ali Tabba and Mr. Jawed Yunus Tabba, the Directors of the Holding Company, are also Directors of ATF.

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
37.	**FINANCE COSTS**		----------------(PKR in '000)----------------	
	Mark-up on short-term and long-term financing		**2,361,741**	2,053,650
	Discounting charges on receivables		**37,981**	90,705
	Unwinding of liability of Sindh Infrastructure Development Cess	28.5	**40,234**	-
	Accretion of interest on lease liabilities	9	**51,234**	60,810
	Others		**644**	5,292
			2,491,834	2,210,457
38.	**OTHER INCOME**			
	Income from financial instruments			
	Unrealised gain on short-term investments		**40,523**	24,093
	Amortisation of deferred income - government grant	26.1	**181,122**	204,473
	Unwinding of staff loans cost		**-**	552,454
	Dividend income on short-term investments		**53,861**	29,099
	Realised gain on short-term investments		**1,822,068**	2,246,799
	Interest income		**17,353**	64,450
			2,114,927	3,121,368
	Income from non-financial instruments			
	Scrap sales		**217,531**	177,617
	Gain on disposal of operating fixed assets	7.1.1	**29,460**	93,920
	Liabilities no longer required written back		**-**	1,309
	Discounting impact on Sindh Infrastructure Development Cess	28.5	**1,134,434**	-
	Others		**70,647**	50,210
			3,566,999	3,444,424

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
39.	**TAXATION AND LEVIES**		(PKR in '000)	
	Final taxes - levies	39.1	**10,525**	14,184
	Income tax - current year		**5,300,992**	5,132,636
	- prior years		**-**	(101,045)
	- deferred		**148,903**	1,830,248
		39.2	**5,449,895**	6,861,839
			5,460,420	6,876,023

39.1 This represents final taxes paid under sections 150 and 154 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

		For the year ended June 30, 2026	For the year ended June 30, 2025
39.2	**Tax reconciliation**		
	Profit before income tax	**15,198,285**	18,619,024
	Tax at the rate of 29% (June 30, 2025: 29%)	**4,407,503**	5,403,630
	Effect of exempt income	**(10,112)**	(31,202)
	Effect of super tax	**1,444,024**	1,872,514
	Effect of lower rate of dividend income and capital gain	**(315,884)**	(318,971)
	Others	**(75,636)**	(64,132)
		5,449,895	6,861,839
	Average effective tax rate	**35.86%**	36.90%

		Note	For the year ended June 30, 2026	For the year ended June 30, 2025
			(PKR in '000)	
40.	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit for the year attributable to equity holders of the Holding Company		**9,748,041**	11,757,122
			Number of shares	
	Weighted average number of ordinary shares outstanding during the year	21.1	**461,795,250**	461,795,250
			(PKR)	
	Basic and diluted earnings per share		**21.11**	25.46

40.1 There are no dilutive potential ordinary shares outstanding as at June 30, 2026 and June 30, 2025.

	Note	For the year ended June 30, 2026	For the year ended June 30, 2025
41. CASH GENERATED FROM OPERATING ACTIVITIES		------------(PKR in '000)-----------	
Profit before income tax		**15,198,285**	18,619,024
Adjustments for:			
Final taxes		**10,525**	14,184
Depreciation and amortisation	7.2 , 8.1 & 9.2	**4,609,210**	3,857,418
Gain on disposal of operating fixed assets	38	**(29,460)**	(93,920)
Provision for staff retirement benefit plans	24.3.1	**28,787**	11,906
Gain on bargin purchase	6	**-**	(292,555)
Provisions for non-management staff gratuity and eligible retired employees' medical scheme		**39,104**	34,668
Amortisation of deferred income - government grant	38	**(181,122)**	(204,473)
Interest income	38	**(17,353)**	(64,450)
Unwinding of staff loans cost		**-**	(552,454)
Share of profit from associate	10.1	**(289,849)**	(19,272)
Finance cost	37	**2,491,834**	2,210,457
Allowance for ECL	35	**73,510**	97,948
Provision for slow moving and obsolete stock-in-trade	14.1	**436,312**	51,170
Provision for slow moving and obsolete stores and spares	13.2	**2,779**	9,381
Discounting impact on Sindh Infrastructure Development Cess		**(1,134,434)**	-
Gain on disposal of right-of-use asset		**(2,570)**	-
Liabilities no longer required written back	38	**-**	(1,309)
		21,235,558	23,677,723
Movement in:			
Working capital	41.1	**(6,399,899)**	3,365,790
Long-term loans		**(241,713)**	(69,701)
Long-term deposits and other assets		**(236,748)**	492,237
		14,357,198	27,466,049

41.1 Movement in working capital

(Increase) / decrease in current assets		
Stores, spares and consumables	**(252,794)**	2,452,161
Stock-in-trade	**(3,269,398)**	(852,172)
Trade debts	**(1,162,008)**	458,399
Loans and advances	**270,407**	(219,778)
Short-term deposits and prepayments	**75,891**	218,764
Other receivables	**(863,324)**	768,909
	(5,201,226)	2,826,284
(Decrease) / increase in current liability		
Trade and other payables	**(1,198,673)**	539,507
	(6,399,899)	3,365,790

42. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND OTHER EXECUTIVES

The amounts charged in the consolidated financial statements for the remuneration, including all benefits, to the Chief Executive and other Executives of the Group are as follows:

	Chief Executive		Other Executives		Total	
	For the year ended June 30, 2026	For the year ended June 30,	For the year ended June 30, 2026	For the year ended June 30, 2025	For the year ended June 30, 2026	For the year ended June 30, 2025
	----------(PKR in '000)----------					
Managerial remuneration	**148,699**	102,124	**2,236,796**	1,913,830	**2,385,495**	2,015,954
Gratuity	**4,102**	4,475	**65,464**	62,912	**69,566**	67,387
Provident Fund	**7,157**	5,392	**181,698**	147,019	**188,855**	152,411
Pension	**7,586**	5,715	**191,403**	154,185	**198,989**	159,900
Rent and house maintenance	**7,240**	4,797	**709,443**	579,513	**716,683**	584,310
Utilities	**2,737**	3,478	**176,350**	144,599	**179,087**	148,077
Medical and others	**353**	878	**19,757**	18,961	**20,110**	19,839
Bonus paid	**68,086**	63,256	**727,921**	637,277	**796,007**	700,533
	245,960	190,115	**4,308,832**	3,658,296	**4,554,792**	3,848,411
Number of persons as at the reporting date - note 42.2	**1**	1	**720**	593	**721**	594

42.1 In accordance with the requirements of the Companies Act, 2017, employees whose basic salary for the year exceed PKR 1.2 million have been considered 'Executives' for the purpose of these consolidated financial statements.

42.2 During the year, new Chief Executive of the Holding Company (also Chief Executive of Lucky TG) was appointed with effect from May 11, 2026. The Chief Executives of the other two subsidiaries, i.e., LCV and PowerGen, do not take any remuneration from the subsidiaries. Their remuneration has been included under "Other Executives" as they are employees of the Holding Company.

		For the year ended June 30, 2026	For the year ended June 30, 2025
		------------(PKR in '000)------------	
42.3	During the year, fee paid to non-executive directors for attending board and other meetings, which is not part of remuneration amounts to:	**8,550**	5,531

		As at and for the year ended June 30, 2026	As at and for the year ended June 30, 2025
42.4	Total number of employees as at the reporting date	**2,555**	2,574
	Average number of employees during the year	**2,565**	2,403
42.5	Total number of factory employees as at the reporting date	**723**	741
	Average number of factory employees during the year	**732**	747

42.6 Executives as mentioned above include Chief Executive Officer and Directors of subsidiaries. No additional remuneration is charged to subsidiaries in this respect. The number of directors in PowerGen, Lucky TG and LCV as at June 30, 2026 are 5, 7 and 4 (June 30, 2025: 5, 7 and 4) respectively.

43. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the Parent Company (Lucky Cement Limited) and related group companies, associated companies, directors of the Holding Company, companies where directors also hold directorship, key management personnel, staff retirement funds (note 24), close family members of directors and key management personnel. All the transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Holding Company. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements, are as follows:

Name of related party and relationship with the Group	Nature of transaction	For the year ended June 30, 2026	For the year ended June 30, 2025
		---------------(PKR in '000)---------------	
Parent Company			
Lucky Cement Limited	Purchase of goods, materials and services	**14,078**	173,339
	Sale of goods and materials	**1,906**	25,680
	Dividend paid	**2,908,186**	3,403,466
	Reimbursement of expenses	**6,610**	565
	Consumables obtained	**179,625**	-
	Consumables returned	**179,625**	-
Associated companies	Purchase of goods, materials and services	**1,668,512**	713,386
	Sale of goods and materials	**4,734,575**	4,810,431
	Dividend paid	**1,433,457**	1,703,671
	Donations paid	**169,676**	57,234
	Reimbursement of expenses	**45,687**	45,595
	Gain on investment	**830,388**	-
	Finance cost paid	**15,208**	-
	Investment in units of mutual funds	**25,681,508**	25,417,316
	Redemption of units of mutual funds	**25,870,033**	16,912,502
	Consumables obtained	**172,025**	-
	Consumables returned	**172,025**	-
Others	Dividend paid	**3,999**	5,946
	Staff retirement benefits - contribution	**603,459**	528,194
	Director meeting fee	**8,550**	5,531
Key management personnel	Remuneration paid	**641,509**	597,766
	Post employment benefits	**55,492**	51,261
	Dividend paid	**42,350**	49,533
	Reimbursement of expenses	**4,852**	-

43.1 Details of related parties of the Group

Details of related parties are as follows:

Name of related party and relationship with the Group	Basis of relationship	Direct shareholding % in the Holding Company
NutriCo Morinaga (Private) Limited	Associate	Nil
Arabian Sea Country Club Limited	Equity investment	Nil
Lucky Cement Limited	Holding company & common directorship	55.00%
Lucky Holdings Limited	Associated company	Nil
Yunus Textile Mills Limited	Associated company	11.61%
Lucky Textile Mills Limited	Associated company	6.23%
Gadoon Textile Mills Limited	Associated company	7.21%
Lucky Motor Corporation Limited	Associated company	Nil
Lucky Foods (Private) Limited	Associated company	Nil
Lucky Core Management Staff Provident Fund	Staff retirement benefit fund	0.02%
Lucky Core Management Staff Gratuity Fund	Staff retirement benefit fund	0.01%
Lucky Core Management Staff Defined Contribution Superannuation Fund	Staff retirement benefit fund	0.02%
Lucky Core Non-Management Staff Provident Fund	Staff retirement benefit fund	Nil
Lucky Core Management Staff Pension Fund	Staff retirement benefit fund	0.01%
Lucky Core Foundation (Trust)	Associated company	Nil
Lucky Core Foundation (Section 42 Company)	Associated company	Nil
Lahore University of Management Sciences	Associated company	Nil
Aziz Tabba Foundation	Associated company	Nil
ChildLife Foundation	Associated company	Nil
Pakistan Business Council	Associated company	Nil
Global Commodities Limited	Associated company	Nil
Tabba Kidney Institute	Associated company	Nil
Tabba Heart Institute	Associated company	Nil
National Bank of Pakistan	Associated company	0.88%
YB Pakistan Limited	Associated company	1.16%
Lucky Commodities (Private) Limited	Associated company	Nil
Bank AL Habib Limited	Associated company	Nil
Siemens (Pakistan) Engineering Company Limited	Associated company	Nil
The Kidney Centre Post Graduate Training Institute	Associated company	Nil
International Industries Limited	Associated company	Nil
Lucky Landmark (Private) Limited	Associated company	Nil
Lucky Al Shumookh Holdings Limited (Republic of Iraq)	Associated company	Nil
YB Engineering Limited	Associated company	Nil
Calico Trust	Associated company	Nil
Eastern Regency Ltd.	Associated company	Nil
Energas Marketing (Private) Limited	Associated company	Nil
Energas Terminal (Private) Limited	Associated company	Nil
FITE Development & Management Company	Associated company	Nil
Grandcres Investment Limited	Associated company	Nil
Hacot Colombier	Associated company	Nil
Karachi Education Initiative	Associated company	Nil
Lucky Air (Pvt) Limited	Associated company	Nil
Lucky Electric Power Company Limited	Associated company	Nil
Lucky Energy (Pvt) Limited	Associated company	Nil
Lucky Exim (Private) Limited	Associated company	Nil
Lucky Knits (Private) Limited	Associated company	Nil
Lucky Paragon Readymix Limited	Associated company	Nil
Lucky Renewables (Private) Limited	Associated company	Nil
National Resources (Private) Limited	Associated company	Nil
Security Electric Power Company Limited	Associated company	Nil
Tricom Solar Power (Private) Lmited	Associated company	Nil
YB Holdings (Private) Limited	Associated company	Nil
Yunus Energy Limited	Associated company	Nil
Yunus Wind Power Limited	Associated company	Nil
NutriCo Pakistan (Private) Limited Gratuity Fund	Staff retirement benefit fund of associate	Nil
NutriCo Pakistan (Private) Limited Provident Fund	Staff retirement benefit fund of associate	Nil
Pakistan Tobacco Company Limited	Associated company	Nil
Regency United Pte. Limited	Associated company	Nil

Name of related party and relationship with the Group	Basis of relationship	Direct shareholding % in the Holding Company
Liaquat National Hospital and Medical College	Associated company	Nil
Sindh Institute of Urology and Transplantation (SIUT)	Associated company	Nil
Duke of Edinburgh's	Associated company	Nil
Pakistan Textile Council	Associated company	Nil
Greentree Holdings Limited	Associated company	Nil
Lucky 1888 Mills Pakistan (Pvt) Limited	Associated company	Nil
Lucky Wind Power Limited	Associated company	Nil
Ocean Management Services (Private) Limited	Associated company	Nil
Thar Coal Energy Board	Associated company	Nil
National Institutional Facilitation Technologies	Associated company	Nil
Honda Atlas Car (Pakistan) Limited	Associated company	Nil
Cherat Cement Limited	Associated company	Nil
Habib University Foundation	Associated company	0.02%
Lucky Investments Limited (Formerly Interloop Asset Management Ltd)	Associated company	Nil
Altia Tech City (Private) Limited	Associated company	Nil
Titan Mining (Private) Limited	Associated company	Nil
Terra Mining (Private) Limited	Associated company	Nil
Heritage Mining (Private) Limited	Associated company	Nil
Kohinoor Textile Mills Limited	Associated company	Nil
LCL Investments Holding Limited	Associated company	Nil
Premium Textile Mills Limited	Associated company	Nil
Pakistan Centre for Philanthropy	Associated company	0.01%
Wafi Energy Pakistan	Associated company	Nil
Pakistan Security Printing Corporation	Associated company	Nil
HBL Zarai Services	Associated company	Nil
Asif Jooma	Former key management personnel	0.80%
Muhammad Umar Mushtaq	Key management personnel	Nil
Atif Aboobukar	Key management personnel	Nil
Nauman Shahid Afzal	Key management personnel	Nil
Atif Siddiqui	Key management personnel	Nil
Rizwan Afzal Chaudhary	Key management personnel	Nil
Laila Bhatia Bawany	Key management personnel	Nil
Himra Mursil	Key management personnel	Nil
Saboor Ahmad	Key management personnel	Nil
Samar Hayat	Key management personnel	Nil
Muhammad Sohail Tabba	Director	Nil
Muhammad Ali Tabba	Director	Nil
Jawed Yunus Tabba	Director	Nil
Syed Muhammad Shabbar Zaidi	Director	0.0001%*
Ariful Islam	Director	0.005%*
Adnan Afridi	Former Director	0.0001%*
Zaffar Ahmad Khan	Director	0.001%*
Amina Abdul Aziz Bawany	Director	Nil

* Each director holds at least one requisite qualification share of the Holding Company.

44. PLANT CAPACITY AND ANNUAL PRODUCTION

	Note	For the year ended June 30, 2026		For the year ended June 30, 2025	
		Annual Name Plate Capacity	Production	Annual Name Plate Capacity	Production
Polyester		**131,000**	**97,037**	131,000	99,951
Soda Ash	44.1	**560,000**	**420,415**	560,000	462,088
Sodium Bicarbonate	44.1	**54,000**	**53,890**	54,000	52,935
PowerGen	44.3	**122,640**	**19,973**	122,640	34,977

44.1 Out of total production of 420,415 metric tonnes (June 30, 2025: 462,088 metric tonnes) of Soda Ash, 51,202 metric tonnes (June 30, 2025: 47,642 metric tonnes) were transferred for production of 53,890 metric tonnes (June 30, 2025: 52,935 metric tonnes) of Sodium Bicarbonate.

44.2 The capacites of Chemicals, Pharma and Animal Health segment are indeterminable because these are multi-product with multiple dosage and multiple pack size plants. The production was sufficient to meet the demand.

44.3 Electricity by PowerGen is produced as per demand of the Group.

45. FAIR VALUE MEASUREMENT

45.1 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. Consequently, differences can arise between carrying values and the fair value estimates.

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 carrying values of all financial assets and liabilities reflected in these consolidated financial statements approximate their fair values except for lease liabilities.

45.2 The Group classifies assets 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:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

As of the reporting date, except for the Group's investment in mutual funds (which is valued under level 2), none of the other financial assets / liabilities are carried at fair value in these consolidated financial statements. There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

46. FINANCIAL INSTRUMENTS BY CATEGORY

	Note	As at June 30, 2026	As at June 30, 2025
		-------------(PKR in '000) ------------	
Financial assets measured at amortised cost			
Loans to executives and employees	11	**1,332,003**	1,219,210
Long-term deposits	12	**109,808**	97,079
Trade debts	15	**6,234,873**	5,068,742
Short-term deposits	17	**330,475**	438,790
Other receivables	18	**333,961**	383,257
Short-term investments - term deposits receipts	19	**327,000**	392,000
Cash and bank balances	20	**638,203**	1,077,482
		9,306,323	8,676,560
Financial assets measured at fair value through profit or loss			
Short-term investments - Investment in mutual funds	19	**20,964,416**	18,733,115
Financial liabilities measured at amortised cost			
Long-term loans	25	**10,507,397**	11,113,813
Lease liabilities	9	**301,859**	388,795
Trade and other payables		**9,126,142**	13,413,044
Accrued-markup		**868,204**	942,298
Short-term financing	29	**16,833,908**	10,507,093
Unclaimed dividend		**176,740**	157,102
		37,814,250	36,522,145

47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Board of Directors has overall responsibility for establishment and oversight of the Group's risk management framework. The executive management team is responsible for developing and monitoring the Group's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team 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 Audit Committee oversees compliance by management 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.

47.1 Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments may fluctuate as a result of changes in market currency rates, interest rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Group manages the market risk by monitoring exposure on financial instruments and by following internal risk management policies.

47.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Group mitigates its risk against the exposure by focusing on short-term investments. As at the reporting date, the interest rate profile of the Group's interest-bearing financial instruments at carrying value were:

	Note	As at June 30, 2026	As at June 30, 2025
		-------------(PKR in '000)-------------	
Fixed rate instruments			
Financial assets	19	**327,000**	392,000
Financial liabilities		**(2,656,304)**	(3,327,837)
		(2,329,304)	(2,935,837)
Variable rate instruments			
Financial assets		**55,417**	-
Financial liabilities		**(25,116,671)**	(18,792,746)
		(25,061,254)	(18,792,746)

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 interest rates at the reporting date would not affect the consolidated statement of profit or loss.

Sensitivity analysis for variable rate instruments

If KIBOR had been 10% higher / lower with all other variables held constant, the impact on the profit before tax for the year would have been: PKR 250.613 million (June 30, 2025: PKR 187.927 million).

47.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies. The Group is exposed to foreign currency risk on sales and purchases which are entered in a currency other than PKR. When the management expects future depreciation of Pak Rupee, the Group enters into forward foreign exchange contracts in accordance with the instructions from the State Bank of Pakistan instructions and the Group's treasury policy. The policy allows the Group to take currency exposure within predefined limits while open exposures are rigorously monitored.

Following is the gross exposure classified into separate foreign currencies:

	CNY	EURO	USD	GBP
	As at June 30, 2026			
Trade debts	-	-	**621**	-
Cash and bank balances	-	-	**1,361**	-
	-	-	**1,982**	-
Trade and other payables	**(56)**	**(156)**	**(4,084)**	**(1)**
Gross statement of financial position exposure	**(56)**	**(156)**	**(2,102)**	**(1)**

	As at June 30, 2025			
Trade debts	-	-	1,523	-
Cash and bank balances	-	-	1,133	-
	-	-	2,656	-
Trade and other payables	(873)	(73)	(1,941)	(10)
Gross statement of financial position exposure	(873)	(73)	715	(10)

Significant exchange rates applied during the year were as follows:

	Average rate		Spot rate	
	For the year ended June 30, 2026	For the year ended June 30, 2025	As at June 30, 2026	As at June 30, 2025
PKR per	PKR		PKR	
EURO	**326.01**	303.95	**316.92**	332.66
USD	**280.11**	279.34	**278.16**	283.76
GBP	**374.91**	361.48	**368.02**	388.86
CNY	**40.16**	38.72	**41.00**	39.60

Sensitivity analysis

Every 10% increase or decrease in exchange rate with all other variables held constant will decrease or increase profit before tax for the year by PKR 63.680 million (June 30, 2025: PKR 14.348 million). The following table demonstrates the sensitivity to the change in exchange rates. As at June 30, 2026, if PKR had weakened / strengthened by 10% against other currencies, with all other variables held constant, the effect on the Group profit before tax as at June 30, 2026 and June 30, 2025 would be as follows:

	Increase / decrease in exchange rates	Effect on profit before tax (CNY)	Effect on profit before tax (EURO)	Effect on profit before tax (USD)	Effect on profit before tax (GBP)
2026					
PKR in '000	**+10%**	**(230)**	**(4,944)**	**(58,469)**	**(37)**
PKR in '000	**-10%**	**230**	**4,944**	**58,469**	**37**
2025					
PKR in '000	+10%	(3,458)	(2,437)	(20,281)	(390)
PKR in '000	-10%	3,458	2,437	20,281	390

47.1.3 Other price risk is the risk that the value of future cash flows of the financial instrument will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investment securities. As at the reporting date, the Group is not materially exposed to other price risk.

47.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Group does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Group has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes allowance for ECLs against those balances considered doubtful of recovery. To mitigate the risk, the Group has a system of assigning credit limits to its customers based on evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposits, bank guarantees and insurance guarantees.

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

	Note	As at June 30, 2026	As at June 30, 2025
47.2.1 Financial assets		(PKR in '000)	
Loans to executives and employees	11	**1,332,003**	1,219,210
Long-term deposits	12	**109,808**	97,079
Trade debts	15	**6,234,873**	5,068,742
Short-term deposits	17	**330,475**	438,790
Other receivables	18	**333,961**	383,257
Short-term investments	19	**21,291,416**	19,125,115
Bank balances	20	**628,431**	1,067,667
		30,260,967	27,399,860

47.2.2 The Group has placed its funds with banks which are rated A1+, A1 and P-1 as per the short-term rating by PACRA / Moody's / JCR-VIS. Short-term investments are held in mutual funds which are rated AA+ as per the ratings by PACRA / JCR-VIS.

	As at June 30, 2026	As at June 30, 2025
47.2.3 Financial assets	-------------(PKR in '000)-------------	
- Secured	**2,811,696**	1,938,675
- Unsecured	**27,449,271**	25,461,185
	30,260,967	27,399,860

47.2.4 Set out below is the information about the ageing of trade debts and related credit risk exposure as at the reporting date:

	Not past due (net of provision for price adjustments, discounts and sales returns)	Past due but not impaired	Past due and impaired		Total
		Not more than three months	More than three months and not more than four months	More than four months	
	(PKR in '000)				
	As at June 30, 2026				
Total gross carrying amount	**4,265,592**	**1,960,814**	**16,934**	**171,023**	**6,414,363**
Expected credit loss	**-**	**-**	**(8,467)**	**(171,023)**	**(179,490)**
Expected credit loss effective rate	**-**	**-**	**50%**	**100%**	**3%**
	As at June 30, 2025				
Total gross carrying amount	4,288,012	761,316	38,829	213,432	5,301,589
Expected credit loss	-	-	(19,415)	(213,432)	(232,847)
Expected credit loss effective rate	-	-	50%	100%	4%

47.2.5 There were no past due or impaired trade debts, loans and advances and other receivables from related parties.

47.2.6 Concentration risk

Sector wise analysis of financial assets is given below:

	Note	As at June 30, 2026	As at June 30, 2025
		-------------(PKR in '000)-------------	
Textile and chemicals		**2,515,300**	2,048,398
Glass		**553,758**	414,775
Paper and board		**189,870**	149,287
Pharmaceuticals		**516,725**	185,163
Detergents		**1,256,156**	914,123
Paints		**243,755**	63,513
Banks		**955,431**	1,459,667
Asset management companies		**20,964,416**	18,733,115
Others		**3,425,143**	3,801,852
		30,620,554	27,769,894
Allowance for ECL:			
- trade debts	15	**(179,490)**	(232,847)
- loans and advances	16	**(11,727)**	(30,817)
- other receivables	18	**(168,370)**	(106,370)
		(359,587)	(370,034)
		30,260,967	27,399,860

47.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Group's treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the maturity date.

	Note	Carrying amount	Contractual cash flows	Less than one year	More than one year
		As at June 30, 2026			
		(PKR in '000)			
Financial liabilities					
Trade creditors	28	**3,412,880**	**(3,412,880)**	**(3,412,880)**	**-**
Bills payable	28	**1,778,997**	**(1,778,997)**	**(1,778,997)**	**-**
Accrued mark-up		**868,204**	**(868,204)**	**(868,204)**	**-**
Accrued expenses		**2,506,594**	**(2,506,594)**	**(2,506,594)**	**-**
Distributors' security deposits - payable on					**-**
termination of distributorship	28	**129,811**	**(129,811)**	**(129,811)**	**-**
Contractors' earnest / retention money	28	**38,915**	**(38,915)**	**(38,915)**	**-**
Unclaimed dividend		**176,740**	**(176,740)**	**(176,740)**	**-**
Payable for capital expenditure	28	**121,852**	**(121,852)**	**(121,852)**	**-**
Other payables	28	**1,137,093**	**(1,137,093)**	**(1,137,093)**	**-**
Long-term loans	25	**10,507,397**	**(10,985,230)**	**(2,774,317)**	**(8,210,913)**
Lease liabilities	9	**301,859**	**(390,876)**	**(83,012)**	**(307,864)**
Short-term financing	29	**16,833,908**	**(16,833,908)**	**(16,833,908)**	**-**
		37,814,250	**(38,381,100)**	**(29,862,323)**	**(8,518,777)**

	Note	Carrying amount	Contractual cash flows	Less than one year	More than one year
		As at June 30, 2025			
		(PKR in '000)			
Financial liabilities					
Trade creditors	28	5,116,321	(5,116,321)	(5,116,321)	-
Bills payable	28	1,503,076	(1,503,076)	(1,503,076)	-
Accrued mark-up		942,298	(942,298)	(942,298)	-
Accrued expenses		5,874,001	(5,874,001)	(5,874,001)	-
Distributors' security deposits - payable on					-
termination of distributorship	28	110,882	(110,882)	(110,882)	-
Contractors' earnest / retention money	28	34,156	(34,156)	(34,156)	-
Unclaimed dividend		157,102	(157,102)	(157,102)	-
Payable for capital expenditure	28	621,990	(621,990)	(621,990)	-
Other payables	28	585,745	(585,745)	(585,745)	-
Long-term loans	25	11,113,813	(11,113,813)	(1,754,990)	(9,358,823)
Lease liabilities	9	388,795	(388,795)	(81,649)	(307,146)
Short-term financing	29	10,507,093	(10,507,093)	(10,507,093)	-
		36,955,272	(36,955,272)	(27,289,303)	(9,665,969)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amount.

48. CAPITAL RISK MANAGEMENT

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring return on net assets 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. The Group also monitors capital using a gearing ratio, which is net debt, interest / profit bearing loans and borrowings including finance cost thereon, less cash and bank balances. Capital signifies equity as shown in the consolidated statement of financial position plus net debt. The gearing ratio as at June 30, 2026 and June 30, 2025 is as follows:

	Note	As at June 30, 2026	As at June 30, 2025
		(PKR in '000)	
Long-term loans	25 & 26	**10,985,230**	11,772,768
Short-term financing	29	**16,833,908**	10,507,093
Total debt		**27,819,138**	22,279,861
Short-term investments	19	**(21,291,416)**	(19,125,115)
Cash and bank balances	20	**(638,203)**	(1,077,482)
Net debt		**5,889,519**	2,077,264
Issued, subscribed and paid-up share capital	21	**923,591**	923,591
Capital reserves	22	**18,309,643**	18,309,643
Revenue reserve - unappropriated profit		**40,192,094**	35,748,582
Equity		**59,425,328**	54,981,816
Capital		**65,314,847**	57,059,080
Gearing ratio (Net debt / (Net debt + Equity)		**9.02%**	**3.64%**

49. SUBSEQUENT EVENT

The Directors in their meeting held on August 3, 2026 have recommended a final dividend of PKR 5.25 per share (June 30, 2025: PKR 6.20 per share) for the year ended June 30, 2026. This dividend is in addition to interim dividend paid of PKR 5.25 per share declared during the current year. The consolidated financial statements for the year ended June 30, 2026 do not include the effect of the final dividend which will be accounted for in the year in which it is approved.

50. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017

	Note	As at June 30, 2026			As at June 30, 2025		
		Conventional	Shariah Compliant	Total	Conventional	Shariah Compliant	Total
		(PKR in '000)					
Consolidated statement of financial position - assets							
Long-term investments	10	**-**	**11,136,386**	**11,136,386**	**-**	10,846,537	10,846,537
Short-term investments	19	**-**	**21,291,416**	**21,291,416**	127,000	18,998,115	19,125,115
Bank deposits, bank balances, and TDRs	20	**-**	**638,203**	**638,203**	-	1,077,482	1,077,482
Consolidated statement of financial position - liabilities							
Long-term loans	25	**2,224,634**	**8,282,763**	**10,507,397**	2,828,160	8,285,653	11,113,813
Lease liabilities	9	**-**	**301,859**	**301,859**	-	388,795	388,795
Short-term financing	29	**-**	**16,833,908**	**16,833,908**	50,093	10,457,000	10,507,093
Accrued interest / mark-up on loan or advance		**11,340**	**856,864**	**868,204**	893,374	48,924	942,298

	Note	For the year ended June 30, 2026			For the year ended June 30, 2025		
		Conventional	Shariah Compliant	Total	Conventional	Shariah Compliant	Total
		(PKR in '000)					
Consolidated statement of profit or loss							
Revenue earned from a Shariah-compliant business segment	32.1	**-**	**113,379,692**	**113,379,692**	-	119,940,714	119,940,714
Late payments or liquidated damages			**Not applicable**			Not applicable	
Unrealised gain on short-term investments		**-**	**40,523**	**40,523**	-	24,093	24,093
Realised gain / dividend on short-term investments		**-**	**1,875,929**	**1,875,929**	-	2,275,898	2,275,898
Profit earned from bank deposits, bank balances, or TDRs		**-**	**17,353**	**17,353**	-	64,450	64,450
Exchange gain / (loss) earned from actual currency		**-**	**(63,505)**	**(63,505)**	-	(56,087)	(56,087)
Exchange gains earned using conventional derivative financial instruments			**Not applicable**			Not applicable	
Scrap sales		**-**	**217,531**	**217,531**	-	177,617	177,617
Gain on disposal of operating fixed assets		**-**	**29,460**	**29,460**	-	93,920	93,920
Unw inding of staff loans cost		**-**	**-**	**-**		552,454	552,454
Gain on bargin purchase		**-**	**-**	**-**	292,555	-	292,555
Discounting impact on SIDC		**-**	**1,134,434**	**1,134,434**	-	-	-
Other income		**181,122**	**70,647**	**251,769**	255,991	-	255,991
Share of profit from associate	10.1	**-**	**289,849**	**289,849**	**-**	19,272	19,272
Mark-up / profit on short-term and long-term financing		**234,591**	**2,127,150**	**2,361,741**	435,218	1,618,432	2,053,650
Interest earned on any conventional loan or advance			**Not applicable**			Not applicable	
Discounting charges on receivables		**37,981**	**-**	**37,981**	90,705	-	90,705
Accretion of interest on lease liabilities		**-**	**51,234**	**51,234**	-	60,810	60,810
Unw inding of SIDC		**-**	**40,234**	**40,234**	-	-	-
Others charges		**-**	**644**	**644**	-	5,292	5,292

50.1 Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc:

Name	Relationship
Allied Bank Limited	Short term financing and Long term financing
Askari Bank Limited	Short term financing and Long term financing
Bank Alfalah Limited	Short term financing and Long term financing
BankIslami Pakistan Limited	Short term financing
The Bank of Khyber	Short term financing
Dubai Islamic Bank Pakistan Limited	Short term financing
Faysal Bank Limited	Short term financing
Habib Bank Limited	Short term financing and Long term financing
Habib Metropolitan Bank Limited	Short term financing and bank deposits
Meezan Bank Limited	Short term financing and Long term financing
MCB Islamic Bank Limited	Short term financing
Standard Chartered Bank (Pakistan) Limited	Short term financing
United Bank Limited	Short term financing
Al Baraka Bank (Pakistan) Limited	Short term financing
HBL Islamic Money Market Fund	Investment
Faysal Islamic Cash Fund	Investment
ABL Islamic Money Market Plan - I	Investment
Alfalah Islamic Money Market Fund	Investment
Alhamra Cash Management Optimizer	Investment
Al-Ameen Islamic Cash Fund	Investment
BMA Islamic Noor Cash Fund	Investment
Lucky Islamic Fixed Term Plan - 21	Investment
Lucky Islamic Fixed Term Plan - 22	Investment
Lucky Islamic Income Fund	Investment
Lucky Islamic Stock Fund	Investment
Meezan Fixed Term Fund	Investment
Faysal Islamic Mehdood Muddat Plan - XXIII	Investment
NBP Islamic Fixed Term Munafa Plan - IB	Investment
EFU General Insurance Window Takaful Operations	Takaful Operator
Alfalah Insurance Company Limited Window Takaful Operations	Takaful Operator
5th Pillar Family Takaful Limited	Takaful Operator

51. GENERAL

51.1 The Group does not hold non-current assets in any foreign country.

51.2 Figures have been rounded off to the nearest thousand PKR except as stated otherwise.

51.3 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. Material reclassifications are as follows:

Description	Reclassification		As at June 30, 2025
	From	To	PKR in '000
Term deposit receipts	Cash and bank balances	Short-term investments	392,000

51.4 Non-cash investing and financing activities include additions of right-of-use assets.

52. DATE OF AUTHORISATION

These consolidated financial statements were authorised for issue in the Board of Directors meeting held on August 03, 2026.

Muhammad Sohail Tabba	Samar Hayat	Atif Aboobukar
Chairman / Director	Chief Executive Officer	Chief Financial Officer

Pattern of Shareholding
As at June 30, 2026

NO OF SHAREHOLDERS	NO. OF SHAREHOLDINGS FROM	TO	Total Shares
6,609	1	100	250,175
5,877	101	500	1,579,111
2,153	501	1,000	1,643,778
2,729	1,001	5,000	6,137,148
436	5,001	10,000	3,084,682
132	10,001	15,000	1,650,454
100	15,001	20,000	1,719,556
46	20,001	25,000	1,054,472
36	25,001	30,000	992,972
21	30,001	35,000	688,190
23	35,001	40,000	861,397
15	40,001	45,000	639,923
11	45,001	50,000	526,997
10	50,001	55,000	530,525
10	55,001	60,000	582,098
8	60,001	65,000	499,977
9	65,001	70,000	608,255
3	70,001	75,000	219,745
3	75,001	80,000	234,315
3	80,001	85,000	248,400
4	85,001	90,000	353,650
2	90,001	95,000	186,125
1	95,001	100,000	95,605
8	100,001	105,000	818,619
1	105,001	110,000	108,085
1	110,001	115,000	113,250
1	115,001	120,000	119,935
2	120,001	125,000	249,300
1	130,001	135,000	131,290
1	135,001	140,000	140,000
1	150,001	155,000	155,000
3	165,001	170,000	502,690
1	170,001	175,000	172,065
2	175,001	180,000	359,310
1	180,001	185,000	181,500
1	200,001	205,000	202,450
1	240,001	245,000	244,340
2	245,001	250,000	500,000
1	260,001	265,000	264,845

Pattern of Shareholding
As at June 30, 2026

NO OF SHAREHOLDERS	NO. OF SHAREHOLDINGS FROM	TO	Total Shares
1	285,001	290,000	285,134
1	305,001	310,000	309,865
1	345,001	350,000	347,206
1	400,001	405,000	400,065
1	420,001	425,000	421,500
1	540,001	545,000	540,150
1	595,001	600,000	598,435
1	730,001	735,000	732,485
1	835,001	840,000	837,395
1	875,001	880,000	875,600
1	1,095,001	1,100,000	1,098,475
1	1,400,001	1,405,000	1,402,796
1	1,490,001	1,495,000	1,492,558
1	1,535,001	1,540,000	1,536,405
1	1,900,001	1,905,000	1,900,414
1	3,665,001	3,670,000	3,666,975
1	3,870,001	3,875,000	3,872,000
1	4,030,001	4,035,000	4,033,550
1	5,310,001	5,315,000	5,314,946
1	5,375,001	5,380,000	5,375,150
1	7,495,001	7,500,000	7,500,000
1	20,980,001	20,985,000	20,981,647
1	28,755,001	28,760,000	28,755,650
1	33,270,001	33,275,000	33,274,335
1	53,600,001	53,605,000	53,602,285
1	253,985,001	253,990,000	253,990,000
18,295			**461,795,250**

Pattern of Shareholding

As at June 30, 2026

SNO.	Categories of Shareholders	No. of Shareholders	No. of Shares	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children	4	34,735	0.01
2	Associated Companies, Undertakings and Related Parties	5	374,997,420	81.20
3	NIT and ICP	-	-	-
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	19	6,781,731	1.47
5	Insurance Companies	15	23,369,782	5.06
6	Modarabas and Mutual Funds	20	5,046,055	1.09
7	Shareholders holding 5%	4	369,622,270	80.04
8	General Public :			
	a. Local	18,015	44,120,746	9.55
	b. Foreign	-	-	-
9	Others	217	7,444,781	1.61
Total (excluding : Shareholders holding 5%)		**18,295**	**461,795,250**	**100.00**

Pattern of Shareholding
As at June 30, 2026

Directors, Chief Executive Officer, and their spouse and minor children

SNO.	FOLIO	NAME		HOLDING	PERCENTAGE
1	01826-143586	SYED MUHAMMAD SHABBAR ZAIDI		500	0.00
2	03277-2754	ARIFUL ISLAM		23,285	0.01
3	12690-2737	ZAFFAR AHMAD KHAN		5,450	0.00
4	12690-2745	TAHIREH ZAFFAR KHAN		5,500	0.00
			TOTAL	**34,735**	**0.01**

Associated Companies, Undertakings and Related Parties

SNO.	FOLIO	NAME		HOLDING	PERCENTAGE
1	03277-55740	YUNUS TEXTILE MILLS LIMITED		53,602,285	11.61
2	03277-56881	GADOON TEXTILE MILLS LIMITED		33,274,335	7.21
3	03277-80142	YB PAKISTAN LIMITED		5,375,150	1.16
4	03277-81888	LUCKY TEXTILE MILLS LIMITED		28,755,650	6.23
5	03277-86250	LUCKY CEMENT LIMITED		253,990,000	55.00
			TOTAL	**374,997,420**	**81.20**

Banks, Development Financial Institutions, Non Banking Financial Institutions

SNO.	FOLIO	NAME		HOLDING	PERCENTAGE
1	8912	INDUSTRIAL DEVELOPMENT BANK LIMITED		990	0.00
2	87002	INDUSTRIAL DEVELOPMENT BANK LIMITED		3,935	0.00
3	8927	UNITED BANK LIMITED		390	0.00
4	87066	CRESCENT INVESTMENT BANK LIMITED		7,625	0.00
5	87134	FIDELITY INVESTMENT BANK LIMITED		35	0.00
6	87180	ALLIED BANK OF PAKISTAN LTD		1,130	0.00
7	87250	ISLAMIC INVESTMENT BANK LTD		180	0.00
8	87267	PACIFIC LEASING COMPANY LTD		365	0.00
9	92001	PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED.		1,130	0.00
10	92002	PAK-LIBYA HOLDING COMPANY(PVT)LTD		2,375	0.00
11	87001	NATIONAL BANK OF PAKISTAN		37,215	0.01
12	87251	NATIONAL BANK OF PAKISTAN		25	0.00
13	03889-28	NATIONAL BANK OF PAKISTAN		295	0.00
14	03889-44	NATIONAL BANK OF PAKISTAN		4,033,550	0.87
15	02618-20	HABIB METROPOLITAN BANK LIMITED		4,490	0.00
16	02832-32	MEEZAN BANK LIMITED		1,098,475	0.24
17	03525-100145	ESCORTS INVESTMENT BANK LIMITED		6,730	0.00
18	05132-26	ASKARI BANK LIMITED		1,402,796	0.30
19	12724-25	SINDH BANK LIMITED		180,000	0.04
			TOTAL	**6,781,731**	**1.47**

Insurance Companies

SNO.	FOLIO	NAME		HOLDING	PERCENTAGE
1	8938	STATE LIFE INSURANCE CORPORATION OF PAKISTAN		1,215	0.00
2	87103	PAKISTAN GUARANTEE INSURANCE CO LTD		930	0.00
3	87157	ORIENT INSURANCE CO LTD		35	0.00
4	87258	DELTA INSURANCE COMPANY LIMITED		1,825	0.00
5	01388-1912	NATIONAL GENERAL INSURANCE CO. LTD		35	0.00
6	02683-23	STATE LIFE INSURANCE CORP. OF PAKISTAN		20,981,647	4.54
7	03277-2184	EFU GENERAL INSURANCE LIMITED		75,000	0.02
8	18200-22	E. F. U. GENERAL INSURANCE LIMITED		347,206	0.08
9	03277-4255	PAKISTAN REINSURANCE COMPANY LIMITED		1,536,405	0.33
10	03277-8372	GHAF LIMITED		60,195	0.01
11	03277-90405	DAWOOD FAMILY TAKAFUL LIMITED		285,134	0.06
12	03277-90406	DAWOOD FAMILY TAKAFUL LIMITED		25,535	0.01
13	07450-1792	DAWOOD FAMILY TAKAFUL LIMITED		24,420	0.01
14	12690-2356	5TH PILLAR FAMILY TAKAFUL LIMITED		25,500	0.01
15	12690-2364	5TH PILLAR FAMILY TAKAFUL LIMITED		4,700	0.00
			TOTAL	**23,369,782**	**5.06**

Pattern of Shareholding
As at June 30, 2026

Modarabas and Mutual Funds

SNO.	FOLIO	NAME	HOLDING	PERCENTAGE
1	87169	GOLDEN ARROW STOCK FUND	35	0.00
2	87185	DOMINION STOCK FUND LIMITED	840	0.00
3	87196	FIRST FIDELITY LEASING MODARABA	180	0.00
4	87219	CONFIDENCE MUTUAL FUND LTD	35	0.00
5	87268	MODARABA AL MALI	365	0.00
6	87272	SAFEWAY MUTUAL FUND LIMITED	1,280	0.00
7	06411-21	CDC - TRUSTEE AKD INDEX TRACKER FUND	37,420	0.01
8	06619-26	CDC - TRUSTEE AKD OPPORTUNITY FUND	90,000	0.02
9	07062-23	CDC - TRUSTEE AL MEEZAN MUTUAL FUND	1,492,558	0.32
10	07070-22	CDC - TRUSTEE MEEZAN ISLAMIC FUND	1,900,414	0.41
11	10397-29	CDC - TRUSTEE MEEZAN TAHAFFUZ PENSION FUND - EQUITY SUB FUND	875,600	0.19
12	10900-25	CDC - TRUSTEE APIF - EQUITY SUB FUND	582	0.00
13	12120-28	CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	167,845	0.04
14	12195-21	CDC - TRUSTEE ABL STOCK FUND	140,000	0.03
15	14472-25	CDC - TRUSTEE UBL ASSET ALLOCATION FUND	10	0.00
16	16188-28	CDC-TRUSTEE NITPF EQUITY SUB-FUND	4,000	0.00
17	17368-25	DCCL - TRUSTEE AKD ISLAMIC STOCK FUND	250,000	0.05
18	17681-26	CDC - TRUSTEE ATLAS ISLAMIC DEDICATED STOCK FUND	640	0.00
19	17921-26	CDC - TRUSTEE GOLDEN ARROW STOCK FUND	25,000	0.01
20	18127-22	CDC - TRUSTEE FAYSAL ISLAMIC STOCK FUND	59,251	0.01
		TOTAL	**5,046,055**	**1.09**
	General Public :		44,120,746	9.55
	Others:		7,444,781	1.61
		Total	**461,795,250**	**100.00**

Shareholders Holding 5% or More

SNO.	FOLIO	NAME	HOLDING	PERCENTAGE
1	03277-86250	LUCKY CEMENT LIMITED	253,990,000	55.00
2	03277-55740	YUNUS TEXTILE MILLS LIMITED	53,602,285	11.61
3	03277-56881	GADOON TEXTILE MILLS LIMITED	33,274,335	7.21
4	03277-81888	LUCKY TEXTILE MILLS LIMITED	28,755,650	6.23
		TOTAL	**369,622,270**	**80.04**

Notice of 75th Annual General Meeting

Notice is hereby given that the 75th Annual General Meeting ("AGM") of Lucky Core Industries Limited (the "Company") will be held on Friday, September 25, 2026 at 10:00 a.m. at 5 West Wharf, Karachi and through video-conferencing.

Instructions with regard to participation appear in the notes below. While convening the AGM, the Company will observe the quorum provisions and will comply with all the regulatory requirements.

The AGM is being held to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, and adopt the annual audited financial statements of the Company for the year ended June 30, 2026, along with the Directors' and Auditors' Reports thereon.

   In accordance with Section 223 of the Companies Act, 2017 and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company can be accessed through the following weblink and QR enabled code.

   https://www.luckycore.com/en/investors/financial-results

2. To declare and approve final cash dividend at 262.5% i.e. PKR 5.25/- per ordinary share of PKR 2/- each for the year ended June 30, 2026, as recommended by the Board of Directors. This is in addition to the interim cash dividend of 262.5% (i.e. PKR 5.25/- per ordinary share of PKR 2/- each) already paid.

3. To appoint auditors of the Company for FY 2026-27 and to fix their remuneration. The Board of Directors, on the recommendation of the Board Audit Committee of the Company, has proposed the re-appointment of M/s. A.F. Ferguson & Co. Chartered Accountants as auditors, for the year ending June 30, 2027.

SPECIAL BUSINESS:

4. To consider and if deemed fit, ratify and approve (as the case may be), by way of Special Resolutions, the following resolutions with respect to the related party transactions in terms of Sections 207 and/or 208 of the Companies Act, 2017 (to the extent applicable) (with or without modification):

   RESOLVED THAT the related parties' transactions, carried out by the Company with different related parties, to the aggregate extent of PKR 66,480,260,000/- (Pak Rupees Sixty Six Billion Four Hundred and Eighty Million Two Hundred and Sixty Thousand) during the year ended June 30, 2026 as reported in the financial statements for the said period, be and are hereby ratified and confirmed.

   FURTHER RESOLVED THAT the Company be and is hereby authorised to enter into arrangements or carry out transactions from time to time including, but not limited to, for the purchase and sale of goods, commodities and materials including chemicals, soda ash, polyester, electricity, cement, vehicles, or availing or rendering of services, payment of donations, investment in units of mutual funds or share subscription, with different related parties including, but not limited to, Lucky Cement Limited, Yunus Textile Mills Limited, Gadoon Textile Mills Limited, YB Pakistan Limited, Lucky Textile Mills Limited, Lucky Motors Corporation Limited, Lucky Investments Limited, Lucky Foods (Private) Limited, Lucky Commodities (Private) Limited, Lucky Landmark (Private) Limited, Tabba Heart Institute, Tabba Kidney Institute, Aziz Tabba Foundation, Global Commodities Limited, Lucky Core PowerGen Limited, Lucky TG (Private) Limited, Lucky Core Ventures (Private) Limited, Lucky Core Investments Limited, Lucky Core Foundation and other related parties to the extent deemed fit and approved by the Board, during the financial year ending June 30, 2027. The Members have noted that for the aforesaid arrangements and transactions some or a majority of the Directors may be interested/deemed to be interested. Notwithstanding the same, the Members hereby grant an advance authorisation and approval to the Board of Directors of the Company, including under Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable) to review and approve all related party transactions as per the quantum approved by the Board of Directors from time to time.

FURTHER RESOLVED THAT the related party transactions as aforesaid, for the period ending June 30, 2027, would subsequently be presented to the Members at the next Annual General Meeting for ratification and confirmation.

Attached to this notice is the Statement of Material Facts covering the above-mentioned Special Business, as required under Section 134(3) of the Companies Act, 2017.

By Order of the Board

September 03, 2026
Karachi

Laila Bhatia Bawany
Company Secretary

Notes:

1. **Closure of Share Transfer Books:**
The Share Transfer Books of the Company will remain closed from September 19, 2026 to September 25, 2026 (both days inclusive). Share transfers received in order at the office of our Share Registrar, FAMCO Share Registration Services (Private) Limited, 8-F, Nursery, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi, by the close of business on September 18, 2026, will be considered as being in time, to entitle the transferees to the final cash dividend and to attend and vote at the AGM.

2. **Participation in the AGM via Physical Presence or Through Video Conferencing:**
Members whose names appear in the Register of Members as of September 18, 2026, shall be entitled to attend and vote at the AGM. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote for him/her.

An instrument of proxy applicable for the AGM is being provided with the Notice sent to Members. Further copies of the instrument of proxy may be obtained from the Registered Office of the Company during normal office hours, or downloaded from the Company's website: **www.luckycore.com**.

An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified true copy of such power or authority duly notarized, must be deposited through email on **general.meetings@luckycore.com** or at the registered address of the Company's Share Registrar, M/s. FAMCO Share Registration Services (Private) Limited, not less than forty-eight (48) hours before the time of AGM.

To attend the AGM through video-conferencing facility, Members are requested to register themselves by providing the following information through email at **general.meetings@luckycore.com** at least forty-eight (48) hours before the AGM along with a valid copy of their CNIC.

Name of Member	CNIC / NTN No.	Folio No. / CDC IAS A/C No.	Cell No.	Email Address

Members submitting the above information will be registered, after necessary verification, and will be provided an online meeting link and login credentials by the Company via email. Only those Members/Proxies will be accepted at the AGM via video-conferencing whose names match the details shared with the Company for registration (as mentioned above). The login facility will remain open from 9:45 a.m. till the end of AGM.

3. **Guidelines for Central Depository Company of Pakistan Limited ('CDC') Investor Account Holders:**
CDC Investor Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular No. 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP).

a. **for attending the AGM:**
   i. In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original CNIC or valid passport at the time of attending the AGM.

   ii. In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the AGM.

b. **for appointing Proxies:**
   i. In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement laid out in Note 2.

   ii. The proxy form shall be witnessed by two (2) persons whose names, addresses and CNIC numbers shall be mentioned on the form.

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

   iv. The proxy shall produce his original CNIC or original passport at the time of the Meeting.

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

4. **Electronic Transmission of Annual Report 2026:**
   In compliance with section 223(6) of the Companies Act, 2017, and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023 and S.R.O. 452(I)/2025 dated March 17, 2025, the Company has electronically transmitted the Annual Report 2026 through weblink, QR enabled code and through email to Members whose email addresses are available with the Company's Share Registrar, M/s. FAMCO Share Registration Services (Private) Limited. However, in cases where email addresses are not available with the Company's Share Registrar, printed copies of the notices of AGM along-with the QR enabled code/weblink to download the Annual Report 2026 (containing the financial statements), have been dispatched.

   Notwithstanding the above, the Company will provide a hard copy of the Annual Report 2026 to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request. Further, Members are requested to kindly provide their valid email address (along with a valid CNIC copy) to the Company's Share Registrar, M/s. FAMCO Share Registration Services (Private) Limited, if the Member holds shares in physical form, or to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.

5. **Submission of CNIC / NTN (Mandatory):**
   Pursuant to the directives of the SECP, the dividends of Members whose valid CNIC or NTN (in case of corporate entities) are not available with the Share Registrar could be withheld. Members are therefore, requested to submit a copy of their valid CNIC or NTN (if not already provided) to the Company's Share Registrar, M/s. FAMCO Share Registration Services (Private) Limited.

6. **Dividend Mandate (Mandatory):**
   In accordance with the provisions of Section 242 of the Companies Act, 2017, and Regulation 4 of the Companies (Distribution of Dividends) Regulations 2017, a listed company is required to pay cash dividend to the Members only through electronic mode directly into the bank account designated by the entitled Member. In compliance with the above law, in order to receive dividends directly in your bank account, you are requested to provide (if not already provided) the information mentioned in the Form placed at the Company's website www.luckycore.com to the brokers / CDC for shares held in the electronic form or to the Company's Shares Registrar, for shares held in physical form. In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to Members.

7. **Treatment of Withholding Tax:**
   Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Withholding of tax on dividend based on 'Active' and 'Non-Active' status of Members shall be @ 15% and 30% respectively. 'Active' means a person whose name appears on the Active Taxpayers List available at e-portal of FBR (http://www.fbr.gov.pk/) and 'Non-Active' means a person whose name does not appear on the Active Taxpayers List.

   Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on Active / Non-Active status of principal Member as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts. All Members who hold shares with joint Members are requested to provide shareholding proportions of principal Member and joint-Member(s) in respect of shares held by them to our share registrar, M/s. FAMCO Share Registration Services (Private) Limited before the close of business on September 18, 2026, as per the following format:

Name of Principal Member/Joint Holders	Shareholding proportions (%)	CNIC No. (copy to be attached)	Folio / CDC Account No.	Total Shares	Signature

8. **Exemption from Deduction of Income Tax / Zakat:**
   Members seeking exemption from deduction of income tax or those who are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring no deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

9. **Unclaimed Dividend / Shares under Section 244 of the Companies Act, 2017:**
   An updated list for unclaimed dividend / shares of the Company is available on the Company's website **www.luckycore.com**. These are unclaimed dividend / shares which have remained unclaimed or unpaid for a period of three (3) years from the date these have become due and payable.

Claims can be lodged by Members on claim forms as are available on the Company's website. Claim forms must be submitted to the Company's Share Registrar, M/s. FAMCO Share Registration Services (Private) Limited for receipt of dividend / shares.

10. Conversion of Physical Shares into the Book Entry Form:

The SECP through its letter No. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by converting them into book entry form.

Members of the Company having physical folios / share certificates are requested to convert their shares from physical form into book-entry form as soon as possible. Members may contact their Broker, CDC Participant or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. It would facilitate the Members in many ways including safe custody of shares, avoidance of formalities required for the issuance of duplicate shares, etc. For further information and assistance, Members may contact our Share Registrar, M/s. FAMCO Share Registration Services (Private) Limited.

11. E-Voting / Postal Ballot:

Pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143 and 144 of the Companies Act, 2017 and S.R.O. 451(I)/2025 dated March 13, 2025, Members voting on items falling under Special Business will be allowed to exercise their right to vote through electronic voting facility and postal ballot. Voting shall be conducted in the manner and as per the procedures contained in the Regulations. Detailed procedures for voting by postal ballot are provided on the ballot paper, while instructions for electronic voting will be sent to the Members by the Company's Share Registrar.

There shall be no voting by show of hands at the general meeting for items falling under Special Business and Members who do not cast their vote through electronic voting or postal ballot in advance for the said items shall only be permitted to cast their vote at the general meeting by way of ballot paper.

12. Requirement to Incorporate Email Address and Cell Number:

Members are requested to have their updated email and cell number incorporated in their physical folio with the Share Registrar of the Company and with their Participant or Broker / CDC Investor Account Services for shares held in electronic form.

13. Restriction on Distribution of Gifts to Members:

The SECP, vide Circular No. 2 of 2018 dated February 9, 2018, and S.R.O. 452(I)/2025 dated March 17, 2025, has strictly prohibited companies from offering or distributing gifts, incentives, or any similar benefits (including but not limited to tokens, coupons, meals, or takeaway packages) to Members at or in connection with general meetings. In accordance with Section 185 of the Companies Act, 2017, any non-compliance with these directives constitutes a punishable offence, and companies found in violation may be subject to enforcement actions and penalties.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 PERTAINING TO THE SPECIAL BUSINESS

Agenda Item no. 4

This Statement sets out the material facts pertaining to Special Business Item Number 4 as described in the Notice of the 75th AGM of the Company.

The Company routinely enters into arrangements and carries out transactions with its related parties in accordance with its policies and the applicable laws and regulations. Certain related party transactions, in which a majority of the Directors are interested, would require Members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

As some/majority of the Directors of the Company may be deemed to be interested in certain arrangements / transactions with related parties, including due to their shareholding or common directorships in related entities/parties, and to promote transparency, an approval from the Members was sought during the 74th AGM of the Company, held on September 26, 2025, where the Members (by way of passing special resolutions) authorised the Board of Directors to approve such related party transactions conducted by the Company during the financial year ended June 30, 2026 and such transactions were deemed to be approved by the Members. All the related party transactions including the nature of relationship and quantum, have been disclosed in Note 42 to the unconsolidated financial statements for the year ended June 30, 2026.

Related party transactions are in accordance with the Company's policy, these are primarily transactions conducted in the ordinary course of business and on an arm's length basis. Under the Company's policy for Related Party Transactions, all related party arrangements and transactions are reviewed periodically by the Board Audit Committee which is chaired by an Independent Director. Following review and recommendation by the Board Audit Committee, the said arrangements / transactions are placed before the Board of Directors for approval.

Accordingly, the Members are requested to ratify and confirm the transactions with related parties as disclosed in the financial statements of the Company for the year ended June 30, 2026.

Furthermore, the Company will be entering into arrangements and conducting transactions with its related parties which may include, but not limited to, those stipulated in the resolution, during the financial year ending June 30, 2027. As some or a majority of the Directors of the Company may be deemed to be interested in certain arrangements or transactions, inter alia, due to their shareholding or common directorships in related entities, an approval from the Members is being sought to authorise the Company to conduct such related party transactions and enter into arrangements with related parties, and further to authorise and grant power to the Board of Directors to approve related party transactions to be conducted by the Company during the financial year ending June 30, 2027 (irrespective of composition of the Board and interest of the Directors). The related party transactions as aforesaid for the year ending June 30, 2027 shall be deemed to have been approved by the Members.

The Members should note that it is not possible for the Company or the Directors to accurately predict the nature of related party arrangements / transactions, or the specific related parties with whom the transactions will be carried out. The transactions that may be carried out by the Company include, but are not limited to, purchase and sale of goods, commodities, and materials, including chemicals, soda ash, polyester, electricity, cement, vehicles, along with availing or rendering of services, payment of donations, investment in units of mutual funds or share subscription.

The Members should also note that, for the Special Resolutions described in the Notice of AGM, it is not possible for the Company to predict the quantum of related party transactions / arrangements to be undertaken in the period ending June 30, 2027; accordingly, the Members are also requested to authorise the Board of Directors to determine the quantum of the related party transactions / arrangements that may be undertaken from time to time. The Company will present the actual figures for subsequent ratification and confirmation by the Members, at the next AGM.

Based on the aforesaid the Members are requested to pass the Special Resolution (with or without modification) as stated in the Notice.

The Directors are interested in the resolutions only to the extent of their shareholdings and / or common directorships, (to the extent applicable) in such related party transactions.

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Form of Proxy

Annual General Meeting

I / We ____

of ____

being Member(s) of Lucky Core Industries Limited holding ______________________

ordinary shares hereby appoint ______________________________________

of ____________________ or failing him / her ______________________________

of ________________________ as my/our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on September 25, 2026 at 10:00 a.m. and at any adjournment thereof.

As witness my / our hand / seal this ______________ day of ________________ 2026.

Signed by the said ______________________________________

in the presence of 1. ______________________________________

____

2. ______________________________________

____

Folio / CDC Account No.

Signature

This signature should agree with the specimen registered with the Company.

Important:

1. The scanned copy of Proxy Form, duly completed and signed, must be received at the registered address of Company's share registrar or through email at **general.meetings@luckycore.com** not less than 48 hours before the time of holding the AGM, excluding public holidays. Additionally, the information specified in the notice of Annual General Meeting to attend the AGM through video-link will have to be provided.

2. If a Member appoints more than one proxy and more than one instruments of proxy are deposited by a Member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders / Corporate Entities:

In addition to the above the following requirements have to be met:

i) The proxy form shall be witnessed by two persons whose names, addresses and Computerised National Identity Card (CNIC) numbers shall be mentioned on the form.

ii) Scanned copies of CNIC or the passport of the beneficial owners and the proxy shall be submitted with the proxy form.

iii) In case of corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted along with proxy form.

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

Affix
Correct
Postage

The Company Secretary
Lucky Core Industries Limited
5 West Wharf
Karachi-74000

LUCKY CORE INDUSTRIES

Ballot Paper

LUCKY CORE INDUSTRIES LIMITED

Registered Office Address: 5 West Wharf, Karachi 74000
UAN: 111 100 200 | www.luckycore.com

Ballot paper for voting through post for the poll to be held at the Annual General Meeting of Lucky Core Industries Limited scheduled on Friday, September 25, 2026 at 10:00 A.M. at 5 West Wharf, Karachi, and through video conferencing.

Contact Details of the Chairman at which the duly filled-in ballot paper may be sent:
Address: The Chairman, Lucky Core Industries Limited, 5 West Wharf, Karachi. "Attention to the Company Secretary"
Designated Email Address: **general.meetings@luckycore.com**.

Name of Shareholder/Joint Shareholders	
Registered Address of Shareholder	
Number of Shares Held and Folio Number	
CNIC Number (copy to be attached)	
Additional Information and Enclosures (in case of representative of body corporate, corporation and Federal Government).	

I/we hereby exercise my/our vote in respect of the following Special Business through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below:

S. No.	Nature and Description of Resolution	No. of Ordinary Shares for which Votes Cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	"**RESOLVED THAT** the related parties' transactions, carried out by the Company with different related parties, to the aggregate extent of PKR 66,480,260,000/- (Pak Rupees Sixty Six Billion Four Hundred and Eighty Million Two Hundred and Sixty Thousand) during the year ended June 30, 2026 as reported in the financial statements for the said period, be and are hereby ratified and confirmed. **FURTHER RESOLVED THAT** the Company be and is hereby authorised to enter into arrangements or carry out transactions from time to time including, but not limited to, for the purchase and sale of goods, commodities and materials including chemicals, soda ash, polyester, electricity, cement, vehicles, or availing or rendering of services, payment of donations, investment in units of mutual funds or share subscription, with different related parties including, but not limited to, Lucky Cement Limited, Yunus Textile Mills Limited, Gadoon Textile Mills Limited, YB Pakistan Limited, Lucky Textile Mills Limited, Lucky Motors Corporation Limited, Lucky Investments Limited, Lucky Foods (Private) Limited, Lucky Commodities (Private) Limited, Lucky Landmark (Private) Limited, Tabba Heart Institute, Tabba Kidney Institute, Aziz Tabba Foundation, Global Commodities Limited, Lucky Core PowerGen Limited, Lucky TG (Private) Limited, Lucky Core Ventures (Private) Limited, Lucky Core Investments Limited, Lucky Core Foundation and other related parties to the extent deemed fit and approved by the Board, during the financial year ending June 30, 2027. The Members have noted that for the aforesaid arrangements and transactions some or a majority of the Directors may be interested/deemed to be interested. Notwithstanding the same, the Members hereby grant an advance authorisation and approval to the Board of Directors of the Company, including under Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable) to review and approve all related party transactions as per the quantum approved by the Board of Directors from time to time. **FURTHER RESOLVED THAT** the related party transactions as aforesaid, for the period ending June 30, 2027, would subsequently be presented to the Members at the next Annual General Meeting for ratification and confirmation."			

Signature of Shareholder(s)/Proxy Holder/Authorized Signatory

Date:

NOTES:
1. Duly filled postal ballot should be sent to the Chairman at 5 West Wharf, Karachi or through email at **general.meetings@luckycore.com**.
2. A copy of the CNIC should be enclosed with the postal ballot form.
3. Postal ballot forms should reach the Chairman of the meeting on or before Thursday, September 24, 2026, up till 5:00 p.m. Any postal ballot received after this date and time, will not be considered for voting.
4. Signature on the postal ballot should match the signature on the CNIC.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, and over written ballot paper will be rejected.
6. Ballot paper has also been placed on the website of the Company at **www.luckycore.com**. Members may download the ballot paper from the website or use the original/photocopy published in the newspaper.

Affix
Correct
Postage

The Chairman
Attention to the Company Secretary
Lucky Core Industries Limited
5 West Wharf
Karachi-74000

LUCKY CORE INDUSTRIES

DIVIDEND MANDATE (MANDATORY)

In accordance with the provisions of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations 2017, it is mandatory for a listed company to pay cash dividend to its shareholders **only through electronic mode by remitting directly into the designated bank account ("the Bank Account") as provided by the entitled shareholders.**

In order to receive your dividends directly into your Bank Account, please complete the particulars as mentioned below and return this letter duly signed along with a copy of your valid CNIC to the Shares Registrar of Lucky Core Industries Limited ("the Company") M/s. FAMCO Share Registration Services (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi.

IF YOU DO NOT PROVIDE BANK ACCOUNT DETAILS, THE COMPANY WILL WITHHOLD DIVIDEND PAYMENT AS REQUIRED BY LAW.

Bank Account Details of Shareholder for Payment of Cash Dividend through electronic mode

I hereby communicate to receive my future dividends directly in my Bank Account as detailed below:

Name of Shareholder ______________________________

CNIC No./SNIC/ Passport Number
(in Case of Foreign Shareholder) attach copy ______________________________

NTN (in Case of Corporate Shareholder) ______________________________

Folio Number/ CDC Account Number ______________________________

Contact Number of Shareholder ______________________________

Email Address of Shareholder ______________________________

International Bank Account No. (IBAN) ______________________________ **24 Digit***

Title of Bank Account ______________________________

Name of Bank ______________________________

Bank Branch ______________________________

Full Mailing Address of Branch
& Contact Number of Branch ______________________________

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company informed in case of any changes in the said particulars in future.

______________________________ ____________________ ______________________________

Shareholder's signature Date CNIC / SNIC No. (copy attached)

[As per specimen signature registered with the Lucky Core Industries Limited / Shares Registrar]

*Please provide complete IBAN Number (24 digits), after checking with your concerned bank branch to enable electronic credit directly into your bank account. The payment of cash dividend will be processed based on the 24 digit IBAN alone.

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Correct
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The Company Secretary
Lucky Core Industries Limited
5 West Wharf
Karachi-74000

LUCKY CORE INDUSTRIES

Standard Request Form
Circulation of Annual Financial Statement

The Company Secretary
Lucky Core Industies Limited
5 West Wharf,
Karachi 74000

Subject: **Circulation of Annual Audited Financial Statements via Email**

In compliance with section 223(6) of the Companies Act, 2017, the Company will be circulating its Annual Financial Statements (together with the Auditor's Report, Director's Report, and Chairman's Review Report) to its Members through Email. **In this regard, we request you to provide the following information.**

Receipt of financial statements through Email:

Name of the Member/ Shareholder ______________________________

CNIC /SNIC # ______________________________

Folio / Shareholder Number/CDC Account No. ______________________________

Email Address ______________________________

Further, Shareholders who wish to receive a hardcopy of Annual Audited Financial Statements should fill the form below and send the same to the Company's address or at the registered address of the Company's Share Registrar.

Receipt of hard copy of financial statements:

Name of the Member/ Shareholder ______________________________

CNIC / SNIC # ______________________________

Folio / Shareholder Number/CDC Account No. ______________________________

Mailing Address ______________________________

____

____

I/We hereby confirm that the above-mentioned information is correct and in case of any change therein, I/we will immediately intimate the Company's Share Registrar. I/we further confirm that the transmission of the Company's Annual Audited Financial Statements through my/our above address would be taken as compliance with Section 223(6) of the Companies Act, 2017.

____

Shareholder's signature

Affix
Correct
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The Company Secretary
Lucky Core Industries Limited
5 West Wharf
Karachi-74000

6۔ ڈیویڈنڈ مینڈیٹ (لازمی):

کمپنیز ایکٹ 2017 کے سیکشن 242 اور کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈز) ریگولیشنز 2017 کے ریگولیشن 4 کی شقوں کے مطابق، کسی بھی لسٹڈ کمپنی کے لیے لازم ہے کہ اپنے ممبرز کو نقد منافع منقسمہ کی ادائیگی صرف اسی کے فراہم کردہ بینک اکاؤنٹ میں الیکٹرانک انداز سے ہی انجام دے۔ مذکورہ بالا قانون کی تعمیل میں، اپنے بینک اکاؤنٹ میں براہ راست منافع منقسمہ وصول کرنے کے لیے، آپ سے گزارش کی جاتی ہے کہ کمپنی کی ویب سائٹ www.luckycore.com پر موجود فارم میں درج معلومات (اگر پہلے فراہم نہیں کی گئیں تو) الیکٹرانک صورت میں شیئرز رکھنے والے اپنے بروکرز/سی ڈی سی کو فراہم کریں جبکہ فزیکل صورت میں شیئرز رکھنے والے کمپنی کے شیئر رجسٹرار کو فراہم کریں۔ معلومات موصول نہ ہونے کی صورت میں کمپنی شیئر ہولڈرز کو منافع منقسمہ کی ادائیگی روکنے پر مجبور ہوگی۔

7۔ ودہولڈنگ ٹیکس کا طریقہ کار:

انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے تحت شیئرز کے منافع منقسمہ کی آمدنی پر ودہولڈنگ ٹیکس کی کٹوتی لاگو ہوتی ہے۔ ڈیویڈنڈ پر ودہولڈنگ ٹیکس کا نفاذ ممبرز کے ''ایکٹیو'' اور ''نان ایکٹیو'' اسٹیٹس کی بنیاد پر بالترتیب 15 فیصد اور 30 فیصد کے حساب سے ہوگا۔ ایکٹیو سے مراد وہ فرد ہے جس کا نام ایف بی آر کے ای پورٹل (http://www.fbr.gov.pk) پر ایکٹیو ٹیکس پیئرز لسٹ میں موجود ہو اور نان ایکٹیو سے مراد وہ فرد ہے جس کا نام ایکٹیو ٹیکس پیئرز لسٹ میں موجود نہ ہو۔

مزید براں، فیڈرل بورڈ آف ریوینیو (FBR) کی جانب سے موصول ہونے والی وضاحت کے مطابق، جوائنٹ اکاؤنٹ کی صورت میں ودہولڈنگ ٹیکس کا نفاذ پرنسپل ممبر اور جوائنٹ ہولڈرز پر انکے شیئر ہولڈنگ تناسب کی بنیاد پر ایکٹیو/نان ایکٹیو اسٹیٹس کے لحاظ سے الگ الگ ہوگا۔ جوائنٹ ممبرز کے ساتھ شیئر رکھنے والے تمام ممبرز سے گزارش کی جاتی ہے کہ وہ پرنسپل ممبر اور جوائنٹ ممبرز کے شیئر ہولڈنگ تناسب کی معلومات ہمارے شیئر رجسٹرار میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کے پاس ذیل میں درج طریقہ کار کے تحت 18 ستمبر 2026 کو کاروبار بند ہونے سے پہلے فراہم کردیں:

پرنسپل شیئر ہولڈر/جوائنٹ شیئر ہولڈرز کا نام	شیئر ہولڈنگ تناسب %	CNIC نمبر (کاپی منسلک کریں)	فولیو/CDC اکاؤنٹ نمبر	ٹوٹل شیئرز	دستخط

8۔ انکم ٹیکس/زکوٰۃ کی کٹوتی سے استثنیٰ:

ممبران جو انکم ٹیکس کی کٹوتی سے استثنیٰ کے خواہشمند ہیں یا وہ جو رعایتی شرح پر کٹوتی کے اہل ہیں، ان سے گزارش کی جاتی ہے کہ وہ ٹیکس سے استثنیٰ کا مؤثر سرٹیفکیٹ یا ضروری دستاویزی ثبوت (حسب معاملہ) جمع کرائیں۔ وہ ممبران جو زکوٰۃ کی کٹوتی نہیں چاہتے، ان سے گزارش کی جاتی ہے کہ زکوٰۃ کی کٹوتی سے استثنیٰ کا مؤثر اعلامیہ جمع کرائیں۔

9۔ کمپنیز ایکٹ 2017 کے سیکشن 244 کے تحت غیر دعویٰ شدہ ڈیویڈنڈ/شیئرز:

کمپنی کے غیر دعویٰ شدہ ڈیویڈنڈ/شیئرز کی اپ ڈیٹڈ لسٹ کمپنی کی ویب سائٹ www.luckycore.com پر موجود ہے۔ یہ ایسے غیر دعویٰ شدہ ڈیویڈنڈ/شیئرز ہیں، جو اپنے قابل ادائیگی اور واجب الادا ہو جانے کے بعد تین (3) سال کی مدت کے لیے غیر دعویٰ شدہ یا غیر ادا شدہ رہے ہیں۔

کمپنی کی ویب سائٹ پر موجود کلیم فارمز پر ممبرز کی جانب سے دعویٰ داخل کیا جاسکتا ہے۔ ڈیویڈنڈ/شیئرز کی وصولی کے لئے کلیم فارم لازمی طور پر کمپنی کے شیئر رجسٹرار، میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کے پاس جمع کرائے جائیں۔

10۔ فزیکل شیئرز کی بک انٹری فارم میں تبدیلی:

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اپنے خط نمبر CSD/ED/Misc/2016-639-640 بتاریخ 26 مارچ 2021 کے ذریعے لسٹڈ کمپنیز کو ہدایت کی ہے کہ وہ اپنے جاری کردہ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کر کے کمپنیز ایکٹ 2017 کے سیکشن 72 کی شقوں کی پابندی کریں۔

کمپنی کے فزیکل فولیو/شیئر سرٹیفکیٹ رکھنے والے ممبرز سے گزارش کی جاتی ہے کہ جلد سے جلد اپنے فزیکل فارم والے شیئرز کو بک انٹری فارم میں تبدیل کرالیں۔ ممبرز اپنے بروکر، سی ڈی سی پارٹیسپنٹ یا سی ڈی سی انویسٹر اکاؤنٹ سروس پرووائیڈر سے سی ڈی ایس اکاؤنٹ کھولنے اور بعد ازاں فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرانے میں مدد لے سکتے ہیں۔ اس سے ممبرز کو شیئرز کی محفوظ تحویل سمیت کئی حوالوں سے سہولت ملے گی اور ڈپلیکیٹ شیئرز کے اجراء وغیرہ کے لئے درکار رسمی کارروائیوں سے بھی بچ سکیں گے۔ مزید معلومات اور معاونت کے لئے شیئر ہولڈرز ہمارے شیئر رجسٹرار، میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ سے رابطہ کر سکتے ہیں۔

11۔ ای ووٹنگ/پوسٹل بیلٹ:

کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی تعمیل میں جو کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 اور ایس آر او 451(I)/2025 بتاریخ 13 مارچ 2025 کے ساتھ ملا کر پڑھا جائے گا، ممبران کو خصوصی امور کے ذیل میں آنے والے نکات (آئٹمز) پر الیکٹرانک ووٹنگ فیسیلیٹی اور پوسٹل بیلٹ کے ذریعے ووٹ دینے کا حق استعمال کرنے کی اجازت دی جائے گی۔ ووٹنگ متعلقہ ریگولیشنز میں درج لوازمات اور طریقہ کار کے مطابق ہوگی۔ پوسٹل بیلٹ کے ذریعے ووٹنگ کے تفصیلی طریقہ کار بیلٹ پیپر پر فراہم کیے گئے ہیں، جبکہ الیکٹرانک ووٹنگ کے لیے ہدایات کمپنی کے شیئر رجسٹرار کی جانب سے ممبران کو بھیجی جائیں گی۔

اجلاس عام کے دوران خصوصی امور کے ذیل میں آنے والے نکات (آئٹمز) پر ہاتھ اٹھا کر ووٹنگ نہیں ہوگی اور وہ اراکین جو الیکٹرانک ووٹنگ یا ڈاک کے ذریعے مذکورہ نکات (آئٹمز) پر پیشگی ووٹ نہیں دیتے، انہیں صرف بیلٹ پیپر کے ذریعے اجلاس عام میں ووٹ دینے کی اجازت ہوگی۔

12۔ ای میل ایڈریس اور موبائل نمبر درج کرنے کی شرط:

ممبران سے گزارش کی جاتی ہے کہ وہ کمپنی کے شیئر رجسٹرار کو اپنے فزیکل فولیو کے لئے اپ ڈیٹ شدہ ای میل اور موبائل فون نمبر فراہم کریں اور الیکٹرانک شکل میں شیئرز کی صورت میں اپنے پارٹیسپنٹ یا بروکر/سی ڈی سی انویسٹر اکاؤنٹ سروسز کو فراہم کریں۔

13۔ ممبران میں تحائف کی تقسیم پر پابندی:

''ایس ای سی پی'' نے 2018 کے سرکلر نمبر 2، بتاریخ 9 فروری، 2018 اور ایس آر او 452(I)/2025 بتاریخ 17 مارچ، 2025 کے ذریعے، کمپنیوں کو ممبران کو اجلاس ہائے عام میں یا اس کے حوالے سے تحائف، مراعات، یا کسی بھی قسم کے ملتے جلتے فوائد (بشمول لیکن ان تک محدود نہیں، ٹوکن، کوپن، بعام یا ٹیک اوے پیکجز) پیش کرنے یا تقسیم کرنے کی سختی کے ساتھ ممانعت کی ہے۔ کمپنیز ایکٹ، 2017 کے سیکشن 185 کے مطابق ان ہدایات کی عدم تعمیل ایک قابل سزا جرم ہے اور خلاف ورزی کرنے والی کمپنیوں کے خلاف تادیبی کارروائیاں اور جرمانے عائد کیے جا سکتے ہیں۔

نوٹس:

1۔ شیئرٹرانسفر بکس کی بندش:
کمپنی کی شیئرٹرانسفر بکس 19 ستمبر 2026 تا 25 ستمبر 2026 (دونوں دن شامل ہیں) بند رہیں گی۔ ہمارے شیئر رجسٹرار میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، F-8، نرسری، بلاک 6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کے آفس میں 18 ستمبر 2025 کو کاروبار کے اختتام تک وصول ہونے والے شیئرٹرانسفرز کو حتمی نقد منافع منقسمہ کی منتقلی کا حق داراور سالانہ اجلاسِ عام میں شرکت اور ووٹ دینے کے لئے بروقت تصور کیا جائے گا۔

2۔ بذات خود یا ویڈیو کانفرنسنگ کے ذریعے اجلاس میں شرکت:
18 ستمبر 2026 کو ممبران کے رجسٹر میں جن ممبران کے نام موجود ہوں گے، وہ اجلاس میں شرکت اور ووٹ دینے کے حقدار ہوں گے۔ اجلاس میں شرکت اور ووٹ دینے کے اہل ممبر کو اجلاس میں شرکت، بولنے اور ووٹ دینے کے لئے کسی کو بطور نمائندہ (پراکسی) مقرر کرنے کا حق حاصل ہوگا۔

ممبران کو اجلاس کے لئے مؤثر پراکسی دستاویز اس نوٹس کے ساتھ بھجوائی جارہی ہے۔ پراکسی دستاویز کی مزید کاپیاں کمپنی کے رجسٹرڈ آفس سے کام کے عمومی اوقات میں حاصل کی جاسکتی ہیں۔ پراکسی فارم کمپنی کی ویب سائٹ www.luckycore.com سے بھی ڈاؤن لوڈ کیا جاسکتا ہے۔

پراکسی دستاویز اور پاور آف اٹارنی یا دیگر کوئی مختار نامہ (اگر کوئی ہو) جس پر اس مقصد کے لیے دستخط ہوں یا ایسے کسی پاور یا مختار نامے کی نوٹری کے ذریعے تصدیق شدہ کاپی، سالانہ اجلاسِ عام سے کم از کم 48 گھنٹے قبل general.meetings@luckycore.com پر ای میل کئے جاسکتے ہیں یا کمپنی کے شیئر رجسٹرار میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کے رجسٹرڈ پتے پر بھیجے جاسکتے ہیں۔

ویڈیو کانفرنسنگ کی سہولت کے ذریعے سالانہ اجلاس عام میں شرکت کے لئے، ممبران سے گزارش کی جاتی ہے کہ اجلاس سے کم از کم 48 گھنٹے قبل general.meetings@luckycore.com پر ای میل کے ذریعے درج ذیل معلومات، اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی ایک موثر کاپی کے ساتھ، فراہم کرکے خود کو رجسٹر کروائیں:

شیئر ہولڈر کا نام	سی این آئی سی / این ٹی این نمبر	فولیو نمبر / سی ڈی سی IAS اکاؤنٹ نمبر	موبائل نمبر	ای میل ایڈریس

درج بالا معلومات جمع کروانے والے ارکان کو ضروری تصدیق کے بعد رجسٹر کرلیا جائے گا اور کمپنی ای میل کے ذریعے انہیں آن لائن میٹنگ کا لنک اور لاگ ان کی تفصیلات (کریڈنشلز) فراہم کرے گی۔ اے جی ایم (AGM) میں ویڈیو کانفرنسنگ کے ذریعے صرف ان ارکان یا پراکسیز کو قبول کیا جائے گا جن کے نام رجسٹریشن کے لیے کمپنی کے ساتھ شیئر کی گئی تفصیلات (جیسا کہ اوپر ذکر کیا گیا ہے) سے مطابقت رکھتے ہوں گے۔ لاگ ان کی سہولت صبح 9:45 بجے سے لے کر اے جی ایم کے اختتام تک کھلی رہے گی۔

3۔ سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDC) کے انویسٹر اکاؤنٹ ہولڈرز کی رہنمائی کے لیے ہدایات:
سی ڈی سی انویسٹر اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے جاری کردہ سرکلر نمبر 1 بتاریخ 26 جنوری 2000 کے مطابق درج ذیل ہدایات پر بھی عمل کرنا ہوگا:

(الف) سالانہ اجلاس عام میں شرکت کے لیے:

(I) انفرادی صورت میں انویسٹر اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر یا وہ فرد جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات سی ڈی سی کے ضوابط کے مطابق اپ لوڈ ہو چکی ہیں، سالانہ اجلاس عام کے وقت اپنا اصل سی این آئی سی یا موثر پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کروائیں گے۔

(II) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی، نامزد فرد کے دستخط کے نمونہ کے ساتھ اجلاس کے وقت پیش کرنا ہوگا۔

(ب) پراکسی کے تقرر کے لیے:

(I) انفرادی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/ یا وہ فرد جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق اپ لوڈ ہو چکی ہیں، نوٹ 2 میں بیان کردہ مندرجہ بالا ہدایات کے مطابق پراکسی فارم جمع کروائیں گے۔

(II) پراکسی فارم کے لیے 2 گواہان ضروری ہیں، جن کے نام، پتے اور سی این آئی سی نمبر، فارم پر درج ہوں۔

(III) بینیفیشل اونرز اور پراکسی ہولڈر کے موثر سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ جمع کرانی ہوں گی۔

(IV) پراکسی کو اپنا اصل سی این آئی سی یا پاسپورٹ اجلاس کے وقت پیش کرنا ہوگا۔

(V) کارپوریٹ ادارے کی صورت میں پراکسی فارم، بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی اور دستخط کے نمونے کے ساتھ کمپنی کے پاس جمع کرانا ہوگا۔

4۔ سالانہ رپورٹ 2026 کی الیکٹرانک ترسیل:
کمپنیز ایکٹ 2017 کے سیکشن (6)223 کی تعمیل میں اور ایس آر او 2023/(1)389 بتاریخ 21 مارچ 2023 اور ایس آر او 2025/(I)452 بتاریخ 17 مارچ 2025 کے مطابق کمپنی نے ان ممبرز کو سالانہ رپورٹ 2026، ویب لنک، QR کے حامل کوڈ اور ای میل کے ذریعے برقی ترسیل سے بھیج دی ہے، جن کے ای میل ایڈریس کمپنی کے شیئر رجسٹرار میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کے پاس موجود ہیں۔ تاہم ایسے ممبران کو، جن کے ای میل ایڈریس کمپنی کے شیئر رجسٹرار کے پاس موجود نہیں، سالانہ اجلاسِ عام کے نوٹس کی طبع شدہ نقول، سالانہ رپورٹ 2026 (بشمول مالیاتی گوشوارے) ڈاؤن لوڈ کرنے کے لیے QR کے حامل کوڈ/ ویب لنک کے ساتھ ارسال کردی گئی ہیں۔

مندرجہ بالا کے باوجود، کمپنی سالانہ رپورٹ 2026 کی ایک ہارڈ کاپی، کسی بھی ممبر کی درخواست پر، ان کے رجسٹرڈ پتے پر ایسی درخواست موصول ہونے کے ایک (1) ہفتے کے اندر بلا قیمت فراہم کرے گی۔ مزید براں فزیکل فارم میں شیئرز رکھنے والے ممبران سے گزارش کی جاتی ہے کہ براہ مہربانی اپنا موثر ای میل ایڈریس (اپنے موثر CNIC کی کاپی کے ہمراہ) کمپنی کے شیئر رجسٹرار میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کو فراہم کریں جبکہ بک انٹری فارم میں شیئرز رکھنے والے ممبران اپنے متعلقہ پارٹیسپنٹ/ انویسٹر اکاؤنٹ سروسز کو فراہم کریں۔

5۔ CNIC/NTN جمع کرانا (لازمی):
''ایس ای سی پی'' کی ہدایات کی روشنی میں، ان شیئر ہولڈرز کے ڈیویڈنڈ کی ادائیگی، جن کے موثر سی این آئی سی یا این ٹی این (کارپوریٹ ادارے کی صورت میں) شیئرز رجسٹرار کے پاس موجود نہیں، روکی جاسکتی ہے۔ اس لئے ممبران سے گزارش کی جاتی ہے کہ وہ اپنے موثر سی این آئی سی یا این ٹی این کی کاپی (اگر پہلے فراہم نہیں کی گئی تو) کمپنی کے شیئر رجسٹرار، میسرز فیمکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کے پاس جمع کرادیں۔

75ویں سالانہ اجلاسِ عام کی اطلاع

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ لکی کور انڈسٹریز لمیٹڈ ('' کمپنی '') کا 75واں سالانہ اجلاسِ عام (AGM) بروز جمعہ، 25 ستمبر 2026 کو صبح 10:00 بجے، 5 ویسٹ وہارف، کراچی پر اور ویڈیو کانفرنسنگ کے ذریعے منعقد کیا جائے گا۔

ہدایات برائے شرکت درج ذیل نوٹس میں فراہم کی جا رہی ہیں۔ سالانہ اجلاسِ عام کے انعقاد کے دوران، کمپنی کورم سے متعلق دفعات کی پابندی اور تمام قانونی تقاضوں کی تعمیل کرے گی۔

سالانہ اجلاسِ عام درج ذیل امور کی انجام دہی کے لیے منعقد کیا جا رہا ہے:

عمومی کاروبار

1۔ 30 جون 2026 کو ختم شدہ سال کے لئے کمپنی کے آڈٹ شدہ سالانہ مالیاتی گوشواروں، بشمول ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، ان پر غور و خوض اور منظوری۔

کمپنیز ایکٹ 2017 کے سیکشن 223 کے مطابق اور ایس آر او 389(1)/2023 بتاریخ 21 مارچ 2023 کی تعمیل میں کمپنی کے مالیاتی گوشواروں تک رسائی کمپنی کے درج ذیل ویب لنک اور QR کے حامل کوڈ کے ذریعے حاصل کی جا سکتی ہے۔

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2۔ بورڈ آف ڈائریکٹرز کی تجویز کے مطابق، 30 جون 2026 کو ختم شدہ سال کے لئے -/2 روپے کے ہر عمومی شیئر پر 262.5 فیصد یعنی -/5.25 روپے فی شیئر کے حتمی نقد منافع منقسمہ کا اعلان اور منظوری دینا۔ یہ 262.5 فیصد (یعنی -/2 روپے کے ہر عمومی شیئر پر -/5.25 روپے) کے اس عبوری نقد منافع منقسمہ کے علاوہ ہے، جو پہلے ہی ادا کیا جا چکا ہے۔

3۔ مالی سال 27-2026 کے لئے کمپنی کے آڈیٹرز کی تعیناتی اور ان کے مشاہرے کا تعین کرنا۔ بورڈ آف ڈائریکٹرز نے کمپنی کی بورڈ آڈٹ کمیٹی کی تجویز پر میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، کی 30 جون 2027 کو ختم ہونے والے سال کیلئے دوبارہ آڈیٹرز کے طور پر تقرری کی تجویز دی ہے۔

خصوصی کاروبار

4۔ درج ذیل قراردادوں پر، کمپنیز ایکٹ 2017 کے سیکشنز 207 اور/یا 208 کے تحت (جہاں تک لاگو ہوں) متعلقہ پارٹیز ٹرانزیکشن کے حوالے سے خصوصی قراردادوں کے ذریعے (ترمیم کے ساتھ یا بلا ترمیم) غور و خوض کرنا اور مناسب سمجھنے پر توثیق کرنا اور منظوری دینا (جس صورت میں بھی ہو):

''قرار پایا کہ متعلقہ پارٹیز سے لین دین، جو کمپنی نے مختلف متعلقہ پارٹیز کے ساتھ انجام دیئے، جو سال ختم شدہ 30 جون 2026 کے دوران -/66,480,260,000 پاکستانی روپے (چھیاسٹھ بلین چار سو اسی ملین دو لاکھ ساٹھ ہزار پاکستانی روپے) کی مجموعی حد تک ہے، جیسا کہ مذکورہ عرصے کیلئے مالیاتی گوشواروں میں رپورٹ کیا گیا ہے، بذریعہ ہذا اس کی توثیق اور تصدیق کی جاتی ہے۔

مزید قرار پایا کہ کمپنی وقتاً فوقتاً انتظامات کرنے یا لین دین کرنے کی مجاز ہوگی اور اس میں بشمول، مگر ان تک محدود نہیں، سامان، اشیاء اور میٹریلز بشمول کیمیکلز، سوڈا ایش، پولیسٹر، الیکٹریسٹی، سیمنٹ، گاڑیوں کی خرید و فرخت یا خدمات کا حصول یا فراہمی، عطیات کی ادائیگی، میوچل فنڈز کے یونٹس میں سرمایہ کاری یا شیئر سبسکرپشن، مختلف متعلقہ فریقوں، بشمول مگر ان تک محدود نہیں، لکی سیمنٹ لمیٹڈ، یونس ٹیکسٹائل ملز لمیٹڈ، گدون ٹیکسٹائل ملز لمیٹڈ، وائی بی پاکستان لمیٹڈ، لکی ٹیکسٹائل ملز لمیٹڈ، لکی موٹرز کارپوریشن لمیٹڈ، لکی انویسٹمنٹس لمیٹڈ، لکی فوڈز (پرائیویٹ) لمیٹڈ، لکی کموڈیٹیز (پرائیویٹ) لمیٹڈ، لکی لینڈ مارک (پرائیویٹ) لمیٹڈ، طبہ ہارٹ انسٹی ٹیوٹ، طبہ کڈنی انسٹی ٹیوٹ، عزیز طبہ فاؤنڈیشن، گلوبل کموڈیٹیز لمیٹڈ، لکی کور پاور جن لمیٹڈ، لکی ٹی جی (پرائیویٹ) لمیٹڈ، لکی کور وینچرز (پرائیویٹ) لمیٹڈ، لکی کور انویسٹمنٹس لمیٹڈ، لکی کور فاؤنڈیشن اور دیگر متعلقہ پارٹیز کے ساتھ 30 جون 2027 کو ختم ہونے والے مالی سال کے دوران کی ٹرانزیکشنز شامل ہو سکتی ہیں، جتنا بورڈ مناسب سمجھے اور منظوری دے۔ ممبران کے علم میں ہے کہ مذکورہ بالا انتظامات اور لین دین میں بعض ڈائریکٹرز یا ان کی اکثریت کی دلچسپی/خواہش متصور ہو سکتی ہے۔ اس کے باوجود، ممبران یہاں کمپنی کے بورڈ آف ڈائریکٹرز کو پیشگی اختیار اور منظوری دیتے ہیں، بشمول کمپنیز ایکٹ 2017 کے سیکشن 207 اور/یا 208 کے تحت (جہاں تک لاگو ہوں) تاکہ وہ بورڈ کی جانب سے وقتاً فوقتاً منظور کردہ مقدار کے حساب سے تمام متعلقہ پارٹی ٹرانزیکشنز کا جائزہ لیں اور منظوری دیں۔

مزید قرار پایا کہ 30 جون 2027 کو ختم ہونے والی مدت کے لئے مذکورہ بالا متعلقہ پارٹی ٹرانزیکشنز بعد ازاں آئندہ سالانہ اجلاس عام میں توثیق اور تصدیق کے لئے ممبران کو پیش کی جائیں گی۔''

کمپنیز ایکٹ 2017 کے سیکشن 134(3) کے تحت مذکورہ بالا خصوصی قرارداد پر مشتمل اصل حقائق پر مبنی اسٹیٹمنٹ اس نوٹس کے ساتھ منسلک ہے۔

حسب الحکم بورڈ

لیلیٰ بھائیہ باوانی
کمپنی سیکریٹری

کراچی
3 ستمبر 2026

ڈائریکٹرز رپورٹ

برائے سال ختم شدہ 30 جون 2026 (مشترکہ)

ڈائریکٹرز 30 جون 2026ء کو ختم ہونے والے سال کے لئے لکی کور انڈسٹریز لمیٹڈ کے آڈٹ شدہ گروپ نتائج کے ساتھ اپنی رپورٹ بمسرت پیش کرتے ہیں۔ لکی کور انڈسٹریز گروپ میں لکی کور انڈسٹریز لمیٹڈ، اس کے ذیلی ادارے: لکی کور پاور جن لمیٹڈ (پاور جن)، لکی ٹی جی (پرائیویٹ) لمیٹڈ (لکی ٹی جی)، لکی کور وینچرز (پرائیویٹ) لمیٹڈ (ایل سی وی) اور اس سے وابستہ ادارہ؛ نیوٹری کو مورینا گا (پرائیویٹ) لمیٹڈ (این ایم پی ایل) شامل ہیں۔

ڈائریکٹرز کی رپورٹ کو، جو 30 جون 2026 کو ختم ہونے والے سال کے لئے لکی کور انڈسٹریز لمیٹڈ کی کارکردگی کا جائزہ فراہم کرتی ہے، علیحدہ پیش کیا گیا ہے۔

ختم ہونے والے سال کے لیے لکی کور پاور جن لمیٹڈ (پاور جن) کی خالص مجموعی فروخت 921 ملین روپے رہی، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 35 فیصد کم ہے۔ خالص آمدنی میں کمی کی بنیادی وجہ ایندھن کی زیادہ قیمتوں کے باعث صارفین کی جانب سے کم مانگ کے نتیجے میں بجلی کی فروخت میں کمی تھی۔ مجموعی طور پر، آپریٹنگ منافع 38 ملین روپے رہا، جو بنیادی طور پر کم فروخت کی وجہ سے گزشتہ سال کے اسی عرصے کے مقابلے میں 65 فیصد کم تھا۔

این ایم پی ایل (NMPL) سے منافع کا حصہ 290 ملین روپے رہا جبکہ گزشتہ سال کے اسی عرصے میں یہ 19 ملین روپے تھا۔ یہ بہتری بنیادی طور پر فروخت میں اضافے اور مقامی مینوفیکچرنگ (لوکلائزیشن) کی وجہ سے مارجن میں بہتری کی بدولت ممکن ہوئی۔

مجموعی بنیادوں پر، زیرِ جائزہ سال کے لیے خالص مجموعی فروخت 113,380 ملین روپے رہی جو گزشتہ سال کے اسی عرصے کے مقابلے میں 5 فیصد کم ہے جبکہ زیرِ جائزہ سال کے لیے آپریٹنگ منافع 14,744 ملین روپے رہا جو گزشتہ سال کے اسی عرصے کے مقابلے میں 18 فیصد کم تھا۔ زیرِ جائزہ سال کے لیے بعد از ٹیکس منافع (PAT) 9,748 ملین روپے رہا جو گزشتہ سال کے اسی عرصے کے مقابلے میں 17 فیصد کم تھا جبکہ ہولڈنگ کمپنی کے مالکان سے منسوب آمدنی فی شیئر (EPS) 21.11 روپے رہی جو گزشتہ سال کے اسی عرصے کے مقابلے میں 17 فیصد کم تھی۔ ای پی ایس (EPS) کو از سر نو بیان کیا گیا تھا تاکہ کمپنی کے عام شیئرز کی فیس ویلیو کی 10 روپے سے 02 روپے فی شیئر میں ذیلی تقسیم (اسٹاک اسپلٹ) کی عکاسی کی جا سکے۔ اسٹاک اسپلٹ کو موثر بنانے کے لیے ریگولیٹری رسمی کارروائیاں 19 جولائی 2025ء کو مکمل کی گئیں۔

محمد سہیل ٹبہ
چیئرمین

ثمر حیات
چیف ایگزیکٹو آفیسر

بتاریخ 3 اگست، 2026

کراچی

****جناب ظفر احمد خان کو 30 جنوری 2026ء سے جناب عدنان آفریدی کی جگہ آزاد ڈائریکٹر مقرر کیا گیا اور بعد ازاں 11 مئی 2026ء کو ہونے والے ڈائریکٹرز کے انتخابات میں وہ منتخب ہوئے۔ اس دوران سال بھر میں بورڈ کے صرف 3 اجلاس منعقد ہوئے۔
*****جناب ثمر حیات 11 مئی 2026ء کو ہونے والے انتخابات میں ڈائریکٹر منتخب ہوئے۔ انتخابات کے بعد، سال کے دوران صرف 1 اجلاس منعقد ہوا۔

ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ایک باضابطہ ڈائریکٹرز معاوضہ پالیسی کی منظوری دی ہے، جو کمپنیز ایکٹ 2017 اور CCG کے مطابق ڈائریکٹرز کے معاوضے کے لیے ایک شفاف طریقہ کار پر مبنی ہے۔ مذکورہ پالیسی کے مطابق بورڈ یا اس کی ذیلی کمیٹی کی ہر میٹنگ میں شرکت کے لیے نان ایگزیکٹو اور آزاد ڈائریکٹرز کا معاوضہ -/150,000 روپے (گراس) مقرر کیا گیا ہے۔

ڈائریکٹرز اور چیف ایگزیکٹو کو سال کے دوران ادا کیے گئے معاوضے کا مناسب انکشاف مالیاتی گوشواروں کے نوٹس میں کیا گیا ہے۔

بورڈ کا جائزہ

سی سی جی (CCG) کے تحت لازمی تقاضے کے طور پر، بورڈ اپنی کارکردگی کا سالانہ جائزہ لیتا ہے۔ بورڈ آف ڈائریکٹرز اس بات کا تعین کرنے کے لیے مستقل جائزے کی اہمیت کو تسلیم کرتا ہے کہ بورڈ نے اپنے مقررہ مقاصد اور اہداف کے حصول میں کتنی مؤثر کارکردگی دکھائی ہے۔ اس جائزے کے بعد، بہتری کے شعبوں کی نشاندہی کی جاتی ہے، اور اسی کے مطابق اصلاحی اقدامات کے منصوبے تیار اور نافذ کیے جاتے ہیں۔ کمپنی نے مالی سال 2025-26ء کے اپنے سالانہ جائزے کے لیے کسی بیرونی مشیر (ایکسٹرنل کنسلٹنٹ) کی خدمات حاصل نہیں کیں۔

ڈائریکٹرز کی تربیت

کمپنی، سی سی جی ریگولیشنز کے ریگولیشن 19 کے تقاضوں کی مکمل تعمیل کرتی ہے۔ ایگزیکٹو ڈائریکٹر، جنہوں نے 11 مئی 2026ء کو ہونے والے ڈائریکٹرز کے انتخابات کے بعد بورڈ میں شمولیت اختیار کی، مقررہ ریگولیٹری مدت کے اندر ''ڈائریکٹرز ٹریننگ پروگرام'' (DTP) مکمل کر لیں گے۔ دیگر تمام ڈائریکٹرز، بشمول کمپنی سیکریٹری، نے مجاز اداروں سے ڈائریکٹرز کی سرٹیفیکیشن مکمل کر لی ہے یا وہ استثنیٰ (چھوٹ) کے لیے مقررہ اہلیت اور تجربہ رکھتے ہیں۔ تمام ڈائریکٹرز اعلیٰ تعلیم یافتہ ہیں اور اپنے فرائض کی انجام دہی کے لیے درکار ضروری تجربہ اور علم رکھتے ہیں۔

رسک اسیسمنٹ فریم ورک

کمپنی کے رسک فریم ورک اور انٹرنل کنٹرول سسٹم کے بارے میں مناسب تفصیلات سالانہ رپورٹ میں ظاہر کی گئی ہیں۔

شیئر ہولڈنگ کا نمونہ

کمپنیز ایکٹ 2017 کی دفعہ 227(2)(ایف) کے تحت 30 جون 2026ء تک کمپنی کی شیئر ہولڈنگ کا پیٹرن سالانہ رپورٹ کے ساتھ منسلک ہے۔

محمد سہیل ٹبہ
چیئرمین

ثمر حیات
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ریٹائرمنٹ فوائد میں سرمایہ کاری

	30 جون 2026 (ملین روپے)	30 جون 2025 (ملین روپے)
1۔ لکی کور مینجمنٹ اسٹاف پراویڈنٹ فنڈ	2,332.18	1,887.02
2۔ لکی کور مینجمنٹ اسٹاف پینشن فنڈ	828.02	798.31
3۔ لکی کور مینجمنٹ اسٹاف گریجویٹی فنڈ	1,199.95	1,143.15
4۔ لکی کور مینجمنٹ اسٹاف ڈیفائنڈ کنٹری بیوشن فنڈ	2,724.72	2,505.00
5۔ لکی کور نان مینجمنٹ اسٹاف پراویڈنٹ فنڈ	503.48	571.00
کل	7,588.35	6,904.47

بورڈ کی تشکیل

سی سی جی کے تقاضوں کے مطابق، کمپنی اپنے بورڈ میں آزاد اور نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کے ساتھ ساتھ صنفی تنوع کی حوصلہ افزائی کرتی ہے۔ بورڈ کی موجودہ ساخت درج ذیل ہے:

ڈائریکٹرز کی کل تعداد:

(ا) مرد: 7

(ب) عورت: 1

ساخت:

(i) آزاد ڈائریکٹرز: 3

جناب ظفر احمد خان

سید محمد شبر زیدی

جناب عارف الاسلام

(ii) نان ایگزیکٹو ڈائریکٹرز: 4

جناب محمد سہیل ٹبہ

جناب محمد علی ٹبہ

جناب جاوید یونس ٹبہ

محترمہ امینہ اے عزیز باوانی

(iii) ایگزیکٹو ڈائریکٹر: 1

جناب ثمر حیات

بورڈ کی کمیٹیاں

آڈٹ کمیٹی

سید محمد شبر زیدی	چیئرمین
جناب محمد علی ٹبہ	رکن
جناب جاوید یونس ٹبہ	رکن
جناب عارف الاسلام	رکن

ایچ آر اور معاوضہ کمیٹی

جناب ظفر احمد خان	چیئرمین
جناب محمد سہیل ٹبہ	رکن
جناب محمد علی ٹبہ	رکن
جناب جاوید یونس ٹبہ	رکن
جناب ثمر حیات	رکن

بینکنگ کمیٹی

جناب ثمر حیات	چیئرمین
محترمہ امینہ عبدالعزیز باوانی	رکن
جناب عدنان آفریدی	رکن
جناب عارف الاسلام	رکن

ڈائریکٹرز کی حاضری

مالی سال 26-2025 کے دوران چھ (6) بورڈ اجلاس، چار (04) آڈٹ کمیٹی کے اجلاس اور تین (03) انسانی وسائل اور معاوضہ کمیٹی (ایچ آر اینڈ آر) کے اجلاس منعقد ہوئے۔ متعلقہ بورڈ/ذیلی کمیٹیوں کے اجلاسوں میں ہر ڈائریکٹر کی حاضری حسب ذیل رہی:

ڈائریکٹر کا نام	بورڈ آف ڈائریکٹرز میٹنگز	آڈٹ کمیٹی میٹنگز	ہیومن ریسورس اینڈ ریمونریشن کمیٹی میٹنگز
محمد سہیل ٹبہ	6	-	2
محمد علی ٹبہ	4	2	3
جاوید یونس ٹبہ	6	4	2
امینہ اے عزیز باوانی	5	-	-
عدنان آفریدی*	2	2	2
عارف الاسلام**	6	1	-
سید محمد شبر زیدی	6	4	-
آصف جمعہ***	5	-	2
ظفر احمد خان****	3	-	1
ثمر حیات*****	1	-	1

*جناب عدنان آفریدی 10 نومبر 2025ء سے بورڈ سے مستعفی ہو گئے۔

**جناب عارف الاسلام 26 جنوری 2026 کو آڈٹ کمیٹی میں شامل ہوئے، جس کے بعد سال کے دوران آڈٹ کمیٹی کا صرف ایک اجلاس منعقد ہوا۔

***جناب آصف جمعہ 11 مئی 2026ء سے بورڈ سے ریٹائر ہو گئے۔

تاہم، فروری 2026ء میں مشرقِ وسطیٰ کے تنازع کے آغاز نے عالمی آپریٹنگ منظر نامے کو بڑے پیمانے پر تبدیل کر دیا۔ علاقائی توانائی کے بنیادی ڈھانچے میں خلل اور آبنائے ہرمز کے ذریعے بحری تجارتی راستوں میں وقفے وقفے سے رکاوٹوں کے نتیجے میں خام تیل کی قیمتوں، مال برداری کے اخراجات اور عالمی سپلائی چین میں شدید اتار چڑھاؤ دیکھا گیا۔ اگرچہ جنگ بندی کے بعد مارکیٹ کی صورتحال عارضی طور پر مستحکم ہوئی لیکن نئے سرے سے بڑھنے والے تناؤ نے توانائی کی سپلائی اور لاجسٹکس کے حوالے سے غیر یقینی صورتحال کو بڑھادیا ہے اور مزید خلل پڑنے کے خطرات بدستور بلند ہیں۔ اس پس منظر میں 2026ء کے دوران عالمی ترقی معتدل رہنے کی توقع ہے، جبکہ افراطِ زر کا دباؤ برقرار رہنے کا امکان ہے کیونکہ توانائی کی مارکیٹیں جغرافیائی وسیاسی تبدیلیوں پر مسلسل ردعمل ظاہر کر رہی ہیں۔ عالمی معاشی بحالی کی رفتار کا انحصار تنازع کے رخ اور خطے میں استحکام کی بحالی پر رہے گا۔

پاکستان کی معیشت نے مالی سال 26-2025ء کا اختتام 3.7 فیصد کی حقیقی جی ڈی پی (GDP) شرح نمو کے ساتھ ایک مضبوط بنیاد پر کیا، جو کہ گزشتہ چار سالوں میں سب سے تیز رفتار ہے۔ اس نمو کو مہنگائی میں کمی اور شرح مبادلہ (ایکسچینج ریٹ) کے نسبتاً استحکام سے مدد ملی، اگرچہ سال کے آخری حصے میں نئے جیوپولیٹیکل (جغرافیائی وسیاسی) تناؤ کے باعث مہنگائی کا دباؤ دوبارہ ابھر آیا۔ حکومت نے مالی سال 27-2026ء کے لیے جی ڈی پی کی نمو کا ہدف 4.0 فیصد اور اوسط افراطِ زر کا ہدف 8.2 فیصد مقرر کیا ہے، جس کا دارومدار مسلسل میکرو اکنامک نظم و ضبط، آئی ایم ایف (IMF) پروگرام میں پیش رفت اور عالمی سطح پر توانائی کی قیمتوں اور جیوپولیٹیکل حالات کے رخ پر ہے۔ اگرچہ پالیسی ماحول سازگار رہنے کی توقع ہے، تاہم درآمدی توانائی پر انحصار اور علاقائی سیکورٹی کے چیلنجز معاشی منظر نامے کے لیے منفی خطرات (ڈاؤن سائیڈ رسک) کا باعث بنتے رہیں گے۔

مقامی مانگ کا منظر نامہ بدستور مندی کا شکار ہے، جہاں کمزور کھپت اور سست صنعتی بحالی، کاروباری حجم کی نمو کو محدود کر رہی ہے۔ ٹیرف ریشنلائزیشن کے اقدامات کے نفاذ کے بعد یہ چیلنج مزید شدت اختیار کر گئے ہیں، جس کی وجہ سے کم لاگت والی درآمدات میں نمایاں اضافہ ہوا ہے، جس نے مقامی مینوفیکچررز پر مسابقتی دباؤ کو بڑھادیا ہے اور مقامی پیداواری صلاحیت کے استعمال کو کم کر دیا ہے۔ اس کے ساتھ ہی اسٹرکچرل چیلنجز بشمول توانائی کے زیادہ اخراجات، ٹیکس کی شرح، شرحِ سود اور محلِ وقوع کے نقصانات، ویلیو ایڈڈ شعبوں میں قیمتوں کے تعین، پیداواری صلاحیت کے استعمال اور مارجن پر دباؤ ڈال رہے ہیں۔ اگرچہ نیشنل ٹیرف پالیسی 2030-2025ء کے تحت ٹیرف میں کمی کا مقصد ان پٹ لاگت کو کم کرنا اور برآمدات کی مسابقت کو بڑھانا تھا لیکن تکمیلی تجارتی دفاعی اقدامات (ٹریڈ ڈیفنس میژرز) کی عدم موجودگی، توانائی، ٹیکس، لاجسٹکس کے زائد اخراجات اور محدود پالیسی سپورٹ نے مقامی مینوفیکچرنگ کی پائیداری اور سرمایہ کاری کے رجحان پر دباؤ بڑھادیا ہے۔ توقع ہے کہ یہ بنیادی ساختی اور طلب کے پہلو کے چیلنج برقرار رہیں گے اور آنے والے سال میں مجموعی صنعتی کارکردگی پر اثرانداز ہوتے رہیں گے۔

ان چیلنجز کے باوجود، کمپنی کی توجہ مضبوط بیلنس شیٹ، متنوع پروڈکٹ پورٹ فولیو، آپریشنل کارکردگی اور ڈسپلنڈ کیپیٹل ایلوکیشن کی مدد سے اس مشکل آپریٹنگ ماحول سے نمٹنے پر مرکوز ہے۔

اظہار تشکر

کمپنی کے نتائج اس کے باصلاحیت ملازمین کے انتھک عزم و شراکت اور اس کے اسٹیک ہولڈرز کی طرف سے کمپنی پر کیے گئے اعتماد کی عکاسی کرتے ہیں۔

آڈیٹرز

میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، نے 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے مالی گوشواروں کا آڈٹ کیا۔

بورڈ آڈٹ کمیٹی کی سفارش پر بورڈ نے 30 جون 2027 کو ختم ہونے والے سال کے لیے میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، کو کمپنی کا باضابطہ آڈیٹر مقرر کرنے کی سفارش کی ہے، جو کمپنی کے آئندہ سالانہ اجلاس عام میں ممبرز کی منظوری سے مشروط ہے۔

متعلقہ فریقوں سے لین دین

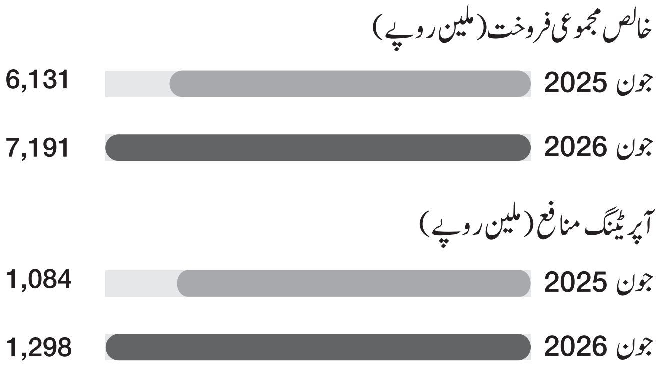
سال کے دوران، کمپنی نے اپنے متعلقہ فریقوں کے ساتھ لین دین کیا۔ اس لین دین کی تفصیلات غیر مربوط مالی گوشواروں کے نوٹس میں ظاہر کی گئی ہیں۔

کارپوریٹ گورننس کوڈ کی تعمیل

کمپنی نے کوڈ آف کارپوریٹ گورننس (CCG) ریگولیشنز کی تعمیل کرتے ہوئے اپنے تمام افعال میں اچھی کارپوریٹ گورننس کو یقینی بنانے کے لیے تمام ضروری اقدامات کیے ہیں، اس لیے ڈائریکٹرز کو یہ بتاتے ہوئے خوشی محسوس ہو رہی ہے کہ:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی گوشوارے اس کے معاملات کی حالت، اس کے کاموں کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو مناسب انداز میں پیش کرتے ہیں۔
- کمپنی کے حساب کتاب کے باقاعدہ کھاتے رکھے گئے ہیں۔
- مالیاتی گوشواروں کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی، جو کہ پاکستان میں لاگو ہوتے ہیں، پیروی کی گئی ہے اور ان سے کسی بھی انحراف کو مناسب طور پر ظاہر کیا گیا ہے۔
- اندرونی کنٹرول کا نظام اپنی ساخت میں درست ہے اور اس پر مؤثر طریقے سے عملدرآمد اور نگرانی کی گئی ہے۔
- اپنی سرگرمیوں کو جاری رکھنے کی کمپنی کی صلاحیت کے بارے میں کوئی شک نہیں ہے۔
- کارپوریٹ گورننس کے بہترین طریقہ ہائے کار کی عملی طور پر کوئی خلاف ورزی نہیں کی گئی۔
- گزشتہ 10 سال کا اہم آپریٹنگ اور فنانشل ڈیٹا سالانہ رپورٹ میں فراہم کیا گیا ہے۔
- باقی ماندہ ٹیکس اور محصولات مالیاتی گوشواروں کے نوٹس میں بیان کر دیئے گئے ہیں۔
- کمپنی کی انتظامیہ اچھی کارپوریٹ گورننس کے لیے پر عزم ہے اور بہترین طریقہ کار کی پابندی کے لیے مناسب اقدامات کیے جاتے ہیں۔
- کمپنی کے متعلقہ فریقین کے ساتھ لین دین (ریلیٹڈ پارٹی ٹرانزیکشنز) آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز سے منظور شدہ اور/یا توثیق شدہ ہیں۔

انیمل ہیلتھ بزنس



زیر جائزہ سال کے لیے انیمل ہیلتھ بزنس کی خالص مجموعی فروخت 7,191 ملین روپے رہی، جو لائیو اسٹاک اور پولٹری دونوں شعبوں میں شاندار کارکردگی کی بدولت گزشتہ سال کے اسی عرصے کے مقابلے میں 17 فیصد زیادہ تھی۔ اس کارکردگی کو پروڈکٹ مکس میں بہتری، پورٹ فولیو کو بہتر بنانے اور کسٹمرز کی جانب سے مسلسل مانگ کے ذریعے مدد ملی۔ آپریٹنگ منافع 1,298 ملین روپے رہا، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 20 فیصد زیادہ تھا، جو مؤثر مارجن مینجمنٹ، آپریشنل کارکردگی اور ویلیو ایڈڈ مصنوعات پر مستقل توجہ کے ذریعے بہتر منافع کی عکاسی کرتا ہے۔

پاکستان میں انیمل ہیلتھ انڈسٹری مسلسل مشکل ماحول میں کام کرتی رہی، جس کی خصوصیات میں افراطِ زر کا مستقل دباؤ، چارے، توانائی، ایندھن اور خام مال کی زیادہ لاگت، شدید موسمی حالات اور جغرافیائی و سیاسی تبدیلیوں کی وجہ سے سپلائی چین میں پیدا ہونے والا خلل شامل ہیں۔ گرمیوں کے طویل ہیٹ اسٹریس نے لائیو اسٹاک کی پیداواری صلاحیت کو منفی طور پر متاثر کیا، جبکہ پیداواری لاگت میں اضافے نے کسانوں کی منافع کمانے کی صلاحیت اور قوتِ خرید کو محدود کر دیا۔ مزید برآں، سائیلیج (سبز چارے کو محفوظ کرنے) کی موسمی سرگرمیوں نے فارم کے نمایاں وسائل اور ورکنگ کیپیٹل کو اپنی طرف کھینچ لیا، جس سے عارضی طور پر انیمل ہیلتھ اور نیوٹریشن مصنوعات میں سرمایہ کاری محدود ہو گئی۔

رواں سال کے دوران، انیمل ہیلتھ بزنس نے مصنوعات کی دستیابی کو مستحکم کرنے، کسٹمرز کے ساتھ روابط بڑھانے اور آپریشنل کارکردگی کو بہتر بنانے پر توجہ مرکوز رکھی۔ پورٹ فولیو کو بہتر بنانے، مقامی طور پر تیار کردہ مصنوعات اور موثر سپلائی چین مینجمنٹ پر مسلسل زور دینے سے کاروبار بیرونی لاگت کے دباؤ کے باوجود صحت مند مارجن برقرار رکھنے کے قابل رہا۔

موسمی بیماریوں کے رجحانات، ہیٹ اسٹریس سے متعلقہ عوارض اور جانوروں کی احتیاطی نگہداشت کے بارے میں بڑھتی ہوئی بیداری کی وجہ سے علاج معالجے کے لیے استعمال ہونے والی اینٹی بائیوٹکس، انٹرا میمری (intramammary) مصنوعات، غذائی سپلیمنٹس اور اینٹی پروٹوزول کی مانگ مستحکم رہی۔ اگرچہ موسمی حالات کی وجہ سے سال کے آخری حصے میں بریڈنگ (نسل کشی) کی سرگرمی معتدل رہی لیکن ری پروڈکٹیو ٹیکنالوجیز کے مسلسل استعمال اور ڈیری فارمنگ کے تجارتی پھیلاؤ نے بووائن جینیٹکس (bovinegenetics) اور ری پروڈکٹیو سلوشنز کی مانگ کو برقرار رکھا۔

پولٹری انڈسٹری نے موسمی مانگ میں اتار چڑھاؤ، فیڈ کی زیادہ لاگت اور مستقل بیماریوں کے چیلنجز کے باوجود لچک کا مظاہرہ کیا۔ رانی کھیت (NewcastleDisease)، گمبورو (Infectious Bursal Disease- IBD) اور موسمی سانس اور آنتوں کی بیماریوں کے پھیلاؤ نے ویکسین، بائیولوجیکلز، اینٹی بائیوٹکس اور علاج معالجے کی مصنوعات کی مسلسل مانگ کو برقرار رکھا۔ اس کے باوجود بائیو سیکورٹی کے مضبوط طریقوں، انٹیگریٹڈ پولٹری پروڈکشن میں مستقل سرمایہ کاری اور انیمل ہیلتھ سلوشنز کی مستحکم مانگ نے بزنس کی مجموعی کارکردگی کو سپورٹ کیا۔

مستقبل پر نظر ڈالیں تو یہ بزنس پائیدار ترقی اور طویل مدتی ویلیو بنانے کو سپورٹ کرنے کے لیے مقامی طور پر تیار کردہ ادویات کے پورٹ فولیو کو بڑھانے، سپلائی چین کی صلاحیتوں کو مضبوط بنانے، مصنوعات کی دستیابی کو بہتر بنانے اور جانوروں کی صحت کے لیے جدید سلوشنز کی فراہمی پر اپنی توجہ مرکوز رکھے گا۔

مالیات

30 جون 2026 تک کمپنی کی مالی پوزیشن مضبوط تھی، جس میں کل اثاثے بڑھ کر 102.3 بلین روپے (2025: 95.1 بلین روپے) ہو گئے۔ کمپنی نے لیکویڈیٹی کی مضبوط پوزیشن برقرار رکھی، جس میں کرنٹ ریشو بہتر ہو کر 1.59 (2025: 1.54) اور کوئیک ریشو بہتر ہو کر 0.92 (2025: 0.90) ہو گیا، جس سے کمپنی کے آپریشنز اور ترقیاتی اقدامات کو سپورٹ کرنے کے لیے مناسب مالی لچک حاصل ہوئی۔

مشکل آپریٹنگ ماحول کے باوجود، کمپنی نے اپنی جاری کیپیٹل انویسٹمنٹ اور کاروباری آپریشنز کو سپورٹ کرتے ہوئے ایک مضبوط مالیاتی بنیاد برقرار رکھی۔ زیر جائزہ سال کے لیے خالص مجموعی فروخت معاشی چیلنجوں کی وجہ سے 113,214 ملین روپے رہی جو کہ 6 فیصد کم ہوئی۔ زیرِ جائزہ سال کا آپریٹنگ منافع 14,704 ملین پاکستانی روپے رہا، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 18 فیصد کمی کو ظاہر کرتا ہے، جس کی بنیادی وجہ کلیدی کاروباری شعبوں میں مارکیٹ کے کمزور حالات تھے۔

سال کے لیے بعد از ٹیکس منافع (PAT) اور فی شیئر آمدنی (EPS) بالترتیب 9,692 ملین روپے اور 20.99 روپے رہے، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 17 فیصد کمی کو ظاہر کرتے ہیں، جو بنیادی طور پر سال کے دوران کم آپریٹنگ منافع کی عکاسی کرتا ہے۔

گزشتہ سال کے اسی عرصے کے لیے ای پی ایس (EPS) کو از سر نو بیان کیا گیا ہے تاکہ کمپنی کے عام شیئرز کی فیس ویلیو کی 10 روپے سے 02 روپے فی شیئر میں ذیلی تقسیم (اسٹاک اسپلٹ) کی عکاسی کی جا سکے۔ اسٹاک اسپلٹ کو موثر بنانے کے لیے ریگولیٹری رسمی کارروائیاں 19 جولائی 2025 کو مکمل کی گئیں۔

مستقبل کا منظر نامہ

2025ء میں، امریکا اور یورپی یونین میں افراطِ زر میں کمی اور سپلائی چین کی صورتحال میں بہتری کی بدولت دنیا کی بڑی معیشتیں استحکام کی طرف بڑھیں۔ تاہم، توانائی کے زیادہ اخراجات، جغرافیائی و سیاسی تناؤ، تجارتی پابندیوں اور ٹیرف نے مینوفیکچرنگ مارجن اور سرمایہ کاری کے فیصلوں پر دباؤ برقرار رکھا۔ مالیاتی اقدامات بدستور ہدف کے مطابق رہے، جس کی وجہ سے 2025ء آپریشنل معمولات کی بحالی کے ابتدائی آثار کے ساتھ ایک عبوری سال رہا۔

فارماسیوٹیکلز بزنس

خالص مجموعی فروخت (ملین روپے)

آپریٹنگ منافع (ملین روپے)

زیر جائزہ سال کے دوران، کاروباری اعتماد میں بتدریج بہتری کے باوجود پاکستان کا معاشی ماحول مشکل رہا۔ افراطِ زر (مہنگائی) کے مستقل اثرات اور زائد ٹیکسیشن کے باعث صارفین کی قوتِ خرید دباؤ کا شکار رہی۔ مزید برآں، پاک افغان سرحد کی بندش نے ادویات کی برآمدات کو منفی طور پر متاثر کیا، جبکہ علاقائی جغرافیائی و سیاسی تناؤ اور سپلائی چین کی غیر یقینی صورتحال نے تمام صنعتوں میں وقفے وقفے سے خلل پیدا کیا۔

اس پس منظر میں، فارماسیوٹیکلز بزنس نے 22,198 ملین روپے کی خالص مجموعی فروخت حاصل کی، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 5 فیصد اضافہ ظاہر کرتی ہے۔ اس بزنس نے نظم و ضبط کے ساتھ اخراجات کی مینجمنٹ کو برقرار رکھتے ہوئے مضبوط تجارتی عملدرآمد، پورٹ فولیو کو بہتر بنانے، مینوفیکچرنگ اور سپلائی چین کی صلاحیتوں میں مستقل سرمایہ کاری پر توجہ مرکوز رکھی۔

ان کوششوں کی بدولت آپریٹنگ منافع میں گزشتہ سال کے اسی عرصے کے مقابلے میں 16 فیصد اضافہ ہوا۔ مقامی مینوفیکچرنگ، سپلائی کی پائیداری اور آپریشنل کارکردگی پر مستقل توجہ نے بزنس کو منافع بخش بنانے، اپنی مسابقتی پوزیشن برقرار رکھنے اور پاکستان بھر میں مریضوں کے لیے ادویات تک بلاتعطل رسائی کو یقینی بنانے کے قابل بنایا۔

مستقبل میں، فارماسیوٹیکلز بزنس کی توجہ کلیدی تشخیصی و معالجاتی شعبوں میں اپنی موجودگی کو مضبوط بنانے، ایکسپورٹ کے مواقع بڑھانے، جدت اور آپریشنل عمدگی کے ذریعے پائیدار ترقی کے حصول پر مرکوز رہے گی۔ تاہم، انڈسٹری کی طویل مدتی ترقی اور مریضوں کے لیے ادویات تک مستقل رسائی کو یقینی بنانے کی صلاحیت کا انحصار ایک قابلِ پیش گوئی ریگولیٹری ماحول، خام مال کی بلاتعطل دستیابی اور ایسی پالیسیوں پر رہے گا جو پاکستان میں فارماسیوٹیکل مینوفیکچرنگ کی معاشی افادیت کو سپورٹ کریں۔

کیمیکلز اینڈ ایگری سائنسز بزنس

خالص مجموعی فروخت (ملین روپے)

آپریٹنگ منافع (ملین روپے)

زیر جائزہ سال کے لیے خالص مجموعی فروخت اور آپریٹنگ منافع بالترتیب 13,175 ملین روپے اور 1,910 ملین روپے رہے، جو گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 1 فیصد اور 5 فیصد کم تھے۔

زیر جائزہ سال میں آپریٹنگ ماحول واضح طور پر دو مختلف خصوصیات کا حامل رہا۔ سال کے ابتدائی حصے کے دوران، سست عالمی مانگ، ضرورت سے زیادہ سپلائی اور پاکستانی روپے کے نسبتاً استحکام کے درمیان کموڈیٹی (اجناس) کی قیمتیں دباؤ کا شکار رہیں، جس کے نتیجے میں کلیدی مصنوعات کے شعبوں میں قیمتوں کا شدید دباؤ رہا۔ تاہم، سال کے آخری حصے میں مشرقِ وسطیٰ کے تنازع کی شدت کے باعث خام تیل اور فیڈ اسٹاک کی قیمتوں میں تیزی سے اضافہ ہوا، جس نے کموڈیٹی کی قیمتوں کے رجحان کو بدل دیا اور عالمی مارکیٹوں میں شدید اتار چڑھاؤ پیدا کیا۔ جغرافیائی و سیاسی صورتحال نے سپلائی چین کو بھی متاثر کیا، جس کے نتیجے میں کمپنی اور اس کے صارفین دونوں کے لیے مٹیریل کی دستیابی کے چیلنجز پیدا ہوئے۔ ویلیو چین میں خام مال اور تیار شدہ مال کی دستیابی میں تاخیر نے کسٹمر کی مانگ کو متاثر کیا اور سیلز کے حجم کو محدود کر دیا، خاص طور پر چوتھی سہ ماہی (Q4) میں، باوجود اس کے کہ مارکیٹ کی سرگرمیوں میں بنیادی بہتری آئی تھی۔

زیر جائزہ مدت کے دوران، کیمیکلز اور ماسٹر بیچز کے شعبوں میں گزشتہ سال کے اسی عرصے کے مقابلے میں مانگ میں بہتری دیکھی گئی، جس سے حجم میں 10 فیصد کی مشترکہ نمو ریکارڈ کی گئی۔ کموڈیٹی کی قیمتوں پر دباؤ کے باوجود، آپریشنل عمدگی، لاگت کو کم کرنے اور سیلز مکس میں بہتری کی وجہ سے آپریٹنگ نتائج میں اضافہ ہوا۔ مارجن کو خاص طور پر چوتھی سہ ماہی (Q4) میں مشرقِ وسطیٰ کے تنازع کے بعد فیڈ اسٹاک کی قیمتوں میں اچانک اضافے کی وجہ سے کچھ مدد ملی، تاہم کسٹمر بیس میں سپلائی چین کی رکاوٹوں کے باعث حجم دباؤ کا شکار رہا۔

ایگری سائنسز بزنس کو اس مدت کے دوران بڑے پیمانے پر مون سون کے سیلاب اور طویل طوفانی بارشوں کی وجہ سے مارکیٹ کے شدید چیلنجز کا سامنا کرنا پڑا، خاص طور پر پنجاب اور ملحقہ علاقوں میں، جس نے زرعی علاقوں کو نمایاں نقصان پہنچایا اور فصلوں کے سائیکل اور مجموعی دیہی معاشی سرگرمیوں کو منفی طور پر متاثر کیا۔ اس نے براہِ راست زرعی مصنوعات جیسے بیج اور کیڑے مار ادویات کی مانگ کو متاثر کیا۔ کیڑوں کے کم حملے، مارکیٹ میں لیکویڈیٹی کی کمی، کسانوں کے فصلوں کے انتخاب میں تبدیلی اور کسانوں پر مالی دباؤ بھی بڑے عوامل تھے۔ پیداوار کی کم قیمتوں اور زائد لاگت کے درمیان، کسان اپنے محدود وسائل کو مہنگے اور اعلیٰ معیار کے فصلی حل (کراپ سلوشنز) پر خرچ کرنے کی طرف مائل نہیں تھے، جس نے سیلز پر مزید دباؤ ڈالا۔ اگرچہ صوبائی حکومتوں نے کسانوں کو رعایتی قرضوں تک رسائی کے ذریعے لیکویڈیٹی کو بہتر بنانے کے لیے کچھ اقدامات کیے ہیں لیکن ان اقدامات کا اثر اب تک محدود رہا ہے۔

اگرچہ میکرو اکنامک ماحول نے استحکام کے ابتدائی آثار دکھائے ہیں لیکن جاری جغرافیائی و سیاسی تناؤ اور عالمی سپلائی چین میں متعلقہ خلل سورسنگ (خام مال کے حصول)، ان پٹ لاگت اور قیمتوں کے اتار چڑھاؤ کے لحاظ سے چیلنجز پیدا کر رہے ہیں۔ یہ عوامل بعض شعبوں میں اب بھی کمزور طلب کے ساتھ مل کر، قریبی مدت میں مارجن پر دباؤ برقرار رکھ سکتے ہیں۔ اسی مناسبت سے بزنس کو شارٹ ٹرم (قلیل مدت) میں مانگ اور منافع، دونوں میں رکاوٹوں کا سامنا رہ سکتا ہے۔ تاہم، کمپنی موجودہ غیر یقینی صورتحال سے نمٹنے اور طویل مدتی قدر پیدا کرنے کو برقرار رکھنے کے لیے آپریشنل کارکردگی کو بڑھانے، اپنی لاگت کے بیس کو بہتر بنانے اور سپلائی چین کی لچک کو یقینی بنانے پر توجہ مرکوز کیے ہوئے ہے۔

ششماہی میں مشرقِ وسطیٰ کا تنازع اٹھ کھڑا ہوا، جس نے خام تیل اور پیٹرو کیمیکل ویلیو چین میں شدید اتار چڑھاؤ کو جنم دیا۔ مشرقِ وسطیٰ کے تنازع کے بعد پی ٹی اے (PTA) اور ایم ای جی (MEG) دونوں کے لیے سپلائی کی رکاوٹیں شدت اختیار کر گئیں، جس پر سپلائرز نے بھاری پریمیم وصول کیے، جس سے لاگت کے دباؤ میں مزید اضافہ ہوا۔ ان مشکلات کے باوجود، یہ بزنس باقاعدہ (ریگولر) اور مخصوص (اسپیشلائزڈ) اقسام کے بہتر پورٹ فولیو مینجمنٹ اور آپریٹنگ لاگت کو کم کرنے پر مرکوز توجہ کے ذریعے اس اثر کو جزوی طور پر زائل کرنے میں کامیاب رہا۔

زیر جائزہ سال کے لیے آپریٹنگ منافع 479 ملین روپے رہا، جو کہ گزشتہ سال کے اسی عرصے کے مقابلے میں 74 فیصد کم تھا، جس کی بنیادی وجہ کم قیمت والی درآمدات کی وجہ سے کاروباری حجم کا نقصان تھا۔

خام تیل کی اوسط قیمت میں گزشتہ سال کے اسی عرصے کے مقابلے میں 4 فیصد اضافہ ہوا، جس کی بنیادی وجہ سال کے آخری حصے میں مشرقِ وسطیٰ کے تنازع کا آغاز تھا، جس نے خام تیل اور پیٹرو کیمیکل ویلیو چین میں بڑھتے ہوئے اتار چڑھاؤ میں حصہ ڈالا۔ آٹھ مہینوں (فروری 2026 تک) کے دوران پی ایکس (PX) اور پی ٹی اے (PTA) کی اوسط قیمتیں گزشتہ سال کے اسی عرصے کے مقابلے میں 4 فیصد کم تھیں۔ مشرقِ وسطیٰ کے تنازع اور اس کے نتیجے میں خام تیل کی قیمتوں میں ہونے والی تبدیلی کے بعد، پی ایکس (PX) اور پی ٹی اے (PTA) کی قیمتوں میں گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 12 فیصد اور 11 فیصد اضافہ ہوا۔ اس کے برعکس، ایم ای جی (MEG) کی اوسط قیمتوں میں 1 فیصد کمی واقع ہوئی، جو سال کے آخر میں مضبوط بحالی کے باوجود سال کے بیشتر حصے میں وافر سپلائی کی عکاسی کرتی ہے۔ پی ایس ایف (PSF) کی اوسط مقامی قیمتیں گزشتہ سال کے اسی عرصے کے مطابق رہیں۔

بین الاقوامی اور مقامی کپاس کی قیمتوں میں گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 1 فیصد اور 3 فیصد کمی واقع ہوئی۔ تاہم، سال کی دوسری ششماہی میں سپلائی کی کمی اور عالمی تجارتی بہاؤ کو متاثر کرنے والے جغرافیائی و سیاسی خلل کی وجہ سے قیمتوں میں نمایاں بحالی ہوئی۔ مقامی کپاس کی پیداوار میں مسلسل کمی کی وجہ سے انڈسٹری کا درآمد شدہ کپاس پر انحصار بڑھتا رہا۔ ڈاؤن اسٹریم یارن (دھاگا) مارکیٹ بڑھتی ہوئی مقامی آپریٹنگ لاگت اور کم لاگت والی درآمدات کے دباؤ کی وجہ سے قیمتوں اور مارجن کے لحاظ سے بڑے پیمانے پر دباؤ کا شکار رہی، جس کے نتیجے میں اسپننگ سیکٹر میں پیداواری صلاحیت کا استعمال (کیپیسٹی یوٹیلائزیشن) کم ہوا۔ تاہم، پی وی (PV) سیگمنٹ نے سال کے بیشتر حصے میں لچک کا مظاہرہ کیا، جس کے بعد چوتھی سہ ماہی (Q4) کے آخری حصے میں اسے لیکویڈیٹی (سرمائے کی روانی) کے دباؤ اور گرتی ہوئی قیمتوں کا سامنا کرنا پڑا۔

مستقبل پر نظر ڈالیں تو عالمی پولیسٹر انڈسٹری پر جغرافیائی و سیاسی حالات، بدلتی ہوئی تجارتی پالیسیوں اور فیڈ اسٹاک مارکیٹوں میں مسلسل اتار چڑھاؤ کے اثرات برقرار رہنے کی توقع ہے۔ اگرچہ مشرقِ وسطیٰ میں تناؤ میں کسی بھی قسم کی کمی سپلائی چین کو معمول پر لانے میں مددگار ثابت ہو سکتی ہے لیکن عالمی تجارتی بہاؤ اور مال برداری کی لاگت (فریٹ کاسٹ) کے حوالے سے غیر یقینی صورتحال برقرار رہنے کا امکان ہے، جس سے خام مال کی قیمتیں اتار چڑھاؤ کا شکار رہیں گی۔

سوڈا ایش بزنس

خالص مجموعی فروخت (ملین روپے)

آپریٹنگ منافع (ملین روپے)

زیر جائزہ سال کے دوران، سوڈا ایش بزنس کی خالص مجموعی فروخت 36,213 ملین روپے اور آپریٹنگ منافع 5,668 ملین روپے رہے، جو گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 9 فیصد اور 33 فیصد کمی کو ظاہر کرتے ہیں۔ یہ کمی بنیادی طور پر کمزور مقامی مانگ، علاقائی سطح پر ضرورت سے زیادہ سپلائی اور وفاقی بجٹ 26-2025 میں ڈیوٹیز میں کمی کے بعد کم قیمت والی درآمدات میں اچانک اضافے کی وجہ سے ہوئی۔

کمپنی کی درخواست پر نیشنل ٹیرف کمیشن نے ترکی اور کینیا سے آنے والی سوڈا ایش کی امپورٹس پر اینٹی ڈمپنگ تحقیقات کا آغاز کیا۔ جنوری 2026 میں عبوری اینٹی ڈمپنگ ڈیوٹیز عائد کرنے کے بعد کمیشن نے 10 جولائی 2026 کو ایک حتمی اور مثبت فیصلہ جاری کیا۔ کمیشن نے یہ نتیجہ اخذ کیا کہ تحقیقات کی مدت کے دوران ترکی اور کینیا سے سوڈا ایش ڈمپ شدہ (لاگت سے کم) قیمتوں پر امپورٹ کی جا رہی تھی اور اس نے 15 جنوری 2026 سے پانچ (5) سال کی مدت کے لیے ترکی کے برآمد کنندگان پر 4.49 سے 6.58 فیصد اور کینیا کے برآمد کنندگان پر 13.54 فیصد کی حد تک حتمی اینٹی ڈمپنگ ڈیوٹیز عائد کر دیں۔ کمپنی نے رواں سال کے دوران چین سے سوڈا ایش کی امپورٹ پر بھی اینٹی ڈمپنگ تحقیقات شروع کرنے کے لیے ایک درخواست دائر کی ہے۔

زیر جائزہ پوری مدت کے دوران مقامی مارکیٹ دباؤ کا شکار رہی۔ فلوٹ گلاس کا شعبہ تقریباً 50 فیصد صلاحیت پر چلتا رہا، جو ملک بھر میں تعمیراتی سرگرمیوں کی سستی کو ظاہر کرتا ہے اور قلیل مدت میں اس کی بحالی کے آثار نہ ہونے کے برابر ہیں۔ اسی طرح پلپ پر مبنی کاغذ اور بورڈ بنانے والے مینوفیکچررز کو بھی کم قیمت والی امپورٹس کی آمد کی وجہ سے مشکلات کا سامنا رہا۔ مزید برآں، گرتی ہوئی قیمتوں، کم شدہ ریگولیٹری ڈیوٹیز اور وفاقی بجٹ 26-2025 میں ایڈیشنل کسٹم ڈیوٹی (ACD) کے خاتمے کے مشترکہ اثرات نے آپریٹنگ نتائج پر منفی اثر ڈالا۔

عالمی قیمتوں میں کمی، مال برداری کے بلند نرخوں (ہائی فریٹ ریٹس) اور توانائی کے اخراجات میں نمایاں اضافے کی وجہ سے برآمدات دباؤ کا شکار رہیں۔ بزنس کی ایکسپورٹ مارکیٹوں میں مسابقتی دباؤ برقرار رہا، جہاں رائج قیمتیں غیر پائیدار مارجن تک گر گئیں، جس سے کمپنی کی مقابلہ کرنے کی صلاحیت محدود ہو گئی۔

مستقبل قریب کے اندازے محتاط روی کے متقاضی ہیں کیونکہ عالمی سطح پر سوڈا ایش کی سپلائی مانگ سے زیادہ ہے، جس سے بین الاقوامی قیمتوں پر دباؤ برقرار ہے۔ علاقائی پروڈیوسرز کی جانب سے قیمتوں کے جارحانہ تعین کے باعث برآمدی کارکردگی متاثر رہنے کا امکان ہے۔ آبنائے ہرمز (StraitofHormuz) کے ذریعے سمندری ٹریفک معمول پر آنے تک مال برداری سے متعلق غیر یقینی صورتحال بھی برقرار رہ سکتی ہے۔

ٹیکنالوجی اور ڈیجیٹلائزیشن کو اپنانا

ڈیجیٹل تبدیلی کے اپنے مسلسل سفر کے ایک حصے کے طور پر، ایل سی آئی نے آپریشنل کارکردگی کو بڑھانے، گورننس کو مضبوط کرنے اور اہم افرادی عمل میں ملازمین کے تجربے کو بہتر بنانے کے لیے ٹیکنالوجی سے فائدہ اٹھانا جاری رکھا۔ مالی سال 26-2025 کے دوران پیپل سروسز ٹیم نے ورک فلو کو سادہ بنانے اور ڈیٹا پر مبنی فیصلہ سازی کو ممکن بنانے کے لیے کئی اقدامات کیے۔

سال کے دوران ایک اہم سنگ میل Success Factors Onboarding 2.0 کا کامیابی کے ساتھ نفاذ تھا، جس نے ملازمین کی آن بورڈنگ کے تجربے کو مکمل طور پر ڈیجیٹل اور معیاری عمل کے ذریعے تبدیل کر دیا۔ اس اقدام نے پری بورڈنگ اور آن بورڈنگ کی سرگرمیوں کو ہموار کیا، نئے ملازمین کے لیے مشغولیت کو بڑھایا اور دستی مداخلت اور انتظامی کارروائی کے اوقات کو کم کر کے کارکردگی کو بہتر بنایا۔

کمپنی ملازمین کے تجربے کو بہتر بنانے کے لیے ان کے پورے دورِ ملازمت کے لیٹرز یا خطوط کو ڈیجیٹائز کرنے کے سفر پر بھی گامزن ہے۔ یہ پروسیس گورننس کو مضبوط بنائے گا، ملازمین کے تجربے کو بہتر بنائے گا اور دستی دستاویزات اور کاغذی ورک فلو پر انحصار کو کم کرے گا۔
ڈیٹا پر مبنی پیپل مینجمنٹ کی معاونت کے لیے، پاور بی آئی پر ایک لائیو پیپل اینالیٹکس ڈیش بورڈ لانچ کیا گیا، جو قیادت کو مربوط اور خودکار رپورٹنگ کے ذریعے ورک فورس کے اعداد وشمار تک حقیقی وقت میں رسائی فراہم کرتا ہے۔ اس پلیٹ فارم نے اہم انسانی سرمایہ کے اعداد وشمار کی شفافیت کو بہتر بنایا، باخبر فیصلہ سازی کو ممکن بنایا اور دستی رپورٹنگ کے عمل سے وابستہ محنت کو کم کیا۔

اس کے علاوہ، انفرادی ترقیاتی منصوبہ (IDP) کا عمل SuccessFactors کے اندر ڈیجیٹائز کیا گیا، جس نے ترقیاتی منصوبہ بندی کے لیے ایک منظم اور شفاف پلیٹ فارم بنایا۔ اس اقدام نے انفرادی ترقی کی خواہشات اور تنظیمی صلاحیت کی ضروریات کے درمیان ہم آہنگی کو مضبوط کیا جبکہ ورک فورس میں ترقی کے سفر کی مؤثر نگرانی اور انتظام کو ممکن بنایا۔

ان اقدامات کے ذریعے، ایل سی آئی نے اپنے ڈیجیٹل ایچ آر ایکو سسٹم کو ترقی دینا جاری رکھا، تنظیم بھر میں زیادہ موثر، ڈیٹا پر مبنی اور ملازم مرکوز عمل تخلیق کیا۔

رسک مینجمنٹ

خطرات کی روک تھام، پائیدار نمو اور ترقی کے بنیادی اصولوں میں سے ایک ہے۔ لکی کور انڈسٹریز میں بورڈ آف ڈائریکٹرز کے پاس رسک مینجمنٹ کے عمل اور اندرونی کنٹرول کے طریقہ کار کی نگرانی کی مجموعی ذمہ داری ہے۔ یہ تمام عمل دستاویزی (ڈاکیومینٹڈ) ہوتا ہے اور بورڈ آڈٹ کمیٹی کی جانب سے اس کا میعادی جائزہ لیا جاتا ہے۔ شناخت شدہ خطرات، جو ممکنہ طور پر کمپنی کے اسٹریٹجک، آپریشنل، مالیاتی اور/یا تعمیل سے متعلق مقاصد کے حصول کو متاثر کر سکتے ہیں، ان کے حوالے سے بورڈ کو فوری طور پر اطلاع دی جاتی ہے اور سینئر انتظامیہ اثاثوں کی حفاظت اور کمپنی کو لاحق ممکنہ خطرات سے نمٹنے کے علاوہ کاروبار کے تسلسل کو یقینی بنانے کے لیے بروقت کارروائی کرتی ہے۔

لکی کور انڈسٹریز میں ایک واضح تنظیمی ڈھانچہ موجود ہے جس میں اتھارٹی کی اچھی طرح سے وضاحت کر دی گئی ہے۔ سینئر مینجمنٹ طریقہ کار کو نافذ کرنے، خطرات کی نگرانی اور مختلف کنٹرولز کے موثر ہونے کا اندازہ لگانے کی ذمہ دار ہے۔

کمپنی ایک مضبوط انٹرپرائز رسک مینجمنٹ (ERM) فریم ورک کا استعمال کرتی ہے تاکہ خطرات کی شناخت، تشخیص اور ان کا ازالہ یقینی بنایا جاسکے۔ تمام نمایاں خطرات سے نمٹنے کو ان کے اثرات، امکانات اور ٹائم اسکیل کے مطابق ترجیح دی جاتی ہے اور اسی کے مطابق تدارک کے لیے اقدامات کیے جاتے ہیں۔

رسک مینجمنٹ ایک مسلسل مشق ہے اور اسی وجہ سے اس عمل میں خطرات اور تدارک اور/یا اصلاحی اقدامات، دونوں پر بروقت اپ ڈیٹس شامل ہیں۔

کمپنی کے رسک مینجمنٹ فلسفے، گورننس اور اہم خطرات و مواقع کے بارے میں تفصیل سالانہ رپورٹ میں دستیاب ہے۔

اندرونی مالی کنٹرول کی موزونیت

بورڈ آف ڈائریکٹرز نے داخلی مالی کنٹرول کا ایک مؤثر نظام قائم کیا ہے، تاکہ آپریشنز کی مؤثر اور کارگر انجام دہی، کمپنی کے اثاثوں کی حفاظت، قابل اطلاق قوانین اور ضوابط کی تعمیل، اور قابل اعتماد مالی رپورٹنگ کو یقینی بنایا جا سکے۔ لکی کور انڈسٹریز کا آزاد داخلی آڈٹ فنکشن باقاعدگی سے مالی کنٹرول کے نفاذ کا جائزہ لیتا اور نگرانی کرتا ہے، جبکہ آڈٹ کمیٹی داخلی کنٹرول کے فریم ورک اور مالی بیانات کی مؤثریت کا سہ ماہی جائزہ لیتی ہے۔

کاروباری جائزہ

پولیئسٹر بزنس (PSF)

خالص مجموعی فروخت (ملین روپے)

آپریٹنگ منافع (ملین روپے)

زیر جائزہ سال کے دوران، تجارتی پابندیوں اور بدلتے ہوئے جغرافیائی وسیاسی منظر نامے کے باعث عالمی اقتصادی ترقی سست روی کا شکار رہی۔

زیر جائزہ سال کے لیے پولیئسٹر بزنس کی خالص مجموعی فروخت 34,478 ملین روپے رہی، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 13 فیصد کم ہے۔ سال کے دوران کاروباری حجم شدید متاثر ہوا کیونکہ یہ بزنس مسلسل مشکل ماحول میں کام کرتا رہا، جو کہ لاگت سے کم قیمتوں پر پی ایس ایف (PSF) کی مسلسل درآمدات کی وجہ سے تھا، جس نے مقامی مانگ اور مارجن پر نمایاں دباؤ ڈالا۔ عالمی مارکیٹ کے اتار چڑھاؤ نے کاروبار کو مزید متاثر کیا، کیونکہ سال کی پہلی ششماہی میں ضرورت سے زیادہ سپلائی حاوی رہی، جس کے بعد دوسری

پورے سال، ایل سی آئی نے مشغولیت، صحت اور ثقافت سے متعلق ایسے متعدد اقدامات کیے جن کے سبب ملازمین مختلف مقامات پر اکٹھے ہوئے۔ بین الاقوامی اور ثقافتی تقریبات، صحت پر مرکوز تجربات، کھیلوں کے ٹورنامنٹس اور خاندانی نوعیت کے ایونٹس نے ملازمین کو کام کی جگہ سے ہٹ کر بھی اکٹھے ہونے کے مواقع فراہم کیے۔

اہم اقدامات میں کام کے مقام پر بچوں کا دن، خواتین کے دن کی تقریبات، مدرز ڈے کی سرگرمیاں، کھیلوں کے مقابلے، تن درستی سے متعلق مہم، ذہن سازی کے سیشن اور جسمانی، جذباتی و مالی بہبود پر مرکوز آگاہی پروگرام شامل تھے۔ دی اسکیپ ریزورٹ میں ایچ آر اور ورک پلیس سروسز کے زیر اہتمام ساحلی تعطیلات نے ملازمین کو مختلف تفریحی سرگرمیوں کے ذریعے آرام کرنے، دوبارہ جڑنے اور ٹیم کے تعلقات کو مضبوط بنانے کا موقع فراہم کیا، جس سے ملازمین کی مشغولیت اور ٹیم کے جذبے میں مزید اضافہ ہوا۔

ٹریننگ اینڈ ڈیولپمنٹ

مالی سال 2025-26 میں، کمپنی نے پورے ادارے میں 7,921 سے زائد تربیتی دن فراہم کیے، جو کہ پورے ادارے میں فی ملازم اوسطاً 3.72 تربیتی دن بنتے ہیں۔ یہ مخصوص پروگرام ملازمین کی صلاحیتوں کو مضبوط کرنے اور متحرک صنعتی منظر نامے میں موافقت کو فروغ دینے کے لیے ڈیزائن کیے گئے ہیں، جو مسلسل سیکھنے اور کام کے دوران کوچنگ فراہم کرتے ہیں تاکہ ملازمین اپنی مہارت کو نکھار سکیں اور اپنے مخصوص کردار میں کامیاب ہو سکیں۔

سال کے دوران لرننگ مینجمنٹ سسٹم (LMS) کو ملازمین کی ترقی کے عمل کو مستحکم کرنے کے لیے منظم ای-لرننگ اور خود رفتار لرننگ ماڈیولز کے ذریعے متعارف کرایا گیا۔ مختلف کیٹیگریز میں کل 65 تعلیمی ماڈیولز متعارف کرائے گئے، جن میں فنانس، لیڈرشپ، سپلائی چین، مارکیٹنگ، پیپل مینجمنٹ، سیلز، سافٹ اسکلز، اسٹریٹیجی اور ڈیجیٹل ڈیولپمنٹ شامل ہیں۔

اس اقدام کو ادارے میں بہت مثبت طور پر لیا گیا اور ملازمین نے سیکھنے کے دستیاب مواقع میں فعال طور پر حصہ لیا۔ ایل ایم ایس نے مسلسل سیکھنے کے لیے ایک لچکدار اور قابل رسائی پلیٹ فارم فراہم کیا، جو ملازمین کو کمپنی کی ترقی کی ترجیحات کے مطابق اہم عملی، قائدانہ اور مستقبل کے تقاضوں سے ہم آہنگ صلاحیتیں حاصل کرنے کے قابل بناتا ہے۔

تربیتی سیشنز میں فعال شرکت اور مشغولیت کو فروغ دینے کے لیے ایل اینڈ ڈی انعامی پروگرام متعارف کرایا گیا۔ شرکاء نے سیشن کے دوران اپنی شرکت کی بنیاد پر اسٹیکرز حاصل کیے۔ تربیت کے اختتام پر تین بہترین کارکردگی دکھانے والوں کو چیمپئن لرنرز قرار دیا گیا اور انہیں شیلڈز سے نوازا گیا۔ ان کی کامیابیوں کا جشن ادارے کی سطح پر تعریفی مراسلات کے ذریعے بھی منایا گیا۔

اس اقدام کو شرکاء کی جانب سے بہت سراہا گیا اور اس کے نتیجے میں مشغولیت میں اضافہ، شرکت میں بہتری اور سیکھنے کا انٹرایکٹو تجربہ حاصل ہوا۔

اس سال، ایل سی آئی نے L.E.A.D. (لرن، ایمپاور، اسپائر، ڈلیور) لیڈرشپ ڈیولپمنٹ پروگرام شروع کیا، جو ادارے میں تمام درجوں کی قیادت کی صلاحیت کو مضبوط کرنے کے لیے ایک نمایاں اقدام ہے۔ یہ پروگرام عالمی سطح پر تسلیم شدہ کورن فیری لیڈرشپ آرکیٹیکٹ فریم ورک پر مبنی ہے اور ایل سی آئی کے منفرد سیاق و سباق، کلچر اور اسٹریٹیجک ترجیحات کے مطابق سوچ سمجھ کر ڈھالا گیا ہے، یہ پروگرام مستقبل کے تقاضوں سے ہم آہنگ لیڈرز کی تیاری کے کمپنی کے عزم کے حوالے سے ایک اہم پیش رفت کی نمائندگی کرتا ہے۔

اس پروگرام کا باقاعدہ آغاز ایک خصوصی افتتاحی تقریب کے ذریعے کیا گیا اور یہ قیادت کی چار سطحوں پر مشتمل ہے، جن میں سے ہر ایک شرکاء کی بڑھتی ہوئی ذمہ داریوں اور ترقی کی ضروریات کے مطابق ان کے قیادتی سفر کے دوران ڈھالی گئی ہے۔ ہر مرحلے پر مخصوص تعلیمی تجربات فراہم کرکے L.E.A.D. کا مقصد ایسے ذہنی رویے، مہارتیں اور طرز عمل تشکیل دینا ہے، جو تیزی سے پیچیدہ ہوتی ہوئی کاروباری دنیا میں مؤثر قیادت کے لیے ضروری ہیں۔

فرینکلن کووی پاکستان کے ساتھ شراکت داری میں ایل سی آئی نے ابھرتے ہوئے اور فرسٹ کلاس لیڈرز کے لیے لرننگ پروگرام شروع کیے، جن میں قیادت کی بنیادی صلاحیتوں اور ٹیم کی قیادت کی موثریت پر توجہ مرکوز کی گئی۔ سینئر لیڈرز کے لیے، کمپنی نے INSEAD کے معروف فیکلٹی ممبران کے ساتھ شراکت داری کی تاکہ ایک مخصوص ترقیاتی تجربہ فراہم کیا جاسکے، جو اسٹریٹیجک قیادت، تنظیمی اثر اور کاروباری سوچ پر مرکوز ہو۔

L.E.A.D. ایک تعلیمی اقدام سے بڑھ کر لکی کور انڈسٹریز کے اس یقین کی عکاسی کرتا ہے کہ قیادت کی صلاحیت طویل مدتی تنظیمی کامیابی کا ایک اہم محرک ہے۔ ترقی، غور و فکر اور اطلاق کے لیے منظم مواقع فراہم کرکے یہ پروگرام مستقبل میں کمپنی کی قیادت کے لیے تیار لیڈرز کی ایک مضبوط لائن تیار کرنے میں مدد کر رہا ہے۔

ٹیلنٹ ڈیولپمنٹ اور مینجمنٹ

لکی کور انڈسٹریز نے مستقبل کے رہنماؤں کی نشاندہی، ان کے ارتقاء اور انہیں تھامے رہنے کے لیے ایک منظم ٹیلنٹ ڈیولپمنٹ فریم ورک کے ذریعے اپنی لیڈرشپ پائپ لائن کو مضبوط کرنا جاری رکھا۔ کمپنی کی ٹیلنٹ اسٹریٹیجی کو جانشینی سے متعلق منصوبہ بندی کے ایک مضبوط عمل کی معاونت حاصل ہے جو قیادت کے تسلسل اور اہم عہدوں کے لیے ٹیلنٹ کی مسلسل فراہمی کو یقینی بناتا ہے۔

سال کے دوران، لکی کور انڈسٹریز نے ایک جامع ٹیلنٹ فلاسفی متعارف کرائی، جو تین بنیادی جہتوں پر مبنی ہے: کارکردگی، ترقی کی صلاحیت اور پیشہ ورانہ رویہ۔ یہ فلسفہ کورن فیری کی عالمی سطح پر تسلیم شدہ تحقیق اور تشخیصی طریقہ کار پر مبنی ہے، جو ٹیلنٹ کے جائزے اور ترقی کے لیے ایک مستقل اور معروضی نقطہ نظر فراہم کرتا ہے۔

اس فلسفے کو پورے ادارے میں رائج کرنے کے لیے، متعلقہ لیڈرز اور اسٹیک ہولڈرز کو اس فریم ورک پر تربیت دی گئی اور نئے ٹیلنٹ کے جائزے کے طریقہ کار کا استعمال کرتے ہوئے جانشینی کی منصوبہ بندی پر گفتگو کی گئی۔ اس سے ٹیلنٹ کے حوالے سے زیادہ باخبر فیصلے کرنے میں مدد ملی اور مستقبل کے قائدانہ کرداروں کے لیے اعلیٰ صلاحیت والے افراد کی نشاندہی اور ترقی کی کمپنی کی صلاحیت مضبوط ہوئی ہے۔

لکی کور انڈسٹریز کے متنوع کاروبار اپنے ملازمین کو منفرد مواقع فراہم کرتے ہیں تاکہ وہ اپنے تجربات کو وسعت دیں، نئے چیلنجز قبول کریں اور مختلف صنعتوں اور فنکشنز میں مہارت حاصل کریں۔ سال کے دوران، ٹیلنٹ کی اندرونی حرکت پذیری 38 فیصد تک پہنچ گئی، جو کمپنی کے کراس فنکشنل تجربے، کیریئر میں حرکت پذیری کے فروغ اور ادارے میں اپنے لوگوں کی پیشہ ورانہ ترقی کی معاونت کرنے کے عزم کی عکاسی کرتی ہے۔

ہیلتھ اسیسمنٹ پرفارمنس انڈیکس (HAPI) اور ہائجین پرفارمنس انڈیکس (HYPI)، جو تمام سائٹس پر نافذ کیے گئے، کام کی جگہ پر موجود خطرات سے ملازمین کے متاثر ہونے کے جائزے اور اس کی نگرانی میں معاونت کرتے ہیں۔ یہ ٹولز پیشہ ورانہ بیماریوں کے خطرے کو کم کرنے میں مدد کے لیے ڈیزائن کیے گئے ہیں۔ جمع کردہ ڈیٹا ملازمین کی ریٹائرمنٹ تک مانیٹر کیا جاتا ہے۔ ملازمین کی صحت کا سالانہ/نصف سالانہ جائزہ جاری رہا، جس میں آڈیو میٹری اور اسپائرو میٹری ٹیسٹ شامل ہیں۔ مالی سال 26-2025 میں کسی بھی پیشہ ورانہ بیماری کی اطلاع نہیں ملی۔

تمام سطحوں پر HSE&S کی تربیت ملازمین کی ترقی کے لیے ایک اہم ترجیح رہی ہے۔ اس سال، کارپوریٹ HSE نے لائن مینیجرز کے لیے "کام کی جگہ پر صفر حادثات کا ہدف حاصل کرنا" کے زیرِ عنوان تربیت کا اہتمام کیا تاکہ حفاظتی قیادت کو مضبوط کیا جا سکے اور نقصان سے پاک کی ثقافت کو فروغ دیا جا سکے۔ اس کے علاوہ "آئی ایف آر ایس S1 اور S2" سے آگاہی کے لیے تربیتی پروگرام ایک بیرونی کنسلٹنٹ کے ذریعے منعقد کیا گیا اور IFRS کی ضروریات کے مطابق تمام کاروباری شعبوں میں پائیداری اور موسمی خطرات کے تخمینوں کو آسان بنانے کے لیے ایک انٹرپرائز رسک مینجمنٹ (ERM) رجسٹر تیار کیا گیا۔

کارپوریٹ HSE نے ایک ڈیجیٹل پلیٹ فارم کے ذریعے تمام کاروباری شعبوں میں صحت اور حفاظت سے متعلق کارکردگی کی رپورٹنگ کو معیاری بنانے کے لیے ایک مرکزی HSE KPI ماڈیول کامیابی سے نافذ کیا۔ یہ ماڈیول HSE کارکردگی کے اہم اشاریوں کی ماہانہ اور سہ ماہی نگرانی کو ممکن بناتا ہے، جس سے گورننس مستحکم ہوتی ہے اور ڈیٹا پر مبنی بروقت فیصلہ سازی میں مدد ملتی ہے۔ ہدف سے کسی بھی انحراف کی فوری نشاندہی کی گئی، اس کا تجزیہ کیا گیا اور ہر کاروباری شعبے کے ساتھ زیرِ بحث لایا گیا۔ کمپنی نے مطلوبہ پائیداری منصوبوں کے نفاذ کے ذریعے توانائی کی بچت، فضلہ اور پانی میں کمی اور قومی ماحولیاتی معیار (NEQS) کے ضوابط کی تعمیل کے لیے اپنی کوششیں جاری رکھیں۔

انسانی وسائل

متحرک اور جامع "ورک پلیس" کی بنیاد رکھنا

ایل سی آئی میں، ہم یقین رکھتے ہیں کہ ملازمین کی فلاح و بہبود، ترقی، اور مشغولیت پر مبنی اعلیٰ کارکردگی کی ثقافت طویل مدتی کامیابی کے لیے بنیادی حیثیت رکھتی ہے۔ لوگ ایل سی آئی کے مقصد اور مستقل ترقی کے حوالے سے مرکزی اہمیت رکھتے ہیں۔ کمپنی کے وژن اور اقدار کے ساتھ اپنی افرادی قوت کو ہم آہنگ کر کے، ایل سی آئی ایک ایسا ماحول فراہم کرنے کے لیے پُرعزم ہے، جہاں ہر ملازم خود کو قابلِ قدر، معاون اور اپنی بہترین کارکردگی دکھانے کے لیے بااختیار محسوس کرے۔ زندگیوں کو بہتر بنانے کے اپنے عزم کی روشنی میں کمپنی ٹیلنٹ کی ترقی، قیادت کی صلاحیت، تنوع اور شمولیت اور ملازمین کی فلاح و بہبود میں سرمایہ کاری جاری رکھے ہوئے ہے، ملازمین کے لیے مواقع پیدا کر رہی ہے کہ وہ ترقی کریں، خوشحال ہوں اور پائیدار کاروباری کامیابی میں معنی خیز شراکت کریں۔

تنظیمی ثقافت اور اقدار

ایل سی آئی کا کلچر، جو اس کی بنیادی اقدار میں گہری جڑیں رکھتا ہے، اس کی ترقی اور جدت کی محرک قوت بنا ہوا ہے۔ اس سال، ایل سی آئی نے احتساب اور ذمہ داری کو فروغ دینے والی پہل کاریوں کے ذریعے قدر پر مبنی ثقافت کے لیے اپنے عزم کی توثیق کی۔ اپنے لوگوں کو طویل مدتی وژن کے ساتھ ہم آہنگ کر کے، ایل سی آئی کام کے لیے ایک ایسی جگہ تخلیق کر رہا ہے، جہاں ہر فرد خود کو قابلِ قدر، حمایت یافتہ اور تنظیم کی مشترکہ کامیابی میں معنی خیز شراکت کے لیے بااختیار محسوس کرتا ہو۔

تنوع اور شمولیت

تنوع، مساوات، اور شمولیت (DE&I) "ایل سی آئی" کی افرادی حکمتِ عملی کا لازمی حصہ ہیں، جو اس بات کا تعین کرتی ہیں کہ کمپنی کس طرح پوری آرگنائزیشن میں ٹیلنٹ کو رغبت دلاتی، مشغول کرتی اور ترقی دیتی ہے۔ سال بھر، ایل سی آئی نے مختلف ثقافتی، قومی اور مذہبی مواقع پر جشن منایا، جن میں دیوالی، کرسمس، عیدالفطر، عیدالاضحیٰ، نوروز، عالمی یومِ خواتین،، مدرز ڈے اور فادرز ڈے شامل ہیں، جس سے کام کرنے کے ایسے ماحول نے تقویت پائی، جس میں ملازمین خود کو قیمتی، لائقِ احترام اور جڑا ہوا محسوس کرتے ہیں۔

کمپنی، لیڈرشپ کی زیرِ قیادت اجتماع، مشغولیت کے اقدامات اور ایکشن پلاننگ سرگرمیوں کے ذریعے کھلے مکالمے اور ملازمین کی شرکت کے مواقع پیدا کرنے کے لیے پُرعزم رہی، جس نے ملازمین کو ایک زیادہ شفاف، ہمہ گیر اور باہمی تعاون پر مبنی کام کی جگہ بنانے میں شراکت کی ترغیب دی۔

ان کوششوں کو آگے بڑھاتے ہوئے، LCI نے دو مخصوص شمولیتی کمیٹیاں قائم کر کے ایک اہم قدم اٹھایا: ون کورـ ویمن@ ایل سی آئی اور ون کورـ کانشس انکلوژن۔ ویمن@ ایل سی آئی کا مقصد ایسے اقدامات کو فروغ دینا ہے جو خواتین کے لیے زیادہ معاون اور سازگار ماحول پیدا کریں، جبکہ ان کے تجربے اور شرکت کو بڑھانے کے مواقع کی فعال شناخت بھی کریں۔ ون کورـ کانشس انکلوژن تمام صلاحیتوں، پس منظر، نسلوں، ثقافتوں اور عقائد رکھنے والے افراد کے لیے کام کا منصفانہ ماحول قائم کرنے کے لیے وقف ہے، یہ یقینی بناتے ہوئے کہ ہر فرد کو ترقی کرنے اور LCI میں ایک معنی خیز کیریئر بنانے کا موقع ملے۔

ان مشترکہ کوششوں کے ذریعے، LCI نے کل ورک فورس میں خواتین کی نمائندگی کو 10.7% پر برقرار رکھا، جو اس عزم کی نشاندہی کرتا ہے کہ وہ کام کرنے کا ایسا ماحول تشکیل دے رہے ہیں، جہاں شمولیت کی نہ صرف حوصلہ افزائی کی جاتی ہے بلکہ یہ کمپنی کے کام کرنے، اشتراک کرنے اور مل کر آگے بڑھنے کے طور طریقوں میں شامل ہے۔

ملازمین کی فلاح و بہبود اور مشغولیت

"ایل سی آئی" یقین رکھتا ہے کہ ایک کامیاب تنظیم کی بنیاد مشغول، بااختیار اور باہم مربوط ملازمین پر استوار ہوتی ہے۔ لوگوں کے لیے جوش و جذبے کی اپنی بنیادی قدر کی رہنمائی میں، کمپنی کام کا ایسا ماحول تخلیق کرنے کے لیے پُرعزم ہے جہاں ملازمین کو سنا جائے، ان کی قدر کی جائے اور انہیں اپنی بہترین پرفارمنس دینے کے لیے آمادہ کیا جائے۔

کور کنیکٹ انگیجمنٹ اقدام (گیلپ کی معاونت سے) کے کامیاب نفاذ کی بنیاد پر، کمپنی نے ملازمین کی آراء کو بامعنی اقدامات میں تبدیل کرنے پر توجہ جاری رکھی۔ سال کے دوران، انگیجمنٹ کے نتائج کو CPO کی قیادت میں منعقد ہونے والی ٹاؤن ہال میٹنگز کے ذریعے پوری آرگنائزیشن میں شیئر کیا گیا، جس سے ملازمین کو کلیدی شعبوں اور مواقع کے بارے میں زیادہ شفافیت فراہم ہوئی۔ کاروباری اداروں اور شعبوں نے مشغولیت کی ترجیحات کو طے کرنے اور ملازمین کے تجربے کو بڑھانے کے لیے ٹارگٹڈ ایکشن پلان تیار کرنے میں تعاون کیا۔ اس منظم طریقہ کار نے جوابدہی کو مضبوط کیا، مینیجرز کی ذمہ داری کو بڑھایا اور ٹیموں کو تنظیم بھر میں پائیدار بہتری لانے کے قابل بنایا۔

پائیداری

ایک اہم مینوفیکچرنگ ادارے کے طور پر، لکی کور انڈسٹریز لمیٹڈ (LCI) ذمہ دار کاروباری طور طریقوں کے حوالے سے بدستور پرعزم ہے، جو اپنے آپریشنز کے ہر پہلو میں ماحول، سماج اور حکمرانی (ESG) اقدار کو شامل کرتا ہے۔

اس عزم کی معاونت کے لیے، کمپنی نے مسلسل ایسے اہم موضوعات کی شناخت اور تشخیص جاری رکھی جو اس کی طویل مدتی کارکردگی اور معیشت، ماحول، کمیونٹیز، اور دیگر اہم اسٹیک ہولڈرز پر اثرانداز ہوسکتے ہیں۔ یہ عمل مادیت کے اصول کی رہنمائی میں تھا، جو مالی اور غیر مالی اثرات دونوں کو مدنظر رکھتا ہے۔

سسٹین ایبلٹی کونسل لکی کور انڈسٹریز کی پائیداری کی حکمت عملی اور گورننس میں رہنمائی کے لیے مرکزی ادارہ ہے۔ یہ اہم ماحول، سماج اور حکمرانی موضوعات کی شناخت اور جائزے کی نگرانی کرتا ہے، یہ یقینی بناتے ہوئے کہ کمپنی کی ترجیحات، اسٹیک ہولڈرز کی توقعات اور ابھرتے ہوئے پائیداری کے خطرات اور مواقع کے ساتھ ہم آہنگ ہیں۔ کونسل طے شدہ اہداف کے حوالے سے پیش رفت کی نگرانی کرتی ہے، بین شعبہ جاتی ہم آہنگی کو فروغ دیتی ہے اور کاروباری فیصلوں میں پائیداری کے پہلوؤں کو شامل کرنے کو یقینی بناتی ہے۔

کونسل کے ساتھ قریبی ہم آہنگی میں کام کرتے ہوئے، لیڈرشپ ٹیم (LT) کمپنی کے پائیداری کے سفر کی رہنمائی میں اہم کردار ادا کرتی ہے۔ یہ کارکردگی پر باقاعدہ اپ ڈیٹس حاصل کرتی ہے، توجہ کے مستحق اہم شعبوں کا اندازہ لگاتی ہے اور لکی کور انڈسٹریز کی مجموعی کاروباری حکمت عملی کے ساتھ ہم آہنگی کو یقینی بنانے کے لیے ہدایات فراہم کرتی ہے۔ لیڈرشپ ٹیم اہم صحت، حفاظت، ماحولیات اور سیکورٹی (HSE&S) طریقہ کار کے نفاذ کی نگرانی بھی کرتی ہے، یہ یقینی بناتے ہوئے کہ یہ بہترین بین الاقوامی طور طریقوں کے ساتھ ہم آہنگ رہیں۔

کمپنی کا سر کردہ پائیداری کا فریم ورک STEP نے، جو Sustain، Transform، Evolve اور Preserve کا مخفف ہے، سال کے دوران مزید مقبولیت حاصل کی۔ STEP کے ذریعے، کمپنی ماحولیاتی اور سماجی ذمہ داری کی ثقافت کو فروغ دیتی ہے، تمام ملازمین کو طویل مدتی پائیدار قدر کی تخلیق میں حصہ ڈالنے کی ترغیب دیتی ہے۔ یہ کوششیں اس کے وسیع تر موسمی ایکشن پلان ''کیٹالسٹ 2030'' کا حصہ ہیں، جو LCI کے تمام کاروباری شعبوں اور کار گزاریوں کو اکٹھا کرنے کا مقصد رکھتا ہے تاکہ کرہ ارض کی معاونت اور موسمی تبدیلیوں کا مقابلہ کیا جاسکے۔

تعمیل اور تفہیم کو یقینی بنانے کے لیے ملازمین کو چار اہم دستاویزات کی رہنمائی حاصل ہے: لکی کور انڈسٹریز کا HSE&S مینجمنٹ سسٹم، آکوپیشنل ہیلتھ مینوئل، کارپوریٹ انجینئرنگ کے طریقہ کار اور مینیجرز کے لیے معلوماتی نوٹس۔ یہ ذرائع تعمیل کو یقینی بنانے، جوابدہی کو فروغ دینے اور کمپنی کے پائیداری کی کارکردگی میں مسلسل بہتری کے عزم کو مستحکم کرنے میں مدد دیتے ہیں۔

ان مسلسل کوششوں کے اعتراف میں، لکی کور انڈسٹریز کو ICAP اور ICMA پاکستان کی جانب سے ''بہترین پائیداری رپورٹ 2024'' کے لیے دوسری پوزیشن دی گئی، جس سے کمپنی کے واضح رپورٹنگ اور پائیداری کے موثر اقدامات کے عزم کی عکاسی ہوتی ہے۔

براہ مہربانی مزید تفصیلات کے لیے سسٹین ایبلٹی رپورٹ ملاحظہ کیجیے۔

صحت، حفاظت، ماحول اور سلامتی

''لکی کور انڈسٹریز'' صحت، حفاظت، ماحول اور سلامتی (HSE&S) کے لیے اپنے مضبوط عزم پر کاربند ہے اور اپنے ملازمین، صارفین، اسٹیک ہولڈرز اور اپنے احاطے میں موجود افراد کے تحفظ کے لئے سخت معیارات کو برقرار رکھے ہوئے ہے۔ موجودہ ریگولیٹری فریم ورک کی مؤثریت کا جائزہ لینے اور کمپنی کے تمام کاروباری شعبوں میں خطرات کی نشاندہی اور رسک مینجمنٹ کو مضبوط کرنے کے لیے مسلسل اور مرکوز کوشش کی گئی۔ یہ کمپنی کے کارکنوں اور عوام کو حادثات اور بیماریوں سے بچانے میں کلیدی حیثیت رکھتا ہے اور لکی کور انڈسٹریز کے اس عزم کی تجدید کرتا ہے کہ وہ HSE&S کو اپنے آپریشنز کی بنیادی ترجیح کے طور پر برقرار رکھے گا۔

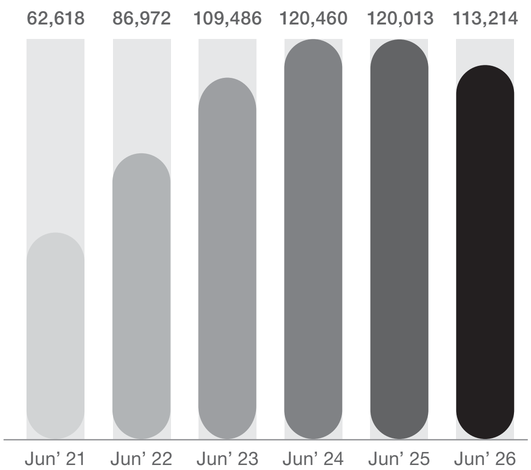
کمپنی نے حفاظت کے سلسلے میں اعلیٰ کارکردگی کا مظاہرہ جاری رکھا۔ مجموعی طور پر، کمپنی کے کاروباری اداروں نے 30 جون 2026 تک تقریباً 50.04 ملین محفوظ افرادی گھنٹے (سیف مین-آورز) درج کرائے۔ سوڈا ایش، فارماسیوٹیکل، انیمل ہیلتھ، کیمیکلز اینڈ ایگری سائنسز اور پولیسٹر بزنس نے کسی قابل رپورٹ واقعے کے بغیر بالترتیب 39.71، 1.89، 0.05، 3.84 اور 4.11 ملین افرادی گھنٹے درج کرائے جبکہ کارپوریٹ دفاتر کے محفوظ افرادی گھنٹے 0.43 ملین تھے۔

سال 26-2025 کے دوران ملازمین کے زخمی ہونے کے تین قابل رپورٹ واقعات کی اطلاع ملی۔ ہر واقعے کی مکمل تحقیقات کی گئی اور آئندہ ان سے بچنے کے لیے اصلاحی اقدامات کیے گئے۔ ملازمین کو قابل رپورٹ زخم آنے کے واقعات کی شرح 0.26 ریکارڈ کی گئی۔

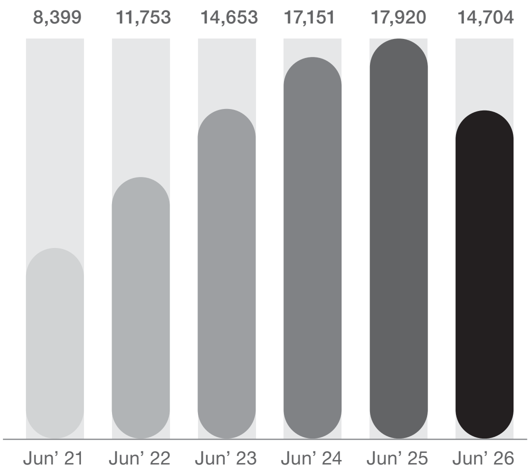
سال کے دوران، کمپنی نے صحت، حفاظت، ماحول اور پائیداری سے متعلق اپنی کارکردگی پر کئی موقر قومی اور بین الاقوامی اعزازات حاصل کیے۔ سوڈا ایش بزنس نے برطانیہ کی رائل سوسائٹی فار دی پریوینشن آف ایکسیڈنٹس (RoSPA) کی جانب سے RoSPA گولڈ ایوارڈ حاصل کیا اور برٹش سیفٹی کونسل کے انٹرنیشنل سیفٹی ایوارڈز میں میرٹ کا اعزاز حاصل کیا۔ برٹش سیفٹی انڈسٹری فیڈریشن (BSIF) کی جانب سے منعقدہ سیفٹی اینڈ ہیلتھ ایکسیلنس ایوارڈز میں انٹرنیشنل ہیلتھ اینڈ سیفٹی ٹیم آف دی ایئر کی کیٹیگری میں بھی سوڈا ایش بزنس کی خدمات کا اعتراف کیا گیا۔ کیمیکلز اینڈ ایگری سائنسز اور فارماسیوٹیکلز بزنس نے پروفیشنلز نیٹ ورک اور پاکستان سیفٹی کونسل کے انوائرمنٹ، ہیلتھ اینڈ سیفٹی ایوارڈز حاصل کیے، جبکہ فارماسیوٹیکلز اور انیمل ہیلتھ بزنس کو نیشنل فورم فار انوائرمنٹ اینڈ ہیلتھ (NFEH) کی جانب سے انوائرمنٹ ایکسیلنس ایوارڈز سے نوازا گیا۔ انیمل ہیلتھ بزنس نے نیشنل فورم فار انوائرمنٹ اینڈ ہیلتھ (NFEH) سے فائر سیفٹی ایوارڈ بھی حاصل کیا۔ کیمیکلز اینڈ ایگری سائنسز اور انیمل ہیلتھ بزنس کو ان کی سسٹین ایبلٹی میں جدت اور گرین انیشیٹیوز کے لیے پروفیشنلز نیٹ ورک کی جانب سے کارپوریٹ سوشل ریسپانسیبلٹی (CSR) ایوارڈز سے نوازا گیا۔ یہ کامیابیاں LCI کی صحت، حفاظت، ماحولیاتی نگہداشت، کارپوریٹ سوشل ریسپانسیبلٹی اور پائیدار کاروباری طریقوں میں عمدگی کے لیے مسلسل عزم کی عکاسی کرتی ہیں۔

سال کے دوران، کارپوریٹ HSE نے شیخوپورہ میں نئے تعمیر شدہ انیمل ہیلتھ ویٹرنری میڈیسن مینوفیکچرنگ یونٹ کا جامع HSE&S مینجمنٹ آڈٹ کیا تاکہ کارپوریٹ معیارات کے ساتھ تعمیل کا جائزہ لیا جاسکے اور مسلسل بہتری کے مواقع کی نشاندہی کی جاسکے۔ یہ آڈٹ CTED، کارپوریٹ HSE فنکشن اور فارماسیوٹیکلز بزنس کے تربیت یافتہ اور تصدیق شدہ آڈیٹرز کی ایک ٹیم نے کیا۔ ایک تفصیلی آڈٹ رپورٹ، جس میں اہم نتائج، بہتری کے مواقع اور سفارشات کو اجاگر کیا گیا، عمل درآمد کے لیے کاروباری قیادت کے ساتھ شیئر کی گئی۔

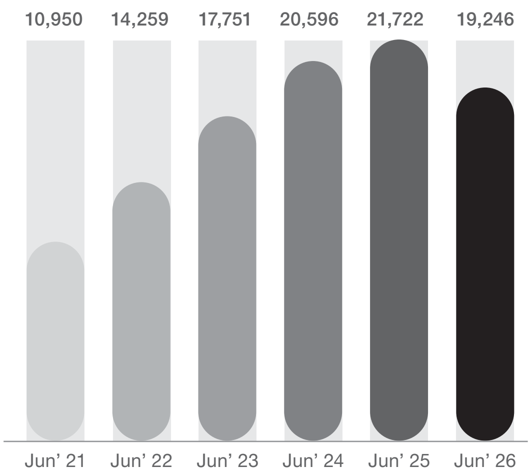
6سالہ مالیاتی کارکردگی پر ایک نظر



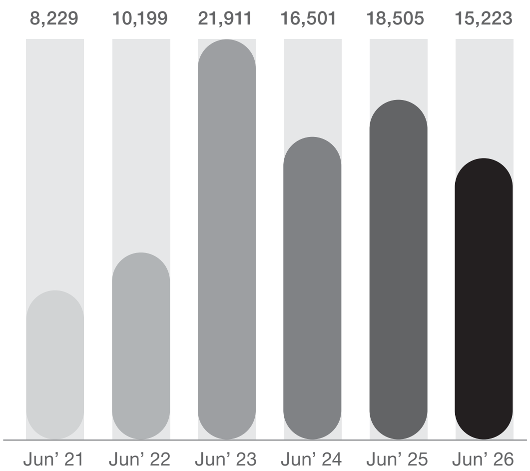
آپریٹنگ منافع (روپے ملین میں)



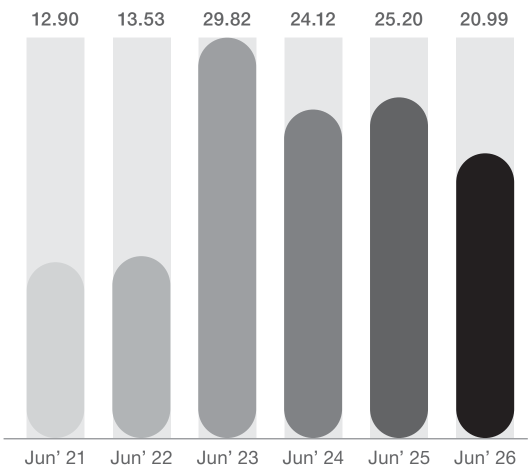
خالص مجموعی فروخت (روپے ملین میں)



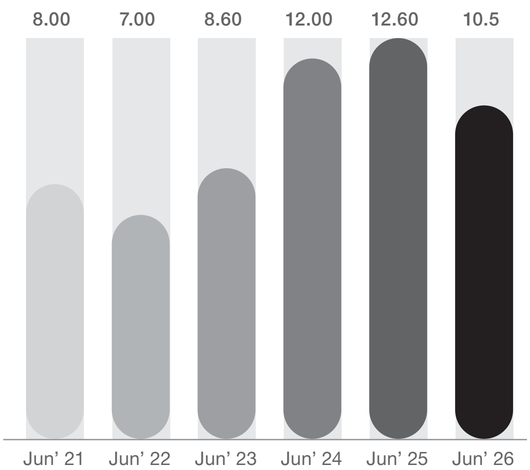
ایبٹڈا (روپے ملین میں)



قبل از ٹیکس منافع (روپے ملین میں)



*فی شیئر منافع (روپے)



*منافع منقسمہ (روپے فی شیئر)

* تاریخی فی شیئر منافع کے اعداد و شمار کو اس اسٹاک اسپلٹ کے اثرات کو ظاہر کرنے کے لیے از سر نو بیان کیا گیا ہے جو کہ 19 جولائی 2025 کو مکمل ہوا۔

سال کے دوران، کمپنی نے سندھ ڈیویلپمنٹ اینڈ مین ٹیننس آف انفرااسٹرکچر سیس (ترمیمی) ایکٹ، 2026 کے تحت حکومت سندھ کے ساتھ ایک تصفیہ معاہدہ کیا۔ جس کے مطابق، متعلقہ مقدمہ واپس لے لیا گیا اور واجبات کی ادائیگی کے متفقہ شیڈول کے مطابق ادا کیے جائیں گے۔

کمپنی کے عام شیئرز کی فیس ویلیو 10 پاکستانی روپے سے 2 پاکستانی روپے فی شیئر میں ذیلی تقسیم (اسٹاک اسپلٹ)، جس کا اعلان 30 جون 2025 کو ختم ہونے والے سال کے دوران کیا گیا تھا، موجودہ مالی سال کی پہلی سہ ماہی میں مکمل کر لی گئی۔ ریگولیٹری اور طریقہ کار کی رسمی کارروائیاں 19 جولائی 2025 کو مکمل کی گئیں اور تقسیم کے بعد شیئرز کی ٹریڈنگ 21 جولائی 2025 کو پاکستان اسٹاک ایکسچینج میں شروع ہوئی۔

مالیاتی کارکردگی

پاکستانی روپے ملین میں	جون 2026	جون 2025	اضافہ (کمی) کا تناسب
خالص مجموعی فروخت	113,214	120,013	(6%)
کل منافع	24,548	27,340	(10%)
آپریٹنگ منافع	14,704	17,920	(18%)
قبل از ٹیکس منافع	15,223	18,505	(18%)
بعد از ٹیکس منافع	9,692	11,638	(17%)
فی شیئر منافع (روپے)*	20.99	25.20	(17%)

خالص مجموعی فروخت (ملین روپے)

قبل از ٹیکس منافع (ملین روپے)

بعد از ٹیکس منافع (ملین روپے)

فی شیئر منافع (روپے)*

* تاریخی فی شیئر منافع کے اعداد و شمار کو اس اسٹاک اسپلٹ کے اثرات کو ظاہر کرنے کے لیے از سر نو بیان کیا گیا ہے جو کہ 19 جولائی 2025 کو مکمل ہوا۔

ڈائریکٹرز رپورٹ

برائے سال ختم شدہ 30 جون 2026

ڈائریکٹرز 30 جون 2026ء کو ختم ہونے والے سال کے لیے لکی کور انڈسٹریز کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اپنی رپورٹ بمسرت پیش کرتے ہیں۔

ڈائریکٹرز کی یہ رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019ء کے مطابق تیار کی گئی ہے۔

معیشت اور مالیاتی کارکردگی کا جائزہ

زیر جائزہ سال کے لیے 113,214 ملین روپے کی خالص مجموعی فروخت گزشتہ سال کے اسی عرصے (SPLY) کے مقابلے میں 6 فیصد کم رہی۔ اینیمل ہیلتھ اور فارماسیوٹیکلز بزنس کی خالص مجموعی فروخت گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 17 فیصد اور 5 فیصد زیادہ رہی، اس کے برعکس پولیئسٹر، سوڈا ایش اور کیمیکلز اینڈ ایگری سائنسز بزنس میں طلب میں کمی کی وجہ سے گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 13 فیصد، 9 فیصد اور 1 فیصد کی کمی واقع ہوئی۔

طلب پر مسلسل دباؤ کی وجہ سے، سال کے لیے 14,704 ملین روپے کا آپریٹنگ منافع گزشتہ سال کے اسی عرصے کے مقابلے میں 18 فیصد کم رہا۔ اینیمل ہیلتھ اور فارماسیوٹیکلز بزنس نے اچھی کارکردگی کا مظاہرہ کیا اور گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 20 فیصد اور 16 فیصد کی شرح سے آپریٹنگ منافع میں اضافہ دیکھا گیا۔ تاہم، پولیئسٹر، سوڈا ایش اور کیمیکلز اینڈ ایگری سائنسز بزنس میں گزشتہ سال کے اسی عرصے کے مقابلے میں بالترتیب 74 فیصد، 33 فیصد اور 5 فیصد کی شرح سے آپریٹنگ منافع میں کمی واقع ہوئی۔

فارماسیوٹیکلز بزنس میں ترقی کو مصنوعات کے پورٹ فولیو میں توسیع، لاگت میں کمی اور آپریشنل کارکردگی میں بہتری نے تقویت بخشی۔ اینیمل ہیلتھ بزنس نے مقامی طور پر تیار کردہ ادویات کے پورٹ فولیو پر اسٹریٹجک توجہ کی بدولت مستحکم ترقی کی۔ مویشیوں سے متعلق اہم علاقوں میں بیماریوں کی بڑھتی ہوئی شرح نے ویٹرنری ادویات کی طلب میں اضافہ کیا، جبکہ پولٹری کا شعبہ صنعت کے چیلنجز کے باوجود مستحکم رہا۔

پولیئسٹر بزنس کی کارکردگی فروخت کے کم حجم اور مارجن پر مستقل دباؤ کے باعث کمزور رہی، جس کی بنیادی وجہ سستی درآمدات میں اضافہ اور توانائی کے بڑھتے ہوئے اخراجات تھے۔ سوڈا ایش بزنس پر صنعت میں کمزور طلب اور وفاقی بجٹ 2025-26 میں درآمدی ٹیکسوں میں کمی کے بعد درآمدی حجم میں نمایاں اضافہ نے اثر ڈالا، جس کے ساتھ ہی علاقائی سطح پر سپلائی میں بھی اضافہ ہوا۔ کیمیکلز اینڈ ایگری سائنسز بزنس پر وسیع پیمانے پر سیلاب کے اثرات اور زرعی اجناس کی طلب میں کمی نے منفی اثر ڈالا۔

زیر جائزہ سال کی پہلی ششماہی میں، افراط زر میں کمی، نسبتاً مستحکم شرح مبادلہ اور پالیسی ریٹس میں کمی نے وسیع تر میکرو اقتصادی اشاریوں میں بہتری میں معاونت کی۔ تاہم، سال کی دوسری ششماہی میں مشرق وسطیٰ کے تنازع میں شدت آنے کے باعث خام تیل اور متعلقہ خام مال کی قیمتوں میں تیزی سے اضافہ ہوا، جس نے معیشت پر نئے سرے سے دباؤ ڈالا۔ کمپنی کے کاروباری آپریشنز کو سستی درآمدات، ڈیوٹی میں کمی، توانائی کی زائد لاگت اور مارکیٹ میں کمزور طلب کی وجہ سے پیدا ہونے والے چیلنجوں کا سامنا رہا۔ ان چیلنجوں کے باوجود، کمپنی ان حالات سے نمٹنے کے لیے پورٹ فولیو کے مسلسل تنوع، مؤثر مارجن مینجمنٹ اور جاری آپریشنل کارکردگی میں مسلسل بہتری پر توجہ مرکوز کیے ہوئے ہے۔

سال کے لیے بعد از ٹیکس منافع (PAT) بنیادی طور پر مارکیٹ کی مشکل صورتحال کے تناظر میں کمزور آپریٹنگ منافع کی وجہ سے 9,692 ملین روپے رہا، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 17 فیصد کم ہے۔

مالی لاگت بنیادی طور پر ورکنگ کیپیٹل کی ضروریات پوری کرنے کے لیے زائد قرضوں اور کاروباری ترقی کی معاونت کے لیے کیے گئے سرمایہ جاتی اخراجات کی وجہ سے گزشتہ سال کے اسی عرصے کے مقابلے میں 13 فیصد بڑھ گئی۔

اسی طرح، زیر جائزہ سال کے لیے فی شیئر آمدنی (EPS) 20.99 روپے رہی، جو گزشتہ سال کے اسی عرصے کے مقابلے میں 17 فیصد کم ہے۔

ڈیویڈنڈ

کمپنی کی آمدنی کے پیش نظر، بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے مالی سال کے حوالے سے حتمی نقد منافع منقسمہ 262.5 فیصد یعنی -/5.25 روپے فی شیئر، جن میں سے ہر شیئر کی فیس ویلیو -/2 روپے ہے، کی شرح سے دینے کی سفارش کی ہے، جو آئندہ سالانہ اجلاس عام میں اراکین کی منظوری سے مشروط ہے۔ پہلے ہی ادا کردہ عبوری منافع -/5.25 روپے فی شیئر کے ساتھ مل کر، 30 جون 2026 کو ختم ہونے والے پورے سال کے لیے فی شیئر کل منافع -/10.5 روپے بنتا ہے۔

اہم پیش رفت

کمپنی نے 30 مارچ 2026 کو شیخوپورہ میں اپنی ویٹرنری میڈیسن مینوفیکچرنگ فیسیلٹی کا افتتاح کیا۔ توقع ہے کہ یہ سہولت مستقبل کی طلب کو پورا کرنے، لوکل پروڈکٹ ڈیولپمنٹ کو مستحکم کرنے، درآمدات پر انحصار کم کرنے، بہتر آپریشنل کارکردگی اور مصنوعات کی دستیابی میں اضافے کے ذریعے طویل مدتی قدر و قیمت بنانے میں معاون ثابت ہوگی۔

سال کے دوران، کمپنی نے جبل علی فری زون میں مستقبل کی ممکنہ سرمایہ کاری کو آسان بنانے کے لیے مکمل طور پر ملکیتی آف شور ذیلی کمپنی لکی کور انویسٹمنٹس لمیٹڈ قائم کی۔ اس کے ذریعے کمپنی کی جانب سے کسی بھی سرمایہ کاری کے لیے پیش رفت پر قابل اطلاق موزوں انکشافات کیے جائیں گے۔

Glossary

ACD	Additional Custom Duty
ACES	Asia Corporate Excellence & Sustainability
AGM	Annual General Meeting
APIs	Active Pharmaceutical Ingredients
ATF	Aziz Tabba Foundation
BBS	Behaviour-Based Safety
BCP	Business Continuity Plan
BOD	Biochemical Oxygen Demand
BPA	Best Presented Annual Reports
BSIF	British Safety Industry Federation
CAGR	Compound Annual Growth Rate
CCG	Code of Corporate Governance
CDC	Central Depository Company of Pakistan Limited
CDP	Core Development Programme
CEFIC	European Chemical Industry Council
CERB	Centre of Excellence in Responsible Business
CH_4	Methane
CNY	Chinese Yuan
CO_2	Carbon Dioxide
CO_2e	Carbon Dioxide Equivalent
COD	Chemical Oxygen Demand
CSR	Corporate Social Responsibility
CSRCP	Corporate Social Responsibility Centre Pakistan
DAP	Diammonium Phosphate
DCTO	Deep Chand T. Ojha
DE&I	Diversity, Equity and Inclusion
DPP	Digital Product Passport
DRP	Disaster Recovery Plan
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation
EHS	Environment, Health and Safety
ELT	Extended Leadership Team
EPM	Environmental Performance Management
EPS	Earnings per Share
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ERs	Emergency Rooms
ESG	Environmental, Social and Governance
FPAP	Fire Protection Association of Pakistan
FPIP	Fire Protection Industry of Pakistan
FTO	Fast Track Outpatient Department
GBP	Pound Sterling
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GIKI	Ghulam Ishaq Khan Institute of Engineering Sciences and Technology
GMP	Good Manufacturing Practices
GRI	Global Reporting Initiative
GRS	Global Recycled Standard
GWP	Global Warming Potential
HAPI	Health Assessment Performance Index
HAZOP	Hazard and Operability Study
HCFC	Hydrochlorofluorocarbon
HFCs	Hydrofluorocarbons
HSE&S	Health, Safety, Environment, and Security
HYPI	Hygiene Performance Index
IBA	Institute of Business Administration
ICAP	Institute of Chartered Accountants of Pakistan
ICMA	Institute of Cost and Management Accountants of Pakistan
IDP	Individual Development Plan
IFAC	International Federation of Accountants
IFE	Institution of Fire Engineers
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IMF	International Monetary Fund
INSEAD	Institut Européen d'Administration des Affaires
IoBM	Institute of Business Management
IPCC	Intergovernmental Panel on Climate Change
ISAE	International Standard on Assurance Engagements
ISMS	Information Security Management System
ISSB	International Sustainability Standards Board
IUCN	International Union for Conservation of Nature
JSAs	Job Safety Analysis
LCA	Life Cycle Assessment
L.E.A.D.	Learn, Empower, Aspire and Deliver
LEEA	Lifting Equipment Engineers Association
LMS	Learning Management System
LRBT	Layton Rahmatullah Benevolent Trust
LSA	Light Soda Ash
LT	Leadership Team
LTI	Lost Time Injury
LUMS	Lahore University of Management Sciences
LWI	Lost Workday Injury
MAP	Management Association of Pakistan
N_2O	Nitrous Oxide
NDCs	Nationally Determined Contributions
NEQS	National Environmental Quality Standards
NF_3	Nitrogen Trifluoride
NFEH	National Forum for Environment and Health
NMPL	Nutrico Morinaga (Private) Limited
NOPAT	Net Operating Profit After Tax
NPR	Non-Product Related
NTDC	National Transmission and Despatch Company
NUST	National University of Sciences and Technology
OECD	Organisation for Economic Co-operation and Development
OEE	Operational Eco-Efficiency
OELs	Occupational Exposure Limits
OICCI	Overseas Investors Chamber of Commerce and Industry
OTIF	On-Time In-Full
PAC	Pakistan Agricultural Coalition
PAT	Profit After Tax
PBC	Pakistan Business Council
PICG	Pakistan Institute of Corporate Governance
PKR	Pakistani Rupee
PPE	Personal Protective Equipment
PPMA	Pakistan Pharmaceutical Manufacturers' Association
PSC	Pakistan Safety Council
PSF	Polyester Staple Fibre
PSTD	Pakistan Society for Training and Development
PSX	Pakistan Stock Exchange
PWDs	Persons with Disabilities
QAAYIM	Quaid's Afforestation and Youth Impact Movement
RLNG	Regasified Liquefied Natural Gas
ROI	Return on Investment
ROIC	Return on Invested Capital
RoSPA	Royal Society for the Prevention of Accidents
rPET	Recycled Polyethylene Terephthalate
RSB	Refined Sodium Bicarbonate
SAFA	South Asian Federation of Accountants
SBP	State Bank of Pakistan
SBTi	Science Based Targets initiative
SDGs	Sustainable Development Goals
SECP	Securities and Exchange Commission of Pakistan
SMDC	State Service of Ukraine on Medicines and Drugs Control
SOx	Sulphur Oxides
SPLY	Same Period Last Year
STEP	Sustain, Transform, Evolve and Preserve
TDS	Total Dissolved Solids
TPA	Tonnes per Annum
TPD	Tonnes per Day
TRIR	Total Reportable Injury Rate
TSR	Total Shareholder Return
TSS	Total Suspended Solids
UNFCCC	United Nations Framework Convention on Climate Change
UNGC	United Nations Global Compact
UNGPs	United Nations Guiding Principles on Business and Human Rights
USD	United States Dollar
VAPT	Vulnerability Assessments and Penetration Testing
VOC	Volatile Organic Compounds
YBG	Yunus Brothers Group
YPO	Young Presidents' Organisation

A publication of the
Corporate Communications & Public Affairs Function

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